The Directors of Lyxor Newcits IRL II plc (the "**Directors**") listed in the Prospectus, in the "*Management and Administration*" section, accept responsibility for the information contained in this Supplement. 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 Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

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# LUTETIA MERGER ARBITRAGE FUND

**(A sub-fund of Lyxor Newcits IRL II plc, an umbrella fund with segregated liability between sub-funds authorised by the Central Bank in Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended)**

**8 July 2019**

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**This Supplement forms part of the Prospectus dated 8 July 2019 (the "Prospectus") in relation to Lyxor Newcits IRL II plc (the "Company") for the purposes of the UCITS Regulations. This Supplement should be read in the context of, and together with, the Prospectus and contains information relating to the LUTETIA MERGER ARBITRAGE FUND (the "Sub-Fund") which is a separate sub-fund of the Company, represented by LUTETIA MERGER ARBITRAGE FUND series of shares in the Company (the "Shares"). Capitalized terms used in this Supplement and not defined herein shall have the meaning ascribed to them in the Prospectus.**

**Potential investors should consider the risk factors set out in the Prospectus and in this Supplement before investing in this Sub-Fund.**

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## GENERAL

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein.

| | |
|---|---|
| **Base Currency** | US Dollars. |
| **Business Day** | a day (except Saturdays, Sundays and public holidays) on which the banks in Paris and Dublin are open for normal banking business or such other day or days as may be specified by the Directors. |
| **Dealing Deadline** | 2:00 pm Paris Time on the relevant Valuation Day or such other time as the Directors may determine and notify to Shareholders. |
| **NAV publication date** | Within three (3) Business Days following the relevant Valuation Day. |
| **Sub-Fund** | LUTETIA MERGER ARBITRAGE FUND. |
| **Sub-Investment Manager** | Lutetia Capital SAS, acting through its branch, Lutetia Capital UK Branch. |
| **U.S. Person** | (A) A United States Person within the meaning of Regulation S under the Securities Act of 1933 of the United States, as amended,; or (B) any person not included in the definition of “Non-United States person” within the meaning of Section 4.7 (a) (1) (iv) of the rules of the U.S. Commodity Futures Trading Commission. |
| **Valuation Day** | Each Tuesday, and if such day is not a Business Day, the immediate following Business Day or such other day or days as may be determined by the Directors and notified to Shareholders in advance provided that there shall be at least one Valuation Day every fortnight. |

The circulation and distribution of this Supplement, as amended and restated from time to time, together with the Prospectus, as amended and restated from time to time, and the relevant Subscription Application Form and the offering of Shares of the Sub-Fund, may be restricted in certain jurisdictions. Persons receiving this Supplement and/or the Prospectus and/or the Subscription Application Form and/or more generally any information or documents with respect to or in connection with the Sub-Fund are required by the Manager to inform themselves of and to observe all applicable restrictions. The offer, sale or purchase of Shares of the Sub-Fund, or the distribution, circulation or possession of the Supplement and/or the Prospectus and/or the Subscription Application Form and/or any information or documents with respect to or in connection with the Sub-Fund, shall be made in compliance with all applicable laws and regulations in force in any jurisdiction in which such offer, sale or purchase of Shares of the Sub-Fund is made, or in which the distribution, circulation or possession of the Supplement and/or the Prospectus and/or the Subscription Application Form and/or any information or documents with respect to or in connection with the Sub-Fund occurs, including the obtaining of any consent, approval or permission required by such applicable laws and regulations, the satisfaction of any other formalities needing to be observed and the payment of any issuance, transfer or other taxes requiring to be paid in such jurisdiction. This Supplement and/or the Prospectus and/or the Subscription Application Form and/or more generally any information or documents with respect to or in connection with the Sub-Fund does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer is not authorised or to any person to whom it is unlawful to make such offer or solicitation. No person receiving in any territory a copy of this Supplement and/or the Prospectus and/or a Subscription Application Form may treat the same as constituting an invitation or offer to him nor should he, in any event, use such Subscription Application Form unless in the relevant territory such an invitation or offer could lawfully be made to him without compliance with any registration or other legal requirements.

It is the responsibility of any person wishing to take up any entitlement or to make an application hereunder to satisfy himself as to full observance of the laws of the relevant territory in connection therewith, including the obtaining of any government or other consents which may be required, the satisfaction of any other formalities needing to be observed and the payment of any issuance, transfer or other taxes requiring to be paid in such territory.

No person has been authorised to give any information or make any representations, other than those contained in this Supplement and/or the Prospectus and/or the Subscription Application Form, in connection with the offering of Shares and, if given or made, such information or representations must not be relied on as having been authorised by the Manager.

You should ensure that the Supplement and the Prospectus you receive have not been modified, amended or restated by any further versions. However, neither the delivery of this Supplement together with the Prospectus nor the issue of Shares hereunder shall imply that there has been no change in the affairs of the Sub-Fund since the date hereof.

Shares have not been and will not be registered under the Securities Act of 1933 of the United States of America (as amended) (the "**1933 Act**") or the securities laws of any of the States of the United States. Shares may not be offered, sold or delivered directly or indirectly in the United States of America, its territories or possessions or in any State or the District of Columbia (the "**United States**") or to or for the account or benefit of any U.S. Person. Any person wishing to apply for Shares will be required to certify they are not a U.S. Person (see "Subscription Application Form"). No U.S. federal or state securities commission has reviewed or approved this Supplement and/or the Prospectus and/or a Subscription Application Form. Any representation to the contrary is a criminal offence.

Shares may be offered outside the United States pursuant to Regulations S under the 1993 Act.

No holder of Shares will be permitted to sell, transfer or assign directly or indirectly (for example, by way of swap or other derivatives contract, participation or other similar contract or agreement) their Shares to a U.S. Person. Any such sale, transfer or assignment shall be void."

The Sub-Fund will not be registered under the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Based on interpretations of the Investment Company Act by the staff of the United States Securities and Exchange Commission relating to foreign investment companies, if the Sub-Fund restricts its beneficial owners who are U.S. Persons and does not offer or propose to offer any of its securities publicly, it will not become subject to the registration requirements under the Investment Company Act. To ensure this requirement is maintained the Directors may require the mandatory repurchase or redemption of Shares beneficially owned by U.S. Persons.

THE MANAGER IS EXEMPT FROM HAVING TO REGISTER AS A COMMODITY POOL OPERATOR ("**CPO**") WITH THE UNITED STATES COMMODITY FUTURES TRADING COMMISSION ("**CFTC**") IN RESPECT OF THE SUB-FUND PURSUANT TO THE EXEMPTION UNDER CFTC RULE 4.13(a)(3). THE MANAGER HAS FILED AN EXEMPTION NOTICE TO EFFECT THE EXEMPTION AND COMPLIES WITH THE OFFER REQUIREMENTS OF THE EXEMPTION, INCLUDING THAT THE SUB-FUND ENGAGE IN LIMITED COMMODITY INTEREST TRADING AS SPECIFIED IN THE RULE AND THAT EACH INVESTOR BE AN ELIGIBLE PARTICIPANT AS SPECIFIED IN THE RULE. THE RULE ALSO REQUIRES THAT INTERESTS IN THE SUB-FUND BE EXEMPT FROM REGISTRATION UNDER THE 1933 ACT AND BE OFFERED AND SOLD WITHOUT MARKETING TO THE PUBLIC IN THE UNITED STATES. THEREFORE, UNLIKE A REGISTERED CPO, THE MANAGER IS NOT REQUIRED TO PROVIDE INVESTORS (OR PROSPECTIVE INVESTORS) WITH A CFTC COMPLIANT DISCLOSURE DOCUMENT, NOR IS IT REQUIRED TO PROVIDE INVESTORS WITH CERTIFIED ANNUAL REPORTS THAT SATISFY THE REQUIREMENTS OF CFTC RULES APPLICABLE TO REGISTERED CPOS. THE MANAGER WILL HOWEVER DELIVER THIS SUPPLEMENT TO PROSPECTIVE INVESTORS. THIS SUPPLEMENT HAS NOT BEEN REVIEWED OR APPROVED BY THE CFTC.

**The Volcker Rule**

Recent legislative and regulatory changes in the United States are relevant to Société Générale, the Sub-Fund and the Shareholders. On July 21, 2010, President Obama signed into law the Dodd-Frank Act. Section 619 of the Dodd-Frank Act and its implementing regulations (commonly known as the "**Volcker Rule**") restrict the ability of a banking entity, such as most entities within the Société Générale Group, from, among other things, acquiring or retaining any equity, partnership or other ownership interest in, or sponsoring (including serving as a commodity pool operator for), a "covered fund" (which term includes certain hedge funds and private equity funds). Notwithstanding the foregoing, the Volcker Rule permits non-U.S. banking entities to sponsor, and acquire or retain ownership interests in foreign funds not offered into the United States that meet certain conditions (so-called "foreign excluded funds"). In order for a fund to qualify as a foreign excluded fund, the following requirements must be satisfied: (1) the banking entity must be a non-U.S. banking entity; (2) the fund must be organized or established outside the United States and the ownership interests of the fund must be offered and sold solely outside of the United States; and (3) either the fund must not be a "commodity pool" as defined under the U.S. Commodity Exchange Act, or if it is a commodity pool, it must not have a commodity pool operator that relies on, or could have relied on, CFTC Rule 4.7 as an exemption from certain obligations under the U.S. Commodity Exchange Act.

The statutory effective date of the Volcker Rule is July 21, 2012 and a banking entity, subject to certain exceptions, was required to bring its activities and investments into compliance with the Volcker Rule by the end of the conformance period, on July 21, 2015. The U.S. Federal Reserve Board has granted two one-year extensions of the conformance period for "legacy covered funds" sponsored or acquired on or before December 31, 2013, extending the conformance period for such funds to July 21, 2017.

Third party Shareholders that are themselves "banking entities" subject to the Volcker Rule in certain circumstances may be unable to acquire or retain ownership interests in the Sub-Fund due to the restrictions of the Volcker Rule. A fund that is not advised or sponsored by the Manager (or any other company within the Société Générale Group) may not be subject to these considerations.

The Manager and its Affiliated Entities provide no assurances to Shareholders regarding the treatment of the Sub-Fund under the Volcker Rule. Shareholders should seek legal advice regarding the implications of the Volcker Rule to the investors' purchase of any Shares in the Sub-Fund.

## INVESTMENT OBJECTIVES AND POLICIES

**Investors should note that the Sub-Fund may achieve its investment objective by investing principally in financial derivative instruments ("FDI"), as described below, which may be complex and sophisticated in nature. An investment in the Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

### Investment Objective and Investment Strategy

*Investment Objective*

The Sub-Fund's objective is to outperform the interest rate on the overnight interbank market in euros (EONIA) over a recommended investment horizon of three years, by actively investing in or obtaining exposure to the equity markets (primarily Recognised Markets in Europe and North-America and to a lesser extent in other OECD countries ), primarily in the context of merger and acquisition transactions.

There can be no assurance that the Sub-Fund will achieve its investment objective. Shareholders may get back substantially less than they invested if the investments of the Sub-Fund perform poorly. The Sub-Fund does not offer a protection of capital; however the maximum loss an investor may incur is limited to its investment in the Sub-Fund.

*Instruments used to implement the Investment Strategy*

In order to achieve its investment objective, the Sub-Fund will be mainly exposed through direct investments or indirect investments (i.e. through the use of FDI: unfunded swaps, performance swaps, fully funded swaps and contracts for difference) to long and short positions on listed equity securities, such as shares or common stock primarily listed on Recognised Markets in Europe and North-America and to a lesser extent in other OECD countries (the "**Portfolio**"). The Sub-Fund does not have any specific industry or business sector focus, but will focus on large cap stocks (with a market capitalisation of more than EUR 1 billion or US dollars depending on the listing market) and to a lesser extent mid cap stocks (with a market capitalisation of less than EUR 1 billion or US dollars depending on the listing market).

The long exposures will be achieved through the use of FDI (described in detail below) or direct investments and short exposures will be achieved only through the use of FDI (described in detail below).

Short positions may be taken in the context of the following two situations:

- If the Sub-Fund holds securities of a company that has been chosen as attractive for takeover by a bidder (the target company) and under the proposed takeover transaction these securities would be exchanged for other securities (those of the bidder). In order to hedge against a fall in the value of the bidder's securities, a short position would be taken in the bidder's securities at the same time as a long position in the securities of the target company to crystallise the expected gain of the trade.

- In the case of anticipated transactions (as described below in more detail under *"Investment Strategy"* section), short positions are taken when the Sub-Investment Manager wants to hedge exposure to a particular sector.

*Performance swap format*

Where the Manager determines that the Sub-Fund should enter into a performance swap, it will acquire a diversified basket of transferable securities and will make payments to the counterparty based on the performance of this diversified basket, while the counterparty will make a payment to the Sub-Fund based on the performance of the swap's underlying (the Portfolio or an equity included in the Portfolio).

In such case, the diversified basket of transferable securities will permit the Sub-Fund to address its obligations under the swap. As a consequence, the Sub-Fund will no longer be exposed directly to the economic performance of such diversified basket of transferable securities.

The basket of transferable securities will be selected by the Manager based on its determination, in the light of current market conditions and taking due account of its assessment of credit quality and liquidity of such securities, of the most cost effective manner of generating the yield which is required by the counterparty to the swap. Such securities will comprise of equities (for example, of U.S., European or Asian large capitalisation companies) and fixed or variable rate corporate bonds or government bonds (including supra-nationals) from developed countries with a minimum rating of BB-.

*Unfunded swap format*

Where the Manager determines that the Sub-Fund should enter into an unfunded swap, it will pay the relevant counterparty a regular set payment and will receive regular payments which will be based on the performance of the swap's underlying (the Portfolio or an equity included in the Portfolio). The fees paid to the relevant counterparty do not include hidden revenue.

In such case and in order to meet its obligations under the swap, the Sub-Fund will usually invest in money market instruments such as high quality short term government bonds (e.g., 3 month US Treasury Bills). The Sub-Fund may also enter into reverse repurchase agreements for efficient portfolio management purposes, in accordance with applicable laws and regulations, which consist of transactions whereby, at maturity, the seller (the counterparty) has the obligation to repurchase the basket of transferable securities sold to the Sub-Fund and the Sub-Fund has the obligation to return the basket of transferable securities bought under the terms of the agreement. In a reverse repurchase agreement the counterparty agrees to repurchase the basked to securities at a higher price than they were originally sold to the Sub-Fund, which generates a return (ie, yield) for the Sub-Fund which can be used to meet its obligations under the swap.

*Fully Funded swap format*

Where the Manager determines that the Sub-Fund should enter into a fully funded swap, it will pay the relevant counterparty an initial payment corresponding to the notional of the swap and will receive at maturity the notional of the swap increased (if positive) or decreased (if negative) by the performance of the swap's underlying (the Portfolio or an equity included in the Portfolio).

The selection of a performance swap, an unfunded swap or a fully funded swap will be made by the Manager is its sole discretion, depending on operational constraints and the expected costs of each.

In order to hedge the Portfolio against the fluctuations of the equity markets or a specific business sector, the Sub-Fund may be exposed to forward derivative instruments on equity indices (options, futures and forward contracts). A forward contract is a customized contract to buy or sell an asset at a specified price at a future date (settled on either a cash or delivery basis). The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price. A call option (which may be covered or uncovered) on an investment is a contract under which the purchaser, in return for a premium paid, has the right to buy the securities underlying the option at the specified exercise price at any time during the term of the option. A put option (which may be covered or uncovered) is a contract that gives the purchaser, in return for a premium paid, the right to sell the underlying securities at the specified exercise price during the term of the option. An option is uncovered where the party writing the option does not hold the underlying security which may be purchased (call) or sold (put) pursuant to the option. The Sub-Fund may sell a future/forward contract or buying a put option on an equity index, which will create a short exposure to such equity index and will therefore protect (hedge) the Sub-Fund against a fall in value of the relevant equity index.

The Sub-Fund may be also invested or exposed to a lesser extent to the following financial instruments, each of which may be selected to provide a long or short exposure in order to achieve the investment objective of the Sub-Fund in accordance with the strategies described below under “Investment Strategies”:

- convertible bonds. A convertible bond typically contains both a debt and an equity feature. For example, a convertible bond would normally allow the holder to elect either to wait for cash payments of principal and interest at each maturity date or instead “convert” all or part of the principal balance together with accrued interest into common stock of the same issuer at a pre-determined conversion rate or pursuant to a pre-determined formula. Convertible securities therefore typically embed an option and will therefore embed leverage, although such leverage is not expected to be material.

- units of eligible investment funds which are domiciled in the EEA, Jersey, Guernsey, the Isle of Man or the United States, and which are UCITS funds or non-UCITS collective investment undertakings which are equivalent to UCITS. The Sub-Fund will not invest more than 10% of its Net Asset Value in units of eligible investment funds.

- warrants on equities/indices, contract for difference (CFD) on equities/indices, listed futures on dividend or volatility indices (such as the S&P 500® Dividend Points Index, which tracks the dividends of the constituents of the S&P 500, the VIX Index, which tracks the volatility of the S&P 500 or the EURO STOXX 50 Volatility (VSTOXX) Index, which tracks the volatility of the EURO STOXX 50 Index. There is no limit on the Sub-Fund’s ability to invest in warrants. CFD may be used to take a short or a long exposure to a single stock or equity indices or baskets.

- Subscriptions rights. Subscription rights are securities that entitle their holders to subscribe for shares of a company in case of a decision by that company to increase the capital of that company. Rights are always issued on the basis of already issued shares and are traded on a Recognised Market or over the counter. The ratio between the number of rights and the number of new shares may be subscribed by the holder of the rights is determined by their issuer.

- Exchange Traded Notes. Unsecured, unsubordinated debt securities that are traded on an exchange. As they are issued by an underwriting bank, their value also depends on the credit rating of the issuer. Exchange traded notes provide exposure to equity, fixed or variable income and will not embed derivatives or leverage.

For cash management purposes, the Sub-Fund may invest in money market instruments, such as money market funds, investment grade OECD corporate or government bonds and negotiable debt securities (which may be fixed or floating rate). The Sub-Fund may also enter into reverse repurchase agreements for efficient portfolio management purposes, in accordance with applicable laws and regulations, which consist of transactions whereby, at maturity, the seller (the counterparty) has the obligation to repurchase the basket of transferable securities sold to the Sub-Fund and the Sub-Fund has the obligation to return the basket of transferable securities bought under the terms of the agreement. The Sub-Fund will not be directly exposed to the basket of transferable securities received under the reverse repurchase agreement as long as the counterparty to the reverse repurchase agreement does not default. Investors are invited to refer to the Risk section for risks specific to reverse repurchase agreements. The Investment Manager has been appointed to provide cash management services to the Sub-Fund and therefore the Sub-Investment Manager has no responsibility for providing any advice in relation to the investment of cash in the Sub-Fund.

As financial instruments will not be exclusively denominated in the Base Currency but also in other currencies of OECD countries (e.g. EUR, CAD, GBP), the Sub-Fund may use currency swaps and currency forwards to hedge currency exposures. A currency swap/forward is a foreign exchange agreement between two parties to exchange one currency for another - for example, to exchange a certain amount of Euro for a certain amount of US Dollars - at a future date. The date (which may be any agreed-upon fixed number of days in the future), the amount of currency to be exchanged and the price at which the exchange will take place are negotiated and fixed for the term of the contract at the time that the contract is entered into. Forward foreign currency contracts may be bought or sold in either deliverable or non-deliverable form.

The counterparties to all derivative transactions (and efficient portfolio management techniques), which may or may not be related to the Manager or Depositary, will be entities with legal personality typically located in OECD jurisdictions subject to prudential supervision and belonging to categories approved by the Central Bank and will not have discretion over the assets of the Sub-Fund. A credit assessment will be undertaken with respect to ach counterparty and where the counterparty is subject to a credit rating by any agency registered and supervised by ESMA, that rating shall be taken into account in the credit assessment. Where a counterparty is downgraded to A2 or below (or comparable rating) by such a credit rating agency, a new credit assessment in respect of the counterparty will be undertaken without delay.

The use of FDI implies a number of risks described in further details under the "Investment Risk" section of the Prospectus and will result in leverage, as set out in more detail under "Risk Management" below.

Short exposure to any transferable security will be achieved through the use of FDI and leverage will only be achieved through the use of FDI in compliance with the limits described in the "Risk Management" below.

*Exposure to securities financing transactions*

The Sub-Fund's exposure to total return swaps, repurchase agreements and stock-lending transactions is as set out below (in each case as a percentage of Net Asset Value):

| | **Expected** | **Maximum** |
|---|---|---|
| Total Return Swaps | 100% | 450% |
| Repurchase Agreements | 0% | 100% |
| Stock Lending | 0% | 100% |

The Sub-Fund may employ investment techniques and instruments for efficient portfolio management as set out under "Investment Techniques" in the Prospectus. Direct and indirect operational costs and fees arising from efficient portfolio techniques may be deducted from any revenue and paid to the relevant counterparty (which may or may not be related to the Manager or Depositary). Such revenue shall otherwise be delivered to the Sub-Fund.

The trading by the Sub-Fund of some financial instruments could be subject to certain restrictions imposed by regulatory and/or market and/or supervisory authorities with respect to (in particular but without limitation) minimum trading amounts, positions limits and short sale positions.

**Investors should refer to the "*Investment Restrictions*" and "*Investment Risks*" sections of the Prospectus for information in relation to the risks associated with the use of FDI. In addition to the investment risks outlined in the Prospectus and this Supplement, investors should also note that a subscription for Shares in the Sub-Fund is not the same as making a deposit with a bank or other depositary institution and the value of the Shares is not insured or guaranteed and the principal invested is capable of fluctuation.**

*Investment Strategy*

The Sub-Fund's investment strategy is to actively invest in equity markets, primarily in the context of merger and acquisition transactions and notably invest in a selection of mainly European and North American stocks ("stock picking") considered to be undervalued by the Sub-Investment Manager.

To limit the risks of capital loss, the Sub-Investment Manager will aim to reduce the Sub-Fund's equity market exposure using different hedging strategies. Hedging will be carried out using FDI traded on a Recognised Market (futures, options, forward contracts, unfunded swaps, performance swaps, fully funded swaps and contracts for difference) which will enable the Sub-Fund to take a short exposure to a stock, sector or general index (such as the S&P 500) (as described in more detail above in the description of "Financial Instruments"). In exceptional circumstances, for example, where the Sub-Investment Manager does not believe there are any suitable investment opportunities in the market, the Sub-Fund may invest up to 100% of its assets in money market instruments such as money market funds, investment grade OECD corporate or government bonds and negotiable debt securities (which may be fixed or floating rate) or may allocate up to 100% of its assets to reverse repurchase agreements for efficient portfolio management purposes.

The Sub-Fund may buy and sell securities denominated in currencies other than the Base Currency. In order to minimise the impact of adverse fluctuations in the foreign exchange market, the Sub-Fund will implement a currency risk hedging policy. However, it cannot guarantee that all non-Base Currency exposures will be perfectly hedged at all times.

In order to achieve the investment objective the Sub-Investment Manager will implement a set of securities strategies (principally on the equity markets) as described below in more detail. These strategies are based on a number of techniques, markets and sectors. The instruments used to implement each strategy are those described above under "*Instruments used to implement the Investment Strategy"* section*.*

The breakdown of the portfolio between the different strategies will depend on market conditions and can vary over time.

The strategies will be implemented primarily in respect of issuers listed or traded on Recognised Markets in Europe and North America and to a lesser extent in other OECD countries.

The different strategies implemented are the following:

– primarily, investment strategies on announced mergers and acquisitions,

– to a lesser extent, investment strategies on expected events,

– to a lesser extent, subscription rights arbitrage,

– to a lesser extent, share class arbitrage,

– to a lesser extent, index and equity arbitrage.

To implement each strategy, the Sub-Fund may use part or all of the instruments listed in the section "*Instruments used to implement the Investment Strategy"* above*.*

The "long" exposure of the Portfolio is expected to be within a range of 0% to 250% of the net assets of the Portfolio and the "short" exposure is expected to be within a range of 0% to 200% of the net assets of the Portfolio.

*Primarily: Investment strategies on announced mergers and acquisitions*

This type of strategies consists of buying or selling equities (or other securities) that are the subject of financial transactions in the form of takeover bids, public exchange offers, squeeze-out, mergers or similar situations. These strategies are implemented only when the transaction has been announced officially in the market.

The natural direction of the transaction is to buy the securities of the target company at a discount versus the implicit value of the offer and to retain the securities until the transaction has been completed. If the offer is to be paid in shares of the purchasing company (or a combination of shares and cash), a short position is taken on the shares of the purchasing company to take advantage of the difference between the implicit value of the offer and the market price of the shares of the target company.

*To a lesser extent: Investment strategies on expected events*

Transactions or events (offers, mergers, spin-offs, exchanges of securities, changes to management, changes to the regulatory framework, sale of assets, changes to the shareholder structure or similar situations) that are expected, due to the uncertainty of the transaction, may have a risk profile that is higher than in the rest of the portfolio, but will offer a more attractive return.

In practice, these transactions operate on the basis of the same principle as that described above for announced merger and acquisition transactions. It involves taking advantage of the market's undervaluation of the shares of a target company versus their theoretical value (determined by the Sub-Investment Manager according to tested valuation methods). If the offer is expected in shares of the purchasing company (or a combination of shares and cash), a short position is taken on the shares of the purchasing company to take advantage of the difference between the expected value of the offer and the market price of the shares of the target company.

*To a lesser extent: subscription rights arbitrage*

This strategy consists of buying subscription rights when they are priced under their theoretical value and selling the underlying shares (equities, convertibles, warrants), or taking the opposite position when the price of the subscription right is over its theoretical value.

*To a lesser extent: share class arbitrage*

This strategy seeks to take advantage of the arbitrage between two different share classes issued by the same company. Arbitrage is a technique that consists of profiting from estimated price differences on different markets and/or sectors and/or securities and/or currencies and/or instruments. These distinct share classes may be for example: ordinary shares, preferred dividend shares or new shares. The spread between the two share classes depends on the liquidity, the dividend, the entitlement to voting rights and the conversion probability.

*To a lesser extent:  index and equity arbitrage*

An investment strategy that attempts to profit from the differences between actual and theoretical futures prices of the same stock or stock index (such as the S&P 500). This is done for example by simultaneously buying (or selling) a stock index future while selling (or buying) the stocks in that index.

Another type of index arbitrage is related to changes in stock indices. Such a strategy looks to arbitrage the inefficiencies caused by re-adjustments in equity indices. As indices are re-balanced, the strategy looks to exploit the heavy buying and selling by index funds of stocks which are entering or leaving the indices.

*<u>The Sub-Investment Manager</u>*

The Manager has appointed Lutetia Capital SAS, acting through its branch, Lutetia Capital UK Branch, as sub-investment manager with discretionary powers pursuant to a sub-investment management agreement (the "**Sub-Investment Management Agreement**"). Under the terms of the Sub-Investment Management Agreement, any party shall be liable to and indemnify the other party for its act or omission to the extent such an act or omission is committed in bad faith, or constitutes (i) negligence, wilful misconduct or fraud by it under the Sub-Investment Management Agreement or (ii) a material breach by such party of the Sub-Investment Management Agreement.

Lutetia Capital S.A.S. is approved in France and regulated by the French Financial Markets Authority (Autorité des Marchés Financiers, AMF) (approved on 10/15/2009 under the GP09000017 number).

**Risk Management**

The Sub-Fund will be leveraged as a result of the use of FDI provided that such leverage shall not be of such amount that would cause the Sub-Fund to exceed a market risk limit as measured by the Value-at-Risk. The market risk of the Sub-Fund is measured using an advanced risk management process which aims to ensure that on any day the absolute Value-at-Risk ("VAR") of the Sub-Fund will be no greater than 20% of the Net Asset Value of the Sub-Fund, based on an investment horizon of twenty (20) days and is calculated daily with a one-tailed 99% confidence level with an historical observation period of one year. The Manager will undertake appropriate stress testing and back-testing of its Value-at-Risk model in accordance with its risk management process. This process is described in detail in the statement of risk management procedures of the Company.

The level of the notional leverage of the Sub-Fund (as measured using the sum of the notional of the derivatives used) is not expected to exceed approximately 500% of the Net Asset Value of the Sub-Fund but there is possibility of higher leverage levels. The leverage of the Sub-Fund will derive from its use of FDI, and in particular the implementation of long positions which are hedged by short positions.

In order to ensure that the Sub-Fund does not breach the applicable counterparty risk exposure limits of the UCITS Regulations, the Company may require collateral from its counterparties, so that the collateral held by the Depositary on behalf of the Sub-Fund mitigates the counterparty risk. In accordance with the requirements of the Central Bank, the counterparties will be required to transfer the collateral to the Sub-Fund and the collateral will be held in a segregated account by the Depositary or its delegate. The collateral will be marked to market daily and, in the event of a default by a counterparty, the Sub-Fund will have access to the relevant collateral without recourse to such counterparty. The collateral will be held at the risk of the counterparty. The Company will monitor the collateral to ensure that the collateral falls, at all times, within the categories permitted by the Central Bank and will be diversified in accordance with the requirements of the Central Bank. Investors should note that there may be a cost attached to the collateralisation of a counterparty's exposure to a Sub-Fund which may vary according to market conditions and that this cost will be borne by the Sub-Fund.

Please see *"Leverage & value-at-risk"* below under *"Investment Risks"* section. Investors should note that the Sub-Fund is subject to the risks described in "Repurchase and Reverse Repurchase Agreements" under the "Investment Risks" section of the Prospectus with regard to the use of collateral.

**Profile of a Typical Investor**

Investment in the Sub-Fund may be suitable for sophisticated investors seeking returns in the medium to long term through exposure to equity markets and merger arbitrage strategies. Investment in the Sub-Fund involves a high degree of risk for typically high rewards; however, it is possible to suffer sudden, severe and even complete capital loss. The value of an investment may change substantially from day to day and may suffer large daily falls in value.

U.S. Persons may not invest in the Sub-Fund.

## INVESTMENT RISKS

Investment in the Sub-Fund carries with it a degree of risk including the risks described in the "*Investment Risks*" section in the Prospectus and the specific risk factors set out below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisors before making an application for Shares. Investment in the Sub-Fund is not suitable for investors who cannot afford to lose all or a significant part of their investment.

An investor should consider his/her personal tolerance for the daily fluctuations of the market before investing in the Sub-Fund.

### GENERAL

### Risk of Losses

The price of Shares can go up as well as down and investors may not realise their initial investment.

The investments and the positions held by the Sub-Fund are subject to inter alia; (i) market fluctuations, (ii) reliability of counterparts and (iii) operational efficiency in the actual implementation of the investment policy adopted by the Sub-Fund in order to realise such investments or take such positions. Consequently, the investments of the Sub-Fund are subject to, inter alia, market risks, credit exposure risks and operational risks.

At any time, the occurrence of any such risks is likely to generate a significant depreciation in the value of the Shares. Due to the risks embedded in the investment objective adopted by the Sub-Fund, the value of the Shares may decrease substantially and even fall to zero, at any time.

### Leverage & Value-at-risk

Under certain market conditions, the Sub-Fund may have a relatively high gross leverage provided that the risk related to such gross leverage, measured by the Value-at-Risk of the Sub-Fund does not exceed its predetermined limits.

The use of leverage creates special risks and may significantly increase the Sub-Fund's investment risk. Leverage creates an opportunity for greater yield and total return but, at the same time, will increase the exposure of the Sub-Fund to capital risk.

In addition, the leverage of the Sub-Fund is controlled using an advanced risk management process based on a Value-at-Risk indicator as set out in more detail under "*Risk Management*" section above. The risk management process by which the Sub-Fund measures its market risk is based on historical data and various assumptions and as such do not provide a guarantee that the risk of the Sub-Fund will be limited or controlled as intended. Accordingly, in exceptional circumstances where there is substantial leverage inherent in the Sub-Fund, such leverage may result in significant losses to the Sub-Fund and to Shareholders in the event that the risk management process of the Sub-Fund fail to adequately capture all risks to which the Sub-Fund is subject.

### Equity Risk

Equity risk corresponds to the risk of a downturn in the equity markets. In addition, despite a strict investment policy based on the market capitalization of shares (refer to the "*Investment Strategy"* section above), the Sub-Fund may invest in shares of mid-cap companies.

These securities often involve greater risks than the securities of larger, better-known companies. For example, market movements on those securities are more marked and more rapid than on large-cap stocks, due to limited volume traded. The Sub-Fund's Net Asset Value will be affected by these more marked market movements (both upward and downward).

**Risk associated with arbitrage strategies**

Arbitrage is a technique that consists of profiting from estimated price differences on different markets and/or sectors and/or securities and/or currencies and/or instruments. Should the Sub-investment Manager prove wrong in its estimation (for example because of a deal break), and should the prices for these arbitrages move in the wrong direction (price rises for short transactions and/or price falls for long transactions), then Sub-Fund's Net Asset Value will be negatively impacted, potentially substantially.

**Risk associated with discretionary management**

The discretionary management style applied to the Sub-Fund is based on anticipating market movements and allocating assets, carried out by the Sub-Investment Manager, and on the quality of stock picking. There is a risk that the Sub-Investment Manager may not select the best performing stocks and that the asset allocation among the various markets is not optimal.

**Dependence on Sub-Investment Manager and on the strategy**

The Sub-Fund is highly dependent (notably with respect to its performance) upon the expertise and abilities of the Sub-Investment Manager.

Investors must be aware that such strategy is a bespoke strategy specifically developed for the purpose of the Sub-Fund and does not purport to replicate *pari passu* an existing strategy or program run by the Sub-Investment Manager. For that reason there may be significant discrepancies between the performance of the Sub-Fund and the performance of other investment funds managed by the Sub-Investment Manager.

Further, the Sub-Investment Manager has discretion over the strategy and, therefore, the incapacity or retirement of investment professionals of the Sub-Investment Manager may adversely affect its investment results. Further, if either of the key individuals who are principally responsible for the portfolio's investment activities is not available to the Sub-Investment Manager, the performance of the strategy could be adversely affected.

Past performance of any of the other funds or accounts managed by the Sub-Investment Manager is not indicative of future performance of the Sub-Fund.

**Currency Risk**

Because the Sub-Fund may invest in securities denominated or quoted in currencies other than the Base Currency, changes in currency exchange rates may affect the value of the Sub-Fund's portfolio and the unrealized appreciation or depreciation of investments. The Sub-Fund may seek to protect the value of some or all of its portfolio holdings against currency risks by engaging in hedging transactions, if available, cost-effective and practicable. The Sub-Fund may enter into forward contacts and future contracts on currencies, as well as purchase put and call options on currencies. There is no certainty that instruments suitable for hedging currency shifts will be available at the time when the Sub-Fund wishes to use them or that, even if available, the Sub-Fund will elect to utilize a hedging strategy.

**Achievement of Sub-Fund's Investment Objective**

No assurance can be given that the Sub-Fund will achieve its investment objective, including without limitation achieving capital appreciation. There can be no assurance that the investment strategy as set out herein can lead to a positive performance in the value of the Shares. The Sub-Fund could suffer losses at a time where concomitantly some financial markets experience appreciation in value.

In addition, the performance of the Net Asset Value of any given Class may deviate from the performance of the other Classes due to various factors, such as but not limited to the effects of foreign exchange transactions that may be entered into for the account of the relevant Class, the holding of cash in the relevant Class and the amount of fees taken out of the relevant Class.

**Use of Brokers / Clearers**

The use of a broker and/or a clearing agent will result in credit and settlement risks and in costs at normal commercial rates in relation to the services of a broker and/or a clearing agent.

**Counterparty Risk**

The Sub-Fund may be exposed to over the counter markets which will expose it to the creditworthiness and solvency of its counterparties and their ability to satisfy the terms of such contracts. For example, the Sub-Fund may be exposed to repurchase agreements, forward currency contracts and options, each of which exposes the Sub-Fund to the risk that the counterparty may default on its obligations to perform under the relevant contract. Moreover such counterparties may be unregulated or only lightly regulated.

In the event of a bankruptcy or insolvency of a counterparty, broker or such other entities, the Sub-Fund could experience disruptions and significant losses, inability to materialize any gains on its investments during such period and possibly fees and expenses incurred.

These risks may differ materially from those entailed in transactions effected on an exchange which generally are supported by guarantees of clearing organizations, daily mark-to-market and settlement and segregation and minimum capital requirements applicable to intermediaries.

**Market Risks**

The performance of the Sub-Fund is dependent on the performance of the Financial Instruments in which it invests. As a consequence, investors in the Sub-Fund should appreciate that their investment is exposed to the price performance and credit performance of the Financial Instruments in which the Sub-Fund invests.

**Futures Risks**

The Sub-Fund may engage from time to time in various types of futures transactions. The low margin or premiums normally required for such transactions may provide a large amount of leverage, and a relatively small change in the price of such instrument can produce a disproportionately larger profit or loss.

**Options Risks**

The Sub-Fund may engage from time to time in various types of option transactions. The purchase or sale of an option involves the payment or receipt of a premium by the investor and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying security, strategy, or other instrument, for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying instrument will not change price in the manner expected, so that the investor loses the value of its premium. Selling options, on the other hand, involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying instrument, which could result in a potentially unlimited loss.

**Risk of OTC derivative transactions (swap transactions and forward contracts)**

When the Sub-Fund enters into OTC derivative transactions, it is subject to potential counterparty and issuer risk. In the event of the insolvency or default of the counterparty or issuer, the Sub-Fund could suffer a loss.

If a default were to occur in relation to the OTC derivative transaction counterparty, the Sub-Fund will have contractual remedies pursuant to the relevant OTC derivative transaction documents. In particular, the OTC derivative transaction documents will provide that a termination amount will be determined and such amount may be payable by the counterparty to the Sub-Fund or by the Sub-Fund to the counterparty, as the case may be. However, such remedies may be subject to bankruptcy and insolvency laws which could affect the Sub-Fund's rights as a creditor. For example, the Sub-Fund may not receive the net amount of payments that it is contractually entitled to receive on termination of the OTC derivative transaction where the counterparty is insolvent or otherwise unable to pay the termination amount.

In addition, the Sub-Fund may enter into OTC derivative transactions under which it grants a security interest in favour of the counterparty over all of its right, title, benefit and interest (but not obligations) in a portion (or all) of the assets of the Sub-Fund held with the Depositary from time to time. In the event of a default by the Sub-Fund on its obligations under such OTC derivative transactions (for example, where it has insufficient cash or liquid assets to meet its payment obligations under such transaction), the counterparty will be entitled to enforce its security interest over the relevant portion of the assets of the Sub-Fund (which may be all of the assets of the Sub-Fund) and to take possession of, dispose of or set-off such assets against amounts owed to it by the Sub-Fund.

**Financial Derivative Instrument Risks**

To achieve its investment objective, the Sub-Fund may use FDI (swaps, options, futures, forwards and contract for difference (CFD)). These derivatives involve various risks, such as counterparty risk, hedging disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks may affect a derivative instrument directly and may result in modification or even premature termination of the derivative transaction, which may reduce the Sub-Fund's net asset value.

**Short Exposure**

The Sub-Fund may take synthetic short exposure through the use of FDI. A short exposure involves the risk of a theoretically unlimited increase in the market price of the underlying instruments of the FDI which could result in a theoretically unlimited loss.

**Convertible Bonds Risk**

Convertible bonds are bonds that may be converted or exchanged (by the holder or by the issuer) into shares of the underlying common stock (or cash or securities of equivalent value) at a stated exchange ratio. Convertible bonds tend to be subordinate to other debt securities issued by the same issuer. Also, issuers of convertible bonds are often not as strong financially as issuers with higher credit ratings. Convertible bonds generally provide yields higher than the underlying stocks, but generally lower than comparable non-convertible bond. Because of this higher yield, convertible bonds generally sell at a price above their “conversion value,” which is the current market value of the stock to be received upon conversion. The difference between this conversion value and the price of convertible bonds will vary over time depending on changes in the value of the underlying common stocks, volatility and interest rates.

**Risk linked to the use of Reverse Repurchase Agreements**

If the counterparty of a reverse repurchase agreement from which securities have been acquired fails to honour its commitment to repurchase the security in accordance with the terms of the agreement, the relevant Sub-Fund may incur a loss to the extent that the proceeds realised on the sale of the securities are less than the repurchase price. The relevant Sub-Fund may experience both delays in liquidating the underlying securities and losses during the period while it seeks to enforce its rights to the underlying securities, including reduced income during the period of enforcement and expenses in enforcing its rights.

**Investment in Warrants/Subscription Rights**

Warrants/subscription rights confer on the investor the right to subscribe a fixed number of ordinary shares in the relevant company at a pre-determined price for a fixed period.

The cost of this right will be substantially less than the cost of the share itself. Consequently the price movements in the share will be multiplied in the price movements of the warrant/subscription right. This multiplier is the leverage or gearing factor; the higher the leverage the more attractive the warrant/subscription right will be. One may make comparisons or relative worth among warrants/subscription rights considering the premium paid for such rights and the amount of leverage imbedded in the warrants/subscription rights. The levels of the premium and gearing can increase or decrease with investor sentiment. Warrants/subscription rights are therefore more volatile and speculative than ordinary shares. Investors should be warned that prices of warrants/subscription rights are extremely volatile and that furthermore, it may not always be possible to dispose of them.

**Lack of Operating History**

The Sub-Fund is only recently established and therefore has a limited history for the purposes of evaluating its performance. Any back-testing or similar analysis performed by any person in respect of the Sub-Fund must be considered illustrative only and may be based on estimates or assumptions.

## SUBSCRIPTIONS

The Initial Offer Period for the Sub-Fund for Classes of Shares in which no Shares have been issued yet ("**Unlaunched Classes**") will run from 9.00 am (Irish time) on 9 July 2019 until 11.00 am (Irish time) on 8 January 2020 or such earlier or later date as the Directors may determine and notify to the Central Bank (the "**Initial Offer Period**"). Details of which Classes are available for subscription as Unlaunched Classes are available from the Manager.

During the Initial Offer Period, Shares in the Unlaunched Classes will be available at a fixed Initial Offer Price per Share as set out in the "Summary of Shares" section below. In order to receive Shares at the close of the Initial Offer Period, a properly completed, signed Subscription Application Form which satisfies the application requirements, including but not limited to, full Anti-Money Laundering documentation, must be received at any time from the commencement of the Initial Offer Period up to 11.00 am (Irish time) on the end of the Initial Offer Period, or such earlier or later time Directors may determine. Appropriate cleared subscription monies must be received by the Registrar and Transfer Agent no later than 11.00 am (Irish time) on the end of the Initial Offer Period, or such later date as the Directors may determine. Settlement of Shares subscribed for during the Initial Offer Period will be before the fifth Business Day following the end of the Initial Offer Period or such earlier or later date as the Directors may determine.

Following the Initial Offer Period, Shares in the Sub-Fund will be issued in accordance with the provisions set out in the "*Subscriptions for Shares*" section of the Prospectus.

Class S Shares shall be reserved and offered solely and exclusively to any persons as may be determined by the Company from time to time.

Class O Shares shall be reserved and offered solely and exclusively to Société Générale and its subsidiaries (including funds and investment companies mainly held by Société Générale and its affiliates) or any other person as may be determined by the Company, to the exclusion of any other person.

The Class I Shares are available to:

- financial intermediaries and distributors that are prohibited by local laws or regulations applicable to them to receive and / or keep any commissions on management fees;

- financial intermediaries and distributors providing portfolio management and investment advisory services on an independent basis (for financial intermediaries and distributors which are incorporated in the European Union, those services being as defined by EU Directive 2014/65/EU on markets in financial instruments ("**MiFID II**"));

- financial intermediaries and distributors providing investment advisory services on a non-independent basis (for financial intermediaries and distributors which are incorporated in the European Union, those services being as defined by MiFID II) and who have agreed with their client not to receive and retain any commissions on management fees; and

- any other investors who do not receive any commissions on management fees.

Portions of class management fees related to the Class I Shares may be paid by the Manager to information agents or entities involved in the settlement process of orders.

The Directors may generally, in their absolute discretion, refuse to accept any subscription for Shares, in whole or in part, for any reason.

**On the second (2) Business Day immediately prior to 25$^{th}$ December and 1$^{st}$ January each year, Subscription Application Forms or Electronic Application must be received by 12:00 noon (Irish time).** Where a Subscription Application Form or an Electronic Application is received after 12:00 noon (Irish time) the subscription shall be deemed to be received on the Dealing Deadline on the next Valuation Day.

## REDEMPTIONS

Redemption of Shares at the relevant Net Asset Value per Share will be settled within (i) three (3) Business Days following the relevant Valuation Day, provided that a signed Redemption Request Form or an Electronic Redemption is received by the Registrar and Transfer Agent no later than the Dealing Deadline in accordance with the provisions of the "*Redemptions of Shares*" section of the Prospectus. Settlement of redemption proceeds will take place in accordance with the Prospectus.

As per the provisions set out in the Prospectus, redemptions proceeds will only be released where the Registrar and Transfer Agent holds full original anti-money laundering documentation.

## SUMMARY OF SHARES

Details of the available Classes are set out below. Additional Classes may be added in the future in accordance with the requirements of the Central Bank. Where a Class is denominated in a currency other than the Base Currency, it is intended that the currency exposure of that Class to the Base Currency of the Sub-Fund will be hedged to the relevant Reference Currency set out in the tables below, as set out under "Share Class Hedging" in the Prospectus.

Shares are freely transferable subject to and in accordance with the provisions of the Articles and as set out in the Prospectus.

The Directors may in their sole discretion waive the minimum initial subscription, minimum subsequent subscription and/or minimum holding amounts from time to time.

**Distributions**

It is not intended to declare any dividends in respect of any Shares in the Sub-Fund.

**Fees and Expenses**

Investors should refer to the section "*Fees and Expenses*" in the Prospectus for details of the fees and expenses applicable to the Company and also the Sub-Fund. Specific fees applicable to each Class are set out below.

**Administrative Expenses Fee**

The Sub-Fund shall be subject to an Administrative Expenses Fee at a fixed rate of up to €50,000 per annum together with an additional fee of up to 0.20% of the Net Asset Value of each Class of the Sub-Fund per annum, out of which will be paid the fees and expenses of the Depositary, the Administrator and each of their delegates in respect of the performance of their duties on behalf of the Company, as well as the establishment and organisational expenses of the Sub-Fund described under "*Establishment and Organisational Expenses*" in the Prospectus and the miscellaneous fees and expenses in respect of or attributable to the Sub-Fund described under "*Miscellaneous Fees, Costs and Expenses*" in the Prospectus. The Administrative Expenses Fee shall accrue on each Valuation Day and be payable in arrears quarterly (each such period a "**payment period**"). The fees of any sub-custodian appointed by the Depositary will not exceed normal commercial rates.

The Manager may pay some or all of such fees at its discretion.

**Class Management Fee**

The Manager shall be entitled to receive a Class Management Fee payable out of the assets of each Class. The Class Management Fee will not exceed an amount equal to the Net Asset Value of the relevant Class multiplied by the Class Management Fee rate as specified in the table set out further below, and multiplied by the number of calendar days for the relevant period divided by 365. It shall accrue on each Valuation Day and be paid quarterly in arrears in USD. Such Class Management Fee will be payable to the Manager regardless of the performance of the relevant Class. The Manager shall be responsible for discharging from the Class Management Fee the remuneration due to the Sub-Investment Manager.

**Class Performance Fee**

In addition to the Class Management Fee, a Class Performance Fee of up to 20% per annum multiplied by the net realised and unrealised appreciation of the Net Asset Value of the relevant Class above EONIA (the **"Hurdle Rate"**) (but for the purpose of calculating the Class Performance Fee, not reduced by the Class Performance Fee; for the purpose of this section the "Gross NAV") shall be calculated in the relevant currency of each Class and payable in USD at the end of each Fee Period. The Class Performance Fee should be calculated subject to the high water mark mechanism described below. The calculation of the Class Performance Fee will be carried out by the Administrator and verified by the Depositary.

The Class Performance Fee will be calculated on each Valuation Day and paid only on new net gains with respect to the relevant Class, i.e., a high water mark will be employed so that no Class Performance Fee will be paid until any decline in the Gross NAV of the relevant Class below the highest Gross NAV of the relevant Class as of the end of any Fee Period (as defined below), adjusted for any subsequent subscriptions and redemptions, is offset by subsequent net increases in such Gross NAV of the relevant Class with an Hurdle Rate provision. The Class Performance Fee will apply again once the highest adjusted Gross NAV of the relevant Class increased by the Hurdle Rate (applied from the date of the issue of such Class or the last date in respect of which a performance fee was paid in respect of the Class) has been reached again. For the initial Fee Period, the Gross NAV shall initially be equal to the Initial Offer Price per Share of the relevant Class multiplied by the number of Shares issued in that Class at the end of the Initial Offer Period.

The Class Performance Fee will be payable to the Manager who shall be responsible for discharging from this fee the remuneration due to the Sub-Investment Manager.

Investors should note that the Sub-Fund does not perform equalization for the purposes of determining the Class Performance Fee. The current methodology for calculating the Class Performance Fee involves accruing the Class Performance Fee on each Valuation Day. Investors may therefore be advantaged or disadvantaged as a result of this method of calculation, depending upon the Net Asset Value of the relevant Class at the time an investor subscribes or redeems relative to the overall performance of the Class during the relevant Fee Period. Potential investors and the Shareholders should fully understand the Class Performance Fee methodology when considering an investment in the Sub-Fund.

The value of the Sub-Fund positions will be calculated in U.S. Dollars and the amount of the Class Sub-Investment Management Fee and the Class Performance Fee borne by the Sub-Fund, will be calculated in the relevant currency of each Class.

For the purpose of this section, "**Fee Period**" means each calendar year ending on the last Valuation Day of December.

**Summary of Class I Shares:**

| Class Name | Class I - USD | Class I - EUR | Class I - GBP | Class I CHF |
|---|---|---|---|---|
| **Reference Currency** | USD | EUR | GBP | CHF |
| **Initial Offer Price** | USD 100 | EUR 100 | GBP 100 | CHF 100 |
| **Minimum Initial Subscription Amount** | USD 500,000 | EUR 500,000 | GBP 500,000 | CHF 500,000 |
| **Minimum Subsequent Subscription Amount** | USD 100,000 | EUR 100,000 | GBP 100,000 | CHF 100,000 |
| **Minimum Holding** | None | None | None | None |
| **Sales Charge** | Up to 5% | Up to 5% | Up to 5% | Up to 5% |
| **Redemption Charge** | None | None | None | None |
| **Class Management Fee** | Up to 1.50% | Up to 1.50% | Up to 1.50% | Up to 1.50% |
| **Class Performance Fee** | Up to 20% | Up to 20% | Up to 20% | Up to 20% |

**<u>Summary of Class S Shares:</u>**

| Class Name | Class S - USD | Class S - EUR |
|---|---|---|
| Reference Currency | USD | EUR |
| Initial Offer Price | USD 100 | EUR 100 |
| Minimum Initial Subscription Amount | USD 500,000 | EUR 500,000 |
| Minimum Subsequent Subscription Amount | USD 100,000 | EUR 100,000 |
| Minimum Holding | None | None |
| Sales Charge | Up to 5% | Up to 5% |
| Redemption Charge | None | None |
| Class Management Fee | Up to 1.50% | Up to 1.50% |
| Class Performance Fee | Up to 20% | Up to 20% |

**Summary of Class A Shares:**

| Class Name | Class A - EUR | Class A - USD |
|---|---|---|
| Reference Currency | EUR | USD |
| Initial Offer Price | EUR 100 | USD 100 |
| Minimum Initial Subscription Amount | EUR 100,000 | USD 100,000 |
| Minimum Subsequent Subscription Amount | EUR 10,000 | USD 10,000 |
| Minimum Holding | None | None |
| Sales Charge | Up to 5% | Up to 5% |
| Redemption Charge | None | None |
| Class Management Fee | Up to 2.00% | Up to 2.00% |
| Class Performance Fee | Up to 20% | Up to 20% |

**Summary of Class O Shares**

| Class Name | O-EUR | O-USD |
|---|---|---|
| Reference Currency | EUR | USD |
| Initial Offer Price | €100 | US$100 |
| Minimum Initial Subscription Amount | €10,000 | Equivalent to €10,000 |
| Class Sales Charge | Up to 5% | Up to 5% |
| Class Management Fee | Up to 2.00% p.a. | Up to 2.00% p.a. |
| Class Performance Fee | Up to 20% p.a. | Up to 20% p.a. |