

# Devon Equity Funds RAIF

*Société d'Investissement à Capital Variable - Fonds d'Investissement Alternatif Réserve  
Luxembourg*

## PROSPECTUS

*Investment Manager & Distributor*

DEVON  
Equity Management

MARCH 2021

IMPORTANT INFORMATION: DEVON EQUITY FUNDS RAIF QUALIFIES AS A RESERVED ALTERNATIVE INVESTMENT FUND AND IS AN UNREGULATED VEHICULE, WHICH IS NOT SUBJECT TO PRUDENTIAL SUPERVISION OF THE *COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER* (the "CSSF").

This prospectus (the "**Prospectus**") is submitted to a limited number of prospective investors on a confidential basis. Each prospective investor undertakes that neither it nor any of its employees or advisers will use the information contained herein and in any other documents referred to herein for any purpose other than for evaluating its interest in Devon Equity Funds RAIF (the "**Fund**") or divulge such information to any other party. This Prospectus will not be photocopied, reproduced or distributed to others without the prior written consent of the Board of Directors of Devon Equity Funds RAIF.

This Prospectus does not represent an offer or solicitation of an offer to purchase shares or any other securities to any person in any jurisdiction in which an offer or solicitation is not authorised. This is a confidential document that is not to be made available to third parties and in particular must not be made available to the public nor be made available in jurisdictions where this would be contrary to local laws and regulations.

### IMPORTANT INFORMATION

This Prospectus comprises information relating to Devon Equity Funds RAIF which is subject to the Luxembourg law of 23 July 2016 on reserved alternative investment funds, as amended from time to time, and is not subject to the supervision of the Luxembourg *Commission de Surveillance du Secteur Financier* (the "CSSF") or of any other Luxembourg supervisory authority. The Fund qualifies an externally managed alternative investment fund within the meaning of article 1 (39) of the Luxembourg law of 12 July 2013 on

alternative investment fund managers (the "**2013 Law**").

The board of directors of the Fund (the "**Board**") is responsible for the information contained in this Prospectus. To the best of the knowledge and belief of the Board (who has taken all reasonable care to ensure that such is the case) the information contained in the Prospectus is at its date in accordance with the facts and does not omit anything likely to affect the import of such information. The Board accepts responsibility accordingly.

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

The most recent annual report of the Fund is available, once published, at the registered office of the Fund and will be sent to Investors upon request. Such report shall be deemed to form part of the Prospectus.

Statements made in the Prospectus are based on the law and practice currently in force in Luxembourg and are subject to changes therein.

No person has been authorised to give any information or to make any representations in connection with the offering of Shares (as defined hereinafter) other than those contained in this Prospectus and the report referred to above, and, if given or made, such information or representations must not be relied on as having been authorised by the Fund. The delivery of this Prospectus (whether or not accompanied by any report) or the issue of Shares shall not, under any circumstances, create any implication that the affairs of the Fund have not changed since the date hereof.

When marketing Shares in any territory of the European Economic Area (EEA) to professional investors that are domiciled or have a registered office in the EEA, the AIFM intends to utilise marketing passports made available under the provisions of the Directive 2011/61/EU on alternative investment fund managers (the "**AIFMD**"). Shares in the Fund may only be marketed pursuant to such passports to professional investors (as defined in the 2013 Law) in those territories of the EEA in respect of which a passport has been obtained.

The distribution of this Prospectus and the offering of Shares in certain other jurisdictions may be restricted. Persons into whose possession this Prospectus comes are required by the Fund to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

None of the Shares have been or will be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**") or registered or qualified under applicable state statutes and none of the Shares may be offered or sold, directly or indirectly, in the United States of America or in any of its territories or possessions (the "**United States**"), or to any US Person (as defined herein) regardless of location.

The Fund will not knowingly offer or sell Shares to any U.S. Investors (whether taxable or tax-exempted). Shares may not be held by any person in breach of the law or requirements of any country or governmental authority including, without limitation, exchange control regulations. Each Investor must represent and warrant to the Fund that, amongst other things, he is able to acquire Shares without violating applicable laws. Power is reserved in the articles of incorporation of the Fund (the "**Articles**"), to compulsorily redeem any Shares held directly or beneficially in contravention of these prohibitions.

No U.S. Investors shall be eligible to invest in the Fund.

## Personal Data Protection

**Data Subjects, Controller and Data** – The Fund (the "**Controller**") processes information relating to several categories of identified or identifiable natural persons (including, in particular but not limited to, prospective or existing investors, their beneficial owners and other natural persons related to prospective or existing investors) who are hereby referred to as the "**Data Subjects**". This information has been, is and/or will be provided to, obtained by, or collected by or on behalf of, the Controller directly from the Data Subjects or from other sources (including prospective or existing investors, intermediaries such as distributors, wealth managers and financial advisers, as well as public sources) and is hereby referred to as the "**Data**".

**The Privacy Notice** – Detailed and up-to-date information regarding the processing of Data by the Controller is contained in a privacy notice (the "**Privacy Notice**"). Investors and any persons contacting, or otherwise dealing directly or indirectly with the Controller or its service providers in relation to the Fund are invited to obtain and take the time to carefully consider and read the Privacy Notice.

**Obtaining and accessing the Privacy Notice** – The Privacy Notice is available and can be accessed or obtained online at <https://www.devonem.com/governance/privacy-notice-and-cookie-policy/>, by calling +44 20 3985 0445 , or upon request addressed to [enquiries@devonem.com](mailto:enquiries@devonem.com) or to 123 Victoria Street, London SW1E 6DE for the attention of the Compliance Officer . The Privacy Notice is available in both paper and e-format. The current version of the Privacy Notice is included in the Application Form.

**Content of the Privacy Notice** – The Privacy Notice notably sets out and describes in more detail:

- the legal basis for processing the Data; and where applicable the categories of Data processed, from which source the Data originate, and the existence of automated decision-making, including profiling (if any);
- that Data will be disclosed to several categories of recipients; that certain of these recipients (the "**Processors**") are processing the Data on behalf of the Controller; that the Processors include most of the service providers of the Controller; and that the Processors will act as processors on behalf of the Controller and may also process Data as controllers for their own purposes;
- that Data will be processed by the Controller and the Processors for several purposes (the "**Purposes**") and that these Purposes include (i) the general holding, maintenance, management and administration of prospective and existing investment and interest in the Fund, (ii) enabling the Controller and the Processors to perform their services for the Fund, and (iii) enabling the Controller and the Processors to comply with legal, regulatory and/or tax obligations (including AML/CFT, FATCA and CRS obligations);
- that Data may, and where appropriate will, be transferred outside of the European Economic Area, including to countries whose legislation does not ensure an adequate level of protection as regards the processing of personal data;
- that any communication (including telephone conversations) (i) may be recorded by the Controller and the Processors and (ii) will be retained for a period of 10 years from the date of the recording;
- that Data will not be retained for longer than necessary with regard to the Purposes, in accordance with applicable laws and regulations, subject always to applicable legal minimum retention periods;
- that failure to provide certain Data may result in the inability to deal with, invest or maintain an investment or interest in, the Fund;

- that Data Subjects have certain rights in relation to the Data relating to them, including the right to request access to such Data, or have such Data rectified or deleted, the right to ask for the processing of such Data to be restricted or to object thereto, the right to portability, the right to lodge a complaint with the relevant data protection supervisory authority, or the right to withdraw any consent after it was given.

**Commitment, liability and indemnity** – All persons contacting, or otherwise dealing directly or indirectly with, the Controller or their service providers in relation to the Fund, will likely be requested to formally acknowledge, agree, accept, represent, warrant and/or undertake (among other and where applicable) that they have obtained and/or have been able to access the Privacy Notice; that the Privacy Notice may be amended at the sole discretion of the Controller; that they may be notified of any change to or update of the Privacy Notice by any means that the Controller deems appropriate, including by public announcement; that they have authority to provide, or to cause or allow the provision, to the Controller any Data relating to third-party natural persons that they provide, or cause or allow the provision, to the Controller; that, if necessary and appropriate, they are required to obtain the (explicit) consent of the relevant third-party natural persons to such processing; that these third-party natural persons have been informed of the processing by the Controller of the Data as described herein and their related rights; that these third-party natural persons have been informed of, and provided with, easy access to the Privacy Notice; that when notified of a change or update of the Privacy Notice they will continue this change or update to these third-party natural persons; that they and each of these third-party natural persons shall abide by any limitation of liability provision contained in the Privacy Notice; and that they shall indemnify and hold the Controller harmless from and against adverse consequences arising from any breach of the foregoing.

#### **Holding, processing and disclosure of investor data by the Administrative Agent**

By subscribing for Shares and/or being invested in the Company, the Shareholders authorise the Administrative Agent, J.P. Morgan Bank Luxembourg S.A., to hold, process and disclose their confidential data (i.e., shareholders identifying confidential information received by J.P. Morgan Bank Luxembourg S.A., in its capacity as Administrative Agent), regardless of the source of this information provided that this information is not public, to the certain authorised entities, and to use communications and computing systems, as well as gateways operated by these authorised entities for certain specific predetermined purposes, including where such authorised entities are present in a jurisdiction outside of Luxembourg where confidentiality duties might be of a lower standard than in Luxembourg.

**A more detailed description relating to authorised entities and permitted purposes for which J.P. Morgan Bank Luxembourg S.A. may disclose confidential information is provided as part of the Company's new account registration form.**

This Prospectus may be translated into other languages. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in any translation, the English text shall prevail to the extent permitted by the applicable laws or regulations, and all disputes as to the terms thereof shall be governed by, and construed in accordance with, the laws of Luxembourg.

**Investment in the Fund should be regarded as a long-term investment. There can be no guarantee that the objective of the Fund will be achieved.**

Your attention is drawn to the "Risk Warnings" on page 10.

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In addition, the Fund's investments are subject to market fluctuations and the risks inherent in all investments and there can be no assurances that appreciation will occur. It will be the policy of the Board to maintain a diversified portfolio of investments so as to minimise risk.

Potential subscribers and purchasers of Shares in the Fund should inform themselves as to (a) the possible tax consequences, (b) the legal requirements and (c) any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence or domicile and which might be relevant to the subscription, purchase, holding and disposal of Shares in the Fund.

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## DEVON EQUITY FUNDS RAIF

### DIRECTORY

#### Registered Office

6H, route de Trèves  
L-2633 Senningerberg  
Grand Duchy of Luxembourg

#### Directors

- **Richard Pavry**, CEO of Devon Equity Management Limited, United Kingdom
- **Sophie Mosnier**, independent director, Grand Duchy of Luxembourg
- **Joachim Kuske**, independent director, Grand Duchy of Luxembourg

#### Alternative Investment Fund Manager

FundRock Management Company S.A.  
33, rue de Gasperich  
L-5826 Hesperange  
Grand Duchy of Luxembourg

#### Investment Manager & Distributor

Devon Equity Management Limited  
123 Victoria Street  
London SW1E 6DE  
United Kingdom

#### Depositary and Paying Agent

J.P. Morgan Bank Luxembourg S.A.  
6, route de Trèves  
L-2633 Senningerberg  
Grand Duchy of Luxembourg

#### Domiciliary and Administrative Agent Registrar and Transfer Agent

J.P. Morgan Bank Luxembourg S.A.  
6, route de Trèves  
L-2633 Senningerberg  
Grand Duchy of Luxembourg

#### Approved Statutory Auditor

PriceWaterhouseCoopers, *société coopérative*  
2, rue Gerhard Mercator  
L-2182 Luxembourg  
Grand Duchy of Luxembourg

#### Legal Advisers to the Fund

Elvinger Hoss Prussen  
*société anonyme*  
2, place Winston Churchill  
L-1340 Luxembourg  
Grand Duchy of Luxembourg

GLOSSARY OF TERMS

The following definitions apply throughout this Prospectus unless the context otherwise requires:

"1915 Law"	The Luxembourg law of 10 August 1915 on commercial companies, as amended from time to time.
"2013 Law"	The law of 12 July 2013 on alternative investment fund managers, as amended from time to time.
"2016 Law"	The Luxembourg law of 23 July 2016 on reserved alternative investment funds, as amended from time to time.
"Acc" or "Accumulation"	A Class for which income is accumulated and no dividends will be paid.
"Administrative Agent"	The administrative agent of the Fund which, at the date of this Prospectus, is J.P. Morgan Bank Luxembourg S.A., with registered office at 6, route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg.
"AIFMD"	The Directive 2011/61/EU of the European Parliament and of the Council.
"AIFM Regulation"	The Commission Delegated Regulation EU No 231/2013 of December 2012 supplementing the Directive 2011/61/EU.
"Alternative Investment Fund Manager" ("AIFM")	The alternative investment manager of the Fund which, at the date of this Prospectus, is FundRock Management Company S.A., with registered office at 33, rue de Gasperich, L-5826 Hesperange, Grand Duchy of Luxembourg.
"Application Form"	Document signed or to be signed by an Investor who desires to subscribe to Shares and by which this Investor irrevocably applies for Shares.
"Approved Statutory Auditor"	The approved statutory auditor of the Fund which, at the date of this Prospectus, is PriceWaterhouseCoopers, <i>société coopérative</i> , with registered office at 2, rue Gerhard Mercator, L-2182 Luxembourg, Grand Duchy of Luxembourg.
"Articles"	The articles of incorporation of the Fund as amended from time to time.



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"Board"	The Board of Directors of the Fund.
"Business Day"	A week day on which banks are normally open for business in Luxembourg.
"Class"	Each class of Shares within the Fund.
"Controlling Persons"	The natural persons who exercise control over an Entity. In the case of a trust, such term means the settlor, the trustees, the protector (if any), the beneficiaries or class of beneficiaries, and any other natural person exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term "Controlling Persons" shall be interpreted in a manner consistent with the Financial Action Task Force Recommendations.
"Depository"	The depository of the Fund which, at the date of this Prospectus, is J.P. Morgan Bank Luxembourg S.A., with registered office at 6, route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg.
"Directors"	The members of the Board.
"Eligible Investors"	Investors who qualify as well-informed investors within the meaning of the 2016 Law, i.e. Institutional Investors, Professional Investors and Other Well-Informed Investors.
"Entity"	A legal person or a legal arrangement such as a trust.
"EU"	European Union.
"Euro" or "EUR"	The legal currency of the European Monetary Union.
"FATCA"	The provisions of the Hiring Incentives to Restore Employment (HIRE) Act of 18 March 2010 commonly referred to as the Foreign Account Tax Compliance Act (FATCA).
"Financial Institution"	A custodial institution, a depository institution, an investment entity or a specified insurance company, as defined by the IGA.

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"Fund"	Devon Equity Funds RAIF.
"GBP"	All references to GBP are to the legal currency of the UK.
"HSC"	A designation of a Class indicating the application of hedging techniques aimed to mitigate foreign exchange risk between the base currency of the Fund and the currency of the HSC.
"IGA"	The intergovernmental agreement concluded between the Grand-Duchy of Luxembourg and the United States of America in relation to FATCA on 28 March 2014.
"Initial Offer Period"	The day or period during which the Shares of a Sub-Fund are initially offered for subscription, as set out in such Sub-Fund's relevant Particular.
"Institutional Investors"	Investors who qualify as institutional investor(s) including but not limited to credit institutions, other professional of the financial sector, insurance and reinsurance companies, social security institutions investing on their own account, pension funds, industrial and financial groups and their respective subsidiaries in charge of fund or asset management, as further defined under Luxembourg laws and the practice of the <i>Commission de Surveillance du Secteur Financier</i> .
"Investment Fund"	Any regulated or unregulated undertaking the sole objective of which is the collective investment in securities, financial instruments and other assets.
"Investment Manager"	The investment manager of the Fund which, at the date of this Prospectus, is Devon Equity Management Limited with registered office at 123, Victoria Street, London, SW1E 6DE, United Kingdom.
"Investor"	An investor who desires to subscribe or has subscribed to Shares.
"IRS"	The United States Internal Revenue Service.
"Luxembourg Financial Institution"	Means (i) any Financial Institution resident in Luxembourg, but excluding any branch of such Financial Institution that is located outside

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	Luxembourg and (ii) any branch of a Financial Institution not resident in Luxembourg, if such branch is located in Luxembourg.
"Member State"	A member state of the EU.
"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 or of a Sub-Fund as determined pursuant to section 6. "Net Asset Value".
"Net Asset Value per Share"	The net asset value per Share of any Class within any Sub-Fund determined in accordance with the relevant provisions described in section 6. "Net Asset Value".
"Non-US Entity"	An Entity that is not a US Person.
"OECD"	The Organisation for Economic Co-operative and Development.
"Other Well-Informed Investor"	Investor who (i) adheres in writing to the status of well-informed investors and (ii) invests a minimum of Euro 125,000 in the Fund or (b) has been the subject of an assessment made by a credit institution within the meaning of Regulation 575/2013 or an investment firm within the meaning of Directive 2014/65/EU or a management company within the meaning of Directive 2009/65/EC or by an authorised alternative investment fund manager within the meaning of the AIFMD certifying his expertise, his experience and his knowledge in adequately appraising an investment in the Fund.
"Professional Investors"	Investors who qualify as professional investors under annex II of Directive 2014/65/EU, as amended.
"Regulated Market"	A regulated market as defined in the Directive 2014/65/EU of 15 May 2014 on markets in financial instruments (MiFID), namely a market which appears on the list of the regulated markets drawn up by each Member State, which functions regularly, is characterized by the fact that regulations issued or approved by the competent

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authorities define the conditions for the operation of the market, the conditions for access to the market and the conditions that must be satisfied by a financial instrument before it can effectively be dealt in on the market, requiring compliance with all the reporting and transparency requirements laid down by MiFID and any other market which is regulated, operates regularly and is recognised and open to the public in an Eligible State.

"RESA"

*Recueil Electronique des Sociétés et Associations.*

"Shareholders"

All the shareholders of the Fund.

"Shares"

Any shares in the Fund from any Class within any Sub-Fund subscribed by any Shareholder.

"Specified US Person"

A US Person, other than: (i) a corporation the stock of which is regularly traded on one or more established securities market; (ii) any corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the US Internal Revenue Code, as a corporation described in clause (i); (iii) the United States or any wholly owned agency or instrumentality thereof; (iv) any States of the United States, any US Territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing; (v) any organization exempt from taxation under section 501(a) of the US Internal Revenue Code or an individual retirement plan as defined in section 7701(a)(37) of the US Internal Revenue Code; (vi) any bank as defined in section 581 of the US Internal Revenue Code; (vii) any real estate investment trust as defined in section 856 of the US Internal Revenue Code; (viii) any regulated investment company as defined in section 851 of the US Internal Revenue Code or any entity registered with the US Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-64); (ix) any common trust fund as defined in section 584(a) of the US Internal Revenue Code; (x) any trust that is exempt from tax under section 664(c) of the US Internal Revenue Code or that is described in section 4947(a)(1) of the US Internal Revenue Code; (xi) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is

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registered as such under the laws of the United States or any State; (xii) a broker as defined in section 6045(c) of the US Internal Revenue Code; or (xiii) any tax-exempt trust under a plan that is described in section 403(b) or section 457(g) of the US Internal Revenue Code.

"Sub-Fund"	A specific portfolio of assets and liabilities within the Fund having its own Net Asset Value and represented by a separate Class or Classes of Shares.
"Sub-Fund Particulars"	The appendix attached to (and forming part of) this Prospectus relating to the Sub-Funds.
"Transferable Securities"	(i) Shares and other securities equivalent to shares; (ii) bonds and other debt instruments; and (iii) any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchanges.
"UCI"	Undertaking for collective investment, i.e. undertaking the sole objective of which is the collective investment in securities, financial instruments and other assets.
"UCITS"	Undertakings for Collective Investment in Transferable Securities as defined in article 2 (2) of the Law and article 1(2) of the UCITS Directive.
"UCITS Directive"	Directive 2009/65/EC, as may be amended or recast from time to time.
"UCITS Law"	The law of 17 December 2010 on undertakings for collective investment, as amended from time to time.
"UK"	United Kingdom.
"US"	United States of America.
"USD" or "US Dollars"	All references to USD or US dollars are to the legal currency of the United States.
"US Person"	A US citizen or resident individual, a partnership or a corporation organized in the US or under the laws of the US or any States thereof, a trust if (i) a court within the US would have authority under applicable law to render order or judgments

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concerning substantially all issues regarding administration of the trust, and (ii) one or more US persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the United States. This definition shall be interpreted in accordance with the US internal Revenue Code.

### "Valuation Day"

The day as at which the Net Asset Value is determined.

### "Valuation Point"

1 p.m. (CET) on a Valuation Day, or such other time as may be stipulated in the relevant Sub-Funds Particulars, being the time as of which the Net Asset Value is calculated for each Class.

All references herein to time are to Central European Time (CET) unless otherwise indicated.

Words importing the singular shall, where the context permits, include the plural and vice versa.

## 1. STRUCTURE OF THE FUND

The Fund is an open-ended investment company organised as a "*société anonyme*" under the laws of the Grand Duchy of Luxembourg and qualifies as a reserved alternative investment fund ("**RAIF**") within the meaning of the 2016 Law.

The Fund qualifies as an alternative investment fund (the "**AIF**") within the meaning of the AIFMD and of article 1 (39) of the 2013 Law.

The Fund is an umbrella fund and as such may operate separate sub-funds (each, a "**Sub-Fund**"), each of which is represented by one or more Classes of Shares. The Sub-Funds are distinguished by their specific investment policy or any other specific features, as further described in the Sub-Fund Particulars.

The Fund constitutes a single legal entity, but the assets of each Sub-Fund shall be invested for the exclusive benefit of the Shareholders of the corresponding Sub-Fund and the assets of a specific Sub-Fund are solely accountable for the liabilities, commitments and obligations of that Sub-Fund.

The Shares of the Fund are currently not listed on a stock exchange. The Board reserves the right to list the Shares of one or several Sub-Funds in the future. In such event, the relevant Sub-Fund Particulars will be amended accordingly.

The Board may at any time resolve to set up new Sub-Funds and/or create within each Sub-Fund one or more Classes of Shares and this Prospectus will be updated accordingly. The Board may also at any time resolve to close a Sub-Fund, or one or more Classes of Shares within a Sub-Fund, to further subscriptions.

The Fund was incorporated in Luxembourg on 8 January 2020. The Fund is registered with the *Registre de Commerce et des Sociétés, Luxembourg*, under number B 241 217. The Articles have been deposited with the *Registre de Commerce et des Sociétés, Luxembourg* and will be published in the *RESA*.

The capital of the Fund shall be equal at all times to the net assets of the Fund. The minimum capital of the Fund, as prescribed by law, is EUR 1,250,000. The Fund is incorporated for an unlimited period.

Under Luxembourg law and its Articles, the Fund is authorised to issue an unlimited number of Shares, all of which are without par value.

The base currency of the Fund is the Euro and all the financial statements of the Fund will be presented in Euro.

The Fund has appointed FundRock Management Company S.A. as its external Alternative Investment Fund Manager within the meaning of article 4 of the 2013 Law and article 5 of the AIFMD.

## 2. PURPOSE, INVESTMENT OBJECTIVES AND POLICIES

The Fund's main objective is to achieve capital appreciation over time.

Each Sub-Fund shall pursue a distinct investment policy and the investment restrictions may differ for each of them. The investment policy and specific investment restrictions are disclosed for each Sub-Fund in the relevant Sub-Fund Particulars.

The Board is entitled to modify the investment strategy or policy as well as the objective and investment restrictions of one or several Sub-Funds. In case the relevant amendments have or may have a material impact on the Shareholders of a given Sub-Fund or detrimental to the interests of the Shareholders of any Sub-Fund, such Shareholders will be informed prior to the effective date of the modifications and will be able to apply for the redemption of their Shares, free of redemption fees or, whenever possible, to convert their Shares in Shares of the same or another Class in a different Sub-Fund. The Prospectus will be updated to reflect the modifications decided by the Board.

### ***RISK WARNINGS***

The investments of the Fund are subject to market fluctuations and other risks inherent in any investment. It cannot therefore be guaranteed that the investment objectives will be achieved. Investors must therefore be aware that the value of their investment may fall as well as rise and that past performance is not a guide to future performances.

### ***GENERAL***

#### **Business Risk**

The success of any investment activity is affected by general economic conditions. Unexpected volatility or illiquidity in the markets in which the Fund holds positions, directly or indirectly, could impair the Fund's ability to carry out its business or cause it to incur losses. None of these conditions are within the control of the Fund and no assurances can be given that the Fund will anticipate these developments.

#### **Political and/or regulatory risks**

The value of a Sub-Fund's assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets.

#### **Systemic risk**

Exposures to funds are an important source of counterparty risk for the providers of leverage. These exposures are subject to prudential rules and are typically fully collateralized. However, risk management failures are possible.

As large players in markets for many financial assets, leveraged funds have the potential to move markets,



in particular in the event of the herding of positions in common trades. This is of particular concern in stressed conditions, where the disorderly unwinding of large, similar positions may fuel the collapse of asset prices and market illiquidity. This was seen in the beginning of the financial crisis in 2007-2008, where a vicious spiral was created: falling asset prices caused prime brokers to tighten lending conditions, forcing leveraged funds to sell assets, which in turn pushed prices down further.

### Market risk

Although it is intended that each Sub-Fund will be diversified, the investments of a Sub-Fund are subject to normal market fluctuations and to the risks inherent to investments in equities, debt securities, currency instruments, derivatives and other similar instruments.

The Fund takes positions in the market by buying or selling assets. As soon as the prices of the assets follow an opposite direction as expected by the Fund, the Sub-Fund may be exposed to losses. The price swings are caused by many factors, e.g. market sentiment, economic fundamentals, interest rates, exchange rates... The magnitude of the losses depends on the nature of the assets and on the overall exposition of the Sub-Fund.

- *Market risk by asset*  
Not all assets have the same degree of risk. The volatility (a measure of the extent of the variation of a price) is one indicator to assess risk. The price of an asset with a low volatility tends to move less extreme than the one of an asset with a high volatility. Typically the stock of a small innovative company will show a higher volatility than the stock of a long time established and large company and thus may cause greater losses.
- *Market risk by global exposure*  
A Sub-Fund may be invested in different assets with different degrees and directions, therefore the losses in one asset may be compensated by the gains in another asset.

The Fund may invest in underlying Investment Funds active on various markets throughout the world. Political changes, changes to the applicable legal framework, fiscal measures or currency risks on these markets may have a negative impact on the assets or the financial results of the underlying Investment Funds and, consequently, of the Fund.

### Liquidity risk

- *Funding liquidity risk*  
Subject to the restrictions provided for in section 3 "Investment restrictions", the Sub-Fund can borrow money to buy assets in order to pursue certain strategies or to amplify the returns they generate. This process participates at the creation of leverage. Since borrowing money is not costless, the Sub-Fund has to pay interest rates and redeem the capital at the end of the borrowing period. There is a risk for the Sub-Fund that the access to fresh capital to finance its acquisitions may be reduced or stopped altogether. The Sub-Fund would then have to renew its borrowing arrangements, at the risk that these new conditions may be more, even prohibitively, expensive. The Sub-Fund would then be forced to sell assets to redeem the borrowed capital.
- *Market liquidity risk*  
Not all assets have the same liquidity in the market; that is the same availability at a certain time and at a reasonable price. Typically high capitalized stocks have a large liquidity enabling investors to buy

or sell the desired volume at a reasonable price. But other assets like less capitalized stocks or bonds may have a lower liquidity. In this case there is a risk that it cannot be purchased or sold without a significant concession in price because the market is unable to accommodate the desired trading size. For example if the Sub-Fund wants to sell 10'000 units of a security and the regular daily trading volume on that security is only 1'000 units. There is important risk that selling these 10'000 units in a few days may provoke a crash in the price of the security. The Sub-Fund would then either have to bear the risk of a considerable reduction in the price or to spread the sale of the security over a longer period of time than it intended.

### Investment objectives

There can be no guarantee that the investment objective of any Sub-Fund will be met. Investors should be aware that a Sub-Fund may invest on a limited basis in areas which are not naturally associated with the name of the Sub-Fund. These other markets and/or assets may act with more or less volatility than the core investments and performance will, in part, be dependent on these investments. Investors should therefore ensure (prior to any investment being made) that they are satisfied with the risk profile of the overall objectives disclosed.

### Market suspension risk

Trading on a securities exchange (generally or in respect of a particular issuer) may be suspended or halted pursuant to the securities exchange's rules as a result of market conditions, technical malfunctions which prevent trades from being processed, issues relating to a particular issuer or otherwise. Any such halt or suspension or limitation would result in the Sub-Funds being unable to sell the securities traded on that securities exchange and, accordingly, expose the Sub-Funds to losses and delays in their ability to redeem Shares.

### Operational risk

The business of the Fund, the AIFM and the Investment Manager involves many operational risks, this is mainly due to the fact that they operate in a complex environment that requires continuous monitoring of their systems and procedures. The risk of loss may be directly linked to a lack of control, to mistakes or fraudulent activities of the personal, to a breakdown of internal systems like the IT or simply to external factors like flooding or fire. Several major financial service suppliers have, in recent years, incurred considerable losses on account of operational risks materializing. Many of these cases were linked to a lack of effective internal controls that permitted fraudulent activities of a trader.

### Possible effect of substantial redemptions

Substantial redemptions at the option of Shareholders may necessitate the Fund to liquidate investments and/or borrow money. It is possible that losses may be incurred due to such liquidations which might otherwise not have been incurred. The costs of borrowing will be borne by the Fund.

### Currency exposure and passive currency hedging

Each Class of each Sub-Fund will have its own class currency (the "**Class Currency**") and each Sub-Fund will have its own base currency (the "**Base Currency**"). The Shares of each Class will be issued and redeemed by reference to the Class Currency concerned. The Class Currency may be different from the Base Currency of the Fund. The assets of each Sub-Fund may also be invested in securities and other

investments that are not denominated in its Class Currency and/or Base Currency. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency exchange rates between these currencies and the Base Currency and by changes in exchange rate controls. Therefore, each Sub-Fund will necessarily be subject to foreign exchange risks relative to its Class Currency and/or Base Currency.

In particular, a Shareholder who acquires Shares of a Sub-Fund will be subject to foreign exchange risk in respect of those assets of that Sub-Fund which are denominated in any currency other than the currency of investment in that Sub-Fund (irrespective of whether the currency of investment was also the Class Currency and/or Base Currency).

A Shareholder whose assets and liabilities are predominantly in another currency should take into account the potential risk of loss (or gain) arising from fluctuations in value between the currency denomination of the assets of a Sub-Fund in which the Shareholder invests and the Shareholder's own currency of investment.

A Shareholder who subscribes for Shares, or requests that redemption payments be made, in a currency other than the Base Currency of the relevant Sub-Fund should also take into account the potential risk of loss arising from fluctuations in value between the relevant Class Currency and/or Base Currency and the currency that the Shareholder used to subscribe for Shares or the currency in which the Shareholder requests that redemption payments be made.

Passive currency hedging strategies may be used by the Investment Manager, at its sole discretion, to seek to reduce the impact of adverse movements between the Class Currency and/or Base Currency of a Sub-Fund and the currencies of the assets in which a Sub-Fund is invested.

This may involve the use of foreign exchange transactions and/or currency derivatives. However, there is no guarantee that any hedging techniques will be employed or, if employed, that they will be effective in managing the currency exposures to which a Sub-Fund may be subject.

For those hedged Classes denominated in a different currency to the Base Currency, investors should note that there is no guarantee that the exposure of the Class Currency can be fully hedged against the Base Currency of the relevant Sub-Fund. Investors should also note that the successful implementation of the strategy may substantially reduce the benefit to Shareholders in the relevant Class as a result of decreases in the value of the Class Currency against the Base Currency of the relevant Sub-Fund. In addition, investors should note that, in the event that they request payment of redemption proceeds in a currency other than the relevant Class Currency, the exposure of that currency to the Class Currency will not be hedged.

Each Class will be responsible for any currency hedging costs applicable to the assets attributable to it.

## Equities

Experience has shown that equities and securities of a share-like character are subject to general market risks and strong price fluctuations. That is why they offer the possibility of considerable price gains, but also involves increased risks. For example, the prices of equities and securities of a share-like character are influenced above all by issuer-specific factors, changes in investment sentiment, the profits or otherwise of individual enterprises and sectors as well as macro-economic developments and political perspectives, which determine the expectations of the securities markets and thus the movement of prices. All factors

affecting the value of securities in some markets and under certain situations cannot easily be determined and the value of such investments may decline or be reduced to zero.

### **Warrants**

In addition to the above risks involved with securities and exchange rate changes, warrants carry the risk, but also the opportunity, of what is known as gearing. This gearing is produced, for example, with call warrants through the lower capital investment when the warrants are purchased compared with a direct purchase of the underlying assets. The same applies for put warrants. The greater the gearing, the greater will be the change in the price of the warrant in the event of a change in the prices of the underlying assets (in comparison to the subscription price set forth in the option conditions). The opportunities and risks of warrants increase as the gearing increases. Since warrants are generally issued only for a limited term, it cannot be ruled out that they will be valueless at the date of maturity if the price of the underlying assets falls below the subscription price fixed when the call warrants were issued or exceeds the subscription price fixed when the put warrants were issued.

### **Futures and options and other derivatives**

Futures, options and forward contracts expose Sub-Funds using them to additional investment risks and transaction costs. Even where these instruments are used for hedging or efficient portfolio management purposes such Sub-Funds could be left in a less favourable position than if such instruments had not been used. Risks inherent in the use of futures, options and forward contracts include (1) the risk that interest rates, securities price and currency markets will not move in the directions anticipated; (2) imperfect correlation between the price of futures, options and forward contracts and movements in the prices of the underlying securities or currencies being hedged; (3) the fact that skills needed to use these strategies are different from those needed to select portfolio securities; (4) the possible absence of a liquid secondary market for any particular instrument at any particular time; (5) because of the low margin deposits normally required in futures trading, a futures account is typically highly leveraged so that a small price movement may result in substantial and sudden losses in excess of the margin deposit; (6) most futures exchanges have daily limits on fluctuations of futures contract prices and trading is suspended when such limits are exceeded. Such limits lead to liquidity risk and may result in an inability to limit losses. Some exchanges also limit maximum net long or net short positions and positions of Sub-Funds may have to be liquidated in order to conform to these limits at prices which may not be favourable.

Generally the performance of derivatives including futures, options, forward contracts, repurchase agreements, swap transactions and similar investments will tend to be volatile and losses may exceed the amount invested in a particular transaction and may potentially be severe. Certain of these investments will be subject to a credit risk on the counterparty to the relevant transaction.

### **Risks related to the European sovereign risks crisis**

The Sub-Funds invest in equity or equity related securities whereby the issuers have their registered office or exercise a predominant part of their economic activities in Europe. In light of the current fiscal conditions and ongoing concerns in relation to the sovereign debt risk of certain European countries and certain countries within the Eurozone, there is an increased amount of volatility, liquidity, currency, default, price and foreign exchange risk associated with investments in Europe. The performance of the Sub-Funds could deteriorate significantly should an adverse credit event occur such as, but not limited to, the downgrade of the sovereign credit rating of a European country or withdrawal from the Euro currency by one or more member states of the European monetary union.

## Brexit

On 29 March 2017, the UK gave notice of its intention to withdraw from the EU ("**Brexit**") pursuant to Article 50 of the Treaty of the EU. Brexit is currently expected to take place on 31 January 2020, unless the European Commission, in agreement with the UK, decides to extend this negotiation period. The impact of such events on the Sub-Funds is difficult to predict, but the process to implement the political, economic, and regulatory framework between the UK and the EU may have detrimental implications for the ability of the Sub-Funds to fulfil their respective investment objectives and on the value of certain Sub-Fund's assets, and may increase a Sub-Fund's costs. This may be due to various factors, including (but not limited to) the following:

- Increased uncertainty and volatility in the UK and EU markets;
- Fluctuations in the market value of sterling and of UK and EU assets;
- Fluctuations in exchanges rates between sterling, the Euro and other currencies;
- Fluctuations in interest rates in UK, EU and other markets;
- Increased illiquidity of investments located or listed within the UK or the EU;
- Changes in the willingness of counterparties to enter into transactions, or the price at which and terms on which they are prepared to transact; and/or
- Changes in legal and regulatory regimes to which the Sub-Funds, and/or certain of a Sub-Fund's assets, are or become subject.

## Natural disasters and pandemic risks

Natural or environmental disasters (such as earthquakes, fires, floods, hurricanes, tsunamis, and other severe weather-related phenomena generally) and widespread disease (including pandemics and epidemics) have been and can be highly disruptive to economies and markets. They can adversely impact individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of a Sub-Fund's investments. Given the increasing interdependence among global economies and markets, conditions in one country, market, or region are increasingly likely to adversely affect markets, issuers, and/or foreign exchange rates in other countries. These disruptions could prevent the Sub-Funds from executing advantageous investment decisions in a timely manner and could negatively impact the Sub-Funds' ability to achieve their respective investment objectives. Any such event(s) could have a significant adverse impact on the value and risk profile of the relevant Sub-Fund.

## Anti-Tax Avoidance Directive ("**ATAD**")

The EU has adopted the Anti-Tax Avoidance Directive ("**ATAD 1**") that addresses many of the items of the OECD's base erosion and profit shifting ("**BEPS**") project, including among others hybrid mismatch rules, interest deduction limitation, controlled foreign companies rules and a principal purpose test. Luxembourg, implemented the ATAD 1 into its national law as of December 21, 2018, and as with all other EU Member States, must apply those provisions as of January 1, 2019. On February 21, 2017, the Economic and Financial Affairs Council of the EU reached political agreement on amendments to ATAD 1 to neutralize hybrid mismatch structures involving non-EU countries ("**ATAD 2**"). While ATAD 1 contains rules combatting certain hybrid mismatches between EU Member States, ATAD 2 extends the scope to (i) a variety of other mismatches between EU Member States and (ii) mismatches between EU Member States and third countries. ATAD 2 provisions had to be implemented into domestic law by January 1, 2020. As an exception, implementation of a specific provision targeting so-called reverse hybrids can be postponed

by EU Member States until January 1, 2022.

Ultimately, the effects of ATAD 1 and ATAD 2 may potentially lead to additional taxes being imposed on the Fund (directly or indirectly on any entities the Fund is invested in), affecting the value of the investments held by Shareholders in the Fund.

Prospective investors should consult their professional advisor on the individual impact of ATAD 1 and ATAD 2.

### Multilateral Instrument

At international level, the “Multilateral Convention to Implement Tax Treaty Related Measures to prevent Base Erosion and Profit Shifting” (“**MLI**”) was published by the OECD on November 24, 2016. The aim of the MLI is to update international tax rules and lessen the opportunity for tax avoidance by transposing the results from the BEPS project into more than 2,000 double tax treaties worldwide. A number of jurisdictions (including Luxembourg) have signed the MLI. The ratification process of Luxembourg has been achieved through the law of March 7, 2019 and the deposit of the ratification instrument with the OECD on April 9, 2019. As consequences, the MLI has entered into force on August 1, 2019. Its application per double tax treaty concluded with Luxembourg will depend on the ratification by the other contracting state and on the type of tax concerned. Subsequent changes in tax treaties negotiated by Luxembourg incurred by the MLI could adversely affect the returns from the Fund to its Shareholders.

### DAC 6

On 25 May 2018, the EU Council adopted a directive (2018/822 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation) that imposes a reporting obligation on parties involved in transactions that may be associated with aggressive tax planning (“**DAC6**”).

More specifically, the reporting obligation will apply to cross-border arrangements that, among others, satisfy one or more “hallmarks” provided for in DAC6 (the “**Reportable Arrangements**”).

In the case of a Reportable Arrangement, the information that must be reported includes the name of all relevant taxpayers and intermediaries as well as an outline of the Reportable Arrangement, the value of the Reportable Arrangement and identification of any member states likely to be concerned by the Reportable Arrangement.

The reporting obligation in principle rests with persons that design, market or organise the Reportable Arrangement and professional advisors (intermediaries). However, in certain cases, the taxpayer itself can be subject to the reporting obligation.

The information reported will be automatically exchanged between the tax authorities of all EU Member States.

DAC6 had to be implemented in the domestic laws of the Member States by 31 December 2019 and will only apply from 1 July 2020 with the first reporting deadline being 31 August 2020<sup>1</sup>. However, it will be

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<sup>1</sup> As a result of the COVID-19 pandemic, the Council of the European Union adopted Directive (EU) 2020/876 on 24 June 2020 to give EU member states the option to defer the time limits for, amongst others, filing and exchanging information under DAC6 (the “**DAC6 Amendment Directive**”). The DAC6 Amendment Directive was transposed into

necessary to report the Reportable Arrangements the first step of which was implemented between 25 June 2018 and 1 July 2020.

DAC6 was transposed into Luxembourg domestic legislation by the law of 25 March 2020 (the “**DAC6 Law**”).

In light of the broad scope of DAC6, transactions carried out by the Fund may fall within the scope of DAC6 and thus be reportable.

### ***SPECIFIC RISK FACTORS OF THE SUB-FUNDS***

Please refer to the relevant Sub-Fund Particulars for specific risk factors applying to each of the Sub-Funds.

### ***CONFLICTS OF INTEREST***

The Directors, the Investment Manager, the Distributor, the AIFM, the Administrative Agent and the Depositary and their respective affiliates, officers, directors and shareholders, employees and agents (collectively the ‘Parties’) are or may be involved in other financial, investment and professional activities which may on occasion cause a conflict of interest with the management of the Fund and/or their respective roles with respect to the Fund. These activities may include managing or advising other funds, purchases and sales of securities, investment management services, brokerage services, valuation of unlisted securities (in circumstances in which fees may increase as the value of assets increases) and serving as directors, officers, advisers or agents of other funds or companies, including funds or companies in which the Fund may invest.

In particular, the Investment Manager may be involved in advising or managing other investment funds, which have similar or overlapping investment objectives to or with the Fund or the Sub-Funds. Each of the Parties will use its reasonable endeavours to ensure that the performance of their respective duties will not be impaired by any such involvement they may have and that any conflicts which may arise will be resolved fairly and in the best interests of Shareholders. The Investment Manager will endeavour to ensure a fair allocation of investments among each of its clients. The Investment Manager acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Fund or its Shareholders will be prevented. Should any such situations arise the Investment Manager will, as a last resort if the conflict cannot be avoided, disclose these to Shareholders. Further details of the Investment Manager’s Conflicts of Interest policy are available on its website at [www.devonem.com](http://www.devonem.com).

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Luxembourg domestic legislation by the law of 24 July 2020 according to which reporting deadlines under the DAC6 Law have been deferred by 6 months.

### 3. INVESTMENT RESTRICTIONS

#### General Investment Restrictions

The Fund or where a UCITS comprises more than one compartment, each such Sub-Fund or compartment shall be regarded as a separate UCITS for the purposes of this section (each reference to the Fund shall be understood as a reference to each Sub-Fund, as the case may be, for the purposes of this section). 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 and the currency of denomination of a Sub-Fund subject to the following restrictions:

- I. (1) The Fund may invest in:
  - a) Transferable Securities and Money Market Instruments admitted to or dealt in on a Regulated Market;
  - b) Transferable Securities and Money Market Instruments dealt in on another market in a Member State which is regulated, operates regularly and open to the public;
  - c) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in a non-Member State in Europe, Asia, Oceania (including Australia), the American continents and Africa (as acceptable by the CSSF including but not limited to any member state of the Organisation for Economic Cooperation and Development ("OECD") Singapore, or any member state of the G20) or dealt in on another market in a non-Member State which is regulated, operates regularly and is recognised and open to the public provided that the choice of the stock exchange or market has been provided for in the constitutional documents of the UCITS;
  - d) recently issued Transferable Securities and Money Market Instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on a Regulated Market and such admission is secured within a year of the issue.
  - e) units of UCITS and/or other UCI, whether situated in a Member State or not, provided that:
    - such other UCIs have been authorised under the 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 the UCITS Directive, as amended;
    - 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;



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- 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.
- f) 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 a country which is a 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;
- g) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a Regulated Market and/or financial derivative instruments dealt in over-the-counter ("**OTC derivatives**"), provided that:
- the underlying consists of instruments covered by this section (1), financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Fund(s) may invest according to its/their investment objective;
  - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF;
  - 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

- h) Money Market Instruments other than those dealt in on a Regulated Market, if the issuer 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 a 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 Member States belong; or
  - issued by an undertaking any securities of which are dealt in on Regulated Markets;
  - issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by the 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 CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and

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provided that the issuer is a company whose capital and reserves amount to at least ten million euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, 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 and Money Market Instruments issued by the same issuing body.

(ii) The Fund may not invest more than 20% of the total net assets of such 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. (1) f) above or 5% of its net assets in other cases.

b) Moreover where the Fund holds on behalf of a Sub-Fund investment in Transferable Securities and Money Market Instruments of any issuing body 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 III. a), the Fund shall not combine, where this would lead to investing more than 20% of its assets in a single body, any of the following for each Sub-Fund:

- investments in Transferable Securities or Money Market Instruments issued by that body,
- deposits made with that body, or
- exposures arising from OTC derivative transactions undertaken with that body

c) The limit of 10% laid down in sub-paragraph III. a) (i) above will be increased to a maximum of 35% in respect of Transferable Securities or Money Market Instruments which are issued or guaranteed by a Member State, its local authorities, or by another eligible state or by public international bodies of which one or more Member States are members.

d) The limit of 10% laid down in sub-paragraph III. a) (i) may be of a maximum of 25% for certain bonds when they are issued by a credit institution which has its registered office in a Member

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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 Asset Value of the Sub-Fund.

- e) The Transferable Securities and Money Market Instruments referred to in paragraphs III. c) and III. d) shall not be included in the calculation of the limit of 40% stated in paragraph III. b) above.

The limits set out in sub-paragraphs a), b) c) and d) may not be aggregated and, accordingly, investments in Transferable Securities and Money Market Instruments issued by the same issuing body, in deposits or in financial 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 a Member State, by its local authorities or agencies, or by another member state of the OECD, Singapore, Hong Kong or any member state of the G20 or by public international bodies of which one or more 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 total net assets of such Sub-Fund.**

- IV. a) Without prejudice to the limits laid down in paragraph V., the limits provided in paragraph III. 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. The Fund may not acquire Shares carrying voting rights which should enable it to exercise significant influence over the management of an issuing body.

Each Sub-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.

The limits under the 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.

The provisions of paragraph V. shall not be applicable to Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or its local authorities or by any other eligible state, or issued by public international bodies of which one or more Member States are members.

These provisions are also waived as regards Shares held by the Fund in the capital of a company incorporated in a non-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-Member State complies with the limits laid down in paragraphs III., V. and VI. a), b), c) and d).

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

In case a Sub-Fund may invest more than 10% in UCITS or other UCIs, such Sub-Fund may not invest more than 20% of its net assets in units of a single UCITS or other UCI.

For the purpose of the application of the investment limit, each compartment of a UCI with multiple compartments 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.

Investments made in units of other UCIs may not, in aggregate, exceed 30% of the net assets of such Sub-Fund.

- 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 other UCITS and/or other UCIs linked to the Fund by common management or control, no subscription or redemption fees may be charged to the Fund on account of its investment in the units of such other UCITS and/or other UCIs.

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d) Each Sub-Fund may acquire no more than 25% of the units of the same UCITS and/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.

VII. Any Sub-Fund of the Fund (hereinafter referred to as a "**Feeder Sub-Fund**") may be authorised to invest at least 85% of its assets in the units of another UCITS or portfolio thereof (the "**Master UCITS**"). A Feeder Sub-Fund may hold up to 15% of its assets in one or more of the following:

- ancillary liquid assets in accordance with II;
- financial derivative instruments, which may be used only for hedging purposes;
- movable and immovable property which is essential for the direct pursuit of its business.

For the purposes of compliance with article 42(3) of the UCITS Law, the Feeder Sub-Fund shall calculate its global exposure related to financial derivative instruments by combining its own direct exposure under the second indent of the first sub-paragraph with either:

- the Master UCITS actual exposure to financial derivative instruments in proportion to the Feeder Sub-Fund investment into the Master UCITS; or
- the Master UCITS potential maximum global exposure to financial derivative instruments provided for in the Master UCITS management regulations or instruments of incorporation in proportion to the Feeder Sub-Fund investment into the Master UCITS.

VIII. A Sub-Fund (the "**Investing Sub-Fund**") may subscribe, acquire and/or hold securities to be issued or issued by one or more Sub-Fund of the Fund (each a "**Target Sub-Fund**") without the Fund being, subject to the requirements of the 1915 Law with respect to the subscription, acquisition and/or the holding by a company of its own Shares; under the condition however that:

- the Target Sub-Fund(s) do(es) not, in turn, invest in the Investing Sub-Fund invested in this (these) Target Sub-Fund (s); and
- the investment policy(ies) of the Target Sub-Fund(s) whose acquisition is contemplated does not allow such Target Sub-Fund(s) to invest more than 10% of its(their) Net Asset Value in UCITS and UCIs; and
- voting rights, if any, attaching to the Shares of the Target Sub-Fund(s) held by the Investing Sub-Fund are suspended for as long as they are held by the Investing Sub-Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
- in any event, for as long as these securities are held by the Investing Sub-Fund, their value will not be taken into consideration for the calculation of the net assets of the Fund for the purposes of verifying the minimum threshold of the net assets imposed by the UCITS Law.

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

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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 restriction III. When the Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in restriction 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 restriction.

- X.
- a) The Fund may not borrow for the account of any Sub-Fund amounts in excess of 10% of the total net assets of that Sub-Fund, any such borrowings to be from banks and to be effected only as a temporary basis provided that the purchase of foreign currencies by way of back to back loans remains possible;
  - 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 (i) acquiring Transferable Securities, Money Market Instruments or other financial instruments referred to in I. (1) e), g) and h) which are not fully paid, and (ii) performing permitted securities lending activities that shall not be deemed to constitute the making of a loan.

- c) The Fund may not carry out uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments.
  - d) The Fund may not acquire movable or immovable property.
  - e) The Fund may not acquire either precious metals or certificates representing them.
- XI. If the percentage limitations set forth in the above restrictions 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 interests of its Shareholders.

The Fund will in addition comply with such further restrictions as may be required by the regulatory authorities in which the Shares are marketed.

During the first six months following its launch, a new Sub-Fund may derogate from restrictions III., IV. and VI. a), b) and c) while ensuring observance of the principle of risk spreading.

### Financial Derivative Instruments

Each Sub-Fund may, subject to the conditions and within the limits laid down in the UCITS Law and any present or future related Luxembourg laws or implementing regulations, circulars and CSSF positions (the "**Regulations**"), invest in financial derivative instruments for hedging purposes, investment purposes or efficient portfolio management purposes as disclosed for each Sub-Fund in the Sub-Fund Particulars. Financial derivative instruments may include, but are not limited to, futures, forwards, options, swaps

(including, but not limited to, total return swaps, credit and credit-default, interest rate and inflation swaps), swaptions and forward foreign currency contracts. New financial derivative instruments may be developed which may be suitable for use by the Fund and the Fund may employ such financial derivative instruments in accordance with the Regulations and collateral received will be according to its collateral policy.

The conditions of use and the limits applicable shall in all circumstances comply with the provisions laid down in the UCITS Law, in the rules and regulations of the CSSF and the Prospectus.

Under no circumstances shall these operations cause the Fund and its Sub-Funds to diverge from its investment policies and restrictions.

The counterparties to such transactions must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by Union law and specialised in this type of transaction. The counterparties to such transactions will generally be financial institutions headquartered in an OECD member state and have directly or at parent-level an investment grade credit rating from an internationally recognised rating agency. Details of the selection criteria and a list of approved counterparties is available at the registered office of the Fund.

#### **Use of techniques and instruments relating to transferable securities and money market instruments**

Each Sub-Fund must comply with the Grand Ducal Regulations of 8 February 2008 and the requirements of ESMA Guidelines 2014/937 adopted by ESMA concerning ETFs and other UCITS issues as also specified within CSSF Circular 14/592 amending and/or supplementing the existing rules governing OTC derivative instruments, efficient portfolio management techniques and the management of collateral received in the context of such instruments and techniques.

##### *A. General*

The Fund may employ techniques and instruments related to Transferable Securities and Money Market Instruments provided that such techniques or instruments are considered by the Board as economically appropriate for the efficient portfolio management considering the investment objectives of each Sub-Fund.

Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment objectives as laid down in this Prospectus or result in additional risk higher than its risk profile as described in the Sub-Fund specific text in this Prospectus. Such techniques and instruments may be used by any Sub-Fund for the purpose of generating additional capital or income or for reducing costs or risk, to the extent permitted by and within the limits set forth in (i) article 11 of the Grand Ducal Regulation of 8 February 2008 relating to certain definitions of the Luxembourg Law, (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, (iii) CSSF Circular 14/592 and (iv) any other applicable laws and regulations.

The risk exposure to a counterparty generated through efficient portfolio management techniques and OTC financial derivative instruments must be combined when calculating counterparty risk limits referred to in the investment restriction III. above.

All revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs and fees, will be returned to the Sub-Fund concerned.

In particular, fees and cost may be paid to agents of the Fund and other intermediaries providing services in connection with efficient portfolio management techniques as normal compensation of their services. Such fees may be calculated as a percentage of gross revenues earned by the Sub-Fund through the use of such techniques. Information on direct and indirect operational costs and fees that may be incurred in this respect as well as the identity of the entities to which such costs and fees are paid – as well as any relationship they may have with the AIFM and the Investment Manager or the Depository will be available in the annual report of the Fund.

The counterparties to such transactions will generally be financial institutions headquartered in an OECD member state and have directly or at parent-level an investment grade credit rating from an internationally recognised rating agency. Details of the selection criteria and a list of approved counterparties is available at the registered office of the Fund.

Investors should note that the investment policies of the Sub-Funds currently do not provide for the possibility to enter into securities lending and/or repurchase (or reverse repurchase) transactions and to invest in Total Return Swaps. Should the Board decide to provide for such possibility, the Prospectus, including this section, will be updated prior to the entry into force of such decision in order for the Fund to comply with the disclosure requirements of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 ("SFTR").

## **Management of collateral and collateral policy**

### *General*

In the context of OTC financial derivative instruments and efficient portfolio management techniques, each Sub-Fund concerned may receive collateral with a view to reduce its counterparty risk. This section sets out the collateral policy applied by the Fund in such case.

### *Eligible collateral*

Collateral received by the relevant Sub-Fund may be used to reduce its counterparty risk exposure if it complies with the criteria set out in applicable laws, regulations and circulars issued by the CSSF from time to time notably in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability. In particular, collateral should comply with the following conditions:

- (a) Any collateral received other than cash should be of high quality, highly liquid and traded on a Regulated Market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;
- (b) It should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;
- (c) It should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;



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- (d) It should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure of 20% of the Sub-Fund's Net Asset Value to any single issuer on an aggregate basis, taking into account all collateral received. By way of derogation, a Sub-Fund may be fully collateralised in different Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. In such event, the relevant Sub-Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Sub-Fund's Net Asset Value;
- (e) It should be capable of being fully enforced by the relevant Sub-Fund at any time without reference to or approval from the counterparty;
- (f) Where there is a title transfer, the collateral received will be held by the Depositary. For other types of collateral arrangement, the collateral can be held by a third party depositary which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

Subject to the abovementioned conditions, collateral received by the Sub-Funds may consist of:

- (a) Cash and cash equivalents, including short-term bank certificates and Money Market Instruments;
- (b) Bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope;
- (c) Shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;
- (d) Bonds issued or guaranteed by first class issuers offering adequate liquidity.

Cash collateral received shall only be:

- placed on deposit with entities prescribed in the UCITS Law;
- invested in high-quality government bonds;
- used for the purpose of reverse repo transactions provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on accrued basis;
- invested in short-term money market funds as defined in the CESR Guidelines on a Common Definition of European Money Market Funds (Ref. CESR/10-049).

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral. 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 concerned, or (iii) yield a sum less than the amount of collateral to be returned.

At the date of this Prospectus, the Fund only receives cash collateral and cash collateral will not be reused.

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### *Level of collateral*

To the extent applicable, the Investment Manager shall determine for each Sub-Fund the required level of collateral for OTC financial derivative instruments and efficient portfolio management techniques by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions.

#### 4. SHARES

Shares will be issued in registered form only. Shareholders shall receive a confirmation of their shareholding.

Fractions of Shares up to three decimal places will be issued if so decided by the Board. Such fractions of Shares shall not be entitled to vote but shall be entitled to participate in the net assets and any distributions attributable to the relevant Class of Shares on a pro rata basis.

The Fund may issue fully or partly paid in Shares, as disclosed in the relevant Sub-Fund Particulars. In the latter case, Shares must be paid in to the extent of a minimum of 5%; they are of no par value and carry no preferential or pre-emptive rights. Each Share of the Fund, irrespective of its Sub-Fund, is entitled to one vote at any general meeting of Shareholders, in compliance with Luxembourg law and the Articles.

##### Shares Classes and Features

The following Share Classes are currently available, as indicated in the Sub-Fund Particular:

- **Class I Shares** are available for subscription only by Eligible Investors.

The Board reserves the right to create additional share classes in the Sub-Funds from time to time.

Classes for which income is accumulated are designated "Acc". No dividends will be paid to Shareholders of these Classes.

##### *Hedged Share Classes ("HSC")*

Classes designated "HSC" will apply hedging techniques aimed to mitigate foreign exchange risk between the reference currency of the Sub-Fund and the currency of the HSC, while taking into account practical considerations including transaction costs. All expenses arising from hedging transactions are borne separately by the Shareholders of the relevant HSC.

##### Currency considerations

Payments to and from the Shareholder should normally be made in the relevant Class Currency.

## 5. HOW TO DEAL

### *OFFERING DETAILS*

#### **Initial Offer**

Applications for subscription may be made during the Initial Offer Period specified for each Class in the relevant Sub-Fund Particulars.

#### **Initial Issue Price**

Unless otherwise provided for a Sub-Fund in the relevant Sub-Fund Particular, during any Initial Offer Period, the issue price per Share of each Class is the price specified in the relevant Sub-Fund Particulars plus any applicable subscription charge as set forth in the relevant Sub-Fund Particular.

#### **Minimum Initial Subscription and Holding Amounts**

The Board may set and waive at its sole discretion, a minimum initial subscription amount and a minimum holding amount per Class in each Sub-Fund, to be specified in the relevant Sub-Fund Particulars.

#### **Subsequent Subscriptions**

Unless otherwise provided for a Sub-Fund in the relevant Sub-Fund Particular, if the Board determines that it is in the interest of Shareholders of a Sub-Fund to accept subscriptions after the Initial Offer Period, applications for subscription may be made on or prior to any day that is a Valuation Day for the Sub-Fund or Class concerned (or on such other days as the Board may from time to time determine), subject to any prior notice requirements specified in the relevant Sub-Fund Particulars. The Board may discontinue the issue of new Shares in any Sub-Fund or Class at any time in its discretion.

#### **Minimum Subsequent Subscription Amount**

The Board will set and waive at its sole discretion, a minimum subsequent subscription amount, to be specified in the relevant Sub-Fund Particulars.

#### **Prior Notice Requirements**

The Board may at its sole discretion, refuse to accept any application for subscription received after the first day of any prior notice period specified for each Class in the relevant Sub-Fund Particulars.

#### **Subscription Price Per Share**

After any Initial Offer Period, the subscription price per Share of each Class is the Net Asset Value per Share of such Class, determined as at the relevant Valuation Day increased by any applicable subscription charge as specified in the relevant Sub-Fund Particulars.

#### **Subscription in kind**

The Board may decide to issue Shares against contribution in kind in accordance with Luxembourg law. In particular, in such case, the assets contributed must be valued in a report issued by the Fund's Auditor,

to the extent required by Luxembourg law. Any costs incurred in connection with a contribution in kind shall be borne by the relevant Shareholder or by a third party, but will not be borne by the Fund unless the Board considers that the subscription in kind is in the interest of the Fund or made to protect the interests of the Fund.

### **Payment of Subscription Price**

Unless otherwise provided for a Sub-Fund in the relevant Sub-Fund Particular, the subscription price of the Shares subscribed must be received in cleared funds by the Depositary or its agent in the reference currency of the Class concerned no later than the date specified in the relevant Sub-Fund Particulars. Unless otherwise specified in the relevant Sub-Fund Particulars, no interest will be paid on payments received prior to the closing date of any Initial Offer Period or prior to any Valuation Day.

### **Acceptance of Subscriptions**

The Board reserves the right to accept or refuse any application to subscribe Shares in whole or in part.

### **Suspension of Subscriptions**

The Board will suspend the subscription of Shares of any Sub-Fund whenever the determination of the Net Asset Value of such Sub-Fund or Class is suspended as further detailed under section 6. "Net Asset Value".

### **Restrictions on Ownership**

Shares are, in accordance with the requirements of the 2016 Law exclusively restricted to Investors who qualify as Eligible Investors. In addition, the Board has the discretion to reject any subscription request received from investors qualifying as Specified US Person, or any other investors whose subscription would cause a tax burden, or an obligation for the Fund to register with any authority, and to redeem at any time the Shares of any Shareholder who become a US Person.

### **Fight against Money Laundering and Financing of Terrorism**

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) as well as any regulation and circular applicable to the Fund, obligations have been imposed on all professionals of the financial sector to prevent the UCIs from acts of money laundering and financing of terrorism. As a result of such provisions, the registrar agent of a Luxembourg UCI must in principle ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The Administrative Agent may require subscribers to provide any document it deems necessary to effect such identification. In addition, the Administrative Agent, as delegate of the Fund, may request any other information that the Fund may require in order to comply with its legal and regulatory obligations, including but not limited to the above mentioned laws and regulations the CRS Law and the FATCA Law (as defined in section 10. "Taxation").

In case of delay or failure by an Investor to provide the documents required, the subscription request will not be accepted and in case of redemption, payment of redemption proceeds delayed. Neither the Fund nor the Administrative Agent have any liability for delays or failure to process deals as a result of the Investor 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 and Market Timing

Late trading ("**Late Trading**") is to be understood as the acceptance of a subscription or redemption order after the cut-off time for the relevant Valuation Day and the execution of such order at the price applicable on such Valuation Day. Market timing ("**Market Timing**") is to be understood as an arbitrage method through which an investor systematically subscribes and redeems Shares within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the Net Asset Values concerned.

The Fund shall comply with any relevant provisions contained in CSSF Circular 04/146 of 17 June 2004 concerning the protection of undertakings for collective investment and their investors against Late Trading and Market Timing practices.

The Fund reserves the right to refuse orders from any person who is engaging in Late Trading activities and to take appropriate measures to protect Shareholders.

In order to protect the interests of the Fund and the Shareholders against Market Timing practices, the Fund reserves the right to reject any application to subscribe or convert for Shares from any investor engaging in such practices or suspected of engaging in such practices and to take such further action as it, in its discretion, may deem appropriate or necessary.

### Luxembourg Register of Beneficial Owners

The Luxembourg Law of 13 January 2019 creating a Register of Beneficial Owners (the "**RBO Law**") entered into force on the 1 March 2019. The RBO Law requires all companies registered on the *Registre de Commerce et des Sociétés* of Luxembourg, including the Fund, to obtain and hold information on their beneficial owners ("**Beneficial Owners**") at their registered office. The Fund must register Beneficial Owner-related information with the Luxembourg Register of Beneficial Owners, which is established under the authority of the Luxembourg Ministry of Justice.

The RBO Law broadly defines a Beneficial Owner, in the case of corporate entities such as the Fund, as any natural person(s) who ultimately owns or controls the Fund through direct or indirect ownership of a sufficient percentage of the Shares or voting rights or ownership interest in the Fund, including through bearer Shareholders, or through control via other means, other than a company listed on a Regulated Market that is subject to disclosure requirements consistent with EU law or subject to equivalent international standards which ensure adequate transparency of ownership information.

A shareholding of 25% plus one Share or an ownership interest of more than 25% in the Fund held by a natural person shall be an indication of direct ownership. A shareholding of 25% plus one Share or an ownership interest of more than 25% in the Fund held by a corporate entity, which is under the control of a natural person(s), or by multiple corporate entities, which are under the control of the same natural person(s), shall be an indication of indirect ownership.

In case the aforementioned Beneficial Owner criteria are fulfilled by an investor with regard to the Fund, this investor is obliged by law to inform the Fund in due course and to provide the required supporting

documentation and information which is necessary for the Fund to fulfill its obligation under the RBO Law. Failure by the Fund and the relevant Beneficial Owners to comply with their respective obligations deriving from the RBO Law will be subject to criminal fines. Should an investor be unable to verify whether they qualify as a Beneficial Owner, the investor may approach the Fund for clarification.

For both purposes the following e-mail address may be used: [enquiries@devonem.com](mailto:enquiries@devonem.com)

## **REDEMPTION**

### **Redemption Procedure**

Subject to the restrictions provided in this Prospectus and the relevant Sub-Fund Particulars, any Shareholder may apply for the redemption of some or all of his/her/its Shares or of a fixed amount. Shares will be redeemed at a price based on the Net Asset Value per Share determined as at the relevant Valuation Day, as specified in the relevant Sub-Fund Particulars. If the value of a Shareholder's holding on the relevant Valuation Day is less than the fixed amount which the Shareholder has applied to redeem, the Shareholder will be deemed to have requested the redemption of all of his/her/its Shares.

### **Prior Notice Requirements**

The Board may at its sole discretion, refuse to accept any application for redemption received after the first day of any prior notice period specified in the relevant Sub-Fund Particulars. Such applications will be dealt with as of the next Valuation Day.

### **Minimum Holding Amount**

If, as a result of a redemption, the value of a Shareholder's holding would become less than the minimum holding amount specified for each Class in the relevant Sub-Fund Particulars, the Board may decide that the redeeming Shareholder shall be deemed to have requested the conversion of the rest of his/her/its Shares into Shares of the Class of the same Sub-Fund with a lower minimum holding amount (subject to the fulfilment of any requirements imposed on such Class) and, if the redeeming Shareholder was holding Shares of the Class with the lowest minimum holding amount, the Board may decide that the redeeming Shareholder shall be deemed to have requested the redemption of all of his/her/its Shares. The Board may also at any time decide to compulsorily redeem or convert all Shares from any Shareholder whose holding is less than the minimum holding amount specified for each Class in the relevant Sub-Fund Particulars. Before any such compulsory redemption or conversion, each Shareholder concerned will receive one month's prior notice to increase his/her/its holding above the applicable minimum holding amount at the applicable Net Asset Value per Share.

### **Redemption Charge**

In each Class of each Sub-Fund, a redemption charge may be charged or waived in whole or in part, as specified in the relevant Sub-Fund Particulars.

### **Redemption Price per Share**

The redemption price per Share of each Class is the Net Asset Value per Share of such Class determined as at the relevant Valuation Day reduced by any applicable redemption charge, as specified in the relevant Sub-Fund Particulars.

### Payment of Redemption Proceeds

Redemption proceeds, net of any applicable redemption charge, are paid in the reference currency of the relevant Sub-Fund or Class specified in the relevant Sub-Fund Particulars within three Business Days following the relevant Valuation Day.

### Redemptions in kind

In exceptional circumstances, the Board may request that a Shareholder accepts redemption in kind i.e. receives a portfolio of stocks from the relevant Class of equivalent value to the appropriate cash redemption payment. In such circumstances, the Shareholder must specifically accept the redemption in kind. The Shareholder may always request a cash redemption payment in the reference currency of the Class. Where the Shareholder agrees to accept redemption in kind the Shareholder will, as far as possible, receive a representative selection of the Class' holdings pro rata to the number of Shares redeemed and the Board will make sure that the remaining Shareholders do not suffer any loss there from. The value of the redemption in kind will be subject to an evaluation report drawn up by the Auditor of the Fund to the extent required by, and in accordance with the requirements of, Luxembourg law. The specific costs for such redemptions in kind, in particular the costs of the special audit report, will have to be borne by the Shareholder or by a third party, but will not be borne by the Fund unless the Board considers that the redemption in kind is in the interest of the Fund or made to protect the interests of the Fund.

### Compulsory Redemption of Shares

If the Board becomes aware that a Shareholder is holding Shares for the account of a person who does not meet the Shareholder eligibility requirements specified in this Prospectus, or is holding Shares in breach of any law or regulation or otherwise in circumstances having, or which may have, adverse regulatory, tax or fiscal consequences for the Fund or a majority of its Shareholders, or otherwise be detrimental to the interests of the Fund, the Board may compulsorily redeem such Shares in accordance with the provisions of the Articles. Shareholders are required to notify the Fund and the Administrative Agent immediately if they cease to meet the Shareholder eligibility requirements specified in this Prospectus, or hold Shares for the account or benefit of any person who does not or has ceased to meet such requirements, or hold Shares in breach of any law or regulation or otherwise in circumstances having, or which may either have adverse regulatory, tax or fiscal consequences for the Fund or be detrimental to the interests of the Fund.

If the Board becomes aware that a Shareholder has failed to provide any information or declaration required by the Board within ten days of being requested to do so, the Board may compulsorily redeem the relevant Shares in accordance with the provisions of the Articles.

### Large Redemptions

Unless otherwise provided for a Sub-Fund in the relevant Sub-Fund Particular, if, on any Valuation Day, redemption requests relate to more than 10% of the Shares in issue in a specific Sub-Fund, the Board may decide that part or all of such requests for redemption will be deferred for such period as the Board considers being in the best interest of the Sub-Fund. On the next Valuation Day following such deferral period, these redemption requests will be met in priority to later requests.

In exceptional circumstances relating to a lack of liquidity of certain investments made by certain Sub-



Funds and the related difficulties in determining the Net Asset Value of the Shares of certain Sub-Funds, the treatment of redemption requests may be postponed and/or the issue and redemptions of Shares suspended by the Board. Further details in this regard are contained in the relevant Sub-Fund Particulars.

For such reasons the treatment of redemption requests may be postponed in exceptional circumstances including if a lack of liquidity may result in difficulties to determine the Net Asset Value of the Shares of the Fund and consequently a suspension of issues and redemptions of the Shares of the Fund.

### **Suspension of Redemptions**

Redemption of Shares of any Sub-Fund or Class will be suspended whenever the determination of the Net Asset Value of such Sub-Fund or Class is suspended as further detailed under section 6. "Net Asset Value".

### **Revocability of Redemption Requests**

In normal circumstances, applications for redemptions of Shares are irrevocable and may not be withdrawn by any Shareholder. In the event of suspension of the determination of the Net Asset Value of the relevant Sub-Fund, the Shareholders of the relevant Sub-Fund who have made an application for redemption of their Shares may give written notice to the Fund that they wish to withdraw their application. Furthermore, the Board may, at its sole discretion and taking due account of the principle of equal treatment between Shareholders and the interest of the relevant Sub-Fund, decide to accept any withdrawal of an application for redemption.

## **CONVERSION**

### **Conversion**

Conversion facilities are available or not to all Shareholders in accordance with the applicable Sub-Funds Particulars. The attention of Shareholders is drawn to the taxation risks associated with investing in feeder Sub-Funds under the heading "Taxation". References to "Sub-Funds" in the rest of this section shall exclude feeder Sub-Funds.

Conversions between Sub-Funds are made at the relevant subscription price and redemption price and may only be made into the equivalent Class in the Sub-Fund into which the Shareholder wishes to convert. For example, a holding in an I EUR Class of a Sub-Fund may be converted to a holding in another I Class of the same currency denomination. Conversion requests should be presented directly to the Administrative Agent.

Conversion requests should be made in writing and sent to the Administrative Agent. The Administrative Agent will also accept conversion requests in electronic format (in such format or method and under such conditions as shall be deemed acceptable by the Administrative Agent from time to time and subject to applicable legal and regulatory provisions).

Requests for conversions, once made, may not be withdrawn except in the event of a suspension or deferral of the right to redeem Shares of the Class from which the conversion is to be made or deferral of the right to subscribe for Shares of the Class into which conversion is to be made. A conversion fee of up to 1% of the gross amount being switched (as determined below under 'F') may be charged in respect of conversions for the benefit of the distributor of the Fund or other intermediaries as applicable.

If as a result of a partial conversion of Shares, the Shareholder's balance of Shares in a particular Class falls below the minimum holding amount, the Fund may require that these Shares be converted or redeemed. Contract notes will normally be issued within two Business Days following the applicable Valuation Day.

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The rate at which all or any part of a holding of Shares (the "**original Sub-Fund**") is converted on any Valuation Day into Shares of another Sub-Fund (the "**new Sub-Fund**") will be determined in accordance with (or as nearly may be) the following formula:

$$A = \frac{((B \times C \times E) - F)}{D}$$

Where:

- A is the number of Shares of the new Sub-Fund to be allotted;
- B is the number of Shares of the original Sub-Fund to be converted;
- C is the Net Asset Value per Share of the original Sub-Fund ruling on the relevant Valuation Day;
- D is the Net Asset Value per Share of the new Sub-Fund ruling on the relevant Valuation Day;
- E is, in the case of a conversion involving two Sub-Funds which do not have the same base currency, the exchange rate determined by the Depositary for converting the currency of B into the currency of A; and
- F is a conversion fee of up to 1% of the gross amount being switched (i.e. B x C).

Shareholders should note that a switch of Shares of one Class for Shares in another Class of another Sub-Fund may in some jurisdictions be a realisation for the purposes of capital gains taxation. A Shareholder whose Shares of one Class have been switched into Shares of another Class following submission of a switching request, will not be given a right by law to reverse the transaction except as a new transaction.

### ***TRANSFER OF SHARES***

Transfer of Shares may only be carried out if the transferee qualifies as an Eligible Investor.

Transfers should be in the form prescribed by the Fund and should be completed and delivered to the Administrative Agent. The Board reserves the right to require any transferee to execute a subscription Application Form as if such transferee were an original subscriber for the Shares.

## 6. NET ASSET VALUE

### Net Asset Value

The Net Asset Value per Share of each Class in each Sub-Fund will be determined in respect of any Valuation Day in the currency of the relevant Class, as determined by the Directors. It will be calculated on the relevant Valuation Day by dividing the Net Asset Value of the Sub-Fund attributable to such Class by the number of Shares in issue of that Class. The resulting Net Asset Value per Share will be rounded to the nearest smallest unit of the currency denomination of the Class concerned.

The Net Asset Value of each Sub-Fund will be determined in accordance with the Articles in the following manner.

The assets of each Sub-Fund shall be deemed to include:

- (i) all cash balances and deposits, including any interest accrued thereon;
- (ii) all bills and demand notes and accounts receivable (including proceeds of securities sold but not settled);
- (iii) all bonds, time notes, shares, stock, units/shares in undertakings for collective investment, debenture stocks, subscription rights, warrants, options and other investments and securities owned or contracted for by the Fund on behalf of the Sub-Fund;
- (iv) all stock, stock dividends, cash dividends and cash distributions receivable by the Sub-Fund to the extent that information thereon is reasonably available to the Sub-Fund (provided that the Fund on behalf of the Sub-Fund may make adjustments with regard to fluctuations in the market value of securities caused by trading ex-dividends, ex-rights, or similar practices);
- (v) all interest accrued on any interest-bearing securities owned by the Sub-Fund except to the extent that the same is included or reflected in the principal amount of such security;
- (vi) the launch expenses of the Fund insofar as the same have not been written off, provided that such preliminary expenses may be written off directly pro rata among the assets of all Sub-Funds; and
- (vii) all other permitted assets of every kind and nature, including prepaid expenses.

The value of such assets shall be determined as follows:

- (i) the value of any cash balances or deposits, 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 in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Directors may consider appropriate in such case to reflect the true value thereof;
- (ii) the value of securities, Money Market Instruments and/or financial derivative instruments which are listed on any official stock exchange or dealt in on any Regulated Market are valued at the last available price in accordance with the Fund's current accounting policies;
- (iii) in the event that any of the securities, including Money Market Instruments or financial derivative

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instruments held by the Sub-Fund on the relevant day are not listed on any stock exchange or dealt in on any Regulated Market or if, with respect to securities, Money Market Instruments and/or financial derivative instruments listed on any stock exchange or dealt in on any other Regulated Market, the basis of the price as determined pursuant to sub-paragraph (ii) is not representative of the fair market value of the relevant securities, the value of such securities will be determined based on the reasonably foreseeable sales price determined prudently and in good faith subject to applicable rules and regulations;

(iv) the financial derivative instruments which are not listed on any official stock exchange or traded on any other Regulated Market will be valued in a reliable and verifiable manner on a daily basis and verified by a competent professional appointed by the Fund in accordance with market practice;

(v) units or shares in open-ended investment funds shall be valued at their last available net asset value reduced by any applicable redemption charge, where applicable;

(vi) the value of Money Market Instruments neither listed or dealt in on a stock exchange nor dealt in on any other Regulated Market shall be based on the nominal value plus any accrued interest or an amortised cost basis;

(vii) in the event that the above mentioned calculation methods are inappropriate or misleading, the Directors may adjust the value of any investment or permit another method of valuation to be used for the assets of the Sub-Fund; and

(viii) in circumstances where the interests of the Fund or its Shareholders so justify (for example, the avoidance of market timing practices), the Directors have delegated to the Investment Manager the discretion to take appropriate measures, such as applying a fair value pricing methodology, to adjust the value of the Fund's assets, subject to the review by and ultimate responsibility of the AIFM. The Investment Manager in exercising the discretion to apply the fair-value pricing methodology (including the decision not to apply the same) shall act with due care, skill and diligence and in good faith, in consultation with the Administrative Agent.

In relation to (v) above and wherever practicable, the last available Net Asset Value shall be deemed to include the Net Asset Value calculated on the same Valuation Day for any Underlying Sub-Fund which itself has a valuation point at or before the Fund's Valuation Point.

### **The liabilities of a Sub-Fund shall be deemed to include:**

(i) all loans, bills and accounts payable;

(ii) all accrued or payable administrative expenses (including management and advisory fees, depositary fee and corporate agents' fee as well as the costs of incorporation and registration, legal publications and prospectus printing, financial reports and other documents made available to Shareholders, marketing and advertisement costs);

(iii) all known liabilities, present and future, including all matured contractual obligations for payments of money or property, including the amount of any unpaid dividends declared by the Fund in respect of a Sub-Fund where the Valuation Day falls on the record date for determination of the persons entitled thereto, or is subsequent thereto;

(iv) an appropriate provision for future taxes based on capital and income to the Valuation Day, as

determined from time to time by the Fund in respect of a Sub-Fund, and other reserves (if any) authorised and approved by the Directors; and

(v) all other liabilities of the Sub-Fund of whatsoever kind and nature except liabilities represented by Shares in the relevant Sub-Fund. In determining the amount of such liabilities, the Fund may calculate administrative and other expenses of a regular or recurring nature on an estimated figure for yearly or other periods in advance, and may accrue the same in equal proportions over any such period.

In calculating the Net Asset Value, the Administrative Agent may rely upon such automatic pricing services as it shall determine or, if so instructed by the Fund, the AIFM or the Investment Manager, it may use information provided by particular pricing services, brokers, market makers or other intermediaries. In such circumstances, the Administrative Agent shall not, in the absence of fraud, negligence or wilful default on the part of the Administrative Agent, be liable for any loss suffered by the Fund or any Shareholder by reason of any error in the calculation of the Net Asset Value resulting from any inaccuracy in the information provided by any such pricing service, broker, market maker or other intermediary.

### **Suspension of the Calculation of the Net Asset Value**

The Fund may temporarily suspend the calculation of the Net Asset Value of one or more Sub-Funds and in consequence the issue, redemption and conversion of Shares in any of the following events:

- a) during any period when any of the principal stock exchanges or any other Regulated Market on which any substantial portion of the Fund's investments of the relevant Sub-Fund for the time being are quoted, is closed (otherwise than for ordinary holidays), or during which dealings are restricted or suspended; or
- b) any period when the net asset value of one or more Investment Funds, in which the Fund will have invested and the units or the shares of which constitute a significant part of the assets of the Fund, cannot be determined accurately so as to reflect their fair market value as at the Valuation Day; or
- c) during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of investments of the relevant Sub-Fund by the Fund is impracticable; or
- d) during any breakdown in the means of communication normally employed in determining the price or value of any of the Fund's investments or the current prices or values on any market or stock exchange; or
- e) during any period when the Fund is unable to repatriate funds for the purpose of making payments on the redemption of such Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of such Shares cannot in the opinion of the Board and/or the AIFM be effected at normal rates of exchange; or
- f) if the Fund or the relevant Sub-Fund is being or may be wound-up on or following the date on which notice is given of the meeting of Shareholders at which a resolution to wind up the Fund or the Sub-Fund is proposed; or
- g) if the Board and/or the AIFM has determined that there has been a material change in the valuations of a substantial proportion of the investments of the Fund attributable to a particular

Sub-Fund in the preparation or use of a valuation or the carrying out of a later or subsequent valuation; as well as

- h) during any other circumstance or circumstances where a failure to do so might result in the Fund or its Shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or any other detriment which the Fund or its Shareholders might so otherwise have suffered.

Notice of the beginning and of the end of any period of suspension shall be given by the Fund to all the Shareholders affected, i.e. having made an application for subscription, redemption or conversion of Shares for which the calculation of the Net Asset Value has been suspended.

### Swing pricing

A Sub-Fund may suffer a reduction in value of its investment as a result of the transaction costs incurred in the purchase and sale of its underlying investments and the spread between the buying and selling prices of such investments caused by large subscriptions and/or redemptions in and out of that Sub-Fund. This is known as "dilution".

In order to counter this and to protect Shareholders' interests, the Sub-Fund may apply a "swing pricing" as part of its valuation policy and as indicated in the Sub-Fund Particulars.

This will mean that in certain circumstances, the Board may make adjustments in the calculations of the Net Asset Values per Share, to counter the impact of dealing and other costs on occasions when these are deemed to be significant.

If on any Valuation Day the aggregate transactions in Shares of a Sub-Fund result in a net increase or decrease of Shares which exceeds a threshold set by the Board from time to time (relating to the cost of market dealing for the Sub-Fund), the Net Asset Value will be adjusted by an amount (not exceeding 0.25% of the Net Asset Value) which reflects both the estimated fiscal charges and dealing costs that may be incurred by the Sub-Fund and the estimated bid/offer spread of the assets in which the Sub-Fund invests. This maximum amount will not vary even in case of change of market conditions (i.e. it will not be increased in unusual market conditions). The adjustment will be an addition when the net movement results in an increase of all Shares of a Sub-Fund and a deduction when it results in a decrease.

The AIFM has implemented a swing pricing mechanism policy, which has been approved by the Board as well as specific operational procedures governing the day-to-day application of the swing pricing mechanism. The applicable swing factor will be determined on the basis of the below mentioned factors and is then approved by the Board.

Swing pricing is applied on the capital activity of a Sub-Fund and does not address the specific circumstances of each individual investor transaction. The decision to swing is based on the overall net-flows into a Sub-Fund, not per Share Class. The swing pricing adjustments aims to protect the overall performance of a Sub-Fund, to the benefit of existing investors.

## 7. MANAGEMENT AND ADMINISTRATION OF THE FUND

### Directors

The Directors are responsible for the overall Fund's management and control including the determination, in collaboration with the AIFM, of investment policy of each Sub-Fund. The Board of the Fund is composed as follows:

- Richard Pavry, CEO of Devon Equity Management Limited
- Sophie Mosnier, independent director
- Joachim Kuske, independent director

Each of the Directors is entitled to remuneration for his/her services at a rate determined by the Fund from time to time in the general meetings. In addition, each Director may be paid reasonable expenses incurred while attending meetings of the Board or general meetings of the Fund.

### Alternative Investment Fund Manager

The Directors have designated FundRock Management Company S.A. as the Fund's external AIFM, within the meaning of article 4 of the 2013 Law and article 5 of the AIFMD and pursuant to the provisions of an alternative investment management agreement (the "**Alternative Investment Management Agreement**"). FundRock Management Company S.A. is a limited liability company ("*société anonyme*") incorporated under the laws of the Grand Duchy of Luxembourg on 10 November 2004. The AIFM is registered with the Luxembourg Trade and Companies' Register under the number B 104 196 and is authorised by the CSSF to act as alternative investment fund manager for AIFs established in Luxembourg, in accordance with the provisions of the 2013 Law.

The AIFM is in charge of the portfolio management, risk management and marketing functions. In fulfilling its responsibilities set forth by the 2013 Law, the AIFMD and the Alternative Investment Fund Management Agreement, it is permitted to delegate its functions and duties to third parties, provided that it retains responsibility and oversight over such delegates. The appointment of third parties is subject to the approval of the Fund. The AIFM's liability shall not be affected by the fact that it has delegated its functions and duties to third parties.

The AIFM has delegated its portfolio management function to Devon Equity Management Limited, with registered office at 123, Victoria Street, London SW1E 6DE, United Kingdom (the "**Investment Manager**"), pursuant to the terms of an investment management agreement. In such capacity, the Investment Manager shall perform the discretionary management of the portfolios of the Sub-Funds under the supervision and responsibility of the AIFM.

Devon Equity Management Limited is the global distributor of the Fund pursuant to a distribution agreement entered into with the Fund.

In the framework of its risk management function, the AIFM implements appropriate risk management systems in order to detect, measure, manage and follow in an adequate manner all risks relating to the investment strategies and assets of each Sub-Fund and to those which are exposed or potentially exposed to such risks. In accordance with the 2013 Law, the AIFM has adopted appropriate liquidity management tools and procedures allowing to measure the liquidity risk of each Sub-Fund, so as to ensure that the liquidity profile of the Sub-Funds' investments is in line with the Sub-Funds' obligations and notably that

they will be in a position to satisfy the shareholders' redemption request in accordance with the provisions of this Prospectus and the Articles. The AIFM proceeds, on a regular basis, with stress tests simulating normal and exceptional circumstances in order to evaluate and measure the liquidity risk of the Sub-Funds. The AIFM ensures, for each Sub-Fund, the coherence of the investment strategy, the liquidity profile and the redemption policy.

The AIFM will perform the valuation of the Fund's assets. For this purpose, the AIFM has adopted valuation policies and procedures to ensure that any valuation of each of the Fund's assets is performed impartially and with all due skill, care and diligence. In accordance with applicable law, the AIFM will ensure that the valuation task is functionally independent from the portfolio management, and the remuneration policy and other measures ensure that conflicts of interest are mitigated. The AIFM may also appoint an external valuer, where justified by special circumstances, to perform the valuation of the Fund's assets. In such case, this Prospectus will be updated to reflect this appointment and provide the Shareholders with information on the appointed entity.

The AIFM has adopted a best execution policy in order to obtain the best result possible when passing or executing orders. Investors can obtain from the AIFM the relevant information on that best execution policy. Appropriate information on the best execution policy and on any material changes to that policy are available upon request to the AIFM.

The AIFM shall ensure that its decision-making procedures and its own organisational structure ensure the fair treatment of Shareholders. In addition, the AIFM shall ensure on an on-going basis that Shareholders are treated fairly and equitably. No preferential treatment is expected to be granted to any Shareholder. However, if applicable, information on any preferential treatment, the type of Shareholders who obtain such preferential treatment, and where relevant, their legal or economic links with the Fund or the AIFM, will be made available in the annual report of the Fund.

In the context of its activities, the AIFM shall at all times:

- a) Act honestly, with due skill, care and diligence and fairly in conducting its activities;
- b) Act in the best interests of the Fund or the Shareholders of the Fund and the integrity of the market;
- c) Have and employ effectively the resources and procedures that are necessary for the proper performance of its business activities;
- d) Take all reasonable steps to avoid conflict of interest and, when they cannot be avoided, to identify, manage and monitor and, where applicable, disclose those conflicts of interest in order to prevent them adversely affecting the interests of the Fund and its Shareholders and to ensure that the Fund is fairly treated;
- e) Comply with all regulatory requirements applicable to the conduct of its business activities so as to promote the best interest of the Fund or its Shareholders and the integrity of the market; and
- f) Treat all Shareholders fairly.

The AIFM has adopted appropriate policies in order to identify, manage, monitor and disclose conflicts and potential conflicts of interest entailing a material risk of damage to the Fund's or the Shareholders' interests. Shareholders should consult the AIFM or the Fund in order to obtain a list of such potential conflicts of interest.

Where conflicts of interest cannot be avoided and there is a material risk to the Fund's or the Shareholders' interests, the AIFM shall inform Shareholders of the general nature or causes of such conflicts and develop



appropriate policies and procedures in order to mitigate such conflicts while ensuring that Shareholders are treated fairly and that the Fund is treated in an equitable manner. Information in that respect will be disclosed to Shareholders in the Fund's annual reports.

The AIFM disposes of additional own funds of a sufficient amount and an appropriate insurance policy to cover the potential liability risks arising out of professional negligence in its capacity as alternative investment fund manager of the Fund.

The AIFM Agreement is terminable on giving at least three months written notice by either party. The AIFM shall be remunerated as detailed under section 8. "Fees and Expenses".

### Investment Manager

Devon Equity Management Limited has been appointed as the investment manager of the Fund pursuant to the investment management agreement entered into for an unlimited period of time.

Devon Equity Management Limited is a limited company incorporated under the laws of England and Wales on 11 April 2019 and is authorised and regulated by the Financial Conduct Authority under number 841960.

The Investment Manager will manage the investment and reinvestment of the assets of the Sub-Funds in accordance with the Sub-Funds' investment policies and restrictions.

The Investment Manager shall be remunerated as disclosed in section 8. "Fees and Expenses".

The Investment Manager has adopted a best execution policy in order to obtain the best result possible when passing or executing orders. Investors can obtain from the Investment Manager the relevant information on that best execution policy. Appropriate information on the best execution policy and on any material changes to that policy are available upon request to the Investment Manager.

### Depositary

The Fund has appointed J.P. Morgan Bank Luxembourg S.A. as its Depositary by way of a depositary agreement, as amended from time to time (the "**Depositary Agreement**").

J.P. Morgan Bank Luxembourg S.A. was incorporated in Luxembourg as a public limited company ("*société anonyme*") on 16 May 1973; it is licensed to engage in all banking operations under the laws of the Grand Duchy of Luxembourg. The Depositary has a fully paid up subscribed capital of USD 11 million. J.P. Morgan Bank Luxembourg S.A. is qualified as a credit institution within the meaning of Luxembourg law of 5 April 1993 on the financial sector, as amended.

The relationship between the Fund and the Depositary is subject to the terms of the Depositary Agreement. Under the terms of the Depositary Agreement, the Depositary is responsible for the safekeeping of the assets of the Fund, which will be held either directly or through other financial institutions to which the Depositary has delegated in accordance with the 2013 Law all or part of its safekeeping duties according to the Depositary Agreement. The Depositary shall assume its duties and responsibilities in accordance with the provisions of the 2013 Law and the 2016 Law. The Depositary must act honestly, fairly, professionally, independently and in the interest of the Fund and its Shareholders.

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The Depositary has the power to appoint sub-custodians, agents and delegates ("**Correspondent(s)**") to hold the assets of the Fund. The Depositary's liability will not be affected by the fact that it has entrusted to a Correspondent some or all of the assets in its safekeeping.

Information about the safe-keeping functions which have been delegated, the identification of the relevant delegates, the conflicts of interests that may arise from these delegations and more generally the potential conflicts of interest between the Fund, the Shareholders, the AIFM and the Depositary is available at the registered office of the Depositary. Information on the fees perceived by the Depositary is disclosed in the Depositary Agreement, available at the Fund's registered office].

### **Paying Agent**

J.P. Morgan Bank Luxembourg S.A. also acts as Paying Agent for the Fund pursuant to the Depositary Agreement.

The Paying Agent is responsible for receiving payments for subscriptions of Shares and depositing such payments in the Fund's bank accounts opened with the Depositary and distributing income and dividends to the Shareholders. The Paying Agent shall make payment of proceeds from the repurchase of Shares from time to time.

Information on the fees perceived by the Paying Agent is disclosed in the Depositary Agreement, available at the Fund's registered office.

### **Administrative Agent**

J.P. Morgan Bank Luxembourg S.A. acts as administrative, registrar and transfer agent for the Fund pursuant to a central administration agreement entered into between the Fund, the AIFM and J.P. Morgan Bank Luxembourg S.A.

The Administrative Agent is responsible for processing of the issue (registration), redemption and conversion of the Shares and settlement arrangements thereof, keeping the register of the Fund's Shareholders, calculating the Fund's Net Asset Value as well as the Net Asset Value per Share, maintaining the records, verifying that Investors qualify as Eligible Investors under the 2016 Law and other general administrative functions as more fully described in the central administration agreement.

### **Approved Statutory Auditor**

PriceWaterhouseCoopers, *société coopérative*, has been appointed as approved statutory auditor (*réviseur d'entreprise agréé*) of the Fund and will audit the Fund's annual financial statements.

### **Legal Adviser**

The Fund's legal adviser is Elvinger Hoss Prussen, *société anonyme*, 2, place Winston Churchill, L-1340 Luxembourg, Grand Duchy of Luxembourg.

## 8. FEES AND EXPENSES

### Investment Management Fee

The Investment Manager is entitled to an investment management fee as detailed in the relevant Sub-Fund Particulars, calculated as at each Valuation Day by reference to the Net Asset Value of the relevant Sub-Fund and payable monthly in arrears, unless otherwise provided for in the relevant Sub-Fund Particulars.

The investment management fee will be paid by the Fund to the Investment Manager.

### AIFM, Depositary and Administrative Fee

The AIFM, the Depositary and the Administrative Agent are entitled to receive out of the assets of each Sub-Fund fees calculated in accordance with normal banking practice in Luxembourg, as disclosed in the respective agreements and at the registered office of the Fund.

In addition, the AIFM, the Depositary and the Administrative Agent are entitled to be reimbursed by the Fund for their respective reasonable out-of-pocket expenses properly incurred in carrying out its duties as such and for the charges of any correspondents.

All the above charges are subject to review from time to time.

### Other Fees and Expenses

The Fund also pays the costs and expenses (i) of all transactions carried out by it or on its behalf and (ii) of the administration of the Fund, including (a) the charges and expenses of the legal advisers and Auditor, (b) brokers' commissions (if any) and any issue or transfer taxes chargeable in connection with any securities transactions, (c) all taxes and corporate fees payable to governments or agencies, (d) the fees payable to the AIFM as well as to any appointed delegated entity, (e) interest on borrowings, (f) communication expenses with respect to investor services and all expenses of meetings of Shareholders and of preparing, printing and distributing financial and other reports, proxy forms, prospectuses and similar documents, (g) the cost of insurance (if any), (h) litigation and indemnification expenses and extraordinary expenses not incurred in the ordinary course of business, being inter alia the cost of obtaining and maintaining the listing of the Shares, as the case may be and marketing and promotional expenses and (iii) all other organisational and operating expenses.

The maximum of the aggregate AIFM, Depositary and Administrative Agent fee, together with the Investment Management Fee, the directors, the cost of directors & officers insurance, audit costs and the *taxe d'abonnement* will be capped at 1% of the net assets of the relevant Sub-Fund per year at the expense of the fee payable to the Investment Manager.

### Formation and launching expenses of new Sub-Funds

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The costs and expenses for the formation of the Fund and the initial issue of its Shares will be borne by the first Sub-Funds of the Fund and amortized over a period not exceeding 5 years. Any additional Sub-Fund(s) which may be created in the future shall bear their own formation expenses to be amortized over a period not exceeding 5 years.

Costs and expenses not attributable to a particular Class or Sub-Fund are allocated between all the Classes respective to shares pro-rata to their respective Net Asset Value.

In the case of amortised costs allocated pro-rata, the Directors reserve the right to recalculate such allocation over the course of the amortisation period if they believe that such is fair and equitable in light of the changes in the Sub-Funds' respective Net Asset Value.

**9. DISTRIBUTION POLICY**

In each Class of Shares within each Sub-Fund, the Fund may issue Capitalisation Shares and Distribution Shares (as defined hereunder).

Distribution Shares may pay a dividend to their holders whereas Capitalisation Shares capitalise their entire earnings.

No distribution may be made if, as a result, the Net Asset Value of the Fund would fall below Euro 1,250,000.

Interim dividends may be distributed as the Board may determine in compliance with applicable law.

## 10. TAXATION

The following information is based on the laws, regulations, decisions and practice currently in force in Luxembourg and is subject to changes therein, possibly with retrospective effect. This tax section is a short summary of certain Luxembourg tax principles that may be or may become relevant with respect to the investments in the Fund. IT DOES NOT PURPORT TO BE A COMPREHENSIVE DESCRIPTION OF ALL LUXEMBOURG TAX LAWS AND CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN, OWN, HOLD, OR DISPOSE OF SHARES. IT DOES NOT CONSTITUTE AND SHOULD NOT BE CONSIDERED AS TAX ADVICE TO ANY PARTICULAR INVESTOR OR POTENTIAL INVESTOR. Prospective investors should consult their own professional advisers as to the implications of buying, holding or disposing of Shares and to the provisions of the laws of the jurisdiction in which they are subject to tax. This summary does not describe any tax consequences arising under the laws of any state, locality or other taxing jurisdiction other than Luxembourg.

### Taxation of the Fund

The Fund is subject to a subscription tax (*taxe d'abonnement*) levied at the rate of 0.01% *per annum* based on its Net Asset Value at the end of the relevant quarter, calculated and paid quarterly.

However, subscription tax exemption is applicable to:

- the portion of the Fund's assets invested in other Luxembourg UCIs subject themselves to the subscription tax;
- the Fund as well as its individual compartments (i) whose sole object is the collective investment in Money Market Instruments and the placing of deposits with credit institutions, and (ii) the weighted residual portfolio maturity does not exceed 90 days, and (iii) that has obtained the highest possible rating from a recognised rating agency;
- the Fund as well as its individual compartments, the Shares of which are reserved for (i) institutions for occupational retirement provision, or similar investment vehicles, set up on one or more employers' initiative for the benefit of their employees; and (ii) companies of one or more employers investing funds they hold in order to provide retirement benefits to their employees; and
- The Fund as well as its compartments whose investment policy provides that at least 50% of their assets shall be invested in one or several microfinance institutions.

### Withholding tax

Withholding tax in source countries

Interest and dividend income received by the Fund may be subject to non-recoverable withholding tax in the source countries. The Fund may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of the investments. However, the Fund benefits from certain double tax treaties entered into by Luxembourg providing for an exemption withholding tax or a reduction of withholding tax.

#### *Investor withholding tax*

Distributions made by the Fund as well as liquidation proceeds and capital gains derived therefrom are made free and clear from withholding tax in Luxembourg.

## Taxation of the Shareholders

### Luxembourg-resident individuals Shareholders

A Luxembourg resident individual Shareholder is subject to Luxembourg personal income tax levied at progressive rates with respect to income or gains derived from the Shares.

Capital gains realised upon the disposal of the Shares held by a resident individual Shareholder who acts in the course of the management of his/her private wealth, are not subject to income tax, unless said capital gains qualify either as speculative gains or as gains on a substantial participation:

- Speculative gains are subject to progressive income tax if the Shares are disposed of within six months after their subscription or purchase.
- Capital gains realised on a substantial participation more than six months after the acquisition thereof are taxed at half the average combined tax rate.

A participation is deemed to be substantial where a resident individual Shareholder holds or has held, either alone or together with his spouse or partner and/or minor children, directly or indirectly at any time within the five years preceding the disposal, more than 10% of the capital of the Fund in which she/he hold the substantial participation.

A Shareholder is also deemed to alienate a substantial participation if she/he acquired free of charge, within the five years preceding the transfer, a participation that was constituting a substantial participation in the hands of the alienator (or the alienators in case of successive transfers free of charge within the same five-year period).

### Luxembourg-resident corporate Shareholders

A fully taxable resident corporate Shareholder will in principle be subject to corporate income tax, municipal business tax and an employment fund surcharge at ordinary rates ("**Corporation Taxes**"), in respect of income or gains derived from the Shares.

Luxembourg corporate resident Shareholders which benefit from a special tax regime, such as, for example, (i) undertakings for collective investment subject to the UCITS Law, (ii) specialized investment funds subject to the law of 13 February 2007 relating to specialized investment funds, (iii) reserved alternative investment funds (not opting for the treatment as a venture capital vehicle for Luxembourg tax purposes) subject to the 2016 Law or (iv) family wealth management companies subject to the law of 11 May 2007 related to family wealth management companies, are exempt from Corporation Taxes in Luxembourg and are instead subject to an annual subscription tax (*taxe d'abonnement*).

The Shares shall be part of the taxable net wealth of the Luxembourg resident corporate Shareholder subject to net wealth tax levied on a yearly basis at a rate of 0.5%. A reduced rate of 0.05% is available for the part of the net wealth exceeding EUR 500,000,000.

Luxembourg corporate resident Shareholders which benefit from a special tax regime, such as, for example, (i) undertakings for collective investment subject to the UCITS Law, (ii) vehicles governed by the law of 22 March 2004 on securitization, , (iii) companies governed by the law of 15 June 2004 on venture capital vehicles, (iv) specialized investment funds subject to the law of 13 February 2007 relating to

specialized investment funds, (v) reserved alternative investment funds subject to the 2016 Law or (vi) family wealth management companies subject to the law of 11 May 2007 related to family wealth management companies, or (vii) a professional pension institution governed by the law of 13 July 2005 on institutions for occupational retirement provision in the form of pension savings companies with variable capital and pension savings associations are exempt from net wealth tax.

A minimum net wealth tax may however be due under certain circumstances by certain resident corporate investors.

### Non-Luxembourg resident Shareholders

Shareholders not domiciled, resident or not having a permanent establishment or permanent representative in Luxembourg for taxation purposes are not liable to any corporation, income, transfer, capital or other taxes on holding, sale, purchase or repurchase of Shares in the Fund.

### Residence

An Investor will not become resident, or deemed to be resident, in Luxembourg by reason only of holding the Shares.

### Automatic Exchange of Information

#### CRS

The Organisation for Economic Co-operation and Development ("OECD") has developed a common reporting standard ("CRS") to achieve a comprehensive and multilateral automatic exchange of information on a global basis.

On 29 October 2014, Luxembourg signed the OECD's multilateral competent authority agreement ("**Multilateral Agreement**") to automatically exchange information under the CRS. On 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation ("**DAC2**") was adopted to implement the CRS among the EU Member States. The CRS and the DAC2 were implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation ("**CRS Law**").

The CRS Law requires Luxembourg financial institutions to identify their financial account holders (including certain entities and their controlling persons) and establish if they are fiscally resident in (i) an EU Member State other than Luxembourg or (ii) a jurisdiction which has signed the Multilateral Agreement and which is identified in the list of reportable jurisdictions published by Grand Ducal Decree ("**CRS Reportable Accounts**"). The first official list of CRS reportable jurisdictions was published on 24 March 2017 and is updated from time to time. Luxembourg financial institutions will then report the information on such CRS Reportable Accounts to the Luxembourg tax authorities (*Administration des Contributions Directes*), which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis.

Accordingly, the Fund may require its Shareholders to provide information or documentation in relation to the identity and fiscal residence of financial account holders (including certain entities and their controlling persons) in order to ascertain their CRS status; and report information regarding a Shareholder and his/her/its account holding in the Fund to the Luxembourg tax authorities (*Administration des*



*Contributions Directes*) if such an account is deemed a CRS Reportable Account under the CRS Law.

By investing in the Fund, the Shareholders acknowledge that (i) the Fund is responsible for the treatment of the personal data provided for in the CRS Law; (ii) the personal data will *inter alia* be used for the purposes of the CRS Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*) and to the tax authorities of CRS reportable jurisdictions; (iv) responding to CRS-related questions is mandatory; and (v) the Shareholders have a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*).

The Fund reserves the right to refuse any subscription for Shares if the information provided or not provided does not satisfy the requirements under the CRS Law.

Prospective investors should consult their professional advisor on the individual impact of the CRS.

### Foreign Account Tax Compliance Act (FATCA)

The Foreign Account Tax Compliance Act ("FATCA") requires financial institutions outside the U.S. ("foreign financial institutions" or "FFIs") to pass information about "Financial Accounts" held by "Specified U.S. Persons", directly or indirectly, to the U.S. tax authorities (the Internal Revenue Service, "IRS") on an annual basis. A 30% withholding tax is imposed on certain U.S. source income of any FFI that fails to comply with this requirement.

On 28 March 2014, the Grand Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("Luxembourg IGA") with the United States of America and a memorandum of understanding in respect thereof. The Fund would hence have to comply with this Luxembourg IGA as implemented into Luxembourg law by the Law of 24 July 2015 relating to FATCA ("FATCA Law") in order to comply with the provisions of FATCA rather than directly complying with the U.S. Treasury Regulations implementing FATCA. Under the FATCA Law and the Luxembourg IGA, the Fund may be required to collect information aiming to identify its financial account holders (including certain entities and their controlling persons) that are Specified U.S. Persons for FATCA purposes ("FATCA Reportable Accounts"). Any such information on FATCA Reportable Accounts provided to the Fund will be shared with the Luxembourg tax authorities (*Administration des Contributions Directes*) which will exchange that information on an automatic basis with the IRS.

The Fund intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of the Fund. The Fund will continually assess the extent of the requirements that FATCA, and notably the FATCA Law, place upon it.

To ensure the Fund's compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, the Fund may:

- a) request information or documentation, including W-9 or W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a Shareholder's FATCA registration with the IRS or a corresponding exemption, in order to ascertain that Shareholder's FATCA status;
- b) report information concerning a Shareholder and his/her/its account holding in the Fund to the Luxembourg tax authorities (*Administration des Contributions Directes*) if such account is deemed a

## DEVON EQUITY FUNDS RAIF

FATCA Reportable Account under the FATCA Law and the Luxembourg IGA;

c) report information to the Luxembourg tax authorities (Administration des Contributions Directes) concerning payments to Shareholders with FATCA status of a non-participating foreign financial institution;

d) deduct applicable U.S. withholding taxes from certain payments made to a Shareholder by or on behalf of the Fund in accordance with FATCA, the FATCA Law and the Luxembourg IGA; and

e) divulge any such personal information to any immediate payer of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.

By investing in the Fund, the Shareholders acknowledge that (i) the Fund is responsible for the treatment of the personal data provided for in the FATCA Law; (ii) the personal data will inter alia be used for the purposes of the FATCA Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (Administration des Contributions Directes) and to the IRS; (iv) responding to FATCA-related questions is mandatory; and (v) the Shareholders have a right of access to and rectification of the data communicated to the Luxembourg tax authorities (Administration des Contributions Directes).

The Fund reserves the right to refuse any subscription for Shares if the information provided or not provided does not satisfy the requirements under FATCA, the FATCA Law and the Luxembourg IGA.

Prospective investors should consult their professional advisor on the individual impact of FATCA.

## 11. GENERAL INFORMATION

### Reports

The financial year of the Fund starts on 1 January and ends on 31 December in each year. The first financial year of the Fund will start on the date of its incorporation and will close on 31 December 2020.

Audited financial statements of the Fund made up to 31 December in each year will be prepared in Euro and will be available to Shareholders within six months from the end of the period to which they relate.

Copies of the latest annual report will be sent free of charge on request.

### Meetings of Shareholders

The annual general meeting of Shareholders of the Fund will be held at the registered office of the Fund or at such other place in the Grand Duchy of Luxembourg as may be specified in the convening notice at any date and time decided by the Board but no later than within six months from the end of the Fund's financial year.

Notices of all general meetings, setting forth the agenda and specifying the time and place of the meeting and the conditions of admission thereto and referring to quorum and majority requirements, will be sent to Shareholders in the manner prescribed in the 1915 Law, at least 8 days prior to the meeting, to their mailing or emailing addresses referred to in the register of Shareholders.

If so permitted by law, the convening notice may be sent to a Shareholder by any other means of communication having been accepted by such Shareholder including email, regular mail, courier services or any other means satisfying the conditions provided for under the 1915 Law.

Meetings of Shareholders of any given Sub-Fund or Class shall decide upon matters relating to that Sub-Fund or Class only.

### Liquidation of the Fund – Liquidation or Amalgamation of Sub-Funds

#### *Liquidation of the Fund*

The Fund has been established for an unlimited period. However, the Fund may, at any time, be liquidated by a resolution of the general meeting of Shareholders taken in the same conditions that are required by law to amend the Articles. The Board may propose at any time to the Shareholders to liquidate the Fund.

Any decision to liquidate the Fund will be published in the RESA.

As soon as the decision to liquidate the Fund is taken, the issue, redemption or conversion of Shares in all Sub-Funds is prohibited and shall be deemed void.

The liquidation of the Fund will be conducted by one or more liquidators, who may be individuals or legal entities and who will be appointed by a meeting of Shareholders. This meeting will determine their powers and compensation.

Any liquidation of the Fund shall be carried out in accordance with the provisions of the 2016 Law. Such

Law specifies the steps to be taken to enable Shareholders to participate in the distribution of the liquidation proceeds and provides upon finalisation of the liquidation that the assets be deposited in escrow with the *Caisse de Consignation* to be held for the benefit of the relevant Shareholders. Amounts not claimed from escrow within the relevant prescription period will be liable to be forfeited in accordance with the provisions of Luxembourg law.

### *Liquidation or Amalgamation of Sub-Funds*

The Sub-Funds may be established for a limited or unlimited period, as specified in the relevant Sub-Fund Particulars.

If the net assets of any Sub-Fund or Class fall below or do not reach an amount determined by the Board to be the minimum level for such Sub-Fund or such Class to be operated in an economically efficient manner or if a change in the economic or political situation relating to the Sub-Fund or Class concerned justifies it or if the Board deems it to be in the interest of the Shareholders, the Board has the discretionary power to liquidate such Sub-Fund or Class by compulsory redemption of Shares of such Sub-Fund or Class at the Net Asset Value per Share determined as at the Valuation Day at which such a decision shall become effective. The decision to liquidate will be published by the Fund prior to the effective date of the liquidation and the publication will indicate the reasons for, and the procedures of, the liquidation operations. Unless the Board decides otherwise in the interest of, or in order to ensure equal treatment of, the Shareholders, the Shareholders of the Sub-Fund or Class concerned may continue to request redemption or conversion of their Shares free of redemption or conversion charges (but taking into account actual realisation prices of investments and realisation expenses).

Notwithstanding the powers conferred to the Board by the preceding paragraph, a general meeting of Shareholders of any Sub-Fund or Class may, upon proposal from the Board and with its approval, redeem all the Shares of such Sub-Fund or Class and refund to the Shareholders the Net Asset Value of their Shares (taking into account actual realisation prices of investments and realisation expenses) determined as at the Valuation Day at which such decision shall take effect. There shall be no quorum requirements for such a general meeting of Shareholders at which resolutions shall be adopted by simple majority of those present or represented.

Assets which could not be distributed to the relevant Shareholders upon the closure of the liquidation of a Sub-Fund or Class, will be deposited with the *Caisse de Consignation* to be held for the benefit of the relevant Shareholders. Amounts not claimed will be forfeited in accordance with Luxembourg Law.

Upon the circumstances provided for under the second paragraph of this section, the Board may decide to allocate the assets of any Sub-Fund to those of another existing Sub-Fund within the Fund or to another UCI, or to another sub-fund within such other UCI (the "**new Sub-Fund**") and to re-designate the Shares of the Sub-Fund concerned as Shares of the new Sub-Fund (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 new Sub-Fund), one month before the date on which the amalgamation becomes effective in order to enable Shareholders to request redemption or conversion of their Shares, free of charge, during such period. After such period, the decision commits the entirety of Shareholders who have not used this possibility, provided however that, if the amalgamation is to be implemented with a Luxembourg UCI of the contractual type ("*fonds commun de placement*") or a foreign based UCI, such decision shall be binding only on the Shareholders who are in favour of such amalgamation.

Notwithstanding the powers conferred to the Board by the preceding paragraph, a contribution of the assets and liabilities attributable to any Sub-Fund to another Sub-Fund of the Fund may be decided upon by a general meeting of the Shareholders, upon proposal from the Board and with its approval, of the contributing Sub-Fund for which there shall be no quorum requirements and which shall decide upon such an amalgamation by resolution adopted by simple majority of those present or represented.

Notwithstanding the powers conferred above to the Board, a contribution of the assets and liabilities attributable to any Sub-Fund to another UCI or to a sub-fund within such other UCI may be decided by a general meeting of Shareholders and shall require a resolution of the Shareholders of the contributing Sub-Fund where no quorum is required and adopted by a simple majority of the Shares present or represented at such meeting, except when such amalgamation is to be implemented with a Luxembourg UCI of the contractual type ("*fonds commun de placement*") or a foreign based UCI, in which case resolutions shall be binding only on the Shareholders of the contributing Sub-Fund who have voted in favour of such amalgamation.

### Documentation

A copy of the Prospectus and the last published annual financial report may be obtained without cost on request from an Eligible Investor willing to subscribe for Shares in the Fund.

Copies of the material agreements mentioned in this Prospectus may be inspected during usual business hours on any Business Day at the registered office of the Fund.

Any other financial information to be published concerning the Fund, including the latest Net Asset Value, the historical performance of the Sub-Funds, the issue and repurchase price of the Shares and any suspension of such valuation, will be made available to the public at the registered offices of the Fund, the AIFM, the Depositary and any distributor (if any).

### Shareholders Complaint

Any investor enquiries or complaints should be submitted to the Administrator's office at 6 route de Trèves, Senningerberg L-2633 Luxembourg and the Administrator will respond to any enquiry or complaint. Under the circumstances where performance related complaints are received, the Administrator will forward the complaint to the Investment Manager for a response. The complaints handling policy may be requested by contacting the Administrator.

### Rights against service providers

Shareholders shall not have any direct contractual rights against the AIFM, the Investment Manager, the Depositary, the Administrative Agent, the Auditor or any other service providers of the Fund who have been appointed from time to time by the Fund and/or the AIFM.

In some circumstances, depending on the legal nature of the relationship between the Depositary, the AIFM and the investors, investors may have a direct right against the Depositary, for the cases as indicated in article 21, point 12, of the AIFMD.

### Information to the Shareholders

As required by the 2013 Law, and if and to the extent applicable, the following information will be

periodically provided to Shareholders by means of disclosure in the annual report of the Fund or; if the materiality so justifies, notified to Shareholders:

- a. the percentage of the Sub-Fund's assets which are subject to special arrangements arising from their illiquid nature;
- b. any new arrangements for managing the liquidity of the Sub-Funds;
- c. any changes to the maximum level of leverage which the AIFM may employ on behalf of the Sub-Funds as well as any right of the reuse of collateral or any guarantee granted under any leveraging arrangement;
- d. the total amount of leverage employed by the Sub-Funds.

The Fund will also make available upon request at its registered office all information to be provided to investors under the 2013 Law, including: (i) the maximum amount of the fees that may be paid annually by the Sub-Funds and (ii) any right to reuse collateral and guarantees granted under the leveraging agreement.

Shareholders rights are those described in this Prospectus and the Articles. All Shareholders subscribe to the Shares of the Fund under the same terms.

### EU Sustainable Finance Disclosure Regulation

Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("**SFDR**"), which is part of a broader legislative package under the European Commission's Sustainable Action Plan, will come into effect on 10 March 2021.

The AIFM identifies and analyses sustainability risk as part of its risk management process.

Sustainability risk means an environmental, social, or governance ("ESG") event or condition that, if it occurs, could potentially or actually cause a material negative impact on the value of a Sub-Fund's investment ("**Sustainability Risks**"). Sustainability Risks can either represent a risk of their own or have an impact on other risks and may contribute significantly to risks, such as market risks, operational risks, liquidity risks or counterparty risks. Assessment of Sustainability Risks is complex and may be based on ESG data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that these data will be correctly assessed.

The Sub-Funds are not considered as ESG financial product since they do not promote and do not maximize portfolio alignment with Sustainability Factors (as defined in SFDR). However, the Sub-Funds are exposed to Sustainability Risks due to the nature of the securities in which they invest.

#### **1. *How Sustainability Risks are integrated into the investment decisions of the Investment Manager.***

Sustainability Risks are integrated into the investment decision making and risk monitoring process of the Investment Manager for all Sub-Funds as they may represent a potential or actual material risks and/or opportunities for maximizing the long-term risk-adjusted returns. The Investment Manager considers Sustainability Risks as part of its broader analysis of potential investments and the factors considered will vary depending on the security in question, but typically include ownership structure, board structure and

membership, capital allocation track record, management incentives, labour relations history, and climate risks.

## **2. *The assessment and likely impacts of Sustainability Risks on the returns of the Sub-Funds.***

Due to the nature of the Sub-Funds' investment strategy and types of securities they hold, the Sub-Funds are exposed to varied Sustainability Risks which include, but are not limited to:

- corporate governance malpractices (e.g. board structure, executive remuneration);
- shareholder rights (e.g. election of the likely directors, capital amendments);
- changes to regulation (e.g. greenhouse gas emissions restrictions, governance codes);
- physical threats (e.g. extreme weather, climate change, water shortages);
- brand and reputational issues (e.g. poor health & safety records, cyber security breaches);
- supply chain management (e.g. increase in fatalities, lost time injury rates, labour relations); and
- work practices (e.g. observation of health, safety and human rights provisions).

Assets held by the Sub-Funds may be subject to partial or total loss of value because of the occurrence of a Sustainability Risk due to fines, reduction of demand in the asset's products or services, physical damage to the asset or its capital, supply chain disruption, increased operating costs, inability to obtain additional capital, or reputational damage.

A Sustainability Risk event may arise and impact a specific investment or may have a broader impact on an economic sector, geographical or political region or country which may impact the portfolio of the Sub-Funds in their entirety.

At the date of this Prospectus, it is difficult to predict the full extent of the impact of SFDR and the EU Action Plan on the Fund. The Board reserves the right to adopt such arrangement as it deems necessary or desirable to ensure that the Fund complies with any applicable requirements of the SFDR and any other applicable legislation or regulations related to the EU Action Plan. In particular, the AIFM and the Fund await the further consultation and/or guidance on the level 2 regulatory technical standards (the "RTS"), and the adoption by the EU institutions of the RTS. Once adopted, this Prospectus and/or the websites of the AIFM and Investment Manager may be updated to include further disclosures as required.

More information on the incorporation of Sustainability Risks and opportunities into day-to-day business operations are to be found on [www.devonem.com](http://www.devonem.com).

Principal adverse impacts of investment decisions on sustainability factors are not currently considered due to the lack of available and reliable data. The situation will however be reviewed going forward.

### **Applicable laws and jurisdiction**

The Fund is governed by the laws of the Grand Duchy of Luxembourg.

By entering into the Fund's subscription documents the relevant Investor will enter into a contractual relationship governed by Articles, the Prospectus and applicable laws and regulations.

The subscription documents will be subject to the exclusive jurisdiction of the courts of Luxembourg to settle any dispute or claim arising out of or in connection with a Shareholder's investment in the Fund or

any related manner.

According to Regulation (EU) 1215/2015 of 12 December 2012 of the European Parliament and of the Council on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, a judgment given in a Member State shall, if enforceable in that Member State, in principle (a few exceptions are provided for in Regulation (EU) 1215/2012) be recognised in the other Member State without any special procedure being required and shall be enforceable in the other Member States without any declaration of enforceability being required.



SUB-FUND PARTICULARS

I. Devon Equity Funds RAIF – European Opportunities

Information contained in this Sub-Fund Particulars should be read in conjunction with the full text of the Prospectus.

1. Name of the Sub-Fund

Devon Equity Funds RAIF – European Opportunities (the "Sub-Fund")

2. Investment Objective and Policy

The investment objective of the Sub-Fund is to achieve long term capital growth by exploiting special investment opportunities in Europe.

The Sub-Fund will invest primarily in equity and equity related securities (including listed preference shares, listed warrants and other similar securities) of issuers which have their registered office in Europe or exercise the predominant part of their economic activities in Europe (including UK) and which are considered by the Investment Manager to be undervalued or otherwise to offer good prospects for capital growth. The Investment Manager will adopt a primarily bottom up approach to selecting investments for the Sub-Fund.

Subject to the limits set out in Section 3. "Investment Restrictions" in the general part of the Prospectus, the Sub-Fund will have the ability: to hedge against directional risk using index futures and/or cash; to hold bonds and warrants on transferable securities; to use options and futures; to enter into portfolio swaps; to use forward currency contracts; and to hold liquid assets on an ancillary basis.

3. Benchmark index

The MSCI Europe Index - EUR Total Return (MXEU) will be used for performance comparison purpose only. Even if comparisons are made, the Sub-Fund is actively managed. The Investment Manager is taking investment decisions with the intention of achieving the Sub-Fund's investment objective; this may include decisions regarding asset solution, regional allocation, sector views and overall level of exposure to the market. The Investment Manager is not in any way constrained by the benchmark in its portfolio positioning and the Sub-Fund will not hold all, or indeed may not hold any of the benchmark constituents. The deviation from the benchmark may be complete or significant.

4. Classes of Shares

At the date of the present Prospectus, the following Classes of Shares are available for subscription.

## DEVON EQUITY FUNDS RAIF

Share Class	Minimum subscription and Holding Amounts	Initial Charge	Investment Management Fee (up to)	Initial Charge (up to)	UK Reporting Fund
Class I EUR Acc	EUR 2 million		0.7%	5%	No
Class I USD Acc	USD 2 million		0.7%	5%	No
Class I GBP Acc	GBP 2 million		0.7%	5%	Yes
Class I USD Acc HSC	USD 2 million		0.7%	5%	No

### 5. Distribution Policy

Currently, all Shares are Capitalisation Shares. Income earned on investments of the Sub-Fund is reinvested in the Sub-Fund. No distributions of dividends will take place.

### 6. Duration of the Sub-Fund

Unlimited.

### 7. Reference currency of the Sub-Fund

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

### 8. Launch date

The Sub-Fund was launched on **4 February 2020** at an initial price of **GBP 10** per Share in the **I GBP Acc** Class.

### 9. Subscriptions

Shares will be issued at a price based on the Net Asset Value per Share determined as at the relevant Valuation Day increased, as the case may be, by an initial charge, as stated below.

All applications for subscriptions will be processed in accordance with the following principles.

Shares will be allotted and issued on the Valuation Day and such other days as the Board may determine at the Net Asset Value per Share as of the relevant Valuation Day, provided that the Fund and/or the Administrative Agent has received an application for such Shares, together with the cleared subscription monies and any other declarations and information required by the Administrator at the latest at 13:00 (CET) on such Valuation Day.

No subscription charge shall apply.

### 10. Currency of subscription

At the date of this Prospectus, conversions are not possible and only payments made in the relevant Class Currency will be accepted for subscribing in this Sub-Fund.

### 11. Redemptions and Conversions

Shares will be redeemed at a price based on the Net Asset Value per Share determined as at the relevant Valuation Day, less, as the case may be, a redemption charge, as stated below.

Application for redemption must be received by the Administrative Agent at the latest at 13:00 (CET) on the Valuation Day on which the relevant Shares are to be redeemed. Shareholders must maintain a Minimum Holding Amount as set out under section 4. Classes of Shares here above.

Any applications received after the applicable deadline will be processed in respect of the next Valuation Day.

Payment of redemption proceeds will be effected within three Business Days following the relevant Valuation Day.

No redemption charge shall apply.

As of the date of this Prospectus, no conversion is allowed.

## **12. Frequency of the Net Asset Value and Valuation Day**

The Net Asset Value per Share is determined as at every Business Day (the "Valuation Day").

## **13. Swing pricing**

The Sub-Fund make use of swing pricing. Please refer to section 6, item "Swing Pricing" in the general part of the Prospectus for further information.

## **14. Global Exposure**

The global exposure of the Sub-Fund is calculated using the commitment approach.

## **15. Limit on Gross Leverage**

In certain circumstances the Sub-Fund may make use of leverage for the purposes of investment by means of cash borrowings. The AIFM is responsible for calculating and monitoring the level of leverage of each Sub-Fund (expressed as the ratio of the Sub-Fund's exposure to its net asset value) following the 'Gross Method'. In accordance with the limits applicable to funds operating under the UCITS regulations, the maximum level of leverage, calculated on the basis of the Gross Method, that the Sub-Fund may use is 200%. The total amount of leverage used by the Sub-Fund will be indicated in the annual report.

## II. Devon Equity Funds RAIF – Global Opportunities

Information contained in this Sub-Fund Particulars should be read in conjunction with the full text of the Prospectus.

### 1. Name of the Sub-Fund

Devon Equity Funds RAIF – Global Opportunities (the "Sub-Fund")

### 2. Investment Objective and Policy

The investment objective of the Sub-Fund is to achieve long term capital growth by exploiting special investment opportunities on an international basis.

The Sub-Fund will invest primarily in equity and equity related securities (including listed preference shares, listed warrants and other similar securities) of issuers which are situated anywhere in the world and which are considered by the Investment Manager to be undervalued or otherwise to offer good prospects for capital growth. The Investment Manager will adopt a primarily bottom up approach to selecting investments for the Sub-Fund. The Fund will not have a bias towards any economic sector or company size.

Subject to the limits set out in Section 3. "Investment Restrictions" in the general part of the Prospectus, the Sub-Fund will have the ability to:

- hedge against directional risk using index futures and/or cash; to hold bonds and warrants on transferable securities; to use options and futures; to enter into portfolio swaps; to use forward currency contracts; and to hold liquid assets on an ancillary basis; and
- invest in equities and equity related securities (including participation notes) issued by companies which have their registered office in emerging market economies or exercise the predominant part of their economic activities in emerging market economies.

The derivative instruments mentioned above will only be used for hedging or efficient portfolio management purposes.

In exceptional market circumstances and on a temporary basis, the Sub-Fund may hold 100% of its assets in cash or cash equivalents.

### 3. Benchmark index

The total return on the MSCI All Country World Index in US dollars (NDUEACWF) will be used for performance comparison purpose only. Even if comparisons are made, the Sub-Fund is actively managed. The Investment Manager is taking investment decisions with the intention of achieving the Sub-Fund's investment objective; this may include decisions regarding asset solution, regional allocation, sector views and overall level of exposure to the market. The Investment Manager is not in any way constrained by the benchmark in its portfolio positioning and the Sub-Fund will not hold all, or indeed may not hold any of the benchmark constituents. The deviation from the benchmark may be complete or significant.

### 4. Classes of Shares

## DEVON EQUITY FUNDS RAIF

At the date of the present Prospectus, the following Classes of Shares are available for subscription.

Share Class	Minimum subscription and Initial Holding Amounts	Investment Management Fee (up to)	Initial Charge (up to)	UK Reporting Fund with HMRC
Class I USD Acc	USD 150,000	0.7%	5%	Yes

### 5. Distribution Policy

Currently, all Shares are Capitalisation Shares. Income earned on investments of the Sub-Fund is reinvested in the Sub-Fund. No distributions of dividends will take place.

### 6. Duration of the Sub-Fund

Unlimited.

### 7. Reference currency of the Sub-Fund

The reference currency of the Sub-Fund is the US dollar.

### 8. Launch date

The Sub-Fund was launched on **2 November 2020** at an initial price of USD 10 per Share.

### 9. Subscriptions

Shares will be issued at a price based on the Net Asset Value per Share determined as at the relevant Valuation Day increased, as the case may be, by an initial charge, as stated below.

All applications for subscriptions will be processed in accordance with the following principles.

Shares will be allotted and issued on the Valuation Day and such other days as the Board may determine at the Net Asset Value per Share as of the relevant Valuation Day, provided that the Fund and/or the Administrative Agent has received an application for such Shares, together with the cleared subscription monies and any other declarations and information required by the Administrator at the latest at 13:00 (CET) on such Valuation Day.

No subscription charge shall apply.

### 10. Currency of subscription

At the date of this Prospectus, conversions are not possible and only payments made in the relevant Class Currency will be accepted for subscribing in this Sub-Fund.

### 11. Redemptions and Conversions

Shares will be redeemed at a price based on the Net Asset Value per Share determined as at the relevant

Valuation Day, less, as the case may be, a redemption charge, as stated below.

Application for redemption must be received by the Administrative Agent at the latest at 13:00 (CET) on the Valuation Day on which the relevant Shares are to be redeemed. Shareholders must maintain a Minimum Holding Amount as set out under section 4. Classes of Shares here above.

Any applications received after the applicable deadline will be processed in respect of the next Valuation Day.

Payment of redemption proceeds will be effected within three Business Days following the relevant Valuation Day.

No redemption charge shall apply.

As of the date of this Prospectus, no conversion is allowed.

## 12. Frequency of the Net Asset Value and Valuation Day

The Net Asset Value per Share is determined weekly as at every Business Day which falls on a Wednesday (the "**Valuation Day**"). Should Wednesday not be a Business Day, the Valuation Day shall be the next following Business Day.

## 13. Swing pricing

The Sub-Fund make use of swing pricing. Please refer to section 6, item "Swing Pricing" in the general part of the Prospectus for further information.

## 14. Global Exposure

The global exposure of the Sub-Fund is calculated using the commitment approach.

## 15. Limit on Gross Leverage

In certain circumstances the Sub-Fund may make use of leverage for the purposes of investment by means of cash borrowings. The AIFM is responsible for calculating and monitoring the level of leverage of each Sub-Fund (expressed as the ratio of the Sub-Fund's exposure to its net asset value) following the 'Gross Method'. In accordance with the limits applicable to funds operating under the UCITS regulations, the maximum level of leverage, calculated on the basis of the Gross Method, that the Sub-Fund may use is 200%. The total amount of leverage used by the Sub-Fund will be indicated in the annual report.