LOMBARD ODIER
INVESTMENT MANAGERS

LOMBARD ODIER FUNDS

Prospectus
August 2012

Lombard Odier Funds
is an investment company
with variable capital ("SICAV")
incorporated in Luxembourg

PROSPECTUS

Relating to the issue of shares of

LO Funds

Lombard Odier Funds, in short LO Funds ("the Company"), is organized as a "société d'investissement à capital variable" under the Act of 10 August 1915 of the Grand Duchy of Luxembourg (as amended) ("the 1915 Act") and qualifies under Part I of the Act as an undertaking for collective investment in transferable securities (UCITS) and complies with the requirements of Directive 2009/65/CE of 13 July 2009, as amended from time to time. The Company has appointed Lombard Odier Funds (Europe) S.A. to act as its management company in accordance with Chapter 15 of the Act.

"Lombard Odier Funds" and "LO Funds" may be used independently one from the other.

The directors of the Company ("the Directors", or collectively "the Board") may issue shares of no par value of different classes ("the Shares") which relate to different portfolios of assets ("the Sub-Funds").

The Articles of Incorporation of the Company (the "Articles") allow the issue of Shares in different categories (see paragraph 2.2). The Sub-Funds are priced and Shares are issued and/or may be redeemed and converted on each Valuation Day (see Sections 13 to 15).

Shares are offered at an issue price calculated at a price being the net asset value per Share ("Net Asset Value") of the relevant Sub-Fund (see Section 13) as determined in paragraph 16.1, that may be increased by initial charges and as the case may be, dealing charges (see Section 11).

Shares may be redeemed at a redemption price being their then current Net Asset Value per Share as determined in paragraph 16.1 reduced by dealing charges, if any (see Section 14 and paragraph 16.1).

Shares may be converted into Shares of another Sub-Fund or category of Shares on the basis of a conversion formula as described in Section 15. The conversion charges, if any, levied for conversion between Sub-Funds are described in paragraphs 11.3.

The P, R, I and S categories of Shares may, at the discretion of the Board, be listed on the Luxembourg Stock Exchange. P, R, I and S Shares are defined in paragraph 2.2.

Subscriptions are accepted on the basis of the current prospectus of the Company (the "Prospectus"), the relevant key investor information documents and the latest audited annual or unaudited semi-annual accounts of the Company. These documents may be obtained free of charge at the registered office of the Company.

The Company reserves the right to reject, at its sole discretion, any subscription request for Shares and to accept any application in part only. The Company does not permit practices related to market timing and reserves the right to reject subscription and conversion orders from investors who the Company suspects of using such practices and to take the appropriate measures to protect other investors of the Company.

The Shares are offered on the basis of the information and representations contained in this Prospectus. All other information given or representations made by any person must be regarded as unauthorized. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful, or in which the person making such an offer or solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such offer or solicitation.

The Shares have not been registered under the United States Securities Act of 1933 and, except in a transaction which does not violate such Act, may not be directly or indirectly offered or sold in the United States of America, any of its territories or possessions or areas subject to its jurisdiction, or to or for the benefit of a United States Person. For this purpose, the term "United States Person" or "US Person" shall mean any citizen, national or resident of the United States of America, partnership organized or existing in any state, territory or possession of the United States of America, a corporation organized under the laws of the United States or of any state, territory or possession thereof, or any estate or trust that is subject to United States Federal income tax regardless of the source of its income.

Subscribers for Shares should inform themselves as to the legal requirements of so applying and any applicable exchange controls and applicable taxes in the countries of their respective citizenship, residence or domicile.

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

References in this Prospectus to "USD" are relative to dollars of the United States of America, references to "JPY" are relative to Japanese yen, references to "CHF" are relative to Swiss francs, references to "GBP" are relative to British pound sterling, references to "EUR" are relative to euros, references to "HKD" are relative to Hong Kong dollars, references to "SGD" are relative to Singapore dollars, references to "SEK" are relative to Swedish krona, references to "NOK" are relative to Norwegian krone, references to "CAD" are relative to dollars of Canada and references to "AUD" are relative to dollars of Australia.

Whilst using their best endeavors to attain the investment objectives, the Directors cannot guarantee the extent to which these objectives will be achieved. It should be remembered that the price of Shares of any Sub-Fund may go down as well as up.

The Directors have taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement herein.

The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

The distribution of this Prospectus and the offering of the Shares may be restricted in certain other jurisdictions. The above information is for general guidance only, and it is the responsibility of any persons in possession of this Prospectus and of any persons wishing to make application for Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdictions. If you have any doubts about the contents of this Prospectus you should consult your stockbroker, solicitor or other financial adviser.

The date of this Prospectus is August 2012.

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GLOSSARY AND DEFINITIONS

The terms used in the prospectus have the meaning as defined in the Glossary.

Act	Luxembourg law of 17 December 2010 on undertakings for collective investment or any legislative replacements or amendment thereof as amended from time to time
1915 Act	Luxembourg law of 10th August 1915 on commercial companies as amended from time to time
ADRs	American Depository Receipts
Alternative Currency	Currency of a category of shares issued in a currency other than the Reference Currency. Currencies used as Alternative Currencies are EUR, USD, CHF, GBP, SEK, NOK, CAD, AUD, JPY, HKD and SGD
Business Day	Every day which is a full bank business day in Luxembourg (i.e. 24 December is not a full Business Day)
Cash and Cash Equivalents	Cash, bank deposits, short-term deposits or other short-term instruments (including money market UCIs subject to restrictions as set forth in paragraph 3.1 (ii)) and money-market instruments issued by sovereign or corporate issuers, the residual maturity of which does not exceed 397 days. FRNs that have frequent resets of the coupon, i.e. annually or more frequently, will be regarded as passive substitutes for short-term instruments, provided that their maximum residual maturity is of 762 days
CD	Certificate of deposit
CDS	Credit default swap
CFD	Contract for difference
Company	Lombard Odier Funds
CSSF	Commission de Surveillance du Secteur Financier
Cut-off time	Deadline to submit subscription, redemption or conversion applications to the Company
ECP	Euro Commercial Paper
EEA	European Economic Area
Eligible State	A member State of OECD and all other countries of Europe, the American Continents, Africa, Asia, the Pacific Basin and Oceania
EMU	European Monetary Union
EUSD	European Union Savings Directive
FRN	Floating-rate note
GDRs	Global Depository Receipts
Group of Assets	Assets with common characteristics such as but not limited to the same region, country, currency and/or sector
IRS	Interest rate swap
Issue Price	Price per Share at which such Shares shall be issued
Member State	A member State of the European Union as well as any States referred to in the term "Member State" defined in article 1 of the Act
NAV	Net asset value per Share
Net Asset Value	Total assets of the relevant Sub-Fund less its liabilities
Net Asset Value per Share	Total net assets of the relevant Sub-Fund, being the market value of its assets less its liabilities, divided by the number of Shares of the relevant Sub-Fund
OECD	Organization for Economic Cooperation and Development
Official Listing	Official listing on a stock exchange in an Eligible State

Redemption Price	Price per Share at which such shares shall be redeemed, based on the then current Net Asset Value per Share
Reference Currency	Currency in which shares of the Sub-Fund are issued
Regulated Market	Regulated market, other than Official Listing, which operates regularly and is recognized and open to the public in an Eligible State
Risk Parity Methodology	Rule-based methodology according to which the weight of an asset comprising a portfolio is adjusted so that its contribution to the risk of such portfolio tends to be equivalent to that of the other assets or Group of Assets of the portfolio
SFIs	Structured financial instruments
Shares	Shares of the Company
T-Bills	Treasury Bills
Target Sub-Fund	A Sub-Fund whose Shares are subscribed, acquired and/or held by another Sub-Fund
TRS	Total return swap
UCIs	UCITS and other eligible undertakings for collective investment
UCITS	Undertakings for collective investment in transferable securities
Valuation Day	The relevant Business Day (daily or weekly) where the Sub-Funds are priced and Shares are issued and/or may be redeemed and converted and which is also a bank business day in the principal market or stock exchange on which a material part of a Sub-Fund's investments for the time being are quoted
Valuation Regulations	Valuation regulations and guidelines adopted by the Directors and as from time to time modified by them
VaR	Value at Risk

1. LIST OF PARTIES AND ADDRESSES

The Company

Lombard Odier Funds, in short LO Funds

Registered Office

5, Allée Scheffer, 2520 Luxembourg, Grand Duchy of Luxembourg

Board of Directors

Chairman of the Board

Bernard Droux (Partner, Lombard, Odier & Cie, Geneva)

Directors

Francine Keiser (Of Counsel, Linklaters LLP, Independent Director, Luxembourg)

Yvar Mentha (Independent Director, Geneva)

Alexandre Meyer (Executive Vice President, Lombard Odier Asset Management (Switzerland) SA, Petit-Lancy)

Patrick Zurstrassen (Independent Director, Luxembourg)

Management Company and Domiciliary Agent

Lombard Odier Funds (Europe) S.A.
5, Allée Scheffer, 2520 Luxembourg, Grand Duchy of Luxembourg
Email address: luxembourg-funds@lombardodier.com

Directors of the Management Company

Alexandre Meyer (Executive Vice President, Lombard Odier Asset Management (Switzerland) SA, Petit-Lancy)

Yves Bersier (Executive Vice President, Lombard Odier Asset Management (Switzerland) SA, Petit-Lancy)

Mark Edmonds (Senior Vice President, Lombard Odier Funds (Europe) S.A., Luxembourg)

Francine Keiser (Of Counsel, Linklaters LLP, Independent Director, Luxembourg)

Patrick Zurstrassen (Independent Director, Luxembourg)

Dirigeants of the Management Company

Mariusz Baranowski (Vice President, Lombard Odier Funds (Europe) S.A., Luxembourg)

Mark Edmonds (Senior Vice President, Lombard Odier Funds (Europe) S.A., Luxembourg)

Investment Managers

Lombard, Odier & Cie
11, rue de la Corraterie, 1204 Geneva, Switzerland

Lombard Odier Darier Hentsch (Asia) Limited
3901 Two Exchange Square, 8 Connaught Place, Central, Hong Kong

Lombard Odier Asset Management (USA) Corp
888 Seventh Avenue, 11th Floor, New York, NY 10106, United States of America

Lombard Odier Darier Hentsch Trust (Japan) Limited
Izumi Garden Tower 41 F, 1-6-1 Roppongi, Minatu-ku, Tokyo 106-6041, Japan

Lombard Odier Asset Management (Europe) Limited
Queensberry House, 3 Old Burlington Street, London W1S 3AB, United Kingdom

Lombard Odier Asset Management (Switzerland) SA
6, avenue des Morgines, 1213 Petit-Lancy, Switzerland

Generation Investment Management LLP Limited
10 Upper Bank Street, London E14 5JJ, United Kingdom

Pzena Investment Management, L.L.C.
1013 Centre Road, County of New Castle, Wilmington, Delaware 19805, United States of America

Neuberger Berman Europe Limited
4th Floor, Lansdowne House, 57 Berkeley Square, London W1J 6ER, United Kingdom

Sands Capital Management, LLC
1101 Wilson Boulevard, Suite 2300, Arlington, Virginia 22209, United States of America

Seven Seas Asset Management Limited
2 Creed Court, 5 Ludgate Hill, London EC4M 7AA, United Kingdom

Van Eck Associates Corporation
335 Madison Avenue, 19th Floor, New York, NY 10017, United States of America

William Blair & Company, L.L.C.
222 West Adams Street, Chicago, Illinois 60606, United States of America

Asset Allocator

Lombard Odier Asset Management (Switzerland) SA
6, avenue des Morgines, 1213 Petit-Lancy, Switzerland

Distributor

Lombard Odier Funds (Europe) S.A.
5, Allée Scheffer, 2520 Luxembourg, Grand Duchy of Luxembourg

or any other third party that may be appointed for the offer and sale of the Shares (referred to as "Distributor" or "Distributors" depending on the context)

Custodian, Central Administration Agent and Registrar, Transfer Agent, Paying Agent and Listing Agent

CACEIS Bank Luxembourg
5, Allée Scheffer, 2520 Luxembourg, Grand Duchy of Luxembourg

Independent Auditor

PricewaterhouseCoopers S.à r.l.
Réviseur d'entreprises
400, route d'Esch, 1471 Luxembourg, Grand Duchy of Luxembourg

Legal Advisers

In Luxembourg

Linklaters LLP
35, avenue John F. Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg

Foreign Representatives

In the Netherlands

Lombard Odier & Cie (Nederland) N.V.
Weteringschans 109-111, 1017 SB Amsterdam, The Netherlands

In Switzerland

Representative

Lombard Odier Asset Management (Switzerland) SA
6, avenue des Morgines, 1213 Petit-Lancy, Switzerland

Paying Agent

Lombard, Odier & Cie
11, rue de la Corraterie, 1204 Geneva, Switzerland

In the United Kingdom

Lombard Odier Asset Management (Europe) Limited
Queensberry House, 3 Old Burlington Street, London W1S 3AB, United Kingdom

In Austria

Erste Bank der oesterreichischen Sparkassen AG
Graben 21, 1010 Vienna, Austria

In Italy

Paying Agents

Société Générale Securities Services S.p.A.,
Via Benigno Crespi, 19/A - MAC 2, 20159 Milan, Italy

State Street Bank S.p.A.
Via Ferrante Aporti 10, 20125 Milan, Italy

Banca Sella Holding S.p.A.
Piazza Gaudenzio Sella 1, 13900 Biella, Italy

Allfunds Bank S.A., Italian Branch
Via Santa Margherita 7, 20121 Milan, Italy

In France

Centralising Agent

CACEIS Bank
1/3, place Valhubert, 75013 Paris, France

In Belgium

CACEIS Belgium S.A.
Avenue du Port 86C, b320, 1000 Brussels, Belgium

In Spain

Allfunds Bank, S.A.
C/ Nuria, 57 Madrid, Spain

In Liechtenstein

Verwaltungs- und Privat-Bank AG
Aeulestrasse 6, 9490 Vaduz, Liechtenstein

In Germany

German Information and Paying Agent

DekaBank Deutsche Girozentrale
Mainzer Landstrasse 16, 60325 Frankfurt, Germany

2. LEGAL FORM

2.1 The Company

The Company is organized as a "société d'investissement à capital variable" in the Grand Duchy of Luxembourg under the 1915 Act and qualifies as an undertaking for collective investment in transferable securities (UCITS) under the Act. It was incorporated on 5 January 1987 for an unlimited period under the name of Mediterranean Fund. The name of the Company was changed in 1994 to Lombard Odier Invest, in 2003 to Lombard Odier Darier Hentsch Invest (in short "LODH Invest") and finally in 2009 to Lombard Odier Funds (in short "LO Funds"). The Company's Articles were amended for the last time on 13 July 2012 with effect on 1 August 2012 and amendments thereto were published in the Mémorial, Recueil des Sociétés et Associations on 27 July 2012. The restated Articles have been deposited with the Luxembourg Trade and Companies Register. The minimum share capital of the Company is the equivalent of EUR 1,250,000.

The Company has appointed Lombard Odier Funds (Europe) S.A. to act as its management company in accordance with Chapter 15 of the Act subject to the overall supervision and control of the Directors.

The Directors of the Company are listed in Section 1.

There are no provisions in the Articles expressly governing the remuneration (including pension or other benefits) of the Directors. The Directors shall be reimbursed for their out-of-pocket expenses and their remuneration shall be approved by the shareholders of the Company in a General Meeting. Directors affiliated to the Lombard Odier Group of Companies are not entitled to a fee for their services.

The Company is registered under number B-25.301 in the Luxembourg Trade and Companies Register. Its Articles are available for inspection there and a copy thereof may be obtained upon request. Its principal and registered office is at 5, Allée Scheffer, 2520 Luxembourg, Grand Duchy of Luxembourg.

The capital of the Company is represented by Shares of no par value and shall at any time be equal to the total net assets of the Company.

The liabilities of each Sub-Fund shall be segregated on a Sub-Fund by Sub-Fund basis with third party creditors having recourse only to the assets of the Sub-Fund concerned.

2.2 The Shares

Shares of the Company have no par value and have like rights and privileges. Each Share shall carry the right to participate in the profits and the results of the relevant Sub-Fund's operations. The Shares shall have no preferential, pre-emption, conversion or exchange rights. There are no, nor is it intended that there will be any, outstanding options or special rights relating to any Shares. Each whole Share entitles the holder thereof at all general meetings of shareholders and at all special meetings of the relevant class of shares to one vote which may be cast in person or by proxy.

The Shares are freely transferable, except that the Board may, according to the Articles, restrict the ownership of Shares by certain persons ("Restricted Persons") as defined therein.

The Company's Articles permit the issue of Shares of different categories, which relate to one or more Sub-Funds. There may exist different classes of shares within each category of shares. The Company's Articles also allow the Board to issue Shares of different categories or classes such as Shares with different dividend policies, Shares available only to qualified investors, Shares with different charging structure or hedging policies, Shares issued in a currency other than the Reference Currency of the respective Sub-Fund or Shares with other specific features. At present, the Board has decided that the following categories of Shares may be issued:

- five main categories of Shares ("P Shares", "R Shares", "I Shares", "S Shares" and "H Shares") that differ mainly in terms of fees, type of investor and minimum initial investment and holding amount;
- Shares in the form of Accumulating Shares ("A Shares") or Distributing Shares ("D Shares"). Their respective dividend policy is described in Section 6;
- Shares in Registered form;
- Shares denominated in Alternative Currencies;
- Shares with different currency or duration risk hedging policies.

The following table shows the categories of Shares available for each Sub-Fund, the eligibility criteria to invest in such categories and whether such categories comprise a distribution fee or not.

	P Shares	**R Shares**	**I Shares**	**S Shares**	**H Shares**
Type of investor	All investors	All investors	All investors	Institutional investors [1]	Dedicated to all investors in Hong Kong
Minimum Initial Investment and Minimum Holding	Equivalent of EUR 3,000 [2]	Equivalent of EUR 1,000 [2]	Equivalent of CHF 1 million [3]	t.b.d. [4]	Equivalent of EUR 3,000 [2]
Management Fees	Yes	Yes	Yes	No [5]	Yes
Distribution Fees [6]	Yes	Yes	No	No	No
Forms available / Dividend policy	A Shares	A Shares	A Shares	A Shares	A Shares
	D Shares [7]	D Shares [7]	D Shares [7]	D Shares [7]	-
Forms available / Alternative Currencies [8]	EUR / USD / CHF / GBP / SEK / NOK / CAD / AUD / JPY / HKD / SGD	EUR / USD / CHF / GBP / SEK / NOK / CAD / AUD / JPY / HKD / SGD	EUR / USD / CHF / GBP / SEK / NOK / CAD / AUD / JPY / HKD / SGD	EUR / USD / CHF / GBP / SEK / NOK / CAD / AUD / JPY / HKD / SGD	HKD / USD
Forms available / Currency hedging policy [9]	No hedging / Systematic hedging / hedging at the discretion of the Investment Manager	No hedging / Systematic hedging / hedging at the discretion of the Investment Manager	No hedging / Systematic hedging / hedging at the discretion of the Investment Manager	No hedging / Systematic hedging / hedging at the discretion of the Investment Manager	No hedging / Systematic hedging / hedging at the discretion of the Investment Manager
Forms available / Duration hedging policy [10]	No hedging / systematic hedging	No hedging / systematic hedging	No hedging / systematic hedging	No hedging / systematic hedging	No hedging / systematic hedging

1 S Shares are intended for institutional investors within the meaning of article 174 (2) (c) of the Act, who have concluded a specific remuneration agreement with the Company, the Management Company or any other entity of the Lombard Odier Group. Invoices issued by the Management Company to the Company, according to the provisions of the Management Company Agreement (see Section 7), will be paid directly by such institutional investor.

2 See Sections 13 to 15 for further details.

3 For the I category of Shares the minimum initial investment and minimum holding amount in the Sub-Fund concerned is of at least CHF 1 million or equivalent in the respective Reference Currency of each Sub-Fund, except for LO Funds – Money Market (EUR), LO Funds – Money Market (USD) and LO Funds – Money Market (GBP) Sub-Funds where such minimum amount is of at least CHF 10 million or equivalent. Investors who hold a stake of at least CHF 10 million or the equivalent in another currency in the Company or in others collective investment vehicles of the Lombard Odier Group can also invest in the I Shares category. The Board may waive these minimum initial investment and minimum holding requirements.

4 As agreed with the Company, the Management Company or any other entity of the Lombard Odier Group in the remuneration agreement mentioned under (1) above.

5 No management fees are levied on the S Shares of each Sub-Fund. Investors willing to subscribe S Shares have to enter into a specific remuneration agreement with the Company, the Management Company or any other entity of the Lombard Odier Group. Invoices issued by the Management Company to the Company, according to the provisions of the Management Company Agreement (see Section 7), will be paid directly by such institutional investor. The minimum initial investment and minimum holding amount will be indicated in this agreement.

6 The distribution fees for P and R Shares of each Sub-Fund are mentioned in sub-paragraph 11.5.2.

7 For certain Sub-Funds there may be classes of Shares with one annual dividend only and/or classes of Shares with one or more interim dividends.

8 All Sub-Funds may issue categories of Shares in any Alternative Currency. Currencies used as Alternative Currencies are EUR, USD, CHF, GBP, SEK, NOK, CAD, AUD, JPY, HKD and SGD. Costs related to the currency conversion, if any, of subscription or redemption amounts from or into the Reference Currency, will be borne by each category of Shares issued in an Alternative Currency.

[9] All Sub-Funds may issue categories of Shares in the Reference Currency or in an Alternative Currency with a different currency hedging policy. Fees related to the currency hedging policy, if any, will be borne by the relevant category of Shares issued in an Alternative Currency.

[10] All Fixed Income Sub-Funds may issue categories of Shares in the Reference Currency or in an Alternative Currency with a different duration hedging policy. The purpose of the duration hedging policy is to minimise the impact of interest rates movements on the value of such categories of Shares. Fees related to the duration hedging policy, if any, will be borne by the relevant category of Shares applying such duration hedging policy.

P Shares, R Shares and I Shares are available for all Sub-Funds. S Shares are available for a Sub-Fund as and when decided by the Board (or any delegate). H Shares are available for a Sub-Fund which is offered or registered for sales in Hong Kong.

For certain Sub-Funds, the Board may decide to create a class of Shares where shareholders may elect to subscribe in Shares with a standard management fee or in Shares with a lower management fee but with a performance fee. Management fee and performance fee for such additional class of Shares, if any, will be mentioned in paragraph 11.5.

For certain Sub-Funds, the Board may decide to create (i) classes of Shares which may be subscribed and/or redeemed on a weekly basis (weekly Shares) and/or (ii) classes of Shares which may be subscribed and/or redeemed on a daily basis (daily Shares). Differences between daily Shares and weekly Shares in terms of subscription and redemption procedures as well as differences in terms of Management Fees and Distribution Fees are mentioned, if applicable, in paragraph 13.1 respectively paragraph 11.5.2.

The list of Sub-Funds, with a category of Shares available in the form of R Shares, I Shares, H Shares and S Shares, or with a class of Shares available with a lower management fee but with a performance fee, with a class of Shares issued in an Alternative Currency, with a specific currency hedging policy, or with a specific duration risk hedging policy is disclosed in the annual and semi-annual reports and on Lombard Odier Group website (funds.lombardodier.com) and can be obtained at the registered office of the Company or of the Foreign Representatives. Any category of Shares may be listed on the Luxembourg Stock Exchange at the discretion of the Board.

Although assets attributable to different Sub-Funds of the Company are segregated (see paragraph 2.1), investors should be aware that there exists no legal segregation of assets between different categories and classes of Shares within the same Sub-Fund. Therefore, in case that the net assets attributable to a category or a class of Shares of a Sub-Fund are not sufficient to cover the charges and expenses relating to a specific category or class of Shares (e.g. currency hedging costs, duration risk hedging costs, etc), such charges and expenses will be paid out of the net assets of the other classes and categories of Shares of the same Sub-Fund.

3. INVESTMENT OBJECTIVES AND POLICIES

3.1 General Provisions Common to all Sub-Funds

The Company aims to provide investors with the opportunity of participating in a wide selection of financial markets through a range of actively managed Sub-Funds of asset allocation, international equity, fixed-income and money market portfolios.

The investment policies of the Company are determined by the Directors, after taking into account the political, economic, financial and monetary factors prevailing in the selected markets.

Whilst keeping the principle of risk diversification, the Equity, Money Market, and Fixed-Income Sub-Funds (but not the Asset Allocation Sub-Funds) invest primarily (at least 90% of each Sub-Fund's portfolio) in assets which comply with the description of the Sub-Fund unless otherwise mentioned in a particular Sub-Fund's description. For the purposes of computing the investment ratios mentioned in a particular Sub-Fund's description, Cash and Cash Equivalents held on a temporary basis will not be taken into account if the ratio refers to the Sub-Fund's portfolio and will be taken into account if the ratio refers to the Sub-Fund's assets or net assets.

The Sub-Funds' assets may consist of eligible assets mentioned in Section 4 being transferable securities, money market instruments, units of permitted undertakings for collective investment, deposits with credit institutions and financial derivative instruments.

Unless otherwise mentioned in a particular Sub-Fund's description and always subject to the limits permitted by the Investment Restrictions described in Section 4, the following principles will apply to the Sub-Funds:

(i) Cash and Cash Equivalents

In normal market conditions, the Equity Sub-Funds may hold on a temporary and ancillary basis up to 15% of their net assets in Cash and Cash Equivalents, pending investments or redemptions, or for the purposes of the efficient management of the Sub-Funds. The Fixed Income and the Money Market Sub-Funds may hold on a temporary and ancillary basis up to one-third (1/3rd), in accordance with the Law, of their net assets in Cash and Cash Equivalents, pending investments or redemptions, or for the purposes of the efficient management of the Sub-Funds. This limit is increased to 49% for the Asset Allocation Sub-Funds.

The Company will regard FRNs that have frequent resets of the coupon, i.e. annually or more frequently, as passive substitutes for short-term instruments, irrespective of final maturity.

(ii) Units of undertakings for collective investment ("UCIs")

The Sub-Funds may hold up to 10% of their net assets in UCIs.

The securities issued by collective investment vehicles with at least 50% of their net assets, according to their investment policy, invested in a particular class of assets will themselves be treated as securities of such class of assets for the purposes of the investment policy set out in this Prospectus (example: collective investment vehicles with at least 50% of their net assets, according to their investment policy, invested in shares and other securities equivalent to shares will be treated as equity securities). Where a collective investment vehicle is structured as an umbrella and the Company holds securities belonging to one or more Sub-Funds of such collective investment vehicle, the same principle shall apply mutatis mutandis to the securities of each Sub-Fund.

(iii) Financial derivative instruments

The Management Company and the Investment Managers may use all categories of financial derivative instruments authorized by Luxembourg law or by Circulars issued by the Luxembourg supervisory authority and in particular the categories mentioned in paragraph 4.1 (vii).

Financial derivative instruments may be used for one of the following strategies: for hedging purposes, for efficient portfolio management or as part of the investment strategy of a Sub-Fund. A description of those strategies is mentioned in paragraph 4.1 (vii). Hedging strategies should allow for the protection of portfolios against market movements, credit risks, currency fluctuations, inflation risks and interest rate risks. In order to be considered for efficient portfolio management, transactions on derivatives must be entered into for one or more of the following specific aims: reduction of risk, reduction of cost, or generation of additional capital or income for the Sub-Fund with an appropriate level of risk, taking into account the risk profile of the Sub-Fund. In addition, transactions entered into for efficient portfolio management must be economically appropriate, which implies that they are realized in a cost-effective way. When financial derivative instruments are not used for hedging purposes nor for efficient portfolio management, they may be used as part of the investment strategy. However, this has to be mentioned in the description of the Sub-Funds concerned (paragraphs 3.3 to 3.6) and is always subject to the limits permitted by the Investment Restrictions. The use of financial derivative instruments as part of the investment strategy may result in a higher level of leverage and increase the overall risk exposure of a Sub-Fund and the volatility of its Net Asset Value. The assessment of the global risk exposure of a Sub-Fund associated with derivative instruments is described in paragraph 4.2.

If a Sub-Fund's description states that it has a low exposure to commodities via derivatives on commodity indices, the exposure will be below 49% of the Sub-Fund's net assets. Reference to a high exposure means that the Sub-Fund has an exposure above 49% of the Sub-Fund's net assets.

The leverage effect of investments in some financial instruments and the volatility of the prices of options, futures and other derivative contracts would normally make the risk attached to investment in the Shares of the Sub-Funds higher than is the case with conventional investment policies. Additional risks associated with the use of financial derivative instruments are described in paragraph 5.2.8.

(iv) Techniques and instruments relating to transferable securities and money market instruments

These techniques and instruments include, but are not limited to, repurchase agreements and securities lending.

The use of any of these techniques and instruments shall not reach a volume which could endanger the spirit of the investment policy.

Risks associated with the use of techniques and instruments relating to transferable securities and money market instruments are described in paragraphs 5.1.11 and 5.1.12.

(v) Structured financial instruments ("SFIs")

The Sub-Funds may invest in SFIs, which are eligible transferable securities (as specified in Section 4), organized solely for the purposes of restructuring the investment characteristics of certain other investments (the "underlying investments") and issued by first class financial institutions (the "Financial institutions"). The Financial institutions issue transferable securities (the SFIs) backed by or representing interests in the underlying investments.

The Sub-Funds may invest in SFIs such as, but not limited to, equity-linked securities, capital protected notes, and structured notes, including securities/notes that are issued by companies advised by the Management Company or any entity of its group. When the SFI embeds a derivative instrument, the embedded derivative must be taken into account when applying the restrictions mentioned in paragraph 4.2 (j).

Sub-Funds investing in convertible bonds, often use SFIs as a substitute to convertible bonds to achieve the same market exposure.

SFIs are subject to the risks associated with the underlying investments. Investments in SFIs may entail the risk of loss of principal and/or interest payment as a result of movements in the underlying investments. As such underlying investments may combine financial derivative instruments, SFIs may be subject to greater volatility than direct investments in fixed income and equity securities. In addition, investments in SFIs will expose the Sub-Funds to the credit risk of the counterparty issuing the SFI. In the event of a bankruptcy or insolvency of such counterparty or when the financial institutions issuing such SFIs are facing difficult market conditions, the Sub-Funds may experience delays in liquidating the positions and significant losses as a result of declines in value of the SFIs. The SFIs also entail liquidity risk, as they may not be as liquid as their underlying assets, depending on the market conditions.

(vi) Currencies

Shares of each Sub-Fund are issued in the Reference Currency. However, Shares of each Sub-Fund may also be issued in Alternative Currency (USD, GBP, CHF, EUR, SEK, NOK, CAD, AUD, JPY, HKD, SGD) of a Sub-Fund (see paragraph 2.2).

The Reference Currency of a Sub-Fund is always mentioned in the Sub-Fund's description (see paragraphs 3.3 to 3.6) and sometimes between brackets in its name. Sub-Funds may invest in securities denominated in other currencies than their Reference Currency, even when the Reference Currency is mentioned between brackets in their name.

When a currency is mentioned in the name of a Sub-Fund, but not between brackets, at least two-thirds (2/3rds) of the Sub-Fund's portfolio will be invested in securities denominated in that currency.

(vii) Risks associated with investments in the Sub-Funds

All Sub-Funds are directly or indirectly exposed to various forms of investment risks through the financial instruments in which they invest. Some risks concern all Sub-Funds (see paragraph 5.1) whereas others are Sub-Fund specific (see paragraph 5.2). A review of the risks specific to each Sub-Fund is included in the sections describing each Sub-Fund.

(viii) Profile of the typical investor

The Sub-Funds may be appropriate for investors, who:

- seek capital appreciation over the long-term when investing in Asset Allocation or Equity Sub-Funds; or
- seek regular income and eventually capital gains from their investment when investing in Fixed Income Sub-Funds; or
- seek regular income, where both capital security and liquidity are prime consideration, when investing in Money Market Sub-Funds; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

An investment in a Sub-Fund is not a deposit in a bank or other insured depositary institution. Investment may not be appropriate for all investors. The Sub-Funds are not intended to be a complete investment program and investors should consider their long-term investment goals and financial needs when making an investment decision about the Sub-Funds. An investment in a Sub-Fund is intended to be a long-term investment. The Sub-Funds should not be used as trading vehicle.

Whilst using their best endeavors to attain the Company's objectives, the Directors cannot guarantee the extent to which the investment objectives will be achieved.

3.2 List of Sub-Funds

The following Shares of LO Funds Sub-Funds are currently offered or will be offered in the future:

Asset Allocation Sub-Funds

- LO Funds – Alternative Beta
- LO Funds – Tactical Alpha
- LO Funds – All Roads

Equity Sub-Funds

Global

- LO Funds – Selective Global
- LO Funds – Pzena Global Value
- LO Funds – William Blair Global Growth
- LO Funds – Generation Global
- LO Funds – Global Equity High Dividend*
- LO Funds – Global Equity Risk Parity*

Sector/Thematic

- LO Funds – Technology
- LO Funds – 1798 Technology Long/Short*
- LO Funds – Golden Age
- LO Funds – World Gold Expertise
- LO Funds – Clean Tech
- LO Funds – Global Energy

- LO Funds – Commodities Risk Parity
- LO Funds – Vital Food [1]
- LO Funds – Emerging Consumer
- LO Funds – Smart Cities*

Regional

- LO Funds – Emerging Equity Risk Parity
- LO Funds – Neuberger Berman US Core
- LO Funds – Sands US Growth
- LO Funds – Europe High Conviction
- LO Funds – Europe Core Equity*
- LO Funds – Eurozone Small and Mid Caps
- LO Funds – Japanese Small and Mid Caps
- LO Funds – Alpha Japan
- LO Funds – 1798 Europe Equity Long/Short
- LO Funds – Swiss Small and Mid Caps*

Fixed-Income Sub-Funds

Government

- LO Funds – Euro Government Fundamental
- LO Funds – Government Bond (USD)
- LO Funds – Euro Inflation-Linked Fundamental
- LO Funds – Global Government Fundamental [2]
- LO Funds – 1798 Optimum Trend

Aggregate

- LO Funds – Swiss Franc Bond (Foreign)*
- LO Funds – Total Return Bond

Credit

- LO Funds – Global Corporate Fundamental*
- LO Funds – Euro Responsible Corporate Fundamental
- LO Funds – Euro Credit Bond
- LO Funds – Global BBB-BB Fundamental [3]
- LO Funds – Euro BBB-BB Fundamental
- LO Funds – Swiss Franc Credit Bond (Foreign)
- LO Funds – Asia Credit Bond*

Emerging

- LO Funds – Emerging Market Bond Fundamental
- LO Funds – Emerging Local Currency Bond Fundamental

Convertibles

- LO Funds – Convertible Bond
- LO Funds – Convertible Bond Asia

Money Market Sub-Funds

- LO Funds – Money Market (EUR)
- LO Funds – Money Market (USD)
- LO Funds – Money Market (GBP)

* When one of these Sub-Funds is offered for sale, the initial price per Share, the launch date (i.e. the date for the first issue of Shares) and the payment date for the initial subscription will be determined by the Board. Upon decision by the Board to launch one of these Sub-Funds, the Prospectus will be amended accordingly. The Sub-Funds will be offered in a given country only after the necessary notification to the local regulator and, when relevant, the necessary authorizations will have been obtained.

[1] LO Funds – Vital Food will be launched on or around 6 July 2012.

[2] LO Funds – Global Government Fundamental will be launched on or around 16 July 2012.

[3] LO Funds – Global BBB-BB Fundamental will be launched on or around 16 July 2012.

The Directors may decide to create further classes of Shares corresponding to additional Sub-Funds; in such case, this Prospectus shall be supplemented by an addendum or reprinted.

(Throughout the Prospectus each Sub-Fund will be referred to by the name as defined herein below).

3.3 Description of Asset Allocation Sub-Funds

LO Funds – Alternative Beta
(hereinafter referred to as "Alternative Beta")

This Sub-Fund seeks to replicate the risk/return profile of a multi-strategy index of hedge funds (the "Index") by investing in Eligible Assets as described in paragraph 4.1 and subject always to the Investment Restrictions described in paragraph 4.2.

To achieve the exposure to the Index in terms of risk/return profile, the Investment Manager will use a quantitative management method based on the statistical replication of the Index. The proprietary quantitative model developed by the Investment Manager will determine the trade allocations to be made within the pre-defined asset classes (including but not limited to equity indices, bond indices, commodity indices and currency exchange rates). Eligible Assets in which the Sub-Fund is invested (at least 90% of its assets) are made of financial derivative instruments, to gain long and/or short exposure to the above mentioned asset classes, as well as Cash and Cash Equivalents. The Investment Manager may, at its discretion, invest up to 100% of the Sub-Fund's assets in Cash and Cash Equivalents when, for instance, it considers that the Sub-Fund should be positioned in a defensive way. The Investment Manager will use its discretion with respect to the selected Index, provided that the Index is representative of the hedge funds universe. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

The current Index is indicated on the Lombard Odier Group website (funds.lombardodier.com).

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Tactical Alpha
(hereinafter referred to as "Tactical Alpha")

A Sub-Fund invested in bank deposits and/or money markets instruments and taking long and short exposures, through financial derivative instruments, on various asset classes, such as fixed income, equities, commodities (indices, UCIs and transferable securities) and currencies. The Investment Manager will implement its global tactical asset allocation strategy using full discretion in the selection of financial derivative instruments and underlying asset classes. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may use a wide range of financial derivative instruments, such as options, futures and swaps in order to increase or reduce its exposure to specific asset classes, markets (including emerging markets), securities and currencies. The Sub-Fund may be invested up to 100% of its assets in Cash and Cash Equivalents when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way. The use of financial derivative instruments as part of the investment strategy may result in a higher level of leverage and increase the overall risk exposure of the Sub-Fund and the volatility of its Net Asset Value (see paragraph 5.2.8). The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – All Roads
(hereinafter referred to as "All Roads")

A Sub-Fund implementing an asset allocation strategy in bonds, other fixed or floating-rate debt securities and short-term debt instruments issued or guaranteed by sovereign or non-sovereign issuers, convertible bonds, equities, currencies and/or cash and cash equivalents, denominated in OECD currencies. The instruments described above may be of any credit quality (including below investment-grade securities as described in paragraph 3.7). The Sub-Fund invests mainly through the use of funds. The Investment Manager uses its discretion with regard to the selection of issuers, countries and currencies. The Investment Manager may implement qualitative and/or systematic strategies, such as the Risk Parity Methodology. According to such methodology the weight of any given asset or Group of Assets is adjusted so that its contribution to the risk of the total portfolio tends to be equivalent to other assets or Group of Assets. Other things equal, the higher the risk of fluctuation of the value of an asset or Group of Assets, the lower its weight in the portfolio. For each asset or Group of Assets, the risk is calculated using proprietary models analyzing historical price movements.

In addition to the above-mentioned investments, the Investment Manager may use financial derivative instruments (i) to take long and short positions on currencies (OECD currencies and/or emerging market currencies) and/or (ii) to increase or reduce its exposure to specific asset classes, markets (including emerging markets) and indices (including commodity indices). For this purpose, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to futures, credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for efficient portfolio management, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4.

The Sub-Fund may also be invested up to 100% of its assets in Cash and Cash Equivalents when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way. The Reference Currency is the EUR.

The Sub-Fund may hold up to 100% of its net assets in UCIs when implementing an indirect asset allocation strategy as mentioned above. The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

3.4 Description of Equity Sub-Funds

3.4.1 Global

LO Funds – Selective Global
(hereinafter referred to as "Selective Global")

A Sub-Fund invested in equity securities issued by companies worldwide. The Sub-Fund seeks to achieve a superior risk-adjusted total rate of return, primarily in the form of capital appreciation, through investments in a globally diversified equity portfolio and by using an investment approach that is stock-specific and research intensive. The aim of this Sub-Fund is to deliver consistent returns and reduced correlation with broader equity markets through investments in equities which are considered by the Investment Manager as inefficiently priced. The Investment Manager may implement various strategies, such as but not limited to fundamental, relative value or arbitrage. The Investment Manager may use a wide range of financial derivative instruments, such as options, futures and swaps (in particular CFD) in order to increase or reduce its exposure to specific asset classes, markets, securities and currencies (including currencies other than those in which the equity securities referred to above are denominated). The Sub-Fund may be invested up to 100% of its assets in Cash and Cash Equivalents when, for instance, the Investment Manage considers that the Sub-Fund should be positioned in a defensive way. The Investment Manager will use its discretion with regard to the selection of markets (including emerging markets), sectors, size of companies and currencies. The conviction of the Investment Manager may lead the Sub-Fund to be invested in small companies or to be concentrated in certain sectors, geographical areas (including emerging markets), currencies and a number of selected securities. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Pzena Global Value
(hereinafter referred to as "Pzena Global Value")

A Sub-Fund invested primarily (at least 90% of its portfolio) in equity securities of issuers located in countries throughout the world. In managing the Sub-Fund's assets, the Investment Manager will follow a classic "deep value" strategy. It will seek to identify companies that it believes are undervalued on the basis of current price to an estimated normal level of earnings, and will construct a portfolio of stocks that it believes are in the most undervalued or "deep" portion of its universe. Discretion will be used with the selection of countries and size of companies. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents, (ii) hold up to 10% of its net assets in UCIs and (iii) use financial derivative instruments for hedging purposes or for efficient portfolio management. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – William Blair Global Growth
(hereinafter referred to as "William Blair Global Growth")

A Sub-Fund invested primarily (at least 90% of its portfolio) in equity securities issued by companies worldwide and selected by the Investment Manager for their expected superior growth profitability. Discretion will be used with the selection of countries, sectors and size of companies. The Investment Manager may invest up to 40% of the portfolio in aggregate in small caps companies (as considered in their respective markets) and in companies incorporated or exercising a prominent part of their business activities in the developing world. Securities may be denominated in local currencies. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents, (ii) hold up to 10% of its net assets in UCIs and (iii) use financial derivative instruments for hedging purposes or for efficient portfolio management. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Generation Global
(hereinafter referred to as "Generation Global")

A Sub-Fund invested, at least two-thirds (2/3rds) of its portfolio, in equity securities, preferred stocks and convertible securities issued by companies worldwide (including emerging markets). This Sub-Fund seeks to achieve superior investment performance by taking a long term investment view and integrating sustainability research within a rigorous fundamental equity analysis framework. Sustainable investing is the explicit recognition that economic, health, environmental, social and governance factors directly affect long term business profitability. The aim of this Sub-Fund is to select companies that demonstrate practices and processes that will sustain their profits in a changing environment. The Investment Manager will use its discretion with regard to the selection of markets, sectors and currencies. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents, (ii) hold up to 10% of its net assets in UCIs and (iii) use financial derivative instruments for hedging purposes or for efficient portfolio management. The use of SFIs as well as the description of the profile of the typical investors are also described in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Global Equity High Dividend
(hereinafter referred to as "Global Equity High Dividend")

A Sub-Fund invested primarily (at least 90% of its portfolio) in equity securities issued by companies worldwide that are able to generate attractive ongoing dividend yields. The Investment Manager may implement qualitative and/or systematic strategies. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager will use its discretion with regard to the selection of markets, sectors and currencies. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Global Equity Risk Parity
(hereinafter referred to as "Global Equity Risk Parity")

A Sub-Fund invested primarily (at least 90% of its portfolio) in equity securities issued by companies worldwide. The Investment Manager may implement qualitative and/or systematic strategies, such as the Risk Parity Methodology. According to such methodology the weight of any given asset or Group of Assets is adjusted so that its contribution to the risk of the total portfolio tends to be equivalent to other assets or Group of Assets. Other things equal, the higher the risk of fluctuation of the value of an asset or Group of Assets, the lower its weight in the portfolio. For each asset or Group of Assets, the risk is calculated using proprietary models analyzing historical price movements. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager will use its discretion with regard to the selection of markets, sectors and currencies. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

3.4.2 Sector/Thematic

LO Funds – Technology
(hereinafter referred to as "Technology")

A Sub-Fund invested, at least two-thirds (2/3^rds^) of its portfolio, in equity securities issued by companies worldwide prominent in the field of information technology. The Sub-Fund may invest up to one-third (1/3^rd^) of its portfolio outside these parameters, in particular in stocks of companies associated with new and emerging industries, where growth prospects have been enhanced by technological development. Discretion will be used with regard to the selection of technological fields, geographical areas and size of companies. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – 1798 Technology Long/Short
(hereinafter referred to as "1798 Technology Long/Short")

A Sub-Fund invested in equity and equity related securities (including, but not limited to, warrants) issued by companies worldwide prominent in the field of information technology, media and telecommunication, as well as in Cash and Cash Equivalents. The Investment Manager may invest up to one-third (1/3^rd^) of the Sub-Fund's assets outside these parameters, in particular in stocks of companies associated with new and emerging industries, where growth prospects have been enhanced by technological development. The Investment Manager will implement its strategy by investing in companies that it believes to be undervalued and by using synthetic short derivative instruments to seek exposure to companies that it believes to be overvalued. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may use a wide range of financial derivative instruments, such as options, futures and swaps (in particular CFD) in order to increase or reduce its exposure to specific markets, sectors, issuers and currencies. In certain circumstances, the net exposure of the Sub-Fund to financial markets may be negative. The Investment Manager will use its discretion with regard to the selection of technological fields, markets (including emerging markets), categories of financial derivative instruments and size of companies (including small caps companies). The Sub-Fund may be invested up to 100% of its assets in Cash and Cash Equivalents when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2. It should be noted that the gearing effect of investments in warrants and the volatility of warrant prices make the risks attached to investments in warrants higher than in the case of investments in equities.

LO Funds – Golden Age

(hereinafter referred to as "Golden Age")

A Sub-Fund invested in equity securities issued by companies worldwide, the future growth of which is significantly driven by the theme of the ageing population. Within this investment universe, the Investment Manager may invest in small and mid cap companies (as considered in their respective markets), as well as in companies incorporated or exercising a prominent part of their business activities in emerging markets. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may use a wide range of financial derivative instruments, such as options, futures and swaps (in particular CFD) in order to increase or reduce its exposure to specific markets, sectors, issuers and currencies. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – World Gold Expertise

(hereinafter referred to as "World Gold Expertise")

A Sub-Fund invested primarily in eligible transferable securities (including those represented by ADRs and GDRs), (i) issued by companies worldwide active in the gold mining, precious metals and precious stones industries and/or (ii) replicating on a one-to-one basis the price of gold or other precious metals. It is intended to invest at least two-thirds (2/3rds) of the Sub-Fund's portfolio in gold mining companies active in the fields of exploration, extraction, processing, production and marketing or in companies with a substantial part of their turnover or income related to such activities or in companies financing such activities. The Sub-Fund will not hold physical gold, precious metals or precious stones. The Sub-Fund may be invested in small cap companies (as considered in their respective markets). Direct investments (local shares) in Russia (other than investments traded on the Russian Trading System Stock Exchange or on the Moscow Interbank Currency Exchange) and investments in markets which are not Regulated Markets shall in aggregate not exceed 10% of the Sub-Fund's net assets. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents, (ii) hold up to 10% of its net assets in UCIs and (iii) use financial derivative instruments for hedging purposes or for efficient portfolio management. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Clean Tech
(hereinafter referred to as "Clean Tech")

A Sub-Fund invested, at least two-thirds (2/3[rds]) of its portfolio, in equity securities issued by companies worldwide prominent in the sectors of new and renewable energies (as solar power, wind power or biomass), water, waste and energy efficiency. Within those sectors, the selected companies may be active in the fields of production, exploration and marketing or in financing products and services participating to an improvement of the environment. Up to one-third (1/3[rd]) of the portfolio may be invested outside these parameters, but in companies exercising some of their business activity in those sectors. The Sub-Fund may be invested in small and mid cap companies (as considered in their respective markets). Discretion will be used with regard to the selection of sectors, fields of activities, geographical areas and size of companies. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Global Energy
(hereinafter referred to as "Global Energy")

A Sub-Fund invested, at least two-thirds (2/3[rds]) of its portfolio, in equity securities issued by companies worldwide prominent in the field of energy and energy-related sectors, including but not limited to integrated oil and gas, exploration and production, refining, drilling, energy services, storage and transport, coal, uranium and alternative energies. The Sub-Fund may invest up to one-third (1/3[rd]) of its portfolio outside these parameters. Discretion will be used with regard to the selection of markets (including emerging markets), geographical areas and size of companies (including small caps companies). Direct investments (local shares) in Russia (other than investments traded on the Russian Trading System Stock Exchange or on the Moscow Interbank Currency Exchange) and investments in markets which are not Regulated Markets shall in aggregate not exceed 10% of the Sub-Fund's net assets. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Commodities Risk Parity
(hereinafter referred to as "Commodities Risk Parity")

Objective

The Sub-Fund's main objective is to replicate the performance of the LOIM Commodity Index (the "**Index**", as described below). The Reference Currency is the USD.

Authorised investments

To achieve the above objective, the Sub-Fund will enter with one or several first-class financial institutions into one or several swap agreements (the "**Swaps**"), the underlying of which will be the Index.

Assets of the Sub-Fund will be invested in Cash and Cash Equivalents. In addition, subscriptions and redemptions in the Sub-Fund shall determine the Swaps' notional which will be adapted accordingly by the Investment Manager.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4.

Mechanism of the Swaps

By means of the Swap(s), the Sub-Fund and each counterparty to the Swaps (the "**Swap Counterparties**") agree to exchange all or part of the subscription monies against the performance of the Index, less fees and expenses charged by the Swap Counterparties which in normal market conditions should not exceed 0.50% per annum of the Net Asset Value of the Sub-Fund. The Swap Counterparties trades the Components (as defined below in paragraph "General description of the Index") of the Index in order to get a market exposure in line with the Index. The net of fee performance of the Index (either positive or negative) is then transferred to the Sub-Fund through a daily mark-to-market valuation of the Swaps. The Sub-Fund will have to make a payment in USD to the Swap Counterparties in the event that the Index decreases in value. By contrast, the Swap Counterparties will have to make a payment to the Sub-Fund in the event that the Index increases in value.

As the Swaps are OTC transactions, the risk exposure of the Sub-Fund to each Swap Counterparty will increase when there is an increase of value of the Index. The risk exposure of the Sub-Fund to the Swap Counterparties will not exceed the limits permitted by the Investment Restrictions described in Section 4. The Sub-Fund and the Swap Counterparties will reduce their respective counterparty risk by transferring cash amounts being equivalent to the positive or negative performance of the Index in accordance with the Act and applicable CSSF circulars. However, in order to reduce the Sub-Fund's exposure to the risk related to the Swap Counterparties, cash transfers are made as soon as the threshold of USD 300,000 per Swap Counterparty is reached.

General description of the Index

This section is a summary description of the Index. For a complete description of the Index, please refer to the Index Rule Book of the LOIM Commodity Index, published on the website funds.lombardodier.com and which may be obtained at the registered office of the Company on request free of charge.

The Index is compliant with Article 44 of the Act, Article 9 of the Grand-ducal Regulation of 8 February 2008 as well as CSSF Circular 08/339, as amended by CSSF Circular 08/380.

The Index is intended to capture the performance of certain commodities within different commodity sectors, via a notional investment in future contracts (each a "**Component**").

The Index is calculated on a daily basis and its value is expressed in USD. The daily value is published under Bloomberg code: LOIMCOMO Index and Reuters code: .LOIMCOMO. The Index is calculated on an excess return basis. As a consequence, the Index value reflects a cashless investment strategy calculated from a value derived from the value of the Components. The Components are listed futures contracts which require little or no cash to invest in those listed contracts in order to obtain the economic exposure and risk attaching to such contracts.

The Components of the Index may be volatile. Such volatility may have an impact on the NAV of the Sub-Fund in several ways.

Initially, the sectors, commodities and markets for the Components were:

Precious Metals	Gold	COMEX
	Silver	COMEX
Industrial Metals	Copper	LME
	Aluminium	LME
	Zinc	LME
	Nickel	LME
Agriculture	Soybean	CBOT
	Corn	CBOT
	Wheat	CBOT
	Coffee	ICE/NYBOT
	Cotton	ICE/NYBOT
	Sugar	ICE/NYBOT
	Cocoa	ICE/NYBOT
	Live Cattle	CME
	Lean Hogs	CME
Energy	WTI Crude Oil	NYMEX
	Brent Crude Oil	ICE
	Heating Oil	NYMEX
	Natural Gas	NYMEX
	Unleaded Gasoline	NYMEX
	Gasoil	ICE

Each Component is constructed by taking exposure, in its respective commodity market, to a future contract with a given tenor and, prior to maturity, "rolling" it into a replacement future contract. Investors in the Index are therefore exposed to gains or losses connected with the process of buying and selling future contracts. The value of each Component (and thus the value of the Index) will, under normal conditions, increase if the value of its corresponding future contract goes up and decrease if the value of its corresponding future contract goes down.

Investors should note that in contangoed markets (i.e. markets in which the prices of futures contract with longer-term expirations are higher than those with shorter-term expirations), there will be losses arising from the rolling as futures contracts with a later expiration date have higher prices as futures contracts nearing expirations. Conversely, in backwardated markets (i.e. markets in which the prices of futures contract with longer-term expirations are lower than those with shorter-term expirations), the rolling of futures contracts will provide positive returns to the Index (and the Net Asset Value per Share).

The cost of "rolling" may adversely affect the value of the Components and the Index (and the Net Asset Value per Share of the Sub-Fund) and may possibly result in the performance of the Components and the Index not tracking the performance of the "spot prices" of the relevant commodities. Therefore, the value of a Component may fall even though the "spot price" of the relevant commodity has gone up.

In order to reduce the cost of "rolling" in contangoed markets and increase the positive returns of rolling in backwardated markets, a rule based forward optimisation strategy (the "Forward Optimization Strategy") is applied to maximise the positive and minimise the negative roll returns connected with the purchase and sale of futures contracts of each commodity constituting the Index. The cost of "rolling" is included in the Index costs described in Section 7.1 of the Index Rule Book.

The composition and weighting of the Index are determined using a fully transparent rule-based methodology the Risk Parity Methodology. According to such methodology the weight of each commodity is adjusted so that its contribution to the risk of the total portfolio tends to be equivalent to other commodities. Other things equal, the higher the risk of fluctuation of the value of a commodity, the lower its weight in the Index. For each commodity, the risk is calculated using proprietary models analyzing historical price movements.

The Index is rebalanced systematically on a monthly basis using the Risk Parity Methodology developed by the Investment Manager. The new weights are determined on the 5th Business Day of each month.

The composition, methodology and calculation of the Index may be adjusted in the event of (i) certain adjustments or disruptive events in relation to a Component which affect the ability of the sponsor of the Index to properly determine the value of the Index and (ii) certain "force majeure" events outside the reasonable control of the sponsor of the Index (including but not limited to, systems failure, natural or man-disaster, armed conflict or act of terrorism) which could affect any Component.

The index sponsor (BNP Paribas SA, the "**Index Sponsor**") may amend the methodology of the Index in a manner that it may deem necessary if the fiscal, market, regulatory, juridical and financial circumstances require such modification.

The Index Sponsor reserves the right to amend or adjust the Index methodology from time to time as specified in the Index Rule Book. According to Section 6.1 (ii) (b) and Section 6.2 (ii) of the Index Rule Book, the index calculation agent (BNP Paribas SA, the "**Index Calculation Agent**") and the Index Sponsor may suspend or interrupt the calculation, publication or dissemination of the Index. The Index Sponsor, and where applicable, the Index Calculation Agent disclaim(s) any liability for any such suspension or interruption in the calculation of the Index.

The Index Calculation Agent may act in a number of different capacities in relation to the Index and/or products linked to the Index, which may include, but not be limited to, acting as Swap(s) counterparty, market-maker, hedging counterparty, issuer of components of the Index and/or Index Sponsor. Such activities could result in potential conflicts of interest that could influence the price or value of the Swap(s).

The Index Calculation Agent and the Index Sponsor shall not be held liable for any modification or change in the Risk Parity Methodology (as described in Section 5.1 of the Index Rule Book) used in calculating the Index nor for the Monthly Target Weights determined by the index adviser (Lombard Odier Asset Management (Switzerland) SA).

Investors should note that the Net Asset Value per Share of the Sub-Fund will not track the "spot price" of the underlying commodities of the Index as the Net Asset Value per Shares is impacted by (i) the Index cost as described in Section 7.1 of the Index Rule Book, (ii) the fees and expenses charged by the Swap Counterparty(ies) as described above and (iii) the Charges and Expenses described in Section 11, and in particular the Management Fees and the Distribution Fees.

Risks

Investors should note that the value of their investment could fall as well as rise and should accept that there is no guarantee that they will recover their initial investment.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

The description of the profile of the typical investor is also described above in paragraph 3.1.

LO Funds – Vital Food

(hereinafter referred to as "Vital Food")

A Sub-Fund invested in equity securities issued by companies worldwide. These companies see growth significantly driven by products and services that efficiently feed the world and are adapted to the realities of changing food and beverage consumption. The Sub-Fund focuses mainly, but not exclusively, on agriculture and agriculture-related products as well as proteins, ingredients and food manufacturing. Within this investment universe, the Investment Manager may invest in small and mid cap companies (as considered in their respective markets), as well as in companies incorporated or exercising a prominent part of their business activities in emerging markets. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may use a wide range of financial derivative instruments, such as options, futures and swaps (in particular CFD) in order to increase or reduce its exposure to specific markets, sectors, issuers and currencies. The Sub-Fund may be invested up to 100% of its assets in Cash and Cash Equivalents when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Emerging Consumer

(hereinafter referred to as "Emerging Consumer")

A Sub-Fund invested in equities and equity related securities of retail, and consumer related industries/companies (including, but not limited to, swaps providing long and/or short exposure to equity securities or options providing sovereign market exposure for hedging) issued by companies incorporated or exercising a prominent part of their business activities, directly or indirectly, in emerging markets. The Investment Manager may invest up to 40% of the Sub-Fund's assets outside these parameters, in particular (i) in companies exercising a prominent part of their business activities outside of emerging markets and/or in non-agriculture, non-retail, and non-consumer related industries and/or (ii) in currencies (including emerging market currencies).

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The Investment Manager will implement its strategy primarily by investing in securities, listed derivatives, and synthetic derivative instruments of companies that it believes to be undervalued. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may use a wide range of financial derivative instruments, such as options, futures and swaps (in particular CFD) in order to increase or reduce its exposure to specific markets, sectors, issuers and currencies. The Investment Manager will use its discretion with regard to the selection of markets, sectors, categories of financial derivative instruments, size of companies (including small caps companies) and currencies. The Sub-Fund may be invested up to 100% of its assets in Cash and Cash Equivalents when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Smart Cities

(hereinafter referred to as "Smart Cities")

A Sub-Fund invested in equity securities issued by companies worldwide. These companies see growth significantly driven by soaring urbanization. The Sub-Fund focuses mainly, but not exclusively, on transportation networks, resource infrastructures, telecommunication networks and technologies and services for competitive urban communities. Within this investment universe, the Investment Manager may invest in small and mid cap companies (as considered in their respective markets), as well as in companies incorporated or exercising a prominent part of their business activities in emerging markets. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may use a wide range of financial derivative instruments, such as options, futures and swaps (in particular CFD) in order to increase or reduce its exposure to specific markets, sectors, issuers and currencies. The Investment Manager will use its discretion with regard to the selection of markets, sectors and currencies. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

3.4.3 Regional

LO Funds – Emerging Equity Risk Parity
(hereinafter referred to as "Emerging Equity Risk Parity")

A Sub-Fund invested, at least two-thirds (2/3rds) of its portfolio, in equity securities issued by companies incorporated or exercising a prominent part of their business activities in the emerging market countries as listed in the MSCI Emerging Market Index. Up to one-third (1/3rd) of the portfolio may be invested in equity securities issued by other companies. The Sub-Fund may be invested in bonds convertible into equities, up to 10% of its Portfolio. The Investment Manager may implement qualitative and/or systematic strategies such as the Risk Parity Methodology. According to such methodology the weight of any given asset or Group of Assets is adjusted so that its contribution to the risk of the total portfolio tends to be equivalent to other assets or Group of Assets. Other things equal, the higher the risk of fluctuation of the value of an asset or Group of Assets, the lower its weight in the portfolio. For each asset or Group of Assets, the risk is calculated using proprietary models analyzing historical price movements. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. Discretion will be used with the selection of markets, sectors, categories of financial derivative instruments, currencies (including local currencies) and size of companies (including small caps companies). Investments in markets which are not Regulated Markets shall in aggregate not exceed 10% of the Sub-Fund's net assets. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Neuberger Berman US Core
(hereinafter referred to as "Neuberger Berman US Core")

A Sub-Fund invested, at least 80% of its portfolio, in equity securities issued by companies incorporated or exercising a prominent part of their business activities in the United States of America. It is the intention of the Investment Manager to select securities that have favourable price to value characteristics based on the Investment Manager's assessment of their prospects for future growth and profitability and to favour large caps companies, as considered in the US market, at the time of purchase. Discretion will be used with the selection of sectors. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents, (ii) hold up to 10% of its net assets in UCIs and (iii) use financial derivative instruments for hedging purposes or for efficient portfolio management. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Sands US Growth
(hereinafter referred to as "Sands US Growth")

A Sub-Fund invested, at least 80% of its portfolio, in equity securities issued by companies incorporated or exercising a prominent part of their business activities in the United States of America. It is the intention of the Investment Manager to select securities that have above-average potential for revenue or earnings growth based on the Investment Manager's assessment of their prospects for future growth and profitability and to favour large cap companies, as considered in the US market, at the time of purchase. Discretion will be used with the selection of sectors. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents, (ii) hold up to 10% of its net assets in UCIs and (iii) use financial derivative instruments for hedging purposes or for efficient portfolio management. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Europe High Conviction
(hereinafter referred to as "Europe High Conviction")

A Sub-Fund invested primarily (at least 90% of its portfolio) in equity securities issued by companies incorporated or exercising a prominent part of their business activities in countries of the EEA and Switzerland.

The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager will use its discretion with regard to the selection of markets, sectors, size of companies and currencies. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Europe Core Equity
(hereinafter referred to as "Europe Core Equity")

A Sub-Fund invested in equity and equity related securities (including, but not limited to, swaps providing long and/or short exposure to equity securities) issued by companies incorporated or exercising a prominent part of their business activities in countries of the EEA and Switzerland. The Sub-Fund may also be invested up to (i) 10% of its assets in other countries and/or (ii) 30% of its assets in UCIs.

The investment approach applied by the Investment Manager is based on qualitative and/or systematic strategies. The Investment Manager may implement strategies to seek long exposure to companies that it believes to be undervalued and short exposure to companies that it believes to be overvalued.

The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may use a wide range of financial derivative instruments, such as options, futures and swaps (in particular CFD) in order to increase or reduce its exposure to specific markets, sectors, issuers and currencies. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may, in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Eurozone Small and Mid Caps

(hereinafter referred to as "Eurozone Small & Mid Caps")

A Sub-Fund invested, at least 60% of its portfolio, in equity securities issued by small and mid cap companies (as considered in their respective markets), incorporated or exercising a prominent part of their business activities in countries whose currencies is the EUR. The Sub-Fund may invest up to 40% of its portfolio outside these parameters, in particular in companies incorporated or exercising a prominent part of their business activity in other European countries, excluding the United Kingdom, in stocks previously acquired, which are no longer regarded as small and mid cap due to increased market capitalization, but also in warrants on securities where the underlying aim is to acquire an equity investment. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Japanese Small and Mid Caps

(hereinafter referred to as "Japanese Small & Mid Caps")

A Sub-Fund invested, at least two-thirds (2/3^rds^) of its portfolio, in equity securities issued by small and mid cap companies (as considered in the Japanese market) incorporated or exercising a prominent part of their business activities in Japan. The Sub-Fund may invest up to one-third (1/3^rd^) of its portfolio outside these parameters, in particular in stocks listed on the Topix and also in convertible bonds and warrants on securities where the underlying aim is to acquire an equity investment. Investments in convertible bonds and Cash and Cash Equivalents held will not, in normal market conditions, exceed 15% of the Sub-Fund's net assets. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the JPY.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Alpha Japan

(hereinafter referred to as "Alpha Japan")

A Sub-Fund invested, at least two-thirds (2/3^rds^) of its assets, in equity securities issued by companies incorporated or exercising a prominent part of their business activity in Japan. The Sub-Fund will be managed with a high degree of flexibility and discretion will be used with selection of sectors, style and market capitalisation. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Sub-Fund may hold up to 30% of its assets in Cash and Cash Equivalents. The Reference Currency is the JPY.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – 1798 Europe Equity Long/Short

(hereinafter referred to as "1798 Europe Equity Long/Short")

A Sub-Fund invested in equity and equity related securities (including, but not limited to, warrants) issued by companies incorporated or exercising a prominent part of their business activities in Europe, as well as in Cash and Cash Equivalents. The Investment Manager may invest up to one-third (1/3rd) of the Sub-Fund's assets outside these parameters, in particular in companies exercising a prominent part of their business activities outside Europe. The Investment Manager will implement its strategy by investing in companies that it believes to be undervalued and by using synthetic short derivative instruments to seek exposure to companies that it believes to be overvalued. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may use a wide range of financial derivative instruments, such as options, futures and swaps (in particular CFD) in order to increase or reduce its exposure to specific markets, sectors, issuers and currencies. In certain circumstances, the net exposure of the Sub-Fund to financial markets may be negative. The Investment Manager will use its discretion with regard to the selection of markets (including emerging markets), sectors, categories of financial derivative instruments and size of companies (including small caps companies). The Sub-Fund may be invested up to 100% of its assets in Cash and Cash Equivalents when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Swiss Small and Mid Caps

(hereinafter referred to as "Swiss Small & Mid Caps")

A Sub-Fund invested, at least 60% of its portfolio, in equity securities issued by small and mid cap companies (or considered as such), incorporated or exercising a prominent part of their business activities in Switzerland. The Sub-Fund may invest up to 40% of its portfolio outside these parameters, in particular in companies incorporated or exercising a prominent part of their business activity outside Switzerland, in stocks previously acquired, which are no longer regarded as small and mid cap due to increased market capitalization, but also in warrants on securities where the underlying aim is to acquire an equity investment. The Investment Manager is authorized to use financial derivative instruments not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the CHF.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to 15% of its net assets in Cash and Cash Equivalents and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2. It should be noted that the gearing effect of investments in warrants and the volatility of warrant prices make the risks attached to investments in warrants higher than in the case of investments in equities.

3.5 Description of Fixed-Income Sub-Funds

3.5.1 Government

LO Funds – Euro Government Fundamental
(hereinafter referred to as "Euro Government Fundamental")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating rate debt securities and short-term debt securities, denominated in EUR, issued or guaranteed by sovereign issuers participating in the EMU and/or supranational institutions. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities denominated in other currencies (including emerging market currencies), (ii) debt securities issued or guaranteed by sovereign issuers not participating in the EMU (including emerging market issuers), (iii) debt securities issued by non-sovereign/supranational issuers, (iv) currencies (including emerging market currencies) and/or (v) Cash and Cash Equivalents.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers, independently of their rating. This Sub-Fund is therefore not subject to the minimum rating described in paragraph 3.7. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager will use its discretion with regard to the maturity of the portfolio and the selection of currencies. The Sub-Fund may be exposed to a limited number of issuers.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Government Bond (USD)
(hereinafter referred to as "Government Bond (USD)")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities, denominated in USD, issued or guaranteed by the US Government and/or supranational institutions. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities denominated in other currencies (including emerging market currencies), (ii) debt securities issued or guaranteed by other sovereign issuers (including emerging market issuers), (iii) debt securities issued by non-sovereign/supranational issuers, (iv) currencies (including emerging market currencies) and/or (v) Cash and Cash Equivalents.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The Investment Manager will use its discretion with regard to the maturity of the portfolio and the selection of currencies. The Sub-Fund may be exposed to a limited number of issuers.

The Sub-Fund may invest more than 35% of its assets in transferable securities or money market instruments issued or guaranteed by the US government.

The investment approach applied by the Investment Manager is based on qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Euro Inflation-Linked Fundamental
(hereinafter referred to as "Euro Inflation-Linked Fundamental")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in inflation-linked bonds, other fixed or floating-rate debt securities and short-term debt securities, denominated in EUR, issued or guaranteed by sovereign issuers participating in the EMU and/or supranational institutions. Up to one-thirds (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities denominated in other currencies (including emerging market currencies), (ii) debt securities issued or guaranteed by sovereign issuers not participating in the EMU (including emerging market issuers), (iii) debt securities issued by non-sovereign/ supranational issuers, (iv) currencies (including emerging market currencies) and/or (v) Cash and Cash Equivalents.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers, independently of their rating. This Sub-Fund is therefore not subject to the minimum rating described in paragraph 3.7. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager will use its discretion with regard to the maturity of the portfolio and the selection of currencies. The Sub-Fund may be exposed to a limited number of issuers.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Global Government Fundamental
(hereinafter referred to as "Global Government Fundamental")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities issued or guaranteed by sovereign issuers participating in the OECD and/or by supranational institutions. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities issued or guaranteed by sovereign issuers not participating in the OECD (including emerging market issuers), (ii) debt securities issued by non-sovereign/ supranational institutions, (iii) currencies (including emerging market currencies) and/or (iv) Cash and Cash Equivalents.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers, independently of their rating. This Sub-Fund is therefore not subject to the minimum rating described in paragraph 3.7. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager will use its discretion with regard to the maturity of the portfolio, the selection of currencies, the categories of financial derivative instruments and their underlying. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – 1798 Optimum Trend
(hereinafter referred to as "1798 Optimum Trend")

The Sub-Fund invests primarily (at least 90% of its portfolio) in EUR denominated Cash and Cash Equivalents and takes long and short positions in financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives denominated in any currency (including emerging market currencies).

The investment approach applied by the Investment Manager is based on qualitative and/or systematic strategies.

The Investment Manager will use its discretion with regard to the categories of financial derivative instruments and their underlying, independently of their rating. This Sub-Fund is therefore not subject to the minimum rating described in paragraph 3.7.

The use of financial derivative instruments as part of the investment strategy may result in a higher level of leverage and increase the overall risk exposure of the Sub-Fund and the volatility of its Net Asset Value (see paragraph 5.2.8). In case of short positions in financial derivative instruments on interest rate, the sensitivity of the Sub-Fund to interest rate risk may be negative. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

3.5.2 Aggregate

LO Funds – Swiss Franc Bond (Foreign)
(hereinafter referred to as "Swiss Franc Bond (Foreign)")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities, issued or guaranteed by sovereign or corporate issuers of a member State of the OECD, graded from AAA to BBB or equivalent by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities issued or guaranteed by sovereign or corporate issuers not participating in the OECD, (ii) debt securities graded below BBB but not lower than B, or of equivalent quality in the opinion of the Investment Manager, (iii) currencies (including emerging market currencies) and/or (iv) Cash and Cash Equivalents. At least two-thirds (2/3rds) of the Sub-Fund's portfolio will be invested in CHF-denominated securities.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The Investment Manager will use its discretion with regard to the issuers, the maturity of the portfolio and the selection of currencies.

The investment approach applied by the Investment Manager is based on qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the CHF.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Total Return Bond
(hereinafter referred to as "Total Return Bond")

A Sub-Fund invested at least two-thirds (2/3rds) of its assets in bonds, other fixed or floating-rate debt securities and short-term debt securities, denominated in EUR, issued by sovereign or non-sovereign issuers. Up to one-thirds (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities denominated in other currencies (including emerging currencies), (ii) convertible bonds, (iii) currencies and/or (iv) Cash and Cash Equivalents.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

This Sub-Fund is not subject to the minimum rating described in paragraph 3.7. In addition the investment approach applied by the Investment Manager is based on qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager will use its discretion with regard to the selection of markets (including emerging markets), maturity of the portfolio and currencies. In times of increasing volatility the Investment Manager may invest temporarily up to 100% of the Sub-Fund's portfolio in Cash and Cash Equivalents when, for instance, it considers that the Sub-Fund should be positioned in a defensive way. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

3.5.3 Credit

LO Funds – Global Corporate Fundamental
(hereinafter referred to as "Global Corporate Fundamental")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities of corporate issuers (including emerging market corporate issuers). Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities issued or guaranteed by sovereign (including emerging market sovereign issuers) and/or supranational issuers, (ii) currencies (including emerging market currencies) and/or (iii) Cash and Cash Equivalents.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers, independently of their rating. This Sub-Fund is therefore not subject to the minimum rating described in paragraph 3.7. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager will use its discretion with regard to the maturity of the portfolio, the selection of currencies, the categories of financial derivative instruments and their underlying. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Euro Responsible Corporate Fundamental
(hereinafter referred to as "Euro Responsible Corporate Fundamental")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities of corporate issuers denominated in EUR. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities denominated in other currencies (including emerging market currencies), (ii) debt securities issued or guaranteed by non-corporate issuers (including emerging market issuers) and/or (iii) Cash and Cash Equivalents.

The investment approach applied by the Investment Manager to select securities will be based on responsible criteria which includes social, environmental, ethical and/or corporate governance factors and on a fundamental analysis of issuers, independently of their rating. This Sub-Fund is therefore not subject to the minimum rating described in paragraph 3.7. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager will use its discretion with regard to sectors, geographical exposure and maturity of the portfolio. The Sub-Fund may be exposed to a limited number of issues and issuers.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Euro Credit Bond
(hereinafter referred to as "Euro Credit Bond")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities of non-governmental issuers denominated in EUR. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities denominated in other currencies (including emerging market currencies), (ii) debt securities issued or guaranteed by governmental issuers, and/or (iii) Cash and Cash Equivalents. The Sub-Fund will be invested in securities graded at least BBB or equivalent by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager. The Investment Manager will use its discretion with regard to sectors, geographical exposure and maturity of the portfolio. The Sub-Fund may be exposed to a limited number of issuers.

The investment approach applied by the Investment Manager is based on qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Global BBB-BB Fundamental
(hereinafter referred to as "Global BBB-BB Fundamental")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities of non-governmental issuers denominated in any currencies (including emerging market currencies) and graded either BBB, BB or equivalent by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities of governmental issuers, (ii) debt securities graded above BBB or below BB but not lower than B, or of equivalent quality in the opinion of the Investment Manager and/or in (iii) Cash and Cash Equivalents. The Investment Manager will use its discretion with regard to sectors, geographical exposure (including emerging markets) and maturity of the portfolio. The Sub-Fund may be exposed to a limited number of issues and issuers.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Euro BBB-BB Fundamental
(hereinafter referred to as "Euro BBB-BB Fundamental")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities of non-governmental issuers denominated in EUR and graded either BBB, BB or equivalent by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities of governmental issuers, (ii) debt securities denominated in other currencies (including emerging market currencies), (iii) debt securities graded above BBB or below BB but not lower than B, or of equivalent quality in the opinion of the Investment Manager and/or in (iv) Cash and Cash Equivalents. The Investment Manager will use its discretion with regard to sectors, geographical exposure (including emerging markets) and maturity of the portfolio. The Sub-Fund may be exposed to a limited number of issues and issuers.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Swiss Franc Credit Bond (Foreign)
(hereinafter referred to as "Swiss Franc Credit Bond (Foreign)")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating rate debt securities and short-term debt securities denominated in CHF and graded from A to BBB or equivalent by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities denominated in other currencies (including emerging market currencies), (ii) debt securities graded above A or of equivalent quality in the opinion of the Investment Manager, (iii) debt securities graded below BBB but not lower than B, or of equivalent quality in the opinion of the Investment Manager, (iv) currencies (including emerging market currencies) and/or in (v) Cash and Cash Equivalents. The Investment Manager will use its discretion with regard to sectors, geographical exposure, maturity of the portfolio and the selection of currencies. The Sub-Fund may be exposed to a limited number of issuers.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The investment approach applied by the Investment Manager is based on qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Reference Currency is the CHF.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Asia Credit Bond
(hereinafter referred to as "Asia Credit Bond")

A Sub-Fund invested, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities issued or guaranteed by Asian corporate entities or corporate entities incorporated or exercising a prominent part of their business activities in Asia, denominated in local or OECD currencies. Up to one-third (1/3rd) of the sub-Fund's assets may be invested in (i) debt securities issued or guaranteed by non-corporate entities (including non-Asian entities), (ii) local and/or OECD currencies (mainly through long and short positions in financial derivative instruments such as options, futures and forwards) and/or (iii) Cash and Cash Equivalents, denominated in local or OECD currencies.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for efficient portfolio management, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4.

The instruments described above may be of any credit quality (including below investment-grade securities as described in paragraph 3.7).

The Investment Manager uses its discretion with regard to the selection of issuers, countries and currencies.

Direct investments in Russian markets (other than investments traded on the Russian Trading System Stock Exchange or on the Moscow Interbank Currency Exchange) together with other Investments traded through markets which are not Regulated Markets and investments in debt instruments treated, because of their characteristics, as equivalent to transferable securities and which are, *inter alia*, transferable, liquid and have a value which can be accurately determined at any time shall in aggregate not exceed 10% of the Sub-Fund's net assets. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

3.5.4 Emerging

LO Funds – Emerging Market Bond Fundamental
(hereinafter referred to as "Emerging Market Bond Fundamental")

A Sub-Fund invested, at least 50% of its assets, in bonds and other fixed or floating rate debt securities and short-term debt securities denominated in any OECD currency and issued by sovereign and corporate entities incorporated or exercising a prominent part of their business activities in the developing world. Up to 50% of the Sub-Fund's assets may be invested in (i) debt securities denominated in other currencies (including emerging market currencies), (ii) debt securities issued or guaranteed by sovereign or corporate issuers not incorporated or exercising a prominent part of their business activities in the developing world, (iii) convertible bonds, (iv) currencies (including emerging market currencies) and/or (v) Cash and Cash Equivalents. Up to 35% of the Sub-Fund's portfolio may be invested in bonds issued or guaranteed by the Russian State admitted to Official Listing or dealt in a Regulated Market.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of the investment policy.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers, independently of their rating. This Sub-Fund is therefore not subject to the minimum rating described in paragraph 3.7. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager will use its discretion with regard to the selection of markets, sectors, maturity of the portfolio and currencies. Direct investments in Russian markets (other than investments traded on the Russian Trading System Stock Exchange or on the Moscow Interbank Currency Exchange) together with other Investments traded through markets which are not Regulated Markets and investments in debt instruments treated, because of their characteristics, as equivalent to transferable securities and which are, *inter alia*, transferable, liquid and have a value which can be accurately determined at any time shall in aggregate not exceed 10% of the Sub-Fund's net assets. In times of increasing volatility the Investment Manager may invest temporarily up to 100% of the Sub-Fund's portfolio in US Treasury securities. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Emerging Local Currency Bond Fundamental

(hereinafter referred to as "Emerging Local Currency Bond Fundamental")

A Sub-Fund invested in bonds, other fixed or floating-rate debt securities and short-term debt instruments issued or guaranteed by emerging market sovereign entities or corporate entities incorporated or exercising a prominent part of their business activities in emerging markets, denominated in local or OECD currencies. In specific market conditions or where the Investment Manager considers it appropriate, the Sub-Fund may also invest in bonds, other fixed or floating-rate debt instruments and short-term debt instruments issued or guaranteed by sovereign OECD entities, denominated in OECD currencies. The instruments described above may be of any credit quality (including below investment-grade securities as described in paragraph 3.7). The Investment Manager uses its discretion with regard to the selection of issuers and countries. Up to 35% of the Sub-Fund's portfolio may be invested in bonds issued or guaranteed by the Russian State admitted to Official Listing or dealt in a Regulated Market. Direct investments in Russian markets (other than investments traded on the Russian Trading System Stock Exchange or on the Moscow Interbank Currency Exchange) together with other Investments traded through markets which are not Regulated Markets and investments in debt instruments treated, because of their characteristics, as equivalent to transferable securities and which are, *inter alia*, transferable, liquid and have a value which can be accurately determined at any time shall in aggregate not exceed 10% of the Sub-Fund's net assets.

In addition to the investments in bonds and other debt securities and instruments, the Investment Manager may use financial derivative instruments (i) to take long and short positions on currencies (OECD currencies and/or emerging market currencies) and/or (ii) to increase or reduce its exposure to specific asset classes (including equities), markets (including emerging markets) and indices (including commodity indices). For this purpose, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives) not only for hedging purposes or for efficient portfolio management, but also as part of its investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4.

The Sub-Fund may also be invested up to 100% of its assets in Cash and Cash Equivalents when, for instance, the Investment Manager considers that the Sub-Fund should be positioned in a defensive way. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs, as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

3.5.5 Convertibles

LO Funds – Convertible Bond

(hereinafter referred to as "Convertible Bond")

A Sub-Fund invested, at least two-thirds (2/3[rds]) of its assets, in bonds convertible into equities and in associated instruments such as warrants and convertible preference shares, denominated in various currencies, as well as synthetic convertible bonds (segregated purchase of bonds and options or convertible bonds and options) and financial derivative instruments on convertible bonds. Up to one-third (1/3[rd]) of the Sub-Fund's assets may be invested in other transferable securities and/or in Cash and Cash Equivalents. The Sub-Fund may not hold more than 10% of its net assets directly in equity securities. The market value of the optional part of the synthetic convertible bonds shall be taken into account for the purpose of the investment policy. The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to, forwards, credit derivatives and interest rate derivatives) not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may invest the assets of the Sub-Fund in securities or issuers graded B or better by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager. The Investment Manager will use its discretion with regard to the selection of instruments, markets (including emerging markets) and currencies. The Reference Currency is the EUR.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Convertible Bond Asia
(hereinafter referred to as "Convertible Bond Asia")

A Sub-Fund invested, at least two-thirds (2/3[rds]) of its portfolio, in bonds, convertible into equities of companies incorporated or exercising a prominent part of their business activities in the Asian area, denominated in various currencies, as well as synthetic convertible bonds (segregated purchase of bonds and options or convertible bonds and options) and financial derivative instruments on convertible bonds. The Sub-Fund may invest up to one-third (1/3[rd]) of its portfolio in other transferable securities such as equity warrants and/or convertible preference shares. The Sub-Fund may not hold more than 10% of its net assets directly in equity securities. The market value of the optional part of the synthetic convertible bonds shall be taken into account for the purpose of the investment policy. The Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to, forwards, credit derivatives and interest rate derivatives) not only for hedging purposes or for efficient portfolio management but also as part of the investment strategy, subject always to the limits permitted by the Investment Restrictions described in Section 4. The Investment Manager may invest the assets of the Sub-Fund in securities or issuers graded B or better by the rating agencies described in paragraph 3.7 or of equivalent quality in the opinion of the Investment Manager. The Investment Manager will use its discretion with regard to the selection of instruments, markets (including emerging markets) and currencies. The Reference Currency is the USD.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in normal market conditions, hold on a temporary and ancillary basis up to one-third (1/3[rd]) of its net assets in Cash and Cash Equivalents and (ii) hold up to 10% of its net assets in UCIs. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

3.6 Description of Money Market Sub-Funds

LO Funds – Money Market (EUR)
(hereinafter referred to as "Money Market (EUR)")

A Sub-Fund invested in bank deposits, money market instruments and short-term debt instruments (eg ECP, T-Bills, CDs) and other fixed- or variable-rate securities. The entire portfolio of the Sub-Fund may not have an average residual term of more than 120 days. Fixed rate instruments may have a maximum residual maturity of 397 days, while variable rate instruments may have a maximum residual maturity of 2 years, provided that the coupons are reset at least annually on the basis of market conditions. The weighted average maturity of the portfolio is no more than 60 days. The Reference Currency is the EUR.

The Sub-Fund will not invest in units of UCIs. As mentioned in paragraph 3.1, the Sub-Fund may use financial derivative instruments, whose underlying will only be instruments compliant with the investment policy as described above, for hedging purposes or for efficient portfolio management, and always in compliance with rules provided for in paragraph 11. of Box 2 of the CESR’s Guidelines on a common definition of European money market funds. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Money Market (USD)
(hereinafter referred to as "Money Market (USD)")

A Sub-Fund invested in bank deposits, money market instruments and short-term debt instruments (eg ECP, T-Bills, CDs) and other fixed- or variable-rate securities. The entire portfolio of the Sub-Fund may not have an average residual term of more than 120 days. Fixed rate instruments may have a maximum residual maturity of 397 days, while variable rate instruments may have a maximum residual maturity of 2 years, provided that the coupons are reset at least annually on the basis of market conditions. The weighted average maturity of the portfolio is no more than 60 days. The Reference Currency is the USD.

The Sub-Fund will not invest in units of UCIs. As mentioned in paragraph 3.1, the Sub-Fund may use financial derivative instruments, whose underlying will only be instruments compliant with the investment policy as described above, for hedging purposes or for efficient portfolio management, and always in compliance with rules provided for in paragraph 11. of Box 2 of the CESR’s Guidelines on a common definition of European money market funds. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

LO Funds – Money Market (GBP)
(hereinafter referred to as "Money Market (GBP)")

A Sub-Fund invested in bank deposits, money market instruments and short-term debt instruments (eg ECP, T-Bills, CDs) and other fixed- or variable-rate securities. The entire portfolio of the Sub-Fund may not have an average residual term of more than 120 days. Fixed rate instruments may have a maximum residual maturity of 397 days, while variable rate instruments may have a maximum residual maturity of 2 years, provided that the coupons are reset at least annually on the basis of market conditions. The weighted average maturity of the portfolio is no more than 60 days. The Reference Currency is the GBP.

The Sub-Fund will not invest in units of UCIs. As mentioned in paragraph 3.1, the Sub-Fund may use financial derivative instruments, whose underlying will only be instruments compliant with the investment policy as described above, for hedging purposes or for efficient portfolio management, and always in compliance with rules provided for in paragraph 11. of Box 2 of the CESR's Guidelines on a common definition of European money market funds. The use of SFIs as well as the description of the profile of the typical investor are also described above in paragraph 3.1.

In addition to the general risks described in paragraph 5.1, the Sub-Fund faces a number of specific risks outlined in paragraph 5.2.

3.7 Investment-Grade Rating

According to generally accepted rating principles in the financial services industry, investments in debt securities are classified in two broad categories:

- Investment-grade securities with ratings by S&P (or Moody's) ranging from AAA (Aaa) to BBB (Baa);
- Speculative investments with ratings of BB (Ba) and below.

For the purpose of the foregoing securities rating limitations, a security will be deemed to be within the relevant rating category even if the rating agency has assigned a modifier, such as a "minus", to the rating. For example, a security rated A- by S&P will be deemed to be rated A by S&P for these purposes. In the absence of a rating from the rating agencies (such as, but not limited to, S&P or Moody's), or, if so described in the relevant investment policy, the Investment Manager will be entitled to invest in securities which, in his opinion, are deemed to be within the relevant rating category. When rating agencies assign a different rating to a given security, the Investment Manager may consider the highest rating as the valid one.

The Asset Allocation and Fixed-Income Sub-Funds will be invested in bonds, fixed or floating-rate securities and short-term-debt securities of high quality (A or better, or of equivalent quality in the opinion of the Investment Manager) unless otherwise mentioned in the description of a particular Sub-Fund. For the Money Market Sub-Funds, money market instruments should be awarded one of the two highest available short-term credit ratings by each recognised credit rating agency that has rated the instrument or, if the instrument is not rated, should be of an equivalent quality in the opinion of the Investment Manager.

However, all Sub-Funds (except the Money Market Sub-Funds) using credit derivatives may, in the case of a credit event, have to accept delivery of non-investment-grade bonds.

Units of permitted undertakings for collective investments with, according to their investment policy, at least 50% of their assets invested in fixed-income securities will be deemed to be investment-grade debt securities unless otherwise provided in the description of the investment policy of the collective investment vehicle.

Risks related to investments in below investment-grade securities are described in paragraph 5.2.4.

3.8 Performance of the Sub-Funds

A graph, showing the past performances of those Sub-Funds which have existed for at least one complete calendar year, is contained in the respective key investor information document.

4. INVESTMENT RESTRICTIONS

4.1 Eligible Assets

Whilst the Company has broad powers under its Articles as to the type of investments it may take and the investment methods it may adopt, the Directors have resolved that the Company may only invest in:

Transferable Securities and Money Market Instruments

(i) transferable securities and money market instruments admitted to an Official Listing; and/or

(ii) transferable securities and money market instruments dealt in a Regulated Market; and/or

(iii) 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 an Official Listing or a Regulated Market and such admission is achieved within a year of the issue.

(iv) money market instruments other than those admitted to an Official Listing or dealt in on a Regulated Market, which are liquid and whose value can be determined with precision at any time, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:

- issued or guaranteed by a central, regional or local authority or central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
- issued by an undertaking, any securities of which are admitted to an Official Listing or dealt in on Regulated Markets referred to in items (i) and (ii) above, or
- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community Law such as a credit institution which has its registered office in a country which is an OECD member state and a FATF state, 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 and the third indents and provided that the issuer is a company whose capital and reserves amount to at least ten million euros (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 securitization vehicles which benefit from a banking liquidity line.

The Company may also invest in transferable securities and money market instruments other than those referred to in items (i) to (iv) above provided that the total of such investment shall not exceed 10% of the net assets attributable to any Sub-Fund.

Units of UCIs

(v) UCITS authorized according to Directive 2009/65/CE, as amended from time to time, and/or other UCIs within the meaning of Article 1, paragraph (2), letters (a) and (b) of Directive 2009/65/CE, should they be situated in a Member State or not, provided that:

- such other UCIs are authorized under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured, such as UCIs which have been authorized under the laws of any Member State or under the laws of Canada, Hong Kong, Jersey, Japan, Norway, Switzerland or the United States of America;
- the level of protection for unitholders in the other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/CE, as amended from time to time;
- the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;

- no more than 10% of the UCITS' or the other UCIs' assets (or of the assets of the relevant Sub-Fund), whose acquisition is contemplated, can, according to their constitutional documents, be invested in aggregate in units of other UCITS or other UCIs.

No subscription or redemption fees may be charged to the Company if the Company invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the Management Company or by any other company with which the Management Company is linked by common management or control, or by a direct or indirect holding of more than 10% of the capital or voting rights.

Under the conditions set forth by the Luxembourg laws and regulations, any Sub-Fund may subscribe, acquire and/or hold Shares of a Target Sub-Fund provided that:

- the Target Sub-Fund does not, in turn, invest in the Sub-Fund invested in this Target Sub-Fund; and
- pursuant to the investment restrictions and policy of the Target Sub-Fund, the Target Sub-Fund whose acquisition is contemplated may not invest in aggregate more than 10% of its assets in another Sub-Fund; and
- voting rights, if any, attaching to the relevant securities are suspended for as long as they are held by the 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 Company, their value will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the Act;
- there is no duplication of management, subscription or redemption fees between those at the level of the Sub-Fund having invested in the Target Sub-Fund, and the Target Sub-Fund.

The Sub-Funds qualifying as feeder UCITS, shall invest at least 85% of their assets in another UCITS or a sub-fund of a UCITS, under the conditions set forth by the Luxembourg laws and regulations and as provided for in this Prospectus.

If qualified as feeder UCITS, a Sub-Fund may hold up to 15% of its assets in one or more of the following:

- ancillary liquid assets; and
- financial derivative instruments which may be used only for hedging purposes in accordance with the relevant provisions of the Act.

None of the Sub-Funds whose Shares are distributed in Switzerland will qualify as a feeder UCITS.

Deposits with Credit Institutions

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

Financial Derivative Instruments

(vii) financial derivative instruments, including equivalent cash-settled instruments, admitted to an Official Listing or dealt in on a Regulated Market referred to in items (i) and (ii) above; and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:

- the underlying consists of instruments described in sub-paragraphs (i) to (vi), financial indices, interest rates, foreign exchange rates, or currencies, in which the Sub-Funds may invest in accordance with their investment policies,
- the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF, and
- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative.

Categories of Financial Derivative Instruments

The Company may use all the financial derivative instruments authorized by the Luxembourg law or by circulars issued by the Luxembourg supervisory authority and in particular, but not exclusively, the following financial derivative instruments:

- financial derivative instruments linked to equity ("Equity derivatives") such as call and put options, spread options, contracts for difference, swaps or futures contracts on securities, derivatives on equity indices, baskets or any kind of financial instruments;
- financial derivative instruments linked to commodity indices ("Commodity derivatives");
- financial derivative instruments linked to currency fluctuations ("Currency derivatives") such as forward currency contracts or call and put options on currencies, currency swaps or forward foreign exchange transactions;
- financial derivative instruments linked to interest rate risks ("Interest rate derivatives") such as call and put options on interest rates, interest rate swaps, forward rate agreements, interest rate futures contracts, swaptions whereby one party receives a fee in return for agreeing to enter into a forward swap at a predetermined fixed rate if some contingency event occurs (e.g. where future rates are set in relation to a benchmark), caps and floors whereby the seller agrees to compensate the buyer if interest rates rise above, respectively fall below a pre-agreed strike rate on pre-agreed dates during the life of the agreement in exchange of an up front premium. It should be noted that the Sub-Funds using interest rate derivatives as part of their investment strategy may have a negative duration;
- financial derivative instruments related to credit risks ("Credit derivatives"), such as credit spread derivatives, credit default swaps or total return swaps. Credit derivatives are designed to isolate and transfer the credit risk associated with a particular reference asset such as credit spread derivatives in which the payments may be made either by the buyer or the seller of the protection based on the relative credit value of two or more reference assets, or such as credit default swaps whereby one counterpart (the protection buyer) pays a periodic fee in return for a contingent payment by the protection seller following a credit event of a reference issuer. The protection buyer must either sell particular obligations issued by the reference issuer for its par value (or some other designated reference or strike price) when a credit event occurs or receive a cash settlement based on the difference between the market price and such reference price. A credit event is commonly defined as a downgrading of the rating assigned by a rating agency, bankruptcy, insolvency, receivership, material adverse restructuring of debt or failure to meet payment obligations when due. The Sub-Funds using financial derivative instruments as part of their investment strategy may enter, as buyer or seller of protection, into credit default swap transactions on eligible assets as defined in this Section 4, including on financial instruments having one or several characteristics of those eligible assets, provided that such transactions are either cash settled or result in the delivery, to the Sub-Funds, of eligible assets when a credit event occurs. In a total return swap, the buyer makes a regular payment at a variable rate, in return for all the results relating to a notional amount of a particular reference asset (coupons, interest payments, change in asset value) which accrue over a period of time agreed with the seller. The seller "transfers" to the buyer the economic performance of the reference asset, but remains the owner of the asset. Credit derivatives can carry a higher risk than direct investment in bonds. The market for credit derivatives may sometimes be more illiquid than bond markets;
- financial derivative instruments linked to inflation ("Inflation derivatives") such as inflation swaps and call and put options based on inflation and inflation swaps. Inflation swaps are derivatives whereby one party pays (or receives) a fixed payment based on expected inflation in return for the receipt (or payment) of a variable payment based on the actual realized inflation rate over the life of the instrument;
- financial derivative instruments linked to volatility ("Volatility derivatives") such as volatility swaps and call and put options based on volatility and volatility swaps. Volatility swaps are derivatives whereby one party pays (or receives) a fixed payment in return for the receipt (or payment) of a variable payment based on the realized volatility of the underlying product (exchange rate, interest rate, stock index,...) over the life of the instrument.

Additional risks associated with the use of financial derivative instruments are described in paragraph 5.2.8.

Strategies used for financial derivative transactions

Financial derivative transactions may be used for one of the following strategies: for hedging purposes of the investment positions, for efficient portfolio management or as part of the investment strategy of a Sub-Fund.

Transactions on derivatives entered into for hedging purposes aim to protect portfolios against market movements, credit risks, currency fluctuations, and interest rate risks. Hedging presupposes the existence of a relation between the underlying financial instrument of the derivative and the financial instrument to be hedged.

In order to be considered for efficient portfolio management, transactions on derivatives must be entered into for one or more of the following specific aims: reduction of risk, reduction of cost, or generation of additional capital or income for the Sub-Fund with an appropriate level of risk, taking into account the risk profile of the Sub-Fund. Transactions entered into for efficient portfolio management must be economically appropriate, which implies that they are realized in a cost-effective way. The following are some examples of financial derivative transactions entered into for efficient portfolio management:

- buying of call options or selling of put options on indices, for recently created Sub-Funds or for Sub-Funds holding Cash and Cash Equivalents on a temporary basis, pending investments, provided such indices comply with the conditions mentioned in paragraph 4.2 (f) and the exposure to the underlying indices does not exceed the value of the Cash and Cash Equivalents pending investment;
- replacing, on a temporary basis and for fiscal or other economical reasons, direct investments in securities by derivative exposure to the same securities;
- proxy hedging of the Reference Currency of a Sub-Fund used to reduce the currency exposure of an investment towards a currency which is sufficiently correlated with the Reference Currency, provided that direct hedging against the Reference Currency is not possible or less advantageous for the Sub-Fund. Two currencies are sufficiently correlated (i) if they belong to the same monetary union, or (ii) if they are scheduled to belong to the same monetary union, or (iii) if one of the currencies is part of a currency basket against which the central bank for the other currency explicitly manages its currency within a band or corridor that is either stable or sloping at a predetermined rate, or (iv) if in the opinion of the Investment Manager the currencies are deemed to be sufficiently correlated;
- proxy hedging of a currency of investment of a Sub-Fund used to reduce the currency exposure of an investment towards the Reference Currency whereby the Sub-Fund sells a currency which is sufficiently correlated to the currency of investment, provided that direct hedging of the currency of investment is not possible or less advantageous for the Sub-Fund;
- cross hedging of two currencies of investment whereby a Sub-Fund sells one of the currencies of investment and purchases another currency pending investment in that currency, maintaining the total exposure of the Reference Currency unchanged.

Transactions on derivatives entered neither for hedging purposes nor for efficient portfolio management may be used as part of the investment strategy. However, this has to be mentioned in the description of the Sub-Funds concerned (paragraphs 3.3 to 3.6).

4.2 Investment Limits Applicable to Eligible Assets

The following limits are applicable to the eligible assets mentioned in paragraph 4.1:

Transferable Securities and Money Market Instruments

(a) The Company will invest no more than 10% of the net assets of any Sub-Fund in transferable securities or money market instruments issued by the same issuer.

(b) Moreover, where the Company, on behalf of a Sub-Fund, holds investments in transferable securities or money market instruments of any issuing body which by issuer 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 the Sub-Fund.

(c) The limit of 10% laid down in sub-paragraph (a) above may be increased to a maximum of 35% in respect of transferable securities and money market instruments which are issued or guaranteed by a Member State, by its local authorities, by another member State of the OECD, by public international bodies of which one or more Member States are members, and for the Emerging Market Bond Fundamental and the Emerging Local Currency Bond Fundamental by other States such as of Brazil and its local authorities or by the Russian State, India, China, Thailand, Peru, Malaysia, Indonesia, Columbia, Chile, and such securities need not be included in the calculation of the limit of 40% stated in sub-paragraph (b).

(d) **Notwithstanding the limits set forth under sub-paragraphs (a) and (c) above, each Sub-Fund is authorized to invest in accordance with the principle of risk spreading, up to 100% of its net assets in different transferable securities and money market instruments issued or guaranteed by a Member State, by its local authorities, by an OECD member state, Brazil, Singapore or by a public international body of which one or more Member State(s) are member(s), provided that (i) such securities are part of at least six different issues, and (ii) the securities from any one issue do not account for more than 30% of the net assets of such Sub-Fund.**

(e) The limit of 10% laid down in sub-paragraph (a) above may be increased to a maximum of 25% in respect of certain debt securities if they are issued by credit institutions having their registered office in a Member State and which are subject, by law, to special public supervision designed to protect the holders of debt securities. In particular, sums deriving from the issue of such debt securities must be invested pursuant to the law in assets which, during the whole period of validity of such debt securities, are capable of covering claims attaching to the debt securities and which, in the event of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

Such debt securities need not be included in the calculation of the limit of 40% stated in sub-paragraph (b). But where the Company, on behalf of a Sub-Fund, holds investments in such debt securities 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 80% of the total net assets of the Sub-Fund.

(f) Without prejudice to the limits laid down in sub-paragraph (n), the limit of 10% laid down in sub-paragraph (a) above is raised to a maximum of 20% for investment in equity and/or debt securities issued by the same body when the aim of the investment policy of a given Sub-Fund is to replicate the composition of a certain equity or debt securities index which is recognized by the CSSF, on the following basis:

- the composition of the index is sufficiently diversified,
- the index represents an adequate benchmark for the market to which it refers,
- it is published in an appropriate manner.

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

Securities mentioned in sub-paragraph (f) need not be included in the calculation of the limit of 40% stated in sub-paragraph (b).

Units of UCIs

(g) The Company may invest up to 20% of the net assets of each Sub-Fund in securities of a same UCITS or other UCI.

For the purpose of this provision, each Sub-Fund of a UCITS or other UCI with multiple compartments shall be considered as a separate issuer, provided that the principle of segregation of liabilities of the different compartments is ensured in relation to third parties.

Investments in other UCIs may not exceed 30% of the Sub-Fund's net assets.

The underlying investments held by the UCITS or other UCIs in which the Company invests do not have to be considered for the purpose of applying the investment limitations mentioned in paragraph 4.2.

Under the conditions set forth by Luxembourg laws and regulations, new Sub-Funds of the Company may qualify as feeder UCITS (the "Feeder") or as master UCITS (the "Master"). A Feeder shall invest at least 85% of its net asset value in securities of a same master UCITS or sub-fund of a UCITS. An existing Sub-Fund may convert into a Feeder or a Master subject to the conditions set forth by Luxembourg laws and regulations. An existing Feeder or Master may convert into a standard UCITS sub-fund which is neither a feeder UCITS nor a master UCITS. A Feeder may replace the master UCITS with another master UCITS. When qualifying as Feeder, reference to such qualification will be included in a particular Sub-Fund's description in Section 3. None of the Sub-Funds whose Shares are distributed in Switzerland will qualify as a feeder UCITS.

Deposits with Credit Institutions

(h) The Company may not invest more than 20% of the net assets of a Sub-Fund in deposits made with the same body.

Financial Derivative Instruments

(i) Counterparty risk exposure

The risk exposure to a counterparty of the Company in an OTC derivative transaction may not exceed 10% of the net assets of a Sub-Fund when the counterparty is a credit institution referred to above in sub-paragraph 4.1 (vi) or 5% of its net assets in other cases. Embedded derivatives of SFIs will not be taken into account when calculating the risk exposure to a counterparty, except if the issuer of the SFI is allowed to pass the counterparty risk of underlying derivatives to the Company.

(j) Global exposure relating to financial derivative instruments

To calculate the Sub-Fund's global exposure, the Company may apply the VaR approach or the commitment approach.

Where the VaR approach is used to assess a Sub-Fund global exposure, the Company can use the relative VaR approach or the absolute VaR approach. Under the relative VaR approach, the Company will ensure that the global exposure does not exceed twice the VaR of the reference portfolio mentioned in the table below. The reference portfolios are used for VaR limitation purpose and not for performance measurement purpose. Under the absolute VaR approach, the Company will ensure that the absolute VaR of a Sub-Fund is not greater than 20% of its total net assets. The VaR is a statistical methodology that predicts the maximum potential loss that a Sub-Fund could make, calculated to a certain confidence level. For each Sub-Fund using the VaR approach, the VaR used (relative/absolute) as well as the reference portfolio used in case of a relative VaR, are indicated in the table below.

Where the commitment approach is used, the global exposure relating to financial derivative instruments may not exceed the total net assets of a Sub-Fund. Accordingly, the total exposure associated with the investments (securities and financial derivative instruments) of the Sub-Fund may amount to 200% of the total net assets of the Sub-Fund. As borrowing is allowed up to a maximum of 10%, the total exposure can reach 210% of the total net assets of the relevant Sub-Fund. Commitment approach is used for the following Sub-Funds:

LO Funds – Money Market (EUR)

LO Funds – Money Market (USD)

LO Funds – Money Market (GBP)

(k) Concentration limits

The global exposure of the underlying assets shall not exceed the investment limits laid down under sub-paragraphs (a), (b), (c), (e), (h), (i), (n) and (o). The underlying assets of index based derivative instruments are not combined to the investment limits laid down under sub-paragraphs (a), (b), (c), (e), (h), (i), (n) and (o).

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

(l) Expected leverage

As required by CSSF Circular 11/512, the level of expected leverage and the leverage calculation method (i.e. sum of notionals or commitment approach) are disclosed for each Sub-Fund following the VaR approach in the table below. The expected leverage is expressed as the sum of the absolute equivalent underlying asset positions of the financial derivative instruments held in each Sub-Fund's portfolio divided by its total net assets. However shareholders should note that leverage per se is not an accurate risk indicator. A higher degree of leverage does not necessarily imply a higher degree of risk (whether market credit or liquidity risks). Therefore, investors should not concern themselves with leverage per se, but rather focus on the risk/return relationship that is associated with the portfolio construction. Investors should note that the expected leverage can be higher than is indicated in the table below.

Sub-Fund following a VaR approach	Relative VaR/ Absolute VaR	Reference portfolio used to assess the global exposure only	Expected leverage	Leverage calculation method
LO Funds – Alternative Beta	A	Not applicable	Nil	Commitment
LO Funds –Tactical Alpha	A	Not applicable	250%	Commitment
LO Funds – All Roads	A	Not applicable	100%	Commitment
LO Funds – Selective Global	A	Not applicable	Nil	Commitment
LO Funds – Pzena Global Value	R	MSCI World ND USD	Nil	Commitment
LO Funds – William Blair Global Growth	R	MSCI ACF World ND USD	Nil	Commitment
LO Funds – Generation Global	R	MSCI World ND USD	Nil	Commitment
LO Funds – Global Equity High Dividend	R	MSCI World ND USD	Nil	Commitment
LO Funds – Global Equity Risk Parity	R	MSCI World ND USD	Nil	Commitment
LO Funds – Technology	R	MSCI World Info Tech ND USD	Nil	Commitment
LO Funds – 1798 Technology Long/Short	A	Not applicable	130%	Commitment
LO Funds – Golden Age	R	MSCI World ND Hedged USD	Nil	Commitment
LO Funds – World Gold Expertise	R	FT Gold Mines GD USD	Nil	Commitment
LO Funds – Clean Tech	R	MSCI World (EUR) ND EUR	Nil	Commitment
LO Funds – Global Energy	R	MSCI Global Energy	Nil	Commitment
LO Funds – Commodities Risk Parity	A	Not applicable	Nil	Commitment
LO Funds – Vital Food	A	Not applicable	Nil	Commitment
LO Funds – Emerging Consumer	A	Not applicable	Nil	Commitment
LO Funds – Smart Cities	A	Not applicable	Nil	Commitment
LO Funds – Emerging Equity Risk Parity	R	MS Emerging Market Free ND USD	Nil	Commitment
LO Funds – Neuberger Berman US Core	R	S&P 500 ND USD	Nil	Commitment
LO Funds – Sands US Growth	R	Russel 1000 Growth TR	Nil	Commitment
LO Funds – Europe High Conviction	R	MSCI Europe ND EUR	Nil	Commitment
LO Funds – Europe Core Equity	R	MSCI Europe ND EUR	Nil	Commitment
LO Funds – Eurozone Small and Mid Caps	R	FT Mid Cap Europe ex UK GD EUR	Nil	Commitment
LO Funds – Japanese Small and Mid Caps	R	Russell/Nomura Small & Mid Cap TR	Nil	Commitment
LO Funds – Alpha Japan	R	TOPIX TR	Nil	Commitment
LO Funds – 1798 Europe Equity Long/Short	A	Not applicable	125%	Commitment
LO Funds – Swiss Small and Mid Caps	R	SPI Extra TR	Nil	Commitment

Sub-Fund following a VaR approach	Relative VaR/ Absolute VaR	Reference portfolio used to assess the global exposure only	Expected leverage	Leverage calculation method
LO Funds – Euro Government Fundamental	R	LOIM FWD Euro Government	500%	Commitment
LO Funds – Government Bond (USD)	R	Citigroup US Government All Maturities TR	500%	Commitment
LO Funds – Euro Inflation-Linked Fundamental	R	Barclays EUR Government Inflation-Linked TR EUR	500%	Commitment
LO Funds – Global Government Fundamental	R	LOIM FWD Global Government OECD	500%	Commitment
LO Funds – 1798 Optimum Trend	A	Not applicable	300%	Commitment
LO Funds – Asia Credit Bond	A	Not applicable	300%	Commitment
LO Funds – Swiss Franc Bond (Foreign)	R	SBI Foreign AAA-BBB TR	300%	Commitment
LO Funds – Total Return Bond	A	Not applicable	500%	Commitment
LO Funds – Global Corporate Fundamental	R	LOIM FWD Global Corporate AAA-BBB	300%	Commitment
LO Funds – Euro Responsible Corporate Fundamental	R	LOIM FWD Euro Corporate AAA-BBB SRI	300%	Commitment
LO Funds – Euro Credit Bond	R	Barclays Euro Aggregate 500MM Ex Treasury	300%	Commitment
LO Funds – Global BBB-BB Fundamental	R	LOIM FWD Global Corporate BBB-BB	300%	Commitment
LO Funds – Euro BBB-BB Fundamental	R	LOIM FWD Euro Corporate BBB-BB	300%	Commitment
LO Funds – Swiss Franc Credit Bond (Foreign)	R	SBI Foreign A-BBB TR	300%	Commitment
LO Funds – Emerging Market Bond Fundamental	R	LOIM FWD Global Sovereign Emerging Hard Currency	300%	Commitment
LO Funds – Emerging Local Currency Bond Fundamental	R	LOIM FWD Global Government Emerging Local	300%	Commitment
LO Funds – Convertible Bond	R	UBS Global Convertible Composite Index Hedged EUR TR	Nil	Commitment
LO Funds – Convertible Bond Asia	R	UBS Asia ex Japan Index (USD) TR	Nil	Commitment

(m) Sales of financial derivative instruments with physical delivery or cash settlement

The Sub-Funds may not carry out uncovered sales of financial derivative instruments.

When the derivative provides, either automatically or at the counterpart's choice, for physical delivery of the underlying financial instrument on maturity or exercise, and provided that physical delivery is common practice on the instrument concerned, the Sub-Fund must hold this underlying financial instrument as cover in its portfolio.

In cases where the underlying financial instrument of a financial derivative instrument is highly liquid, the Sub-Fund is allowed to hold exceptionally other liquid assets as cover provided that they can be used at any time to purchase the underlying financial instrument to be delivered and that the additional market risk which is associated with that type of transaction is adequately measured.

Where the financial derivative instrument is cash-settled either automatically or at the Company's discretion, the Sub-Fund is allowed not to hold the specific underlying instrument as cover. In this case, the following categories of instruments constitute an acceptable cover:

- cash;
- liquid debt instruments with appropriate safeguards (in particular, haircuts);
- other highly liquid assets, such as, but not limited to, shares of companies admitted to Official Listing on a stock exchange or dealt in a Regulated Market, recognized by the CSSF in consideration of their correlation with the underlying of the financial derivative instrument, subject to appropriate safeguards.

Are considered as "liquid" those instruments which can be converted into cash in no more than seven Business Days at a price closely corresponding to the current valuation of the financial instrument on its own market. This cash amount must be at the Sub-Fund's disposal at the maturity/expiry or exercise date of the financial derivative instrument.

Maximum Exposure to a Single Body

(n) The Company may not combine:

- investments in transferable securities or money market instruments issued by a single body and subject to the 10% limit by body mentioned in sub-paragraph (a); and/or
- deposits made with the same body and subject to the limit mentioned in sub-paragraph (h); and/or
- exposures arising from OTC derivative transactions undertaken with the same body and subject to the 10% respectively 5% limits by body mentioned in sub-paragraph (i)

in excess of 20% of the net assets of any Sub-Fund.

The Company may not combine:

- investments in transferable securities or money market instruments issued by a single body and subject to the 35% limit by body mentioned in sub-paragraph (c); and/or
- investments in certain debt securities issued by the same body and subject to the 25% limit by body mentioned in sub-paragraph (e); and/or
- deposits made with the same body and subject to the 20% limit by body mentioned in sub-paragraph (h); and/or
- exposures arising from OTC derivative transactions undertaken with the same body and subject to the 10% respectively 5% limits by body mentioned in sub-paragraph (i)

in excess of 35% of the net assets of any Sub-Fund.

Eligible Assets Issued by the Same Group

(o) Companies which are included in the same group for the purposes of consolidated accounts, as defined in Directive 83/349/EEC or in accordance with recognized international accounting rules, are regarded as a single body for the purposes of calculating the investment limits mentioned in sub-paragraph (a), (b), (c), (e), (h), (i) and (n).

(p) The Company may cumulatively invest up to 20% of the net assets of any Sub-Fund in transferable securities and/or money market instruments within the same group.

Acquisition Limits by Issuer of Eligible Assets

(q) The Company will not:

- acquire shares carrying voting rights which would enable the Company to take legal or management control or to exercise significant influence over the management of the issuing body;
- own in any one Sub-Fund or the Company as a whole, more than 10% of the non-voting shares of any issuer;
- own in any one Sub-Fund or the Company as a whole, more than 10% of the debt securities of any issuer;
- own in any one Sub-Fund or the Company as a whole, more than 10% of the money market instruments of any issuer;
- own in any one Sub-Fund or the Company as a whole, more than 25% of the units of the same UCITS or other UCI (all Sub-Funds thereof combined).

The limits mentioned under third, fourth and fifth indents above may be disregarded at the time of acquisition, if at that time the gross amount of debt securities or of money market instruments or of UCITS/UCI or the net amount of the instruments in issue cannot be calculated.

The ceilings set forth above do not apply in respect of:

- transferable securities and money market instruments issued or guaranteed by a Member State or by its local authorities;
- transferable securities and money market instruments issued or guaranteed by any other Eligible State which is not a Member State;
- transferable securities and money market instruments issued or guaranteed by a public international body of which one or more Member State(s) are member(s);
- shares in the capital of a company which is incorporated under or organized pursuant to the laws of a State which is not a Member State provided that (i) such company invests its assets principally in securities issued by issuers of the State, (ii) pursuant to the law of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State, and (iii) such Company observes in its investments policy the restrictions referred in this Prospectus;
- shares held by one or more investment companies in the capital of subsidiaries companies which, exclusively on its or their behalf carry on only the business of management, advice, or marketing in the country where the subsidiary is located, in regard to the redemption of units at the request of unitholders.

If the limits in paragraph 4.2 are exceeded for reasons beyond the control of the Company or as a result of redemption requests for Shares of the Company 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.

While ensuring observance of the principle of risk spreading, recently created Sub-Funds may derogate from the limits in paragraph 4.2 other than those mentioned in sub-paragraphs (i) and (p) for a period of six months following the date of their launch.

4.3 Liquid Assets

The Company may hold ancillary liquid assets.

4.4 Unauthorized Investments

The Company will not:

(i) make investments in, or enter into transactions involving, precious metals and certificates involving these, commodities, commodities contracts, or certificates representing commodities;

(ii) purchase or sell real estate or any option, right or interest therein, provided the Company may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein;

(iii) carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in sub-paragraphs 4.1 (iv), (v) and (vii); provided that this restriction shall not prevent the Company from making deposits or carrying out other accounts in connection with financial derivative instruments, permitted within the limits referred to above; provided further that exposure resulting from financial derivative instruments may be covered as mentioned in sub-paragraph 4.2 (k);

(iv) make loans to, or act as a guarantor on behalf of third parties, provided that for the purpose of this restriction i) the acquisition of transferable securities, money market instruments or other financial instruments referred to in sub-paragraphs 4.1 (iv), (v) and (vii), in fully or partly paid form and ii) the permitted lending of portfolio securities shall be deemed not to constitute the making of a loan;

(v) borrow for the account of any Sub-Fund amounts in excess of 10% of the total net assets of that Sub-Fund taken at market value, any such borrowing to be from a bank and to be effected only as a temporary measure for extraordinary purposes including the redemption of Shares. However, the Company may acquire for the account of any Sub-Fund foreign currency by way of a back-to-back loan.

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

4.5 Techniques and Instruments Relating to Transferable Securities and Money Market Instruments

4.5.1 Lending of Portfolio Securities

Subject to investment restriction (iv) (paragraph 4.4), the Company may, in order to generate additional income for the Company, lend portfolio securities to third persons either through a standardized securities lending system organized by a recognised clearing institution or through a securities lending system organised by a financial institution subject to prudential supervision rules which are considered by the CSSF as equivalent to those laid down in community law and that is specialised in that type of transaction and will receive through such recognised clearing institution or a financial institution collateral in cash or securities issued or guaranteed by a governmental entity of a member State of the OECD, or by their local authorities or by supranational institutions with EC, regional or worldwide scope and blocked in favor of the Company until termination of the lending contract. The Company may also receive as collateral shares issued by a first class issuer, included in a major local index and listed or dealt in a regulated market in a Member State of the European Union, in Canada, Hong Kong, Japan, the United States, Switzerland, Norway or New Zealand or any other eligible securities pursuant to the CSSF Circular 08/356. Such collateral will be maintained at all times in an amount equal to at least 100% of the total valuation of the securities, and for the duration of the loan. Cash received as collateral will not be reinvested. Lombard, Odier & Cie may act as securities lending agent.

The Company must ensure that the volume of the securities lending transactions is kept at an appropriate level or that it is entitled to request the return of the securities lent in a manner that enables it, at all times, to meet its redemption obligations and that these transactions do not jeopardise the management of the Company’s assets in accordance with its investment policy.

4.5.2 Repurchase Agreements

The Company may enter into repurchase agreements which consist in the purchase and sale of securities whereby the terms of the agreement give the option to the seller to repurchase from the purchaser the securities at a price and time agreed amongst the two parties at the conclusion of the agreement.

The Company may sell securities according to repurchase agreement transactions, which consist of forward transactions at the maturity of which the buyer (counterparty) has the obligation to resell the securities sold and the Company the obligation to repurchase the securities sold at a pre-agreed price. During the lifetime of a repurchase agreement, the Company will not sell the securities which are the object of the agreement before the repurchase of the securities from the counterparty has been carried out.

The Company may purchase securities according to reverse repurchase agreements transactions, which consist of a forward transaction at the maturity of which the seller (counterparty) has the obligation to repurchase the securities sold and the Company the obligation to return the securities received under the transaction. During the duration of such transaction, the Company may not sell or pledge/give as security the securities purchased through this contract, except if the Company has other means of coverage. The Company will further ensure to keep the importance of purchased securities subject to a repurchase obligation at a level such that it is able at all times, to meet its obligation to redeem its own Shares.

Securities that may be purchased in reverse repurchase agreements are limited by the CSSF circular 08/356.

The counterparties to such transactions are entities subject to prudential supervision rules which are considered by the CSSF as equivalent to those laid down in community law and that is specialised in that type of transactions.

The net exposures (i.e. the exposures of the Sub-Fund less the collateral received by the Sub-Fund) to a counterparty arising from securities lending transactions or reverse repurchase / repurchase agreement transactions shall be taken into account in the 20% limit provided for in Article 43(2) of the Act pursuant to point 2 of Box 27 of ESMA Guidelines 10-788.

4.6 Risk Management Procedure

In accordance with CSSF Regulation 10-4, ESMA clarifications including ESMA Guidelines 10-788 and CSSF Circular 11/512, the Company will employ a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Sub-Fund. The Company will employ, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instrument.

5. RISK FACTORS

The list of risk factors detailed below does not claim to be an exhaustive description of the risks involved in investing in the Sub-Funds' Shares. Before deciding to subscribe to or purchase Shares, potential investors should read the whole Prospectus carefully and contact their professional advisers to understand the fiscal and other consequences of such an investment based on their personal situation.

Past performance is no guarantee for future returns and the investor may consequently get back less than he/she invested. There is no assurance that the investment objective of the Sub-Funds will actually be achieved or that any appreciation in the value of the assets will occur.

The table below is a summary of the main risks relating to the core portfolio of each Sub-Fund as of the date of the prospectus. It is not a rigid and exhaustive list of all the potential risks. Investors should bear in mind that risks are interrelated and that the Sub-Funds can be sensitive to any of the risk factors, especially in turbulent market conditions.

Summary of main risks

Sub-Funds / Risks	General	Equities	Small and Medium Sized Capitalisations	Fixed-Income Securities	Currencies	Below Investment Grade and Distressed Securities	Convertible Securities	Commodities	Undertakings for Collective Investments (above 10%)	Emerging Markets	Russian Registration	Regional or sectorial concentration	Derivatives (Hedging / Efficient Portfolio Mgt)	Derivatives (Investment Strategy)	Model
Asset Allocation Sub-Funds															
Alternative Beta	X	X		X	X			X					X	X	X
Tactical Alpha	X	X		X	X			X		X			X	X	X
All Roads	X	X	X	X	X	X	X	X	X	X			X	X	X
Equity Sub-Funds															
Selective Global	X	X	X		X					X		X	X		
Pzena Global Value	X	X	X		X					X			X		
William Blair Global Growth	X	X	X		X					X			X		
Generation Global	X	X			X		X			X		X	X		
Global Equity High Dividend	X	X	X		X					X			X	X	X
Global Equity Risk Parity	X	X	X		X					X			X	X	X
Technology	X	X	X		X					X		X	X	X	
1798 Technology Long/Short	X	X	X							X		X	X	X	
Golden Age	X	X	X		X					X		X	X	X	
World Gold Expertise	X	X	X		X			X		X	X	X	X		
Clean Tech	X	X	X		X							X	X	X	
Global Energy	X	X	X		X			X		X	X	X	X	X	
Commodities Risk Parity	X				X			X				X	X	X	X
Vital Food	X	X	X		X					X	X	X	X	X	
Emerging Consumer	X	X	X		X					X	X	X	X	X	
Smart Cities	X	X	X		X					X	X	X	X	X	
Emerging Equity Risk Parity	X	X	X		X		X			X		X	X	X	X
Neuberger Berman US Core	X	X										X	X		
Sands US Growth	X	X										X	X		
Europe High Conviction	X	X			X							X	X	X	
Europe Core Equity	X	X	X		X							X	X	X	X
Eurozone Small & Mid Caps	X	X	X		X							X	X	X	
Japanese Small & Mid Caps	X	X	X				X					X	X	X	
Alpha Japan	X	X	X									X	X	X	
1798 Europe Equity Long/Short	X	X	X		X					X		X	X	X	
Swiss Small & Mid Caps	X	X	X		X							X	X	X	

Summary of main risks															
Risks / Sub-Funds	General	Equities	Small and Medium Sized Capitalisations	Fixed-Income Securities	Currencies	Below Investment Grade and Distressed Securities	Convertible Securities	Commodities	Undertakings for Collective Investments (above 10%)	Emerging Markets	Russian Registration	Regional or sectorial concentration	Derivatives (Hedging / Efficient Portfolio Mgt)	Derivatives (Investment Strategy)	Model
Fixed-Income Sub-Funds															
Euro Government Fundamental	X			X	X	X				X		X	X	X	X
Government Bond (USD)	X			X	X					X		X	X	X	X
Euro Inflation-Linked Fundamental	X			X	X	X				X		X	X	X	X
Global Government Fundamental	X			X	X	X				X			X	X	X
1798 Optimum Trend	X			X	X					X			X	X	X
Asia Credit Bond	X			X	X	X		X		X	X	X	X	X	X
Swiss Franc Bond (Foreign)	X			X	X	X				X		X	X	X	X
Total Return Bond	X			X	X	X	X			X		X	X	X	X
Global Corporate Fundamental	X			X	X	X				X		X	X	X	X
Euro Responsible Corporate Fundamental	X			X	X	X				X			X	X	X
Euro Credit Bond	X			X	X					X			X	X	X
Global BBB-BB Fundamental	X			X	X	X				X		X	X	X	X
Euro BBB-BB Fundamental	X			X	X	X				X		X	X	X	X
Swiss Franc Credit Bond (Foreign)	X			X	X	X				X			X	X	X
Emerging Market Bond Fundamental	X			X	X	X				X	X	X	X	X	X
Emerging Local Currency Bond Fundamental	X	X		X	X	X		X		X	X	X	X	X	
Convertible Bond	X	X		X	X	X	X			X			X	X	
Convertible Bond Asia	X	X		X	X	X	X			X		X	X	X	
Money Market Sub-Funds															
Money Market (EUR)	X			X									X		
Money Market (USD)	X			X									X		
Money Market (GBP)	X			X									X		

5.1 General Risks

General risks may become correlated in a harmful manner in particular when the Sub-Funds do not face normal market conditions. Therefore, in turbulent market times an increase of one of those risks may not only increase the Sub-Funds exposure to other general risks but may also trigger other risks.

5.1.1 Credit Risks

Credit risk is a general risk that applies to all investments. It is the risk of loss due a debtor's non-payment of a loan or other obligation (either the principal or interest or both). For the Sub-Funds, the debtor may be either the issuer of an underlying security (the "issuer risk") or the counterparty to a transaction, such as an OTC derivative contract, a repurchase or reverse repurchase agreement or a loan of portfolio securities (the "counterparty risk"). The debtor may be a government (the "sovereign risk"). Credit risk is also the risk of loss due to a credit event, other than the debtor's default of payment, such as, but not limited to, the downgrading of a debtor's credit rating or the rescheduling of a debtor's debt.

Issuer risk - If an issuer of an underlying fixed income or equity security defaults, the Sub-Fund may lose the full amount invested in such security.

Counterparty risk - The Sub-Funds may effect "over-the-counter" transactions or deal in "interdealer" markets. This exposes the Sub-Funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Sub-Funds to suffer a loss which may correspond to the full amount exposed with such counterparty. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Sub-Funds have concentrated their transactions with a single or small group of counterparties.

Sovereign risk - Where the issuer of the underlying fixed income security is a government or other sovereign issuer, there is a risk that such government is unable or unwilling to meet its obligations, therefore exposing the Sub-Fund to a loss corresponding to the amount invested in such security.

Systemic risk - Credit risk may also arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as a "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which the Sub-Funds interacts on a daily basis.

5.1.2 Market and Volatility Risks

Market risk is a general risk that applies to all investments. It is the risk that the value of an investment will decrease due to moves in market factors such as exchange rate, interest rate, equity or volatility.

Volatility risk is the likelihood of fluctuations in prices, rates or currencies quoted on different markets. Volatility may impact the Net Asset Value of the Sub-Funds in several ways. As market volatility increases so does the volatility of the Net Asset Value per Share.

5.1.3 Interest Rate Risk

Interest rate risk is the risk that the value of an investment will decrease, due to the variability of interest rates. When interest rates tend to rise, the value of debt securities tend to fall, as does the Net Asset Value per Share of the Sub-Funds invested in debt securities. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. Duration is a measure of sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates.

5.1.4 Exchange Rate Risk

Exchange rate risk is a general risk that applies to all Sub-Funds investing in assets in a currency other than the Reference Currency (the "foreign currency"). It is the risk that the value of those assets will decrease, as will the Net Asset Value of the Sub-Fund, due to unfavorable exchange rates. If the currency in which a security is denominated appreciates against the Reference Currency, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security. Currency risks are proportional to the amount of assets of each Sub-Fund held in foreign currencies.

The Sub-Funds may offer categories of Shares in an Alternative Currency. Changes in the exchange rate between the Reference Currency and such Alternative Currency may lead to a depreciation of the value of such Shares as expressed in the Alternative Currency. Even when the exchange rate risk is hedged, there can remain a residual exchange rate risk. Although hedging strategies may not necessarily be used in relation to each class of Share with a Sub-Fund, the financial instruments used to implement such strategies shall be assets/liabilities of the Sub-Fund as a whole (no segregation between classes with a Sub-Fund).

5.1.5 Liquidity Risk

Liquidity risk is the risk that a given asset can not be traded quickly enough without affecting the price of the asset. In normal market conditions, liquidity risk is low as the Sub-Fund may only invest in eligible assets mentioned in paragraph 4.1. In turbulent market times however, low-volume markets make it difficult for the Sub-Funds to sell their assets at their fair price or to sell them at all. Should the Sub-Funds face large redemption requests in turbulent market times, the Directors may take appropriate measures to protect shareholders interests.

5.1.6 Unlisted and/or Illiquid Securities Risks

A Sub-Fund may invest or hold a limited part of its net assets (max 10%) in securities that are not (or no longer) listed on exchanges or on a Regulated Market or which may be considered illiquid due to the lack of an active trading market. The Sub-Funds may encounter substantial delays and could incur losses in attempting to sell such securities. Where appropriate, positions in the Sub-Fund's portfolio that are illiquid and do not actively trade will be marked to market, taking into account current market prices, market prices of comparable investments and/or such other factors (e.g. the tenor of the respective instrument) as may be appropriate. To the extent that marking an illiquid investment to market is not practicable, an investment will be carried at fair value, as reasonably determined by the directors or their delegate. There is no guarantee that fair value will represent the value that will be realized by the Sub-Fund on the eventual disposition of the investment or that would, in fact, be realized upon an immediate disposition of the investment. As a result, an investor redeeming his/her Shares from the Sub-Fund prior to realization of such an investment may not participate in gains or losses thereof.

5.1.7 Large Redemption Risk

Large redemptions of Shares in any of the Sub-Funds within a limited period of time might result in the Sub-Fund being forced to liquidate positions more rapidly than would otherwise be desirable, adversely affecting the value of both the Shares being redeemed and the remaining outstanding Shares.

5.1.8 Hedging Transactions Risk

The Sub-Funds may hold financial instruments, both for investment purposes and for hedging or efficient portfolio management purposes. The success of the Sub-Funds' or share categories' hedging strategy will depend, in part, upon the Investment Manager's ability correctly to assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Sub-Funds' or share categories' hedging strategy will also be subject to the Investment Manager's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While the Sub-Funds or share categories may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Sub-Funds or share categories than if it had not engaged in such hedging transactions. For a variety of reasons, the Investment Manager may not seek to establish a perfect correlation between the hedging instrument utilised and the portfolio holdings being hedged. Such an imperfect correlation may prevent the Sub-Funds or share categories from achieving the intended hedge or expose the Sub-Funds or share categories to risk of loss. The Investment Manager may not hedge against a particular risk because it does not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge, or because it does not foresee the occurrence of the risk.

5.1.9 Fiscal Risk

Investors should note in particular that the proceeds from the sale of securities in some markets or the receipt of any dividends or other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. Tax law and practice in certain countries into which the Sub-Funds invests or may invest in the future cannot be definitively established. It is possible therefore that the current interpretation of the law or understanding of practice might change, or that the law might be changed retroactively. It is therefore possible that the Sub-Funds could become subject to additional taxation in such countries where this is not anticipated either at the date of the prospectus or when investments are made, valued or disposed of.

5.1.10 Administrative Agent and Custodian Risk

The Sub-Funds' operations are carried out by the service providers described in the prospectus. In the event of bankruptcy or insolvency of a service provider, investors could experience delays (for example, delays in the processing of subscriptions, conversions and redemption of Shares) or other disruptions.

The Sub-Fund's assets are held in custody by the Custodian and the duly appointed sub-custodians, which expose the Sub-Funds to risks of loss associated to the depositary function if (1) the custodian/sub-custodian fails to perform its duties (improper performance) and (2) if the custodian/sub-custodian defaults.

5.1.11 Repurchase and Reverse Repurchase Agreement Risk

The Sub-Fund may enter into repurchase and reverse repurchase agreements. The use of repurchase and reverse repurchase agreements by the Sub-Fund involves certain risks. For example, if the seller of securities to the Sub-Fund under a reverse repurchase agreement defaults on its obligation to repurchase the underlying securities, as a result of its bankruptcy or otherwise, the Sub-Fund will seek to dispose of such securities, which action could involve costs or delays. If the seller becomes insolvent and subject to liquidation or reorganisation under applicable bankruptcy or other laws, the Sub-Fund's ability to dispose of the underlying securities may be restricted. Finally, if a seller defaults on its obligation to repurchase securities under a reverse repurchase agreement, the Sub-Fund may suffer a loss to the extent that it is forced to liquidate its position in the market, and proceeds from the sale of the underlying securities are less than the repurchase price agreed to by the defaulting seller.

5.1.12 Securities Lending Risk

The Sub-Fund may lend their portfolio securities. By doing so, the Sub-Funds attempt to increase income through the receipt of interest on the loan. In the event of the bankruptcy of the other party to a securities loan, the Sub-Funds could experience delays in recovering the securities that have been lent. To the extent that the value of the securities the Sub-Funds lent has increased, the Sub-Funds could experience a loss if such securities are not recovered. Collateral will be received by the Sub-Funds and will be maintained at all times in an amount equal to at least 100% of the total valuation of the securities and for the duration of the loan.

5.1.13 Operational Risk

Operational risk is a general risk that applies to all Sub-Funds when carrying operations on behalf of these Sub-Funds as part of their respective investment policy. Such risk materializes through operational errors which includes, *inter alia*, trading errors and similar human errors, such as keystroke errors that occur when entering trades into an electronic trading system or typographical or drafting errors related to derivatives contracts or similar agreements. The Management Company or, as the case may be the Investment Managers, their members, directors, shareholders, officers, employees and affiliates, their respective legal representatives (each, an "Indemnified Party"), shall not be liable to the Company or its shareholders for any losses resulting from operational errors, except such losses resulting from fraud, wilful default or negligence of the Indemnified Party. The foregoing provisions shall not be construed to relieve any Indemnified Party of any liability, to the extent that such liability may not be waived, modified or limited under applicable law, but shall be construed so as to effectuate these provisions to the fullest extent permitted by law and regulations.

5.2 Risks Linked to Certain Sub-Funds

5.2.1 Equity Risks

The risks associated with investment in equity (and equity-like) securities include significant fluctuations in market prices, adverse issuer or market information and the subordinate status of equity in relation to debt paper issued by the same company. Prices of equities fluctuate daily and can be influenced by many micro and macro factors such as political and economic news, corporate earnings reports and catastrophic events. The value of equities will go up and down and the value of a Sub-Fund investing in equities could incur significant losses.

Sub-Funds may invest in initial public offerings ("IPOs"). There is a risk that the price of the newly floated share may incur greater volatility as a result of factors such as the absence of an existing public market, non-seasonal transactions, a limited number of securities that can be traded and a lack of information about the issuer.

5.2.2 Small and Medium-Sized Capitalisation Risk

Stocks of small-to medium-sized capitalisation companies often traded on OTC markets may be less liquid than those listed on the major securities exchanges. Consequently, securities of small and even medium-sized cap companies may, from time to time, and especially in falling markets, become illiquid and experience short-term price volatility and wide spreads between bid and offer prices. The combination of price volatility and the limited liquidity of those markets may have an adverse effect on the investment performance of the Sub-Funds. Further the risk of bankruptcy or insolvency of many smaller companies is higher than that of larger, "blue chips", companies.

5.2.3 Fixed Income Securities Risks

The risks associated with investment in bonds or others fixed income securities include credit, liquidity and interest rate risks.

5.2.4 Below Investment Grade Risk and Distressed Securities Risk

Investment in debt securities or associated instruments rated BB or below (following Standard & Poors, Moody's or equivalent), or of equivalent quality in the opinion of the Investment Manager, can involve additional risks. Securities rated BB or equivalent are regarded as predominantly speculative with respect to the issuer’s capacity to pay interest and principal or maintain other terms of the offer documents over any long period of time. Whilst such issues are likely to have some quality and protective characteristics, these are outweighed by large uncertainties or major risk exposure to adverse economic conditions. Securities rated lower than B, and in particular distress obligations, are most of the time issued by companies in weak financial condition, experiencing poor operating results, having substantial capital needs or negative net worth, facing special competitive or product obsolescence problems, including companies involved in bankruptcy or other reorganisation and liquidation proceedings. These obligations are likely to be particularly risky investments although they also may offer the potential for correspondingly high returns. They are generally unsecured and may be subordinated to certain other outstanding securities and obligations of the issuer. Non-investment grade debt securities may not be protected by financial covenants or limitations on additional indebtedness. The ability of such companies to pay their debts on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry or specific developments within such companies. Among the risks inherent in investments in troubled entities is the fact that it frequently may be difficult to obtain information as to the true condition of such issuers. Such investments may also be adversely affected by laws relating to, among other things, fraudulent transfers and other voidable transfers or payments, lender liability, and the bankruptcy court’s power to disallow, reduce, subordinate, recharacterise debt as equity or disenfranchise particular claims. There is no assurance that value of the assets collateralising the Company's investments will be sufficient or that prospects for a successful reorganisation or similar action will become available. In any reorganisation or liquidation proceeding relating to a company in which the Company invests, the Company may lose its entire investment, may be required to accept cash or securities with a value less than its original investment and/or may be required to accept payment over an extended period of time. Under such circumstances, the returns generated from the Company's investments may not compensate the shareholders adequately for the risks assumed.

In addition evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments.

5.2.5 Convertible Securities Risk

Convertible securities are bonds, debentures, notes, preferred stocks or other securities that may be converted into or exchanged for a specified amount of common stock of the same or different issuer within a particular period of time at a specified price or formula. A convertible security entitles the holder to receive interest that is generally paid or accrued on debt or a dividend that is paid or accrued on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Convertible securities generally (i) have higher yields than common stocks, but lower yields than comparable non-convertible securities, (ii) are less subject to fluctuation in value than the underlying common stock due to their fixed-income characteristics and (iii) provide the potential for capital appreciation if the market price of the underlying common stock increases. The value of a convertible security is a function of its "investment value" (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its "conversion value" (the security's worth, at market value, if converted into the underlying common stock). A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed-income security. Generally, the amount of the premium decreases as the convertible security approaches maturity. A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by the Sub-Fund is called for redemption, the Sub-Fund will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party. Any of these actions could have an adverse effect on the Sub-Fund.

5.2.6 Commodity Risk

Though the Company is prohibited to make investments in, or enter into transactions involving commodities, commodities contracts, or certificates representing commodities, they may seek to be exposed to commodities via units of UCI, equity securities or index based derivative instruments. Prices of commodities are influenced by, among other things, various macro economic factors such as changing supply and demand relationships, weather conditions and other natural phenomena, agricultural, trade, fiscal, monetary, and exchange control programmes and policies of governments and other unforeseeable events. The prices of commodities may be highly volatile.

5.2.7 Undertaking for Collective Investments Risk

Underlying UCIs in which a Sub-Fund may invest may be valued by administrators resulting in valuations which are not verified by an independent third party on a regular or timely basis. Accordingly there is a risk that (i) the valuations of the Sub-Fund may not reflect the true value of underlying investment vehicles holdings held by the Sub-Fund at a specific time which could result in losses or inaccurate pricing for the Sub-Fund and/or (ii) the valuations may not be available on the Valuation Day so that some of the assets of the Sub-Fund may be valued on an estimated basis.

For some of these underlying UCIs, the custodian may be a broker instead of a bank. Such brokers do not, in some cases, have the same credit rating as a bank. Moreover, the legislation applicable to underlying UCIs may provide that the custodian's duties be limited to the custody of assets and will not include supervisory duties similar to those which must be carried out by a custodian of a Luxembourg UCI.

Furthermore, some of these underlying UCIs may have auditors that do not use monitoring measures similar to those required for the Luxembourg investment funds.

5.2.8 Financial Derivative Instruments Risk

a. Valuation risk

Many financial derivative instruments, in particular OTC financial derivative instruments, are complex, difficult to value and often valued subjectively and the valuation may only be provided by a limited number of market professionals. The replacement value of an OTC derivative transaction may differ from the liquidation value of such transaction, and the valuations provided by the Sub-Fund’s counterparty to such transaction may differ from the valuation provided by a third party or the value upon liquidation. A counterparty might cease making a market or quoting prices for some of the instruments. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to a Sub-Fund.

b. Volatility

The price of a financial derivative instrument can be very volatile. This is because a small movement in the price of the underlying security, index, interest rate or currency may result in a substantial movement in the price of the financial derivative instrument. Investment in financial derivative instruments may result in losses in excess of the amount invested.

c. Correlation

Financial derivative instruments do not always perfectly or even highly correlate or track the value of the underlying assets they are designed to track. Consequently, a Sub-Fund's use of financial derivative instruments techniques may not always be an effective means of, and sometimes could be counter-productive to, following a Sub-Fund's investment objective.

d. Short Exposure

Although the Company may not carry out uncovered sales of transferable securities, some Sub-Funds may, as part of their investment strategy, use financial derivative instruments to seek short exposure to such transferable securities. The Sub-Fund may face substantial loss should the price of the transferable securities increase.

e. Leverage

The Sub-Fund will not use borrowing to purchase additional investments but Sub-Funds using financial derivative instruments as part of their investment strategy may be expected to be leveraged (gross market exposure, aggregating both long and synthetic short positions, in excess of net asset value).

While leverage presents opportunities for increasing the Sub-Fund's total return, it also has the potential of increasing losses as well. Accordingly, any event which adversely affects the value of an investment by the Sub-Fund would be magnified to the extent the Sub-Fund is leveraged. The cumulative effect of the use of leverage by the Sub-Fund in a market that moves adversely to the Sub-Fund's investments could result in a substantial loss to the Sub-Fund.

f. Counterparty Risk (OTC derivative transactions)

The Sub-Funds may enter into derivatives transactions in over-the-counter markets, which will expose the Sub-Funds to the credit risk of their counterparties and their inability to satisfy the terms of such contracts as mentioned in the clause of counterparty risk above.

The Sub-Fund might also be unable to close out when it wishes to end or to enter into an offsetting OTC transaction with respect to an open position, which might adversely affect its performance. The closing-out of an OTC derivative transaction may only be made with the consent of the counterparty to the transaction.

g. Control and Monitoring

Financial derivative instruments are highly specialised instruments that require investment techniques and risk analysis different from those associated with equity and fixed income securities. The use of derivative techniques requires an understanding not only of the underlying assets of the financial derivative instruments but also of the financial derivative instruments themselves, without the benefit of observing the performance of the financial derivative instruments under all possible market conditions. In particular, the use and complexity of financial derivative instruments require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that financial derivative instruments add to a Sub-Fund and the ability to forecast the relative price, interest rate or currency rate movements of the underlying assets correctly. There is no guarantee that a particular forecast will be correct or that an investment strategy which deploys financial derivative instruments will be successful.

h. Collateral

Under the terms of the ISDA Agreements and related Collateral Support Annexes which the Company has with each of its OTC counterparties, the Company and its respective ISDA Counterparties have an obligation to collateralise their exposure to one another on a mark to market basis. Collateral transferred by the Company to its ISDA counterparties is transferred with full legal title.

i. Limited recourse

The Company has an umbrella structure with multiple compartments (each compartment being referred to as a Sub-Fund). Each Sub-Fund, although not a separate legal entity, corresponds to a distinct part of the assets and liabilities of the Company under Luxembourg law, and consequently benefits from limited liability in accordance with the provisions of the Company's constitutive documents and Luxembourg law. When dealing for the account of a specified Sub-Fund, the Company will endeavour where possible to obtain a contractual acknowledgement from trading counterparties (each a "Counterparty") that the Company's obligation to that Counterparty will be limited to the assets of the specified Sub-Fund and that the Counterparty shall have no recourse to the assets of any other Sub-Fund. It may not however always be possible to obtain such an acknowledgement and in the event that (i) a Counterparty holds assets of more than one Sub-Fund; and (ii) the courts of the jurisdiction in which the assets are situated do not uphold the Luxembourg principle of limited liability as mentioned above, it is possible that the assets of one Sub-Fund could be used to satisfy the obligations of another Sub-Fund.

j. Options / Warrants

An option is a contract that gives the buyer the right, but not the obligation, to buy (call) or sell (put) the underlying asset at or within a certain point in time in the futures at a pre-determined price (strike price) against the payment of a premium, which represent the maximum loss for the buyer of an option.

Options can allow the fund manager to cost-effectively be able to restrict downsides while enjoying the full upside of a stock, financial index, etc. Long positions in option may be taken to provide insurance against adverse movements in the underlying. Short position may also be taken to enhance total returns and generate income for the Sub-Fund via premium received. The writing and purchase of options is a specialised activity which can involve substantial risks. If the Investment Manager is incorrect in its expectation of changes in the market prices or determination of the correlation between the instruments or indices on which the options are written or purchased and the instruments in a Sub-Fund's investment portfolio, the Sub-Fund may incur losses that it would not otherwise incur.

A warrant is a certificate that entitles the holder to buy a specific amount of the underlying security of the issuing company at a pre-determined price until the expiry date, against the payment of a premium. Warrants are very similar to call options but there are some key differences such as, (i) warrants are issued by private parties, typically the corporation on which a warrant is based, (ii) warrants are considered over-the-counter instruments, (iii) warrants are not standardized like exchange-listed options, (iv) warrants can usually not be shorted by investors.

k. Forwards

A forward is a contract whereby two parties agree to exchange the underlying asset at a predetermined point in time in the future at a fixed price. The buyer agrees today to buy a certain asset in the future and the seller agrees to deliver that asset at that point in time.

Forward contracts, unlike futures contracts, are not traded on exchanges and are not standardised; rather banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward trading is substantially unregulated; there is no limitation on daily price movements. The principals who deal in the forward markets are not required to continue to make markets in the underlying securities they trade and these markets may experience periods of illiquidity, sometimes of significant duration. Disruptions can occur in any market traded by the Sub-Funds due to unusually high trading volume, political intervention or other factors. In respect of such trading, the Sub-Fund is subject to the risk of counterparty failure or the inability or refusal by a counterparty to perform with respect to such contracts. Market illiquidity or disruption could result in major losses to the Sub-Fund.

l. Futures

Futures are standardised forwards traded on an organized exchange. The amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the investor. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.

m. Contract for Difference

A CFD is a contract between two parties that allows them to gain exposure to the economic performance and cash flows of a security without the need for actually buying or selling the security. The two parties agree that the seller will pay the buyer the difference in price after a certain period of time if the designated security's price increases, and the buyer will in return pay the seller the difference in price if the security's price decreases. It is linked to the underlying security price. Consequently, no right is acquired or obligation incurred relating to the underlying share.

The Sub-Funds can take synthetic long or synthetic short positions with a variable margin via CFD. They are highly leveraged instruments and for a small deposit, it is possible for a Sub-Fund to hold a position much greater than would be possible with a traditional investment. In case of substantial and adverse market movements, the potential exists to lose all of the money originally deposited and to remain liable to pay additional funds immediately to maintain the margin requirement.

n. Swaps (including IRS and TRS)

In a standard swap transaction, two parties agree to exchange the returns (or differentials in rates of return) earned or realized on particular pre-determined investments or instruments.

The Sub-Funds may enter swap transactions with a view to effecting synthetic long and short positions in certain securities, sectors or indices, including commodities indices. Swap agreements can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements may increase or decrease the Sub-Fund's exposure to long-term or short-term interest rates, currency values, corporate borrowing rates, inflation rates, or other factors such as single equity securities, baskets of equity securities or equity indices. Swap agreements can take many different forms and are known by a variety of names.

An IRS is an agreement to exchange on set of cash flows (perceived as risky, as linked to e.g. a floating interest rate) against another set of cash flows (perceived as stable, as linked to, e.g. a fixed interest rate).

A TRS is an agreement that involve the exchange of the right to receive the total return, coupons plus capital gains or losses, of a specified reference asset (such as for example an equity), index or basket of assets against the rights to make fixed or floating payments or another equity return.

The most significant factor in the performance of swap agreements is the change in the specific interest rate, currency, individual equity values or other factors that determine the amounts of payments due to and from the Sub-Fund. If a swap agreement calls for payments by the Sub-Fund, the Sub-Fund must be prepared to make such payments when due. In addition, if a counterparty's creditworthiness declines, the value of swap agreements with such counterparty can be expected to decline, potentially resulting in losses by the Sub-Fund.

The swap market has grown substantially in recent years with a large number of banks and investment banking firms, acting both as principals and as agents utilising standardised swap documentation. As a result, the swap market has become liquid but there can be no assurance that a liquid secondary market will exist at any specified time for any particular swap.

o. Credit Default Swaps

A CDS is an agreement in which one party buys protection against losses occurring due to a credit event of a reference entity up to the maturity date of the swap. The protection buyer pays a periodic fee for this protection up to the maturity date, unless a credit event triggers the contingent payment. In the latter case, the buyer of protection only needs to pay the accrued fee up to the day of the credit event. If a credit event occurs, the settlement will be either in cash or physical: (i) Cash settlement: the seller of protection will pay to the buyer of protection the net amount between the nominal value and the market value of the security; (ii) Physical settlement: the buyer of protection will deliver a bond or a loan of the reference entity to the seller of protection and the latter will pay the par value in return. Credit events for CDS are typically: bankruptcy, failure to pay, and restructuring.

The Sub-Funds can take synthetic long or short positions in certain securities via CDS. The use of CDS may carry a higher risk than investing in bonds directly. A CDS allows the transfer of default risk. CDS can either serve as a substitute for purchasing corporate bonds or they can hedge specific corporate bond exposure or reduce exposure to credit basis risk. If the Sub-Fund is a buyer and no event of default occurs, the Sub-Fund will lose its investment and recover nothing. However, if an event of default occurs, the buyer Sub-Fund will receive the amount above mentioned depending on cash or physical settlement. If the Sub-Fund is a seller, it will receive a fixed rate of income throughout the term of the contract provided no credit event occurs. In the latter case, the Sub-Fund will have to pay the amount provided in the contract.

All Sub-Fund using Credit Default Swaps may, in the case of a credit event, have to accept delivery of non-investment-grade bonds issued in a currency other than the Reference Currency. The delivery of such non-investment-grade bonds in a currency other than the Reference Currency will not be regarded as a breach of investment policy for those Sub-Funds which may only be invested in investment-grade-bonds or in bonds issued in the Reference Currency.

The market for CDS may sometimes be more illiquid than bond markets.

5.2.9 Emerging Market Risk

General - In emerging markets, to which the Sub-Funds may be exposed, the legal, judicial and regulatory infrastructure is still developing and there is much legal uncertainty both for local market participants and their counterparties. Some markets carry significant risks for investors who should therefore ensure that, before investing, they understand the relevant risks and are satisfied that an investment is suitable. Such risks may include (i) increased risk of nationalisation, expropriation of assets, forced mergers of companies, creation of government monopolies, confiscatory taxation or price controls; (ii) greater social, economic and political uncertainty, including war; (iii) higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity, low trading volumes and smaller capitalisation of securities markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on repatriation of invested capital and on the ability to exchange local currencies for any major currency and/or restriction on the buying or selling by foreign investors; (viii) increased likelihood of governmental decisions to cease support of economic reform programmes or to impose centrally planned economies; (ix) differences in accounting, auditing and financial reporting standards, methods, practices and disclosures which may result in the unavailability or incompleteness or tardiness of material information about issuers; (x) less extensive regulation of the securities markets; (xi) longer settlement periods for securities transactions and less reliable clearance and custody arrangements; (xii) less protection through registration of assets; (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and protection of shareholders and (xiv) less formalised procedures for corporate actions (no central source of identification, no formal notification) and proxy voting.

Exchange Rate Fluctuations Risk - In accordance with the investment objectives of certain Sub-Funds, the assets will be invested primarily in securities of companies in developing countries and substantially all income will be received by these Sub-Funds in currencies of such countries. A number of the currencies of developing countries have already experienced and could experience significant declines against the major currencies in recent years and devaluation may occur suddenly. Where possible, hedging strategies will be implemented but they cannot totally eliminate unfavorable currency fluctuations. Some currencies are not freely convertible currencies.

Custody Risk - The Company may also have to utilise local service providers for the safekeeping of the assets and for the execution of securities transactions. Although the Company intends to use only the best-qualified service providers in each of the markets concerned, the choice of providers in some emerging countries may be very limited. These providers may not offer guarantees comparable to those given by firms operating in developed countries. Accordingly, the quality of the services that the Company may obtain with regard to the execution of transactions on securities and their custody may be less reliable.

Settlement and Trading Risk - Settlement systems in emerging markets may be less well organized than in developed markets. Emerging markets may not employ true Delivery versus Payment. Thus, there may be risks that settlement may be delayed and that cash or securities of these Sub-Funds may be in jeopardy because of failures of or defects in the systems. In particular, market practice may require that payment be made prior to receipt of the security which is being purchased or that delivery of a security must be made before payment is received. Exchanges on emerging markets may not have a settlement guarantee fund in case of temporary securities or cash shortfalls or in the event of a counterparty default or broker malpractice. The Company will seek, where possible, to use counterparties whose financial status is such that the risk of default is reduced, but the risk of losses resulting from default cannot be totally eliminated. Some markets may have specific trading restrictions.

Registration of Securities - In some countries, there is no recognition of "nominee" ownership. Registration must be done with the issuer in the final beneficial owner's name.

Regulatory Risk - Many of the laws that govern private and foreign investment, equity securities transactions and other contractual relationships in certain countries, particularly in developing countries, are new and largely untested. As a result, the Company may be subject to a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets and lack of enforcement of existing regulations. Furthermore, it may be difficult to obtain and enforce a judgment in certain countries in which assets of the Company are invested. There can be no assurance that this difficulty in protecting and enforcing rights will not have a material adverse effect on the Company and its operations. In addition, the income and gains of the Sub-Funds may be subject to withholding taxes imposed by foreign governments for which unitholders may not receive a full foreign tax credit.

Investment and Repatriation Restrictions Risk - Some countries prohibit or impose substantial restrictions on investments by foreign entities. Certain countries require governmental approval prior to investments by foreign persons, or limit the amount of investment by foreign in a particular company, or limit the investment by foreign persons in a company to only a specific class of securities which may have less advantageous terms than securities of the company available for purchase by nationals. Certain countries may restrict investment opportunities in issuers or industries deemed important to national interests. Repatriation of investment income, capital and the proceeds of sales by foreign investors may require governmental registration and/or approval in some developing countries. It may have an adverse impact on the operations of a Sub-Fund. While the Sub-Funds will invest only in markets where these restrictions are considered acceptable, new or additional restrictions might be imposed subsequent to the initial investment and thus may restrict the Investment Manager's ability to manage effectively such assets and could ultimately result in a substantial loss.

Liquidity Risk - As these Sub-Funds invest a high proportion of their assets in emerging-market securities which tend to be less liquid than those of developed markets, investors should consider a shareholding in these Sub-Funds to be a long-term investment and be aware that it may not always be possible to make redemption payments within the usual time frame (see Section 14).

5.2.10 Russian Registration Risk

Investments in Russia are currently subject to certain heightened risks with regard to the ownership and custody of securities. In Russia this is evidenced by entries in the books of a company or its registrar (which is neither an agent nor responsible to the Custodian). No certificates representing ownership of Russian companies will be held by the Custodian or any sub-custodian or in an effective central depository system. As a result of this system and the lack of state regulation and enforcement, the Company could lose its registration and ownership of Russian securities through fraud, negligence or even mere oversight.

5.2.11 Regional or Sectorial Concentration Risk

Concentration risk on certain countries/regions - Where a Sub-Fund restricts itself to investing in securities of issuers located in a particular country or region, such concentration will expose the Sub-Fund to the risk of adverse social, political or economic events which may occur in that country or region. The risk increases if the country or region in question is an emerging market.

Concentration risk on certain sectors - Where a Sub-Fund restricts itself to invest in a certain sector, such as technology or healthcare, it may be sensitive to factors affecting technology-related industries and to greater risk and market fluctuation than investment in a broader range of portfolio securities covering different economic sectors. Technology, technology-related, healthcare industries may also be subject to greater government regulation than many other industries. Accordingly, changes in government policies and the need for regulatory approvals may have a materially adverse affect on these industries. Additionally, these companies may be subject to risk of developing technologies, competitive pressures and other factors as well as a relatively high risk of obsolescence caused by scientific and technological advances and are depended upon consumer and business acceptance as new technologies evolve. Many companies in the technology sector are smaller companies and are therefore also subject to the risks attendant on investing in such companies set out above. The development of these sector-specific investments may differ from the general stock exchange trend.

5.2.12 Model Risk

Sub-Funds that apply quantitative management methods or systematic process or strategies, rely for their management process on models based to a varying extent on past market conditions. Given the uncertainty of the future, these models may not necessarily capture the risk they were designed and expected to capture and hence could signal erroneous investment opportunities.

6. DIVIDEND POLICY

The Company offers, for each Sub-Fund, Shares in the form of Accumulating Shares (A Shares) on which the Company shall not distribute any dividend and on which all net investment income and all net realized and unrealized capital gains will be accumulated and will increase the Net Asset Value of the A Shares of the relevant Sub-Fund, and Distributing Shares (D Shares) on which the Company shall distribute by way of dividends all or substantially all (but at least 85%) of the net investment income. However, if the amount available for distribution is less than the equivalent of USD 0.05 per Share, no dividend will be declared and the amount will be carried forward to the next period. It is not the intention of the Company to distribute the net realized capital gains and unrealized capital gains by way of dividend. However, during any fiscal year, the Directors may propose to distribute part of the net realized capital gains.

Dividends in respect of such D Shares are payable annually out of the income accruing during the period from 1 October to 30 September. However, for certain Sub-Funds and at the discretion of the Directors, there may be, within the same category of Shares, (i) classes of Shares with one annual dividend only and/or (ii) classes of Shares with one or more interim dividends.

To the extent that there is sufficient income available, dividends will normally be paid within two months of the end of the period to the holders of D Shares on the record date determined by the Directors in respect of such period.

Cash dividends remaining unclaimed on D Shares five years after their declaration shall be forfeited and revert to the relevant Sub-Fund.

7. MANAGEMENT, INVESTMENT MANAGEMENT AND ADVICE

The Directors are responsible for the Company’s management and control, including the determination of investment policy. They have appointed Lombard Odier Funds (Europe) S.A. as the management company of the Company. The Management Company is authorised to act as fund management company in accordance with Chapter 15 of the Act. The Management Company has appointed the Dirigeants listed in the "List of Parties and Addresses", to direct and coordinate the operations of the Company and has appointed the Investment Managers listed in the "List of Parties and Addresses" to advise on investments and assume the day-to-day management of the investments of the Company.

7.1 Management Company and Domiciliary Agent

The Company has signed a management company agreement with the Management Company dated 1 June 2010 (the "Management Company Agreement"). Under this agreement, the Management Company was entrusted with the day-to-day management of the Company and with the responsibility to perform, directly or by way of delegation, all functions relating to the Company's investment management, administration and marketing, as well as distribution of the Company's shares. The Management Company will also act as domiciliary agent for the Company.

The Management Company is organized as a "société anonyme" in the Grand Duchy of Luxembourg under the 1915 Act. It was incorporated on 23 April 2010 for an unlimited period and its Articles were published in the Mémorial, Recueil des Sociétés et Associations on 20 May 2010. The Management Company is registered under number B-152886 in the Luxembourg Trade and Companies Register. The Directors of the Management Company are listed in Section 1 in the "List of Parties and Addresses".

The Management Company is an indirectly wholly-owned subsidiary of Lombard, Odier & Cie. It is also a management company to other UCITS and UCIs under the Act as well as to Specialised Investment Funds under the Act of 13 February 2007 of the Grand Duchy of Luxembourg (as amended).

7.2 Dirigeants of the Management Company

The Board of the Management Company has, with the approval of the Directors, granted a mandate to the Dirigeants mentioned under "List of Parties and Addresses" in order to supervise and coordinate the activities of the Company, in compliance with the provisions of the CSSF Regulation 10-4, CSSF Circular 11/508 and CSSF Circular 03/108. The Dirigeants shall supervise and coordinate the functions delegated to the different service providers and shall ensure that an appropriate risk management method is applied to the Company.

7.3 Investment Managers and Asset Allocator

The Management Company has, with the agreement of the Board, appointed the following investment managers pursuant to several Investment Management Agreements (collectively the "Investment Managers") to provide day-to-day discretionary investment management services for the Sub-Funds, subject to the direction of the Management Company and supervision of the Board. Several Investment Managers may be appointed for the same Sub-Fund. The Management Company has also appointed Lombard Odier Asset Management (Switzerland) SA (the "**Asset Allocator**") to provide asset allocation services for the Sub-Funds managed according to the multi-management concept.

Information regarding Sub-Funds allocated to each Investment Manager is published in the annual and semi-annual reports. Investors may receive from the Company, on written request, an up-dated list of the Investment Managers. The Investment Managers may appoint (i) sub-investment managers and/or (ii) investment advisers with no discretionary asset management power, subject to the prior approval of the Management Company.

Lombard, Odier & Cie ("LOC") is one of the oldest (founded in 1796) and largest private banks in Switzerland, and concentrates on asset management for institutional and private clients worldwide. LOC's long experience in international financial markets, backed up by a strong commitment to research, has made it a recognized leader among international investment managers.

Lombard Odier Darier Hentsch (Asia) Limited ("LODHASIA"), indirectly wholly-owned by LOC was incorporated in Hong Kong on 7 July 1987 and has an issued and fully paid-up capital as at 31 December 2005 of Hong Kong dollars 11,000,000. LODHASIA has many years of experience in researching the economies of Asian countries and in managing mutual funds invested in these markets.

Lombard Odier Darier Hentsch Trust (Japan) Limited ("LODHJP"), is an indirectly wholly-owned subsidiary of LOC, incorporated in Tokyo, Japan in 1999. LODHJP is an asset manager which is regulated by the Securities and Exchange Surveillance Commission and the Financial Services Agency and its main activity is to provide asset management services to private and institutional investors in Japan.

Lombard Odier Asset Management (Europe) Limited ("LOAM Europe"), is a wholly-owned subsidiary of LOC and was incorporated in London in 2009. LOAM Europe is regulated by the Financial Services Authority in the United Kingdom and manages equity and fixed interest portfolios for institutional clients worldwide.

Lombard Odier Asset Management (Switzerland) SA, is an indirectly wholly-owned subsidiary of LOC and was incorporated in Geneva in 1972. It is regulated by the Swiss Financial Markets Supervisory Authority ("FINMA") as a fund management company.

Lombard Odier Asset Management (USA) Corp ("LOAM USA"), indirectly wholly-owned by LOC, was formed as a corporation in the United States on 26 December 2000. It is registered as an investment adviser with the U.S. Securities and Exchange Commission.

Generation Investment Management LLP Limited is an independent, private, owner-managed partnership established in 2004 and with offices in London and Washington, D.C., that serves the institutional and mutual fund markets. Generation Investment Management LLP Limited manages LO Funds – Generation Global.

Neuberger Berman Europe Limited is a private limited liability company and is a wholly-owned indirect subsidiary of Neuberger Berman Group LLC, a management-owned and controlled company. It has been appointed as Investment Manager of the Neuberger US Core with effect from 31 December 2011. Neuberger Berman Europe Limited has appointed **Neuberger Berman LLC** as sub-investment manager of the Neuberger US Core with effect from 31 December 2011. Neuberger Berman LLC is a limited liability company and is a wholly-owned indirect subsidiary of Neuberger Berman Group LLC. Neuberger Berman Europe Limited will supervise Neuberger Berman LLC and will remain fully responsible for Neuberger Berman LLC's management decisions and actions pertaining to the assets of the Sub-Fund allocated to Neuberger Berman Europe Limited. For ease of reference, Neuberger Berman Europe Limited and Neuberger Berman LLC are referred to collectively as "Investment Manager" in the description of the Sub-Fund allocated to Neuberger Berman Europe Limited.

Pzena Investment Management, L.L.C. is an investment management firm founded in 1996 in New York that offers classic value strategies to its individual and institutional clients. Pzena Investment Management, L.L.C. manages LO Funds – Pzena Global Value.

Sands Capital Management, L.L.C. is an independent investment manager formed in 1992 and is organized as a limited liability company incorporated in Delaware. Its principal place of business is 1101 Wilson Boulevard, Suite 2300, Arlington, Virginia, 22209, United States. Sands Capital Management, L.L.C. manages LO Funds – Sands US Growth.

Seven Seas Asset Management Limited is an independent investment manager based in London (UK) and authorised and regulated by the Financial Services Authority. The company was established in 2007 and specialises in Japanese equity funds for the institutional and mutual fund markets. Seven Seas Asset Management Ltd manages LO Funds – Japanese Small and Mid Caps and LO Funds – Alpha Japan.

Van Eck Associates Corporation is a privately-held, New York-based asset manager specializing in hard asset equities, commodities and emerging markets. Van Eck Associates Corporation manages LO Funds – World Gold Expertise.

William Blair & Company, L.L.C. is an independent, employee-owned, Chicago-based investment firm offering investment banking, asset management, equity research, institutional and private brokerage, and private capital to individual and institutional clients since 1935. The Investment Management division is deeply rooted in a discipline of building investment portfolios through fundamental research. William Blair & Company, L.L.C. manages LO Funds – William Blair Global Growth.

7.4 International Advisory Boards

Global and Sector/Thematic Equity Sub-Funds

The Board or, upon delegation, the Management Company or the Investment Managers may establish for the Global and Sector/Thematic Equity Sub-Funds Advisory Boards, whose members are, as well as certain Directors, persons who in the judgment of the Directors, are highly knowledgeable about international investments, business, political, economics, scientific or technological matters. The International Advisory Boards, whilst not participating in specific investment decisions, will consult with and advise the Management Company and Investment Managers from time to time with respect to global economic, political and business trends and developments, with regard to these Sub-Funds.

The members of the Advisory Boards will be appointed from time to time and their names will be listed on a specific document which may be consulted at the registered office of the Company.

7.5 Co-management

In order to reduce operational and administrative charges whilst allowing a wider diversification of the investments, the Board may decide that part or all of the assets of any Sub-Fund will be co-managed with assets belonging to other Luxembourg collective investment schemes or that part or all of the Sub-Funds will be co-managed among themselves. In the following paragraphs, the words "co-managed Entities" shall refer to any Sub-Fund and all entities with and between which there exists any given co-management arrangement and the words "co-managed Assets" shall refer to the entire assets of these co-managed Entities which are managed pursuant to the same co-management arrangements.

Under the co-management arrangement, the Management Company and the Investment Managers will be entitled to take, on a consolidated basis for the relevant co-managed Entities, investment and disinvestment decisions which will influence the composition of the Sub-Funds. Each co-managed Entity shall hold a portion of the co-managed Assets corresponding to the proportion of its net assets to the total value of the co-managed Assets. This proportional holding shall be applicable to each and every line of investment held or acquired under co-management. In case of investment and/or disinvestment decisions these proportions shall not be affected and additional investments shall be allotted to the co-managed Entities pursuant to the same proportion and assets sold shall be levied proportionately on the co-managed Assets held by each co-managed Entity.

In case of new subscriptions in one of the co-managed Entities, the subscription proceeds shall be allotted to the co-managed Entities pursuant to the modified proportions resulting from the net asset increase of the co-managed Entity which has benefited from the subscriptions and all lines of investment shall be modified by a transfer of assets from one co-managed Entity to the other in order to be adjusted to the modified proportions. In a similar manner, in case of redemptions in one of the co-managed Entities, the cash required may be levied on the cash held by the co-managed Entities pursuant to the modified proportions resulting from the net asset reduction of the co-managed Entity which has suffered from the redemptions and, in such case, all lines of investment shall be adjusted to the modified proportions. **Shareholders should be aware that, in the absence of any specific action by the Board or its appointed agents, the co-management arrangement may cause the composition of assets of a Sub-Fund to be influenced by events attributable to other co-managed Entities such as subscriptions and redemptions.** Thus, all other things being equal, subscriptions received in one entity with which any Sub-Fund is co-managed will lead to an increase of this Sub-Fund's reserve of cash. Conversely, redemptions made in one entity with which any Sub-Fund is co-managed will lead to reduction of this Sub-Fund's reserve of cash. Subscriptions and redemptions may however be kept in the specific account opened for each co-managed Entity outside the co-management arrangement and through which subscriptions and redemptions must pass. The possibility to allocate substantial subscriptions and redemptions to these specific accounts together with the possibility for the Board or its appointed agents to decide at any time to terminate a Sub-Fund's participation in the co-management arrangement permit this Sub-Fund to avoid the readjustments of its portfolio if these readjustments are likely to affect the interest of the Sub-Fund and of its shareholders.

If a modification of the composition of a Sub-Fund resulting from redemptions or payments of charges and expenses peculiar to another co-managed Entity (i.e. not attributable to such Sub-Fund) is likely to result in a breach of the investment restrictions applicable to this Sub-Fund, the relevant assets shall be excluded from the co-management arrangement before the implementation of the modification in order for it not to be affected by the ensuing adjustments.

In order to assure that investment decisions are fully compatible with the investment policy of the Sub-Fund, co-managed Assets of any Sub-Fund shall only be co-managed with assets intended to be invested pursuant to investment objectives identical to those applicable to the co-managed Assets of such Sub-Fund. Co-managed Assets of any Sub-Fund shall only be co-managed with assets for which the Custodian also acts as depository in order to assure that the Custodian is able, with respect to such Sub-Fund, to fully carry out its functions and responsibilities pursuant to the Act. The Custodian shall at all times keep the Sub-Funds' assets segregated from the assets of other co-managed Entities, and shall therefore be able at all times to identify the assets of the Sub-Funds. Since co-managed Entities may have investment policies which are not strictly identical to the investment policy of one of the Sub-Funds, it is possible that the common policy implemented may be more restrictive than that of the Sub-Fund.

The Dirigeants or the Board may decide at any time and without notice to terminate a co-management arrangement.

Shareholders may at all times enquire at the registered office of the Company as to the percentage of assets which are co-managed and of the entities with which there is such a co-management arrangement at the time of their request. Annual and semi-annual reports shall state the co-managed Assets' composition and percentages.

Co-management arrangements with non-Luxembourg entities shall be authorized provided that (1) the co-management agreement to which the non-Luxembourg entity is a party is subject to Luxembourg law and the jurisdiction of the Luxembourg courts, or that (2) the rights of each co-managed Entity concerned are established in such a way that no creditor, liquidator or bankruptcy curator of the non-Luxembourg entity concerned has access to the assets of the Sub-Funds or has the right to freeze them.

8. CUSTODIAN

The Company has, under an agreement ("Custodian and Central Administration Agreements") appointed CACEIS Bank Luxembourg (formerly Crédit Agricole Investor Services Bank Luxembourg) as Custodian of the assets of the Company. This Agreement has no fixed duration and may be terminated by either party upon giving 3 months' prior notice.

The Custodian is a bank organized as a "société anonyme" under the laws of the Grand Duchy of Luxembourg incorporated in Luxembourg. Its registered office is at 5, Allée Scheffer, 2520 Luxembourg, Grand Duchy of Luxembourg. The share capital of the Custodian amounted to EUR 242,000,000.- as at 2 May 2011.

In consideration of its service, the Custodian shall receive from the Company its customary fees expressed as a percentage of net assets (accruing and calculated on each Business Day and payable monthly in arrears). In addition, the Custodian is entitled to be reimbursed by the Company for its reasonable out-of-pocket expenses and the fees charged to it by any correspondent bank or other agent (including any clearing system).

The Custodian Agreement provides that all securities and other permitted assets of the Company are to be held by or to the order of the Custodian. The Custodian shall also be responsible for the collection of principal and income on, and the payment for and collection of proceeds of, securities bought and sold by the Company. The responsibilities of the Custodian shall be those laid down in Article 33 of the Act.

9. CENTRAL ADMINISTRATION, REGISTRAR, TRANSFER AGENT, PAYING AGENT AND LISTING AGENT

The Company has, under an agreement ("Custodian and Central Administration Agreements") appointed CACEIS Bank Luxembourg to act for the Company in Luxembourg as central administration, registrar and transfer agent, paying agent and listing agent (the "Central Administration Agent").

The Central Administration Agent may delegate part or all of its functions to a third party service provider, under its responsibility.

This agreement may be terminated by either party giving 3 months' prior notice.

10. INDEPENDENT AUDITORS AND LEGAL ADVISERS

PricewaterhouseCoopers S.à r.l., Réviseur d'entreprises, 400, route d'Esch, 1471 Luxembourg, Grand Duchy of Luxembourg shall act as the Independent Auditors of the Company.

The Company's legal advisers are Linklaters LLP, 35, Avenue John F. Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg.

11. CHARGES AND EXPENSES

11.1 Initial Charge

On subscriptions for P, I and H Shares of any Sub-Fund, the Directors have determined that the Distributor may make an initial charge (the "Initial Charge") not exceeding 5% of the Issue Price, such Initial Charge being paid to the Distributor. For the R Shares of any Sub-Fund, the Initial Charge will not exceed 3% of the Issue Price. The Distributor may from time to time, rebate to sales agents or to introducing brokers all or a portion of the Initial Charge.

Pursuant to article 181 (8) of the Act, in the event that a Sub-Fund of the Company subscribes and holds Shares of any Target Sub-Fund, there is no duplication of subscription fees between those at the level of the Sub-Fund having invested in the Target Sub-Fund, and the Target Sub-Fund.

11.2 Redemption Charge

There is no redemption charge payable on redemption.

Pursuant to article 181 (8) of the Act, in the event that a Sub-Fund of the Company subscribes and holds Shares of any Target Sub-Fund, there is no duplication of redemption fees between those at the level of the Sub-Fund having invested in the Target Sub-Fund, and the Target Sub-Fund.

11.3 Conversion Charge

On conversions between the different Sub-Funds the Directors have determined that the Distributor may levy a conversion charge of up to 0.50% of the value of the Shares being converted. No charges will be levied in respect of shareholders wishing to change the category of their Shares.

11.4 Dealing Charge

S category of Shares - Usual Dealing Charges

In addition to the charges mentioned above, the Issue and Redemption Prices of the S Shares may be increased, respectively reduced by dealing charges levied by the Company in favour of the relevant Sub-Fund, in order to mitigate the effect of portfolio transactions costs resulting from subscriptions or redemptions. In case of conversion between Sub-Funds (but not between categories of Shares within the same Sub-Fund), two dealing charges will be levied by the Company, the first in favour of the original Sub-Fund and the second in favour of the new Sub-Fund. The dealing charges, applicable at the discretion of the Directors to the S Category of Shares of the Sub-Funds, will not exceed 2%.

When the Directors decide to make a Dilution Adjustment, as defined in paragraph 16.1, no usual dealing charge will be levied on the S Shares nor will this category of Shares be subject to the Swinging Single Pricing.

Discretionary Dealing Charges Imposed for Excessive Trading

The Directors are entitled to levy a discretionary dealing charge on the Shares of any Sub-Fund where they believe that excessive trading is being practiced. The Directors do not knowingly allow investments that are associated with excessive trading practices, as such practices may adversely affect the interests of all shareholders. Excessive trading includes investors whose securities transactions seem to follow a timing pattern or are characterized by excessively frequent or large trades. In case of excessive trading, the Redemption Price of the Shares will be reduced by the discretionary dealing charge, not exceeding 3% of the Redemption Price, in favor of the relevant Sub-Fund.

11.5 Annual Charges

11.5.1 Management Fee

For the R, P, I and H categories of Shares, the Management Company is entitled to a management fee calculated and accrued at each Valuation Day by reference to the Net Asset Value of the relevant categories of Shares and Sub-Funds and payable monthly in arrears. For the Tactical Alpha, Selective Global, Generation Global, Emerging Consumer, Europe High Conviction, Japanese Small & Mid Caps, Alpha Japan, 1798 Europe Equity Long/Short, 1798 Optimum Trend and Total Return Bond Sub-Funds the Management Company is also entitled to a performance fee described hereunder.

No management and performance fees are payable on the S category of Shares. Investors willing to subscribe S Shares have to enter into a remuneration agreement with the Company, the Management Company or any other entity of the Lombard Odier Group. Invoices issued by the Management Company to the Company, according to the provisions of the Management Company Agreement (see Section 7), will be paid directly by such institutional investor.

The management fee payable to the Management Company for its services in respect of the different categories of Shares of each Sub-Fund are indicated hereunder.

The investment advisory and asset allocation fees are borne by the Investment Manager and the Management Company. The Management Company may, from time to time, rebate a portion of the management fees.

In accordance with article 181 (8) of the Act, in the event that a Sub-Fund of the Company subscribes and holds Shares of any Target Sub-Fund, there is no duplication of management fees between those at the level of the Sub-Fund having invested in the Target Sub-Fund, and the Target Sub-Fund.

11.5.2 Distribution Fee

For the services provided in the promotion of the Company's shares, described in Section 12, the Distributor is entitled to a distribution fee calculated and accrued at each Valuation Day by reference to the Net Asset Value of the P and R categories of Shares of the relevant Sub-Funds and payable monthly in arrears. No distribution fee is payable on I and S Shares.

The Distributor may, from time to time, rebate to local distributors, sales agents, introducing brokers or to shareholders a portion or all of the fees.

The distribution fee payable to the Distributor for its services in respect of the P and R categories of Shares of each Sub-Fund are indicated in the table below.

Maximum Management Fees and Distribution Fees as an annual percentage of the Net Asset Value of the relevant Category of Shares for each Sub-Fund						
	Management Fees		Distribution Fees		Total Fees	
Categories	P, R and I	H	P	R	P	R
Alternative Beta	0.75%	1.50%	0.75%	1.55%	1.50%	2.30%
Tactical Alpha*	1.00%	1.75%	0.75%	1.55%	1.75%	2.55%
All Roads	1.00%	2.00%	1.00%	1.55%	2.00%	2.55%
Selective Global*	0.75%	1.50%	0.75%	1.55%	1.50%	2.30%
Pzena Global Value	1.00%	1.75%	0.75%	1.55%	1.75%	2.55%
William Blair Global Growth	1.00%	1.75%	0.75%	1.55%	1.75%	2.55%
Generation Global*	1.00%	1.50%	0.50%	1.55%	1.50%	2.55%
Global Equity High Dividend	1.00%	2.00%	1.00%	1.55%	2.00%	2.55%
Global Equity Risk Parity	0.75%	1.50%	0.75%	1.55%	1.50%	2.30%
Technology	1.00%	2.00%	1.00%	1.55%	2.00%	2.55%
1798 Technology Long/Short*	1.50%	2.25%	0.75%	1.55%	2.25%	3.05%
Golden Age	0.75%	1.50%	0.75%	1.55%	1.50%	2.30%
World Gold Expertise	1.00%	2.00%	1.00%	1.55%	2.00%	2.55%
Clean Tech	1.00%	2.00%	1.00%	1.55%	2.00%	2.55%
Global Energy	1.00%	2.00%	1.00%	1.55%	2.00%	2.55%
Commodities Risk Parity	0.75%	1.50%	0.75%	1.55%	1.50%	2.30%
Vital Food	1.00%	2.00%	1.00%	1.55%	2.00%	2.55%
Emerging Consumer*	0.75%	1.50%	0.75%	1.55%	1.50%	2.30%
Smart Cities	0.75%	1.50%	0.75%	1.55%	1.50%	2.30%
Emerging Equity Risk Parity	0.75%	1.50%	0.75%	1.55%	1.50%	2.30%
Neuberger Berman US Core	0.75%	1.50%	0.75%	1.55%	1.50%	2.30%
Sands US Growth	1.00%	1.75%	0.75%	1.55%	1.75%	2.55%
Europe High Conviction*	0.75%	1.50%	0.75%	1.55%	1.50%	2.30%
Europe Core Equity	0.75%	1.50%	0.75%	1.55%	1.50%	2.30%
Eurozone Small & Mid Caps	0.90%	1.80%	0.90%	1.55%	1.80%	2.45%
Japanese Small & Mid Caps*	1.00%	1.75%	0.75%	1.25%	1.75%	2.25%
Alpha Japan*	0.75%	1.50%	0.75%	1.55%	1.50%	2.30%
1798 Europe Equity Long/Short (weekly Shares)*	1.50%	2.00%	0.50%	1.30%	2.00%	2.80%
1798 Europe Equity Long/Short (daily Shares)*	1.75%	2.25%	0.50%	1.30%	2.25%	3.05%
Swiss Small & Mid Caps	0.90%	1.80%	0.90%	1.55%	1.80%	2.45%
Euro Government Fundamental	0.375%	0.75%	0.375%	0.825%	0.75%	1.20%

Maximum Management Fees and Distribution Fees as an annual percentage of the Net Asset Value of the relevant Category of Shares for each Sub-Fund						
	Management Fees		Distribution Fees		Total Fees	
Categories	P, R and I	H	P	R	P	R
Government Bond (USD)	0.375%	0.75%	0.375%	0.825%	0.75%	1.20%
Euro Inflation-Linked Fundamental	0.375%	0.75%	0.375%	0.825%	0.75%	1.20%
Global Government Fundamental	0.375%	0.75%	0.375%	1.125%	0.75%	1.50%
1798 Optimum Trend*	0.30%	0.60%	0.30%	0.70%	0.60%	1.00%
Asia Credit Bond	0.75%	1.50%	0.75%	1.55%	1.50%	2.30%
Swiss Franc Bond (Foreign)	0.30%	0.60%	0.30%	0.70%	0.60%	1.00%
Total Return Bond*	0.50%	1.00%	0.50%	1.00%	1.00%	1.50%
Global Corporate Fundamental	0.55%	1.10%	0.55%	1.15%	1.10%	1.70%
Euro Responsible Corporate Fundamental	0.45%	0.90%	0.45%	0.90%	0.90%	1.35%
Euro Credit Bond	0.45%	0.90%	0.45%	0.90%	0.90%	1.35%
Global BBB-BB Fundamental	0.65%	1.30%	0.65%	1.25%	1.30%	1.90%
Euro BBB-BB Fundamental	0.50%	1.00%	0.50%	1.00%	1.00%	1.50%
Swiss Franc Credit Bond (Foreign)	0.30%	0.60%	0.30%	0.70%	0.60%	1.00%
Emerging Market Bond Fundamental	0.50%	1.00%	0.50%	1.00%	1.00%	1.50%
Emerging Local Currency Bond Fundamental	0.75%	1.50%	0.75%	1.55%	1.50%	2.30%
Convertible Bond	0.65%	1.30%	0.65%	1.15%	1.30%	1.80%
Convertible Bond Asia	0.75%	1.50%	0.75%	1.55%	1.50%	2.30%
Money Market (EUR)	0.16%	0.32%	0.16%	0.40%	0.32%	0.56%
Money Market (USD)	0.16%	0.32%	0.16%	0.40%	0.32%	0.56%
Money Market (GBP)	0.16%	0.32%	0.16%	0.40%	0.32%	0.56%

* In addition to the above-mentioned management and distribution fees, these Sub-Funds are subject to a performance fee described below.

No management and performance fees are payable on the S category of Shares. Investors willing to subscribe S Shares have to enter into a remuneration agreement with the Company, the Management Company or any other entity of the Lombard Odier Group.

When a maximum and/or minimum management and/or distribution fee is indicated, investors can find the amount of the management fee and distribution fee that was applied within the semi-annual and annual reports.

No distribution fee is payable on I and S Shares.

11.5.3 Performance Fee

Performance fee for the Selective Global, Generation Global, Europe High Conviction, Emerging Consumer, Japanese Small & Mid Caps and Alpha Japan Sub-Funds

For the R, P, and I categories of Shares, the Management Company is entitled, in addition to the management fees described above, to a performance fee amounting to a percentage (the "percentage") of the relative performance of the Sub-Fund compared to its benchmark (the "benchmark") during a certain period of time (the "performance period"), subject to a Relative High Water Mark. Shareholders should be aware that under the Performance Fee formula disclosed hereinafter, a Performance Fee may be payable on yearly basis to the Management Company in respect of a given period, even if there was a decrease of the Net Asset Value over the relevant period. Shareholders should also be aware that redemptions will cause a "crystallisation" of the Performance fee. Therefore, for shares redeemed, any Performance Fee accrued for the relevant Sub-Fund at the date of redemption will be payable to the Management Company, in proportion to the Shares redeemed.

The Relative High Water Mark principle means that if the Management Company underperforms its Benchmark during a performance period, it has first to recoup this loss in the next performance period(s) before being entitled to a performance fee. In other words, the Sub-Fund must have generated a performance greater than the Benchmark since the latest of (i) the last payment of the Performance Fee, or (ii) the introduction of the Performance Fee, in case such fee has never been paid yet.

The performance fee is paid in arrears at the end of the performance period. It shall be calculated and accrued in the Net Asset Value on a daily basis.

The relevant percentage, benchmark and performance period of each Sub-Fund are indicated in the following table:

	Performance Fee (as an annual percentage of the relative performance compared to its benchmark)		
Sub-Fund	**Percentage**	**Benchmark**	**Performance Period**
Selective Global	20%	MSCI World ND	1 October to 30 September
Generation Global	20%	MSCI World ND	1 October to 30 September
Europe High Conviction	15%	MSCI Europe ND	1 October to 30 September
Emerging Consumer	10%	MSCI World ND Hedged	1 October to 30 September
Japanese Small & Mid Caps	20%	Russel/Nomura Small & Mid-Cap Index TR	1 October to 30 September
Alpha Japan	20%	Topix TR (to be hedged against the respective Alternative currency for the categories of Shares issued in Alternative currencies)	1 October to 30 September

Examples of performance fee based on a 20% "Percentage" and annual "Performance period":

	Sub-Fund's NAV	**Benchmark**	**Sub-Fund's Performance**	**Benchmark's Performance**	**Performance Fee**	**NAV net of Performance**
T0	100	200	-	-	-	-
T1	112	206	12.00%	3.00%	1.80%	109.98
T2	115	220	4.56%	6.80%	none	115.00
T3	125	225	13.66%	9.22%	0.89%	123.89

The Sub-Fund is launched at T0 with a NAV of 100.

At the end of the first year (T1), the NAV is 112 (gain of 12%) and the benchmark is at 206 (gain of 3%). As the Sub-Fund outperforms its benchmark by 9%, the Management Company is entitled to a performance fee of 1.8% (20% x 9%).The Sub-Fund's NAV (109.98) and the benchmark's level (206) at that time are used for calculating the performance fee for the second year (Relative High Water Mark).

At the end of the second year (T2), the Sub-Fund has underperformed the benchmark, and thus no performance fee is charged. The Relative High Water Mark stays at the same level.

At the end of the third year (T3), the Sub-Fund exhibits a performance of 13.66% (from 109.98 to 125) and the Benchmark a performance of 9.22% (from 206 to 225) compared to the Relative High Water Mark. As the Sub-Fund outperforms its Benchmark by 4.44%, the Management Company is entitled to a performance fee of 0.89% (20% x 4.44%). The new High Water Mark levels are set on 123.89 for the NAV and 225 for the Benchmark.

Performance fee for the Tactical Alpha, 1798 Technology Long/Short, 1798 Europe Equity Long/Short, 1798 Optimum Trend and Total Return Bond Sub-Funds

For the R, P, and I categories of shares, the Management Company is entitled to a performance fee when the Sub-Fund exhibits a positive absolute performance during a certain period of time (the "performance period"), subject to an Absolute High Water Mark. The performance fee amounts to a percentage (the "percentage") of the Sub-Fund's performance in excess of the hurdle rate (if any).

The Absolute High Water Mark is the greater of (i) the Net Asset Value per share at the end of any performance period where a performance fee has been paid or (ii) the initial offer price per share.

The Performance Fee is payable in arrears at the end of the performance period. It shall be calculated and accrued in the Net Asset Value on a daily basis. Shareholders should also be aware that redemptions will cause a "crystallisation" of the Performance fee. Therefore, for shares redeemed, any Performance Fee accrued for the relevant Sub-Fund at the date of redemption will be payable to the Management Company, in proportion to the Shares redeemed.

The relevant percentage, hurdle rate and performance period of each Sub-Fund are indicated in the following table:

	Performance Fee (as an annual percentage of the relative performance compared to its benchmark/hurdle rate)			
Sub-Fund	**Percentage**	**Hurdle Rate**		**Performance Period**
Tactical Alpha	15%	EUR shares:	Eonia	1 October to 30 September
		USD shares:	Barclays Overnight USD	
		CHF shares:	Swiss Average Rate Overnight Index	
		GBP shares:	LIBOR GBP Overnight	
		JPY shares:	TIBOR	
		HKD shares:	HIBOR Overnight	
		SGD shares:	SIBOR Overnight	
1798 Technology Long/Short	20%	None		1 October to 30 September
1798 Europe Equity Long/Short	20%	None		1 October to 30 September
1798 Optimum Trend	20%	Eonia		1 October to 30 September
Total Return Bond	10%	Eurozone HICP Inflation + 2%		1 October to 30 September

Examples of performance fee based on a 20% "Percentage" and annual "Performance period":

	Sub-Fund's NAV	**Sub-Fund's Performance Since High Water Mark**	**Yearly Hurdle Rate**	**Performance Fee**	**NAV net of Performance**	**High Water Mark**
T0	100	-	-	-	-	100
T1	108	8.00%	3.00%	1%	106.9	108
T2	105	-2.8%	3.00%	none	105.0	108
T3	110	1.85%	3.00%	none	110.0	108

The Sub-Fund is launched at T0 with a NAV of 100.

At the end of the first year (T1), the Sub-Fund exhibits an absolute positive performance of 8%, which is 5% in excess of the hurdle rate. The Management Company is entitled to a performance fee of 1% (20% x 5%). Because a performance fee is paid, the Absolute High Water Mark is set on 108.

At the end of the second year (T2), the Sub-Fund exhibits a negative absolute performance (-2.8%). The Management Company is not entitled to a performance fee. The Absolute High watermark stays at 108.

At the end of the third year (T3), the Sub-Fund exhibits an absolute positive performance of 4.76%. However, the performance compared to the High Water Mark (108) is only 1.85%, under the hurdle rate. The Management Company is not entitled to a performance fee. The Absolute High Water Mark stays at 108.

11.5.4 Fixed Rate of Operational Cost

For the R, P, I, S and H categories of Shares, the Company pays to the Management Company a fixed rate of operational costs ("FROC") as an annual percentage of the Net Asset Value of the relevant category of Shares for each Sub-Fund.

The FROC includes:

(i) Custodian, Administration, Registrar and Transfer Agent fees;

(ii) Domiciliary Agent fee;

(iii) Government charges;

(iv) Fees and expenses of its legal and tax advisers in Luxembourg and abroad;

(v) Fees and expenses of its external auditors;

(vi) Director fees, directors and officers insurance premiums;

(vii) Fees related to the exercise of proxy voting;

(viii) *Taxe d'abonnement* (see Section 18 for further details);

(ix) Costs related to the registration and maintenance of such registration in all jurisdictions (including fees charged by the relevant supervisory authorities, translation costs and remuneration of Foreign Representatives and local paying agents);

(x) Marketing fees, costs relating to the publication of offering / redemption prices, distribution of semi-annual and annual reports, other reporting expenses;

(xi) Costs related to distribution of Shares through local clearing systems when according to local practice such costs are supported by the Company;

(xii) Fees and expenses of any other service providers or officers appointed by the Company;

(xiii) Fees and expenses charged by affiliated entities of the Lombard Odier Group in relation to legal, compliance, administrative and operational services, including accounting support, provided to the Management Company for the account of the Company;

(xiv) Fees and expenses of any license / trademark used by the Company;

(xv) Fees and expenses related to the mailing / publication of notices to shareholders or any other type of communication to shareholders, regulatory authorities, service providers, etc.

(xvi) Any other fees and expenses charged to the Company in relation to its day-to-day operations;

(xvii) Any expenses in relation to liquidation procedures.

The FROC does not include transaction costs, stock lending charges, interest on bank overdraft and any other extraordinary fees and expenses as further detailed below in paragraph 11.5.5 Other Fees.

The FROC effectively paid to the Management Company (the "Effective FROC") cannot exceed the maximum FROC (the "Maximum FROC") as disclosed in the table below.

The Effective FROC for the relevant categories of Shares for each Sub-Fund is disclosed in the semi-annual and annual reports.

Within the maximum fixed rates mentioned in the table below, the Directors reserve the right to adjust the Effective FROC from time to time.

In the event that the amount of the actual operational costs exceeds the Effective FROC for any category of Shares of any Sub-Fund, the Management Company bears such additional costs. Conversely, should the actual operational costs be lower than the Effective FROC for any category of Shares of any Sub-Fund, the Management Company is entitled to retain such difference.

Maximum Fixed Rate of Operational Costs as an annual percentage of the Net Asset Value of the relevant Category of Shares for each Sub-Fund					
Categories	**R**	**P**	**I**	**S**	**H**
Alternative Beta	0.63%	0.50%	0.31%	0.16%	0.63%
Tactical Alpha	0.57%	0.44%	0.25%	0.10%	0.57%
All Roads	0.57%	0.44%	0.25%	0.10%	0.57%
Selective Global	0.57%	0.44%	0.25%	0.13%	0.57%
Pzena Global Value	0.57%	0.44%	0.25%	0.13%	0.57%
William Blair Global Growth	0.57%	0.44%	0.25%	0.13%	0.57%
Generation Global	0.57%	0.44%	0.25%	0.13%	0.57%
Global Equity High Dividend	0.57%	0.44%	0.25%	0.13%	0.57%
Global Equity Risk Parity	0.57%	0.44%	0.25%	0.13%	0.57%
Technology	0.57%	0.44%	0.25%	0.13%	0.57%
1798 Technology Long/Short	0.57%	0.44%	0.25%	0.13%	0.57%
Golden Age	0.57%	0.44%	0.25%	0.13%	0.57%
World Gold Expertise	0.57%	0.44%	0.25%	0.13%	0.57%
Clean Tech	0.57%	0.44%	0.25%	0.13%	0.57%
Global Energy	0.57%	0.44%	0.25%	0.13%	0.57%
Commodities Risk Parity	0.57%	0.44%	0.25%	0.13%	0.57%
Vital Food	0.75%	0.57%	0.32%	0.15%	0.75%
Emerging Consumer	0.75%	0.57%	0.32%	0.18%	0.75%
Smart Cities	0.75%	0.57%	0.32%	0.15%	0.75%
Emerging Equity Risk Parity	0.75%	0.57%	0.32%	0.18%	0.75%
Neuberger Berman US Core	0.57%	0.44%	0.25%	0.13%	0.57%
Sands US Growth	0.57%	0.44%	0.25%	0.13%	0.57%
Europe High Conviction	0.57%	0.44%	0.25%	0.13%	0.57%
Europe Core Equity	0.57%	0.44%	0.25%	0.13%	0.57%
Eurozone Small & Mid Caps	0.75%	0.57%	0.32%	0.15%	0.75%
Japanese Small & Mid Caps	0.75%	0.57%	0.32%	0.15%	0.75%
Alpha Japan	0.57%	0.44%	0.25%	0.13%	0.57%
1798 Europe Equity Long/Short (weekly Shares)	0.57%	0.44%	0.25%	0.13%	0.57%
Swiss Small & Mid Caps	0.75%	0.57%	0.32%	0.15%	0.75%
Euro Government Fundamental	0.38%	0.32%	0.19%	0.10%	0.38%
Government Bond (USD)	0.38%	0.32%	0.19%	0.10%	0.38%
Euro Inflation-Linked Fundamental	0.38%	0.32%	0.19%	0.10%	0.38%
Global Government Fundamental	0.38%	0.32%	0.19%	0.10%	0.38%
1798 Optimum Trend	0.38%	0.32%	0.19%	0.10%	0.38%
Asia Credit Bond	0.57%	0.44%	0.25%	0.10%	0.57%
Swiss Franc Bond (Foreign)	0.44%	0.32%	0.23%	0.10%	0.44%
Total Return Bond	0.44%	0.32%	0.23%	0.10%	0.44%
Global Corporate Fundamental	0.57%	0.44%	0.25%	0.10%	0.57%
Euro Responsible Corporate Fundamental	0.57%	0.44%	0.25%	0.10%	0.57%
Euro Credit Bond	0.57%	0.44%	0.25%	0.10%	0.57%
Global BBB-BB Fundamental	0.57%	0.44%	0.25%	0.10%	0.57%
Euro BBB-BB Fundamental	0.57%	0.44%	0.25%	0.10%	0.57%

Maximum Fixed Rate of Operational Costs as an annual percentage of the Net Asset Value of the relevant Category of Shares for each Sub-Fund					
Categories	**R**	**P**	**I**	**S**	**H**
Swiss Franc Credit Bond (Foreign)	0.57%	0.44%	0.25%	0.10%	0.57%
Emerging Market Bond Fundamental	0.75%	0.57%	0.32%	0.19%	0.75%
Emerging Local Currency Bond Fundamental	0.75%	0.57%	0.32%	0.19%	0.75%
Convertible Bond	0.57%	0.44%	0.25%	0.10%	0.57%
Convertible Bond Asia	0.57%	0.44%	0.25%	0.10%	0.57%
Money Market (EUR)	0.25%	0.19%	0.08%	0.08%	0.25%
Money Market (USD)	0.25%	0.19%	0.08%	0.08%	0.25%
Money Market (GBP)	0.25%	0.19%	0.08%	0.08%	0.25%

11.5.5 Other Fees

In addition to the Operational Costs described in paragraph 11.5.4 above, each category of Shares bears the costs relating to certain transactions such as the costs of buying and selling underlying securities, costs charged by any financial institution in relation to swap agreements or OTC transactions, correspondent bank charges relating to delivery, receipt of securities or to foreign exchange transactions, fees relating to collateral management (including delivery or receipt of collateral).

Furthermore, each category of Shares bears any extraordinary expenses incurred by external factors, some of which may not be reasonably foreseeable in the normal course of activity of the Company such as, without limitation, any litigation expenses, or any tax, levy, duty or similar charge of fiscal nature imposed on the Fund or its assets by virtue of a change of laws or regulations.

Subject to the limitations mentioned in Paragraph 4.1 (v), where a Sub-Fund invests in a UCITS or UCI, the investment in the target funds may result in a double charging of fees and expenses, in particular a duplication of the fees payable to the custodian(s), transfer agent(s), Investment Manager(s) and other agents and also subscription and redemption charges, which are generated both at the level of the Sub-Fund and of the target funds in which the Company invests. The maximum level of the management fee that may be charged both to the Sub-Fund and to such other UCITS or UCI will be 3.50% of the Net Asset Value, notwithstanding any performance fee that may be levied in addition to this limit.

11.5.6 Soft Commission

The Management Company has authorized the Investment Managers and any of their affiliated persons to effect soft commission transactions by or through the agency of selected brokers/dealers with whom the Investment Managers have arrangements under which these brokers/dealers will, from time to time, provide to, or procure for the Investment Managers, goods and services or other benefits such as, but not limited to, consultancy, research and advisory services, computer hardware associated with specialized software or researched services and performance methods, portfolio valuation and analysis, market price services, etc. The provision of such services can reasonably be expected to benefit the Company as a whole and may contribute an improvement to the Company's performance and that of the Investment Managers in providing services to the Company and for which no direct payment is made but instead the Investment Managers and any of its affiliated persons undertake to place investment business with these brokers/dealers. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employees' salaries or direct money payments.

The Investment Managers and any affiliated person shall not retain the benefit of any cash commission rebate, being cash commission repayment made by a broker/dealer to the Investment Managers and/or any affiliated persons paid or payable for any such broker/dealer in respect of any investment business placed with such a broker/dealer by the Investment Managers or any affiliated persons for the account of and on behalf of the Company or a Sub-Fund of the Company. Any such cash commission rebate received from any such broker/dealer shall be held by the Investment Managers and any affiliated persons for the account of the relevant Sub-Fund.

The use of soft commissions shall be disclosed in the periodic reports.

11.6 Total Expense Ratio

The costs and commissions charged on the management of each Sub-Fund will be disclosed using the internationally recognized Total Expense Ratio (TER). The TER is calculated twice a year by dividing the total operating costs and commissions, excluding securities transaction costs (brokerage), charged on an ongoing basis to the Sub-Fund's assets by the average assets of such Sub-Fund.

The TER for the Sub-Funds will be included in the semi-annual and annual reports.

12. DISTRIBUTION OF SHARES

The Company has entered into a Management Company Agreement with Lombard Odier Funds (Europe) S.A. whereby Lombard Odier Funds (Europe) S.A. is entrusted with the marketing and distribution of the shares of the Company. Lombard Odier Funds (Europe) S.A. provides services in relation to the promotion of the Company's Shares to other financial intermediaries.

The Company and/or Lombard Odier Funds (Europe) S.A. have entered or will enter into agreements with Distributors in certain countries for the offer and sale to the public of the Shares, in accordance with all applicable laws; Lombard Odier Funds (Europe) S.A. or such Distributors shall be entitled to retain for their own account or to waive in whole or in part the Initial Charge to which they are entitled. They may also, from time to time, rebate to sales agents, introducing brokers or to shareholders, or use for any other purposes as they think fit, a portion of the Initial Charge or any other remuneration received for their activity.

For the purpose of assisting in the distribution of the Shares, the Company may decide to appoint local Nominees in the countries in which the Company is registered. The Nominee, and not the clients who have invested in the Company, shall be recorded in the Register of Shareholders. The agreements with the Nominees shall stipulate that the client, who has invested in the Company via a nominee, may at all times require that the Shares subscribed be transferred to his/her name in the Register of Shareholders.

Investors may subscribe for Shares by applying directly to the Company without having to act through one of the Nominees.

Full details of the terms and conditions of the nominee service can be obtained from the Central Administration Agent and the local Representatives. Investors wishing to use the nominee service should provide the nominee with a correspondence address. Investors must apply for the issue of A Shares when using the nominee service.

In Italy, the local offering documentation of the Company may provide:

(i) the possibility for investors to adhere to regular savings plans;

(ii) the possibility for local paying agents to charge a fee to investors in relation to the execution of subscription, redemption and/or conversion transactions.

13. ISSUE AND SALE OF SHARES

13.1 General Provisions

Whenever the Company issues Shares, the Issue Price shall be the Net Asset Value per Share for the relevant Sub-Fund calculated in the manner set out in paragraph 16.1. On subscription of P, R, I and H Shares, the Issue Price may be increased by the Initial Charge (paragraph 11.1) and for the S Shares by a dealing charge (paragraph 11.4).

The latest Issue and Redemption Prices are made public at the registered office of the Company.

Shares can be subscribed in accordance with the Application Procedure set out in Section 22.

Shares are offered for sale and issued, each Valuation Day, at the Issue Price determined on such day, provided the subscription is received by the Company no later than the Cut-off time, as determined in the table below. All deals will be effected on a forward pricing basis.

Upon prior arrangement with the Company, encompassing a mandatory provision for Distributors not to send any order for their own account or any order received from investors on the same day after the Cut-off time, the subscription orders received by the Company later than such Cut-off time may be accepted from certain Distributors.

The Issue Price shall be expressed in the relevant Reference Currency and in the relevant Alternative Currency, in the case of categories issued in an alternative currency (see paragraph 2.2), determined on each Valuation Day by the Transfer Agent. Investors may place orders for Shares with local Distributors.

Applications may be sent to a Distributor, who shall in such case transmit the substantive content thereof to the Company, or may be sent directly to the Company in Luxembourg. Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in the case of categories issued in an alternative currency, for value the Payment date (as determined in the table below) to the Custodian, indicating the proper identity of the subscribers(s) and the relevant Sub-Fund(s) in which Shares are subscribed.

Requests for subscriptions received after the Cut-off time will be deferred to the next following Business Day.

In case of payment by cheque, the cheque must accompany the application.

The Issue Price may, upon approval of the Board, and subject to all applicable laws, namely with respect to a special audit report confirming the value of any assets contributed in kind, be paid by contributing to the Company securities acceptable to the Board, consistent with the investment policy and investment restrictions of the Company.

For the P Shares category, the initial minimum investment and minimum holding in Shares of any one Sub-Fund are the equivalent of EUR 3,000, whereas for the R Shares category, the initial minimum investment and minimum holding in Shares of any one Sub-Fund are the equivalent of EUR 1,000. For the H Shares category, if available, the minimum initial investment and minimum holding in Shares of any one Sub-Fund are the equivalent of EUR 3,000. There is no subsequent minimum investment in Shares of any one Sub-Fund. Investments in I Shares and S Shares are subject to the conditions mentioned in paragraph 2.2. The Company may request from investors subscribing in I Shares or S Shares the provision of all documents or information evidencing that they meet the relevant criteria to invest in such categories of Shares. In addition, the Company may refuse applications to invest in I and S Shares as long as all the required information and documents above mentioned are not in its possession or for any other appropriate reasons. The Board may waive the initial minimum investment and minimum holding for all categories of shares.

Confirmation advices will be sent to shareholders the next Business Day following execution of the subscription order or, where the confirmation is received by the Management Company from a third party, the first Business Day following receipt of the confirmation from the third party. Registered share certificates ("Registered Share Certificates") are only issued at the request of shareholders. The cost relating to the issue of Registered Share Certificates will be borne by the requesting shareholders.

Registered Share Certificates (if specifically requested by investors) shall be sent to the subscribers within 30 days of the relevant Valuation Day.

The Company may restrict or prevent the ownership of Shares by any person or group of persons, firm or corporate body, or may impose restrictions on the issuance of Shares of any Sub-Fund (also resulting from conversion requests) during any period, as determined by the Board.

The Company reserves the right to reject any application in whole or in part, in which event the application monies or the balance thereof will be returned forthwith to the applicant. The Company does not permit practices related to market timing and reserves the right to reject subscription and conversion orders from investors who the Company suspects of using such practices and to take the appropriate measures to protect other investors of the Company.

Sub-Funds	**Cut-off time [1] (luxembourg time)**	**Valuation Day [2] ("T")**	**Payment Date [3] (Subscriptions)**
All Roads	3 p.m. on T-2 days	Daily	T+3 days
Emerging Consumer	3 p.m. on T-1 day	Weekly, each Thursday	T+3 days
1798 Technology Long/Short	3 p.m. on T-1 day	Weekly, each Thursday	T+3 days
1798 Europe Equity Long/Short (weekly Shares)	3 p.m. on T-1 day	Weekly, each Thursday	T+3 days
Money Market (EUR)	3 p.m. on T	Daily	T+2 days
Money Market (USD)	3 p.m. on T	Daily	T+2 days
Money Market (GBP)	3 p.m. on T	Daily	T+2 days
All other Sub-Funds	3 p.m. on T-1 day	Daily	T+3 days

Nb: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day

[3] For redemptions, payments will ordinarily be made in the Reference Currency within the payment date

14. REDEMPTION OF SHARES

14.1 General Provisions

Whenever the Company shall redeem Shares, the Redemption Price shall be reduced, in case of S Shares by a dealing charge and in case of excessive trading by a discretionary dealing charge (paragraph 11.4).

Shareholders' requests for redemption of Shares must be made to the Company in writing or by telex or facsimile, confirmed in writing by no later than the relevant Cut-off time (see paragraph 13.1). A request duly made shall be irrevocable, except in case of and during any period of suspension or deferment of redemptions. In all other cases, the Board may approve the withdrawal of a redemption request.

In compliance with the forward pricing principle, requests for redemption received after the Cut-off time will be deferred to the next following Business Day. Upon prior arrangement with the Company, encompassing a mandatory provision for Distributors not to send any order for their own account or any order received from investors on the same day after the Cut-off time, the redemption orders received by the Company later than such Cut-off time may be accepted from certain Distributors.

In case the residual value of the P, R or H Shares held by an investor in a Sub-Fund falls below the minimum holding amount mentioned in paragraph 2.2 (equivalent in any Reference Currency of EUR 3,000 for P and H Shares and EUR 1,000 for R Shares) following a redemption request, the Company may redeem the remaining holding of the investor in the relevant Sub-Fund. In case the residual value of the I Shares or S Shares held by an investor falls below the threshold indicated in paragraph 2.2, the measures indicated under Conversion of Shares (Section 15) may be taken by the Company.

The value of Shares at the time of their redemption may be more or less than the shareholder's cost, depending on the market values of the assets held by the Sub-Fund at such time. The value of Shares issued of a category with an Alternative Currency will also largely depend on the currency fluctuation of the Alternative Currency towards the Reference Currency of the Sub-Fund as well as on the hedging policy used to cover this exchange risk.

At the shareholders' request, the Company may elect to make an in specie distribution, having due regard to all applicable laws and regulations and to all shareholders' interest.

Shares shall be cancelled upon their redemption by the Company.

Payments will ordinarily be made in the Reference Currency within the time limit mentioned under "Payment Date" in the table under paragraph 13.1, or on the date the Share Certificate(s) (if issued) have been returned to the Company, if later. For Shares issued of a category with an Alternative Currency, payments of redemption proceeds will ordinarily be made in such currency.

Receipt of the sale proceeds by the Company may, however, be delayed and the amount ultimately received may not necessarily reflect the Net Asset Value calculation made at the time of the relevant transactions because of possible fluctuations in the currency values and difficulties in repatriating funds from certain jurisdictions (see Section 5).

If in exceptional circumstances the liquidity of the portfolio of assets maintained in respect of the class of Shares being redeemed is not sufficient to enable the payment to be made within such a period, such payment shall be made as soon as reasonably thereafter, but without interest.

Payment of redemptions proceeds may be delayed if there are any specific statutory provisions such as foreign exchange restrictions, or any circumstances beyond the Company's control which make it impossible either to obtain payment for the sale or disposal of a Sub-Fund's assets or to transfer the redemption proceeds to the country where the redemption was requested.

Confirmation of the execution of a redemption order will be sent to the shareholder on the next Business Day following execution of the redemption order or, where the confirmation is received by the Management Company from a third party, the first Business Day following receipt of the confirmation from the third party.

14.2 Deferment of Redemptions

In order to ensure that shareholders who do not seek to have their Shares redeemed are not disadvantaged by the reduction of the liquidity of the Company's portfolio as a result of significant redemption applications received over a limited time frame, the Directors may apply the procedures set out below to permit the orderly disposal of securities to meet redemptions.

In case of redemption requests on any Valuation Day for more than 10% of the number of Shares relating to any Sub-Funds, the Company shall not be bound to redeem on any Valuation Day or in any period of seven consecutive Valuation Days more than 10% of the number of Shares of any Sub-Fund in issue on such Valuation Day or at the commencement of such period. Redemption may accordingly be deferred for not more than seven Valuation Days after the date of receipt of the redemption request (but always subject to the foregoing limits). In case of deferral of redemptions, the relevant Shares shall be redeemed at the Net Asset Value per Share on the Valuation Day on which the request is executed.

Excess redemptions will be deferred to the next Valuation Day when they shall be dealt with as a priority.

In case of redemption requests on any Valuation Day for more than 10% of the number of Shares in issue relating to any Sub-Fund the Company, having regard to the fair and equal treatment of shareholders, on receiving the redemption requests may elect to sell assets of that Sub-Fund representing, as nearly as practicable, the same proportion of the Sub-Fund's assets as the Shares for which redemption applications have been received compared to the total of the Sub-Fund's Shares then in issue. If the Company exercises this option, then the amount due to the shareholders who have applied to have their Shares redeemed, will be based on the Net Asset Value per Share calculated after such sale or disposal. Payment will be made forthwith upon completion of the sales and the receipt by the Company of the proceeds of sale in a freely convertible currency.

Deferment of redemptions will also apply to conversions.

15. CONVERSION OF SHARES

Holders of Shares of each Sub-Fund will be entitled, as long as all conditions to subscribe in Shares relating to the category of Shares of the new Sub-Fund are met, to convert (switch) some or all of their holding into Shares of another Sub-Fund by making application to the Company's Transfer Agent in Luxembourg or through a Distributor by telex, facsimile, confirmed in writing by no later than the Cut-off time on which the Shares are to be converted provided that the Directors may impose restrictions on the issuance of Shares of a Sub-Fund resulting from conversion requests during a certain period. Such application must include the following information: the name of the holder, the number of Shares to be switched (if it is not the total holding) and, if possible, the reference number on any Share of each Sub-Fund to be switched and the proportion of value of those Shares to be allocated to each new Sub-Fund (if more than one). Shares from one category may be converted into Shares of another category as long as all conditions to subscribe in the new category of Shares are met. As indicated in paragraph 2.2, shareholders can find the categories of Shares available for each Sub-Fund in the annual and semi-annual reports of the Company and on Lombard Odier Group website (funds.lombardodier.com) or can be obtained at the registered office of the Company or of the Foreign Representatives.

In case of conversion concerning Sub-Funds with different Cut-off times, the most restrictive Cut-off time shall apply to the conversion (see paragraph 13.1).

It should be noted that conversion of Shares cannot be made until the Company is in receipt of the relevant Share Certificate (if any).

A shareholder may request the conversion of his R or P category of Shares into the I or S category of Shares, respectively the conversion of his I category of Shares into the S category of Shares if the criteria described in paragraph 2.2 to invest in such categories of Shares are met provided that the Directors may impose restrictions on the issuance of Shares of a Sub-Fund resulting from conversion requests during a certain period. The minimum initial investment and holding amount required for the I and S categories of Shares may have been reached after a subsequent subscription or due to market variations.

If a shareholder should request the conversion of only part of his holding of P Shares, respectively R Shares, of the original Sub-Fund and such conversion would if carried out leave the shareholder with less than the minimum holding in respect of P Shares, respectively R Shares, of the original Sub-Fund or the new Sub-Fund the Directors may, if they think fit, refuse the request for conversion or convert the whole of that shareholder's holding of P Shares, respectively R Shares, of the original Sub-Fund.

The Company may convert the S Shares held by an investor into I Shares or P Shares, respectively the I Shares into P Shares, if such investor does not meet any more one of the criteria applying to the relevant category of Shares described in paragraph 2.2. (for example, following a request to redeem part of its holding). However if the residual investment in the I and S categories of Shares of a given Sub-Fund is reduced under the applicable minimum holding amount, by reason of market fluctuations or currency fluctuations, no conversion will be operated.

The Company will request from investors investing in I Shares or S Shares the provision of all documents or information evidencing that they meet the relevant criteria to invest in such categories of Shares. In addition, the Company may refuse applications to convert into I and S Shares as long as all the required information and documents above mentioned are not in its possession or for any other appropriate reasons.

The basis of conversion is related to the respective Net Asset Value per Share of the Sub-Fund concerned. The Company will determine the number of Shares into which a shareholder wishes to convert his existing Shares in accordance with the following formula:

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

The meanings are as follows:

A: the Number of Shares to be issued in the new Sub-Fund

B: the Number of Shares in the original Sub-Fund

C: Net Asset Value per Share to be converted

D: Currency Conversion Factor

E: Net Asset Value per Share to be issued

F: Conversion Fee of up to 0.50%.

Holders of S Shares will also be charged with dealing charges (see paragraph 11.4) in case of conversion between Sub-Funds (but not in respect of conversions between categories of Shares within the same Sub-Fund).

The Company will provide a Share Confirmation with details of the conversion to the shareholder concerned and issue new Share Certificates, if so requested by such shareholder.

Any conversion request shall be irrevocable, except in the event of a suspension of the calculation of the Net Asset Value of the category of Shares or of the Sub-Fund concerned or deferment.

In compliance with the forward pricing principle, requests for conversions received after the Cut-off time will be deferred to the next following Business Day. Upon prior arrangement with the Company, encompassing a mandatory provision for Distributors not to send any order for their own account or any order received from investors on the same day after the Cut-off time, the conversion orders received by the Company later than such Cut-off time may be accepted from certain Distributors.

Delayed payment of redemptions (see paragraph 14.1) and deferment of redemptions (see paragraph 14.2) will also apply to conversions.

16. NET ASSET VALUE

16.1 Net Asset Value Determination

The Net Asset Value of each Sub-Fund and the Net Asset Value per Share of each Sub-Fund will be determined in the relevant Reference Currency and, for the Net Asset Value per Share, in the relevant Alternative Currency, in the case of categories issued in an alternative currency, on each Valuation Day, except in case of a suspension as described below.

The Net Asset Value per Share of each Sub-Fund will be calculated in respect of any Valuation Day.

If the total subscriptions or redemptions affecting all the categories of Shares of a Sub-Fund on a single Business Day come to a net capital inflow or outflow, the Net Asset Value per Share of the Sub-Fund may be increased or reduced accordingly. The maximum adjustment amounts to 1% of the Net Asset Value. Estimated transactions costs and tax charges that may be incurred by the Sub-Fund as well as the estimated bid/offer spread of the assets in which the Sub-Fund invests may be taken into account. The adjustment leads to an increase in Net Asset Value per Share if the net movements result in a rise in all Shares of the affected Sub-Fund. It results in a reduction of Net Asset Value per Share if the net movements bring about a fall in the number of Shares. This adjustment is referred to as the "Swinging Single Pricing" [1]. The Swinging Single Pricing will apply to each Sub-Fund individually even though part or all of its assets is co-managed with assets belonging to other Luxembourg collective investment schemes or to other Sub-Funds (see paragraph 7.5).

In addition, in exceptional market conditions, in order to avoid the dilution of the net asset value of a Sub-Fund, the Directors may make any necessary dilution adjustment to the net asset value of any Sub-Fund (a "Dilution Adjustment"). Such dilution adjustment may not exceed 2% of the Net Asset Value.

This calculation of the Net Asset Value, with the use of the Swinging Single Pricing as described above, shall be used to determine the Issue and Redemptions Prices of the Shares of each Sub-Fund.

For the Sub-Funds whose Shares of a certain class can be subscribed and/or redeemed on a weekly basis, a calculation of the Net Asset Value may occur on each Valuation Day for indicative or reporting purposes (if applicable), but only on each relevant Weekly Valuation Day for the determination of the Issue, Redemption and Conversion Prices of the Shares of this Sub-Fund (see Sections 13 and 14).

In case different categories of Shares have been issued within a Sub-Fund, the Net Asset Value per Share of each category of Shares in the relevant Sub-Fund will be determined, on any Valuation Day, by dividing the value of the total assets of that Sub-Fund attributable to such category of Shares less the liabilities of such Sub-Fund attributable to such category of Shares by the total number of Shares, outstanding on such Valuation Day, of such category of Shares.

The assets will be valued in accordance with principles laid down in the Articles and in accordance with the Valuation Regulations.

The value of all securities which are admitted to an Official Listing or traded on any other Regulated Market is determined on the basis of the last available price of the Valuation Day on the principal market on which such securities are traded, as furnished by a pricing service approved by the Directors. If such prices are not representative of their fair value, such securities as well as any of the portfolio securities which are not so listed and all other investments, including permitted financial futures contracts and options, will be valued on the reasonably foreseeable sales prices determined prudently and in good faith.

The value of money-market instruments will be based either on market data or on valuation models including systems based on amortised costs. Where valuation models are used to value the money-market instruments, the Company will ensure that such models comply with the requirements imposed by Luxembourg law and in particular with the Circular of the CSSF 08/339 as completed by the Circular 08/380. In particular, where an amortization method is used to assess the value of money-market instruments, the Company will ensure that this will not result in a material discrepancy between the value of the money-market instrument and the value calculated according to the amortization method.

Any assets or liabilities expressed in terms of currencies other than the Reference Currency are translated into the Reference Currency at the prevailing market rate at the time of valuation.

The Net Asset Value per Share shall be rounded to four decimal places (except for JPY-denominated Shares).

The Net Asset Value per Share of each Sub-Fund as certified by a Director or by an authorized officer or representative of the Company shall be conclusive, except in the case of manifest error.

The Company shall include in the financial reports its audited consolidated accounts expressed in USD.

[1] Shareholders of the Company will be informed in advance of the date of implementation of the Swinging Single Pricing.

During the existence of any state of affairs which, in the opinion of the Directors, makes the determination of the Net Asset Value of a Sub-Fund in the designated currency either not reasonably practical or prejudicial to the shareholders of the Company, the Net Asset Value and the Issue Price and Redemption Price may be temporarily determined in such other currency as the Directors may determine.

The Issue Prices and Redemption Prices of any categories of Shares of the Sub-Funds which equal the Net Asset Value per Share in the Reference Currency and in the Alternative Currency, in the case of categories issued in an alternative currency, may be obtained at the registered office of the Company, at the offices of the Foreign Representatives and will be available on the Lombard Odier Group website (funds.lombardodier.com). At the discretion of the Directors, but always in compliance with regulatory requirements applying in each country of registration of the Company, this information may be published daily in various newspapers and financial journals as the Directors may determine. The Directors may also freely choose different newspapers and financial journals for each category of Shares. Each P, R, S and I category of Shares shall be impacted by its respective costs of publication of Issue/Redemption Prices.

16.2 Suspension of the Calculation of the Net Asset Value, and of Issue, Redemption and Conversion of Shares

The Company may suspend the calculation of the Net Asset Value of any Sub-Fund and may suspend the issue, redemption and conversion of Shares of any relevant Sub-Fund:

(a) during any period when the dealing of the units/shares of an investment vehicle in which any substantial portion of assets of the relevant Sub-Fund is invested or the calculation of the net asset value of such investment vehicle is restricted or suspended;

(b) during any period when any market or stock exchange, which is the principal market or stock exchange on which a material part of a Sub-Fund's investments for the time being are quoted, is closed, otherwise than for ordinary holidays, or during which dealings are substantially restricted or suspended;

(c) during any period when a material part of a Sub-Fund's investments may not, using the standard valuation procedures, be promptly or accurately valued or is not valued at a fair market value;

(d) during any period when the net asset value of any subsidiary of the Company may not be determined accurately;

(e) during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of the Company's assets attributable to any Sub-Fund is not reasonably practical;

(f) during any breakdown in the means of communication normally employed in determining the price or value of any of the investments attributable to any Sub-Fund or the current prices on any market or stock exchange;

(g) during any period when remittance of monies which will or may be involved in the realization of, or in the payment for, any investments attributable to any Sub-Fund is not possible;

(h) during any period when, in the opinion of the Directors there exist unusual circumstances where it would be impracticable or unfair towards the shareholders to continue dealing with Shares of any Sub-Fund;

(i) in the event of (i) the publication of the convening notice to a general meeting of shareholders the purpose of which is to propose the winding up of the Company or a Sub-Fund thereof or (ii) the decision of the Board to wind up one or more Sub-Funds;

(j) during any relevant period when a Sub-Fund merges with another Sub-Fund or with another UCITS (or a Sub-fund of such other UCITS) provided any such suspension is justified for the protection of the shareholders.

The Articles provide that the Company may suspend the issue, redemption and conversion of the Shares forthwith, upon the occurrence of an event causing it to enter into liquidation.

Shareholders having requested issue, redemption or conversion of their Shares will be notified in writing of any such suspension within seven days of their request and will be promptly notified of the termination of such suspension.

17. LIQUIDATION, COMPULSORY REDEMPTION AND AMALGAMATION OF SUB-FUNDS

(a) The Company can be liquidated by a shareholders' decision in accordance with the provisions of the 1915 Act. The same quorum and majority requirements for the shareholders' decision shall apply in case of merger, if as a result of such merger the Company will cease to exist.

(b) In the event that the Net Asset Value of the Company falls below USD 100 million or in case the Board deems it appropriate because of changes in the economical or political situation affecting the Company, or if the Board deems it to be in the best interests of the shareholders, the Board may, by giving notice to all holders of Shares, redeem on the Valuation Day indicated in such notice all (but not some) of the Shares not previously redeemed, at the Net Asset Value without any redemption charges. The Directors shall, after the end of the notice period, forthwith convene an extraordinary shareholders' meeting to appoint a liquidator to the Company.

(c) In the event that the Net Asset Value of any particular Sub-Fund falls below USD 50 million or the equivalent in the Reference Currency of a Sub-Fund or if a redemption request is received that would cause any Sub-Fund's assets to fall under the aforesaid threshold, or if the Board deems it appropriate to rationalize the Sub-Funds offered to investors, or in case the Board deems it appropriate because of changes in the economic or political situation affecting the relevant Sub-Fund or if the Board deems it to be in the best interest of the shareholders concerned, the Board may, after giving notice to the shareholders concerned, to the extent required by Luxembourg laws and regulations, redeem all (but not some) of the Shares of that Sub-Fund on the Valuation Day provided in such notice at the Net Asset Value without any redemption charges. Unless the Board decides otherwise in the interest of, or in order to ensure equal treatment of, the shareholders, shareholders of the relevant Sub-Fund may continue to request redemption or conversion of their Shares free of any redemption or conversion charge, but taking into account actual realization prices of investments and realization expenses.

(d) If a Sub-Fund qualifies as a Feeder Sub-Fund of another UCITS or of one of its sub-funds, the merger, split or liquidation of its Master UCITS, triggers liquidation of the Feeder Sub-Fund, unless the Board decides, in accordance with article 16 of the articles of incorporation and the Law, to replace the Master UCITS with another Master UCITS or to convert the Feeder Sub-Fund into a standard UCITS Sub-Fund.

(e) Termination of a Sub-Fund with compulsory redemption of all relevant Shares for other reasons than set out in the preceding paragraph, may be effected only upon its prior approval by the shareholders of the Sub-Fund to be terminated at a duly convened general meeting of the Sub-Fund concerned which may be validly held without quorum and decided by a simple majority of the Shares present or represented.

Liquidation proceeds not claimed by shareholders at the close of liquidation of a Sub-Fund will be deposited at the *Caisse de Consignation* in Luxembourg and shall be forfeited after thirty years.

(f) The provision for anticipated realization costs will be accounted for in the Net Asset Value from such date as may be defined by the Board and at the latest on the date of dispatch of the notice mentioned sub-paragraphs (b), (c), (d) and (e).

(g) In compliance with the provisions of the Act, the Board may decide to merge any sub-fund with another sub-fund of the Company or with another UCITS or a sub-fund thereof (whether established in Luxembourg or another Member State or whether such UCITS is incorporated as a company or is a contractual type fund) using any of the merger techniques set forth in the Act.

(h) Alternatively, the Board may propose to the shareholders of any sub-fund to merge the sub-fund with another sub-fund of the Company or with another UCITS or a sub-fund thereof (whether established in Luxembourg or another Member State or whether such UCITS is incorporated as a company or is a contractual type fund) under the provisions of the Act. In such case, the duly convened general meeting of the Sub-Fund concerned may be validly held without quorum and may decide by a simple majority of the Shares present or represented.

(i) In case of a merger of a Sub-Fund, the Board will give notice to shareholders concerned, as required by Luxembourg laws and regulations. Such notice shall be provided to the shareholders concerned at least thirty days before the last date for exercising their right to request the repurchase or redemption or conversion of their Shares without any charge other than those retained to meet disinvestment costs; such right shall cease to exist five working days before the date for calculating the exchange ratio referred to in Article 75, paragraph (1) of the Act.

(j) If the Board determines that it is in the interests of the shareholders of the relevant Sub-Fund or that a change in the economic or political situation relating to the Sub-Fund concerned has occurred which would justify it, the reorganisation of one Sub-Fund, by means of a division into two or more Sub-Funds, may take place. This decision will be notified to shareholders as required. The notification will also contain information about the two or more new Sub-Funds. The notification will be made at least one month before the date on which the reorganisation becomes effective in order to enable the shareholders to request the redemption of their shares, free of any dealing or redemption charge, before the operation involving the division into two or more Sub-Funds becomes effective.

18. TAXATION

The following summary is based on the law and practice currently in force in the Grand Duchy of Luxembourg and is subject to changes therein.

1) The Company

(a) **Luxembourg**

The Company is not liable for any Luxembourg income tax, nor are dividends paid by the Company liable to any Luxembourg withholding tax. No stamp or other tax is payable in Luxembourg on the issue of Shares, except a once-and-for-all tax of Luxembourg francs 50,000 which was paid upon incorporation.

In relation to each Sub-Fund, P, R, I, H and S categories of Shares may be issued. The P, R, I and H categories of Shares, available to all shareholders, are subject (except as indicated below) to a *taxe d'abonnement* of 0.05% per annum and the S category of Shares, which is restricted to institutional investors, is liable in Luxembourg to a *taxe d'abonnement* of 0.01% per annum, pursuant to Article 174 and following of the Act. The *taxe d'abonnement* is calculated on the Net Asset Value of the Sub-Funds represented by those Shares. Such tax shall be paid by the Company quarterly on the basis of the Net Asset Values at the end of the relevant calendar quarter.

The benefit of the 0.01% *taxe d'abonnement* is available to institutional investors on the basis of the Luxembourg legal, regulatory and tax provisions as these are known to the Company at the date of the Prospectus and at the time of admission of subsequent investors. However, such assessment is, for the past and for the future, subject to such interpretations on the status of an institutional investor by any competent authorities as will exist from time to time. Any reclassification made by an authority as to the status of an investor may submit the entire S category of Shares of a Sub-Fund to a *taxe d'abonnement* of 0.05% per annum.

In relation to the Money Market (EUR), Money Market (USD) and Money Market (GBP), Sub-Funds, all categories of Shares are liable in Luxembourg to a *taxe d'abonnement* of 0.01% per annum. The benefit of the 0.01 *taxe d'abonnement* is available for all investors (with or without the status of institutional investors) on the basis of article 174 (2) (a) of the Act.

No Luxembourg tax is payable on the realized or unrealized capital appreciation of the assets of the Company.

(b) **General**

Dividends and/or interest received by the Company on its investments may be subject to non-recoverable withholding taxes in the countries of origin.

2) Shareholders

(a) **Luxembourg**

Shareholders are not subject to any capital gains, income, withholding, gift, estate, inheritance or other tax in Luxembourg (except for shareholders domiciled, resident or having a permanent establishment in Luxembourg).

(b) **General**

Investors should ascertain from their professional advisers the consequences of their acquiring, holding, redeeming, converting, transferring or selling shares under the laws of the jurisdictions to which they are subject, including the tax consequences and any foreign-exchange-control requirements.

3) **European Savings Tax Considerations**

In accordance with the provisions of the EUSD which came into force on 1 July 2005, withholding tax may apply when a Luxembourg paying agent makes distributions from and redemptions of shares in certain funds which generate savings income and where the beneficiary of these proceeds is an individual residing in another Member State. However, an individual may specifically request to be brought within the EUSD exchange of information regime which would result in no withholding tax being applied but instead information regarding the distribution or redemption being provided to the fiscal authority in the country in which he is resident.

With the exception of the Selective Global, 1798 Technology Long/Short, Commodities Risk Parity, Vital Food, Emerging Consumer, Alpha Japan and 1798 Europe Equity Long/Short, all Equity Sub-Funds may hold assets producing savings income, as defined by the EUSD, which in normal market conditions will generally not exceed 15% of the Sub-Funds' net assets. With the aforesaid exceptions, the Equity Sub-Funds should therefore in principle not be affected by EUSD.

Further, the extent to which dividends and redemption proceeds of Shares of the Asset Allocation, Fixed Income, Money Market, and Alternative Sub-Funds will be subject to withholding tax, will be calculated by the Central Administration Agent and made available on request.

19. DOCUMENTS AVAILABLE TO INVESTORS

19.1 Documents available for inspection

Copies of the following documents are available for inspection during usual business hours on any weekday (Saturdays and public holidays excepted) at the registered office of the Company:

(a) Management Company Agreement;

(b) Investment Management Agreements plus amendments thereto;

(c) Asset Allocation Agreement;

(d) Custodian and Central Administration Agreements;

(e) Co-management Agreements;

(f) Agreements with Nominees;

(g) Articles of Incorporation of the Company.

The agreements under (a) to (f) above may be amended by mutual consent of the parties thereto.

19.2 Key investor information document

An up to date key investor information document relating to each Sub-Fund is available on the Lombard Odier Group website (funds.lombardodier.com). A hard copy can be supplied to investors on request and free of charge.

19.3 Other documents

The following documents are available on the Lombard Odier Group website (funds.lombardodier.com):

- Index Rule Book of the LOIM Commodity Index (a copy may be obtained at the registered office of the Company on request free of charge);
- summary description of the strategies for the exercise, to the exclusive benefit of the Sub-Funds concerned, of voting rights attached to instruments held in the portfolios managed by the Management Company.

20. MEETINGS, REPORTS AND INFORMATION TO SHAREHOLDERS

The annual general meeting of shareholders of the Company will be held in Luxembourg at 11.30 a.m. on the last Thursday in February in each year (or if such day is a legal holiday, on the next following Business Day). Other general meetings or special Sub-Fund meetings of shareholders may be held at such time and place as are indicated in the notices of such meetings. Notices of general meetings and other notices shall be given in accordance with Luxembourg Law.

Notices will specify the place and time of the meeting, the conditions of admission, the agenda, the quorum and voting requirements, including that the majority rules of the meeting will be determined in respect of the Shares as issued at 12.00 p.m. Luxembourg time, five days preceding such meeting. Notices of all meetings shall be sent to holders of registered Shares at their address indicated in the Share Register of the Company.

All other notices are sent to registered shareholders, are published on Lombard Odier Group website (funds.lombardodier.com) and, if required, published in such newspapers as the Directors may determine. In the case of publication in foreign jurisdictions the Directors may apply the "home country rule" according to which a publication will be made in the relevant jurisdictions as long as such publication is required under Luxembourg law. In the absence of such requirement under Luxembourg law, the Directors may choose not to publish in foreign jurisdictions to the extent that this alternative is permitted under the local laws of the relevant foreign jurisdictions.

The Company draws the investors’ attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company, notably the right to participate in general shareholders’ meetings if the investor is registered himself and in his own name in the shareholders’ register of the Company. In cases where an investor invests in the Company through an intermediary investing into the Company in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

The financial period of the Company will end on 30 September of each year. The annual report containing the audited consolidated financial accounts expressed in USD of the Company in respect of the preceding financial period will be made available at the registered office of the Company at least 15 days before the annual general meeting. Unaudited semi-annual reports as at 31 March will be made available within two months of the end of the relevant date. Copies of all financial reports will be available at the registered office of the Company and from the Foreign Representatives.

The Directors may, at their discretion, decide that information regarding the Sub-Funds investments may be available for some or all investors of the Company. If this information is only provided to some investors, the Directors will ensure that (i) such investors need the information to comply with legal, regulatory, tax or other mandatory requirements, (ii) investors will keep the information confidential and (iii) investors will not use the information to take advantage of the expertise of the Investment Managers of the Company.

In compliance with the provisions of the Act, CSSF Regulation 10-4 and CSSF Circular 11/508, the Management Company has implemented and maintains effective certain procedures and strategies including:

- a procedure for the reasonable and prompt handling of complaints received from shareholders: in this context, shareholders are given the opportunity to file complaints free of charge, in the official language(s) of their country of residence, to their respective local representatives or directly to the Management Company using the addresses and contact details provided in Section 1; the latter will take care of handling of clients complaints in the most diligent, transparent and objective manner possible;
- strategies for the exercise, to the exclusive benefit of the Sub-Funds concerned, of voting rights attached to instruments held in the portfolios managed by the Management Company: a summary description of these strategies are available on the Lombard Odier Group website funds.lombardodier.com under the "Documentation" page and the details of the actions taken on the basis of those strategies can be supplied free of charge to investors upon request made to the Management Company;
- inducements: the essential terms of the arrangements relating to the fees, commissions or non-monetary benefits, the Management Company may receive in relation to the activities of investment management and administration of the Fund are disclosed in this Prospectus and/or in periodic reports, as the case may be. Further details can be supplied free of charge to investors upon request made to the Management Company;
- procedures relating to the management of conflicts of interest.

21. SPECIFIC INFORMATION FOR SUBSCRIBERS IN FOREIGN COUNTRIES

The Company is registered in Austria, Belgium, France, Italy, Netherlands, Liechtenstein, Spain, Switzerland and the United Kingdom.

In Italy, additional information is available for investors in the subscription form with its related enclosures.

In Spain, the Company is registered with the CNMV under number 498. A list of Spanish authorised distributors is available at CNMV web page www.cnmv.es.

For investors of the following countries this Prospectus should be read in conjunction with:

Austria	"Additional Information for Investors in Austria"
Germany	"Additional Information for Investors in Germany"
Liechtenstein	"Additional Information for Investors in Liechtenstein"
Spain	"Memoria sobre las modalidades previstas de comercialización en territorio español"
Switzerland	"Informations spécifiques à l'intention des souscripteurs en Suisse"
United Kingdom	"Addendum to the Prospectus for UK investors"

To the extent permitted by local foreign laws, the English version of the Prospectus shall prevail in case of discrepancies with its translation into another language.

21.1 Specific Information for Investors in France

For investors in France, the Eurozone Small & Mid Caps Sub-Fund (the “PEA Eligible Sub-Fund”) is eligible investment for a PEA (*Plan d'épargne en actions*). This means the PEA Eligible Sub-Fund has at least 75% of its Net Asset Value invested in the equity of corporate issuers with their registered office in an EEA country.

The Directors reserve the right to cease managing the PEA Eligible Sub-Fund according to PEA requirements should they determine that maintaining the PEA compliance status of the PEA Eligible Sub-Fund would (i) no longer enable the PEA Eligible Sub-Fund to comply with its investment objectives, (ii) not be in the interests of the Shareholders in the PEA Eligible Sub-Fund or (iii) be impractical due to changing market conditions. Should the Directors decide to cease managing the PEA Eligible Sub-Fund so it is eligible for investment through a PEA, the Directors will notify the registered Shareholders resident in France at least one month in advance of the relevant PEA Eligible Sub-Fund ceasing to be managed to be eligible for investment through a PEA.

22. APPLICATION PROCEDURE

Application may be made by investors in accordance with either of the methods described below:

(a) written application to the Company in Luxembourg c/o its Transfer Agent:

CACEIS Bank Luxembourg
5, Allée Scheffer
2520 Luxembourg
Grand Duchy of Luxembourg
Telephone Number: (352) 47 67 26 42
Facsimile Number: (352) 47 67 70 63, or

(b) written application to any Distributor containing the required information.

In compliance with the forward pricing principle, written applications must be received by the Company not later than the Cut-off time (see Section 13). Written applications must be accompanied by either a Bankers draft or a notification of a completed Swift transfer form, except otherwise agreed in writing with the Company. All deals will be effected on a forward pricing basis. Payment of the Issue Price must be made in full for value the Payment Date mentioned in paragraph 13.1, except otherwise agreed in writing with the Company. Where payments are made by cheques, the Company reserves the right to defer the allotment of Shares until receipt by the Custodian of cleared monies. Other methods of payment are subject to the prior agreement by the Company. The allotment of Shares is conditional upon receipt by the Custodian of cleared monies within the time limit mentioned under "Payment Date" in paragraph 13.1 (or within such deadline previously agreed with an investor). If timely settlement is not made, an application may lapse and be cancelled.

Payment should be made in the Reference Currency or the Alternative Currency, in the case of categories issued in an alternative currency, of the relevant Sub-Fund in which Shares are subscribed by a telegraphic transfer in favor of CACEIS Bank Luxembourg on the following accounts:

USD JP Morgan Chase
Swift code: CHASUS33
Account Name: CACEIS Bank Luxembourg
Account Number: 796706786
Chips number: 0002
ABA number: 021000021

EUR Direct via TARGET II
Swift code: BSUILULLXXX
Account Name: CACEIS Bank Luxembourg

GBP HSBC Bank Plc, International
Swift code: MIDLGB22
IBAN: GB63MIDL40051535210915
Sort Code: 40-05-15
Account Number: 35210915 - CACEISBL

JPY Bank of Tokyo-Mitsubishi UFJ, Tokyo
Swift code: BOTKJPJT
Account Number: 653-0418285

CHF UBS Zürich
Swift code: UBSWCHZH80A
Account Number: 02300000060737050000Z
IBAN: CH540023023006073705Z

HKD Standard Chartered Bank, Hong Kong
Swift code: SCBLHKHH
Account Number: 44709404622

SEK Skandinaviska Enskilda Banken
Swift code: ESSESESS
Account Number: 52018532790
IBAN: SE5350000000052018532790

NOK Nordea Bank Norge
Swift code: NDEANOKK
Account Number: 60010209253
IBAN: NO4560010209253

CAD Bank of Montreal
Swift code: BOFMCAM2
Account Number: 31441024261

AUD Westpac Banking Corporation Intl Div.
Swift code: WPACAU2S
Account Number: AIS0020979

indicating the proper identity of the applicant(s) and the name of the relevant Sub-Fund in which Shares are subscribed. In case of payment by cheque, the cheque must accompany the application.

22.1 Applications and Confirmations

(i) A corporation must execute any application under its common seal or under the hand of a duly authorized officer whose capacity should be stated;

(ii) if any application or confirmation is signed by proxy, the power of attorney must accompany the application;

(iii) notwithstanding i) and ii) above, an application signed by a bank or any other person on behalf of, or purportedly on behalf of, a corporation may be accepted.

22.2 General

The Company reserves the right to reject, at its sole discretion, any subscription request for Shares and to accept any application in part only.

The Directors may, at any time and in their discretion, impose restrictions on the issuance of Shares of a Sub-Fund (also resulting from conversion requests) for any period of time.

If any application is not accepted in whole or in part, the application monies or the balance thereof will be posted forthwith to the applicant, at the risk of the person(s) entitled thereto.

The Company reserves the right to withhold Share Certificates and, if applicable, any excess application monies pending clearance of the application monies.

The applicant must provide the Distributor or the Central Administration Agent with all necessary information which the Distributor or the Central Administration Agent may reasonably require to verify the identity of the applicant. Failure to do so may result in the Company refusing to accept the subscription for Shares in the Sub-Funds. Applicants must indicate whether they invest on their own account or on behalf of a third party. Investments in I Shares and S Shares are subject to the conditions mentioned in paragraph 2.2. The Company may request from investors subscribing in I Shares or S Shares the provision of all documents or information evidencing that they meet the relevant criteria to invest in such categories of Shares. In addition, the Company may refuse applications to invest in I and S Shares as long as all the required information and documents abovementioned are not in its possession or for any other appropriate reasons.

Except for companies who are regulated professionals of the financial sector, bound in their country by rules on the prevention of drug money laundering equivalent to those applicable in Luxembourg, any applicant applying in its own name is obliged to submit to the Distributor or the Central Administration Agent all necessary information which the Distributor or the Central Administration Agent may reasonably require to verify the identity of the applicant and in the case of it acting on behalf a third party, of the beneficial owner(s). Furthermore, any such applicant hereby undertakes that it will notify the Distributor or the Central Administration Agent prior to the occurrence of any change in the identity of any such beneficial owner.

22.3 Key investor information document

According to the Act, the key investor information document must be provided to investors in good time before their proposed subscription for Shares of any Sub-Fund of the Company.

Before investing, investors are invited to visit the Lombard Odier Group website (funds.lombardodier.com) and download the relevant key investor information document prior to his/her application. The same diligence is expected from the investor wishing to make additional subscriptions in the future since updated versions of the key investor information document will be published from time to time.

In case of written applications made directly to the Company in Luxembourg c/o its Transfer Agent, the Company and/or its Transfer Agent may require confirmation from the investor that he/she has consulted the relevant key investor information document before subscription.

The above shall apply *mutadis mutandis* in case of conversion.

23. SUPPLEMENTARY INFORMATION FOR INVESTORS IN THE FEDERAL REPUBLIC OF GERMANY

No notice has been provided granting authorization for public distribution in the Federal Republic of Germany in relation to the Lombard Odier Funds sub-funds listed below; units of these sub-funds may NOT be publicly distributed to investors situated within the jurisdiction of the German Investment Act. The following sub-funds are NOT available to German investors: 1798 Technology Long/Short, Asia Credit Bond, Europe Core Equity, Global Corporate Fundamental, Global Equity High Dividend, Global Equity Risk Parity, Smart Cities, Swiss Small and Mid Caps.

1. DekaBank Deutsche Girozentrale, Mainzer Landstrasse 16, 60325 Frankfurt am Main, Germany, has taken on the role of information and paying agent ("the Information and Paying Agent") for the company in the Federal Republic of Germany.

2. Redemption and conversion applications for shares may be submitted to the Information and Paying Agent. The redemption proceeds, any distributions and other payments are paid out to shareholders on their request through the German Information and Paying Agent.

3. The current version of the prospectus and the Key Investor Information Documents (KIIDs), the articles of incorporation, and the annual and semi-annual reports are available free of charge and in hardcopy form from the Information and Paying Agent. It is also possible to view the documentation referred to in the above section entitled "19. Documents Available for Inspection" via the Information and Paying Agent.

4. The issue and redemption prices, and the conversion prices where applicable, are available on any bank working day from the German Information and Paying Agent in Frankfurt am Main. The issue and redemption prices, and the conversion prices where applicable, are also published at www.fundinfo.com.

5. Notices to shareholders are sent to the registered shareholders in Germany by post. And are available free of charge from the German Information and Paying Agent.

6. Additionally, the sharehoders in the Federal Republic of Germany are notified in the following cases by means of a durable medium (§ 42a Investment Law):

   - suspension of the redemption of the units,
   - termination of the management of the fund or its liquidation,
   - any amendments to the articles of incorporation which are inconstant with the previous investment principles, which affect material investor rights or which relate to remuneration and reimbursement of expenses that may be paid or made out of the asset pool,
   - merger of the fund with one or more other funds and
   - the change of the fund into a feeder fund or the modification of a master fund.

In the above-mentioned cases, notices to shareholders are published in the German Federal Gazette (www.bundesanzeiger.de).

Special risks in Germany due to fiscal obligation to provide evidence:

The company must provide the German tax authorities, on request, with supporting evidence to prove, for example, the validity of the declared tax bases. The means for calculating these tax bases can be interpreted in different ways, and no assurance can be given that the German tax authorities will recognize in every essential respect the calculation method used by the company. Furthermore, investors should be aware that, if past errors become apparent, corrections are generally not made retrospectively and are taken into account for the current fiscal year instead. Investors who receive a distribution in the current fiscal year or receive the imputation of a retention amount can charge or forward the correction accordingly.

Income equalization procedure

The net amount and the net realized gain/loss, as recorded in the profit and loss account and in the statement of changes in net assets, are determined on the basis of normal accounting/equalization practice.

Equalization – net income

An equalization account is maintained to avoid fluctuations in the undistributed net income that is attributable to these shares upon issue and redemption. The equalization amount factored into the subscription price of the issued shares is credited to this account, and the equalization amounts due on redemption are debited from the account. In the event of a dividend payment, the balance of the equalization account is factored into the amount available for a distribution to the shareholders of these categories.

Equalization – realized gains and losses

An equalization account is maintained to avoid fluctuations in the realized gains and losses that are attributable to the issued or redeemed shares. An equalization calculation is performed in relation to the realized gains and losses from the sale of securities, options, foreign exchange contracts, and foreign exchange forward contracts. The equalization amount factored into the subscription price of the issued shares is credited to the account, and the equalization amounts due on redemption are debited from the account.

24. SUPPLEMENTARY INFORMATION FOR INVESTORS IN AUSTRIA

The following information is intended for potential investors of the LOMBARD ODIER FUNDS, SICAV ("LO Funds") in the Federal Republic of Austria, clarifying and supplementing the contents of the prospectus relating to distribution in Austria:

Bank pursuant to Art. 141 of the Austrian Investment Fund Act (InvFG 2011) (the Paying – and Information Agent in Austria)

Erste Bank der österreichischen Sparkassen AG, Graben 21, 1010 Vienna, Austria, telephone 0043 (0) 50100 12139, fax 0043 (0) 50100 9 12139

The above-mentioned bank has confirmed that it fulfills the prerequisites of Art. 41 para. 1 InvFG 2011.

Location at which the shareholder ("investor") may acquire the relevant information pursuant to Art. 128, 131 and 134 InvFG 2011

Erste Bank der österreichischen Sparkassen AG, Graben 21, 1010 Vienna, Austria, telephone 0043 (0) -50100 12139,
fax 0043 (0) 50100 9 12139

Publication medium

The sub-funds' respective prices are published at www.fundinfo.com. All notices to the investors, which are published in a newspaper in Luxembourg are published accordingly in "Die Presse".

Controlling influence

There is no information pertaining to the LO Funds that would suggest that individual investors or other individuals/companies can exercise a direct or indirect controlling influence over the LO Funds.

Domestic tax representative pursuant to Art. 186 para. 2 (2) InvFG 2011

Erste Bank der österreichischen Sparkassen AG, Graben 21, 1010 Vienna, Austria, telephone 0043 (0) 50100 12139,
fax 0043 (0) 50100 9 12139

Further details

The corresponding statements of account for the relevant fiscal years of the LO Funds contains details of the performance of the sub-funds since being activated. It is possible to view this information via the domestic representative pursuant to Art. 186 para. 2 (2) InvFG 2011.

The redemption price of the units in the sub-funds of the LO Funds are published in "Die Presse" on every bank working day in Vienna. The sale and redemption prices are disclosed by the domestic representatives and, where applicable, by other distributors.

The distribution of units pertaining to the "LO Funds" has been announced in accordance with Art. 140 InvFG 2011 of the Austrian Financial Market Authority (FMA).

The company may issue units in new, additional sub-funds at any time. This prospectus will be updated accordingly in such an event.

Units may be redeemed at a price corresponding to the provisions outlined in the "Redemption of Shares" section.

Units may be converted in accordance with the provisions outlined in the "Conversion of Shares" section.

Subscriptions will only be accepted on the basis of the valid prospectus in relation to (i) the company's most recent audited annual report or (ii) the company's most recent semi-annual report (if this was published after the annual report).

This prospectus does not constitute an offer or solicitation in those jurisdictions in which any such offer or solicitation is unauthorized, or in which individuals who submit any such offer or solicitation are not authorized to do so, and/or in which it is against the law for individuals to receive any such offer or solicitation.

The information in this prospectus corresponds to current legislation and common practice in the Grand Duchy of Luxembourg and may therefore be subject to changes.

Potential buyers of units are urged to obtain information themselves regarding the foreign exchange regulations and the legal and tax provisions of relevance to them.

NB: Only the following sub-funds are registered for distribution in Austria:

Lombard Odier Funds – 1798 Europe Equity Long/Short

Lombard Odier Funds – 1798 Optimum Trend

Lombard Odier Funds – All Roads

Lombard Odier Funds – Alpha Japan

Lombard Odier Funds – Alternative Beta

Lombard Odier Funds – Clean Tech

Lombard Odier Funds – Commodities Risk Parity

Lombard Odier Funds – Convertible Bond

Lombard Odier Funds – Convertible Bond Asia

Lombard Odier Funds – Emerging Consumer

Lombard Odier Funds – Emerging Equity Risk Parity

Lombard Odier Funds – Emerging Local Currency Bond Fundamental

Lombard Odier Funds – Emerging Market Bond Fundamental

Lombard Odier Funds Euro BBB–BB Fundamental

Lombard Odier Funds – Euro Credit Bond

Lombard Odier Funds – Euro Government Fundamental

Lombard Odier Funds – Euro Inflation–Linked Fundamental

Lombard Odier Funds – Euro Responsible Corporate Fundamental

Lombard Odier Funds – Europe High Conviction

Lombard Odier Funds – Eurozone Small and Mid Caps

Lombard Odier Funds – Generation Global

Lombard Odier Funds – Global BBB–BB Fundamental

Lombard Odier Funds – Global Energy

Lombard Odier Funds – Global Government Fundamental

Lombard Odier Funds – Golden Age

Lombard Odier Funds – Government Bond (USD)

Lombard Odier Funds – Japanese Small and Mid Caps

Lombard Odier Funds – Money Market (EUR)

Lombard Odier Funds – Money Market (GBP)

Lombard Odier Funds – Money Market (USD)

Lombard Odier Funds – Neuberger Berman US Core

Lombard Odier Funds – Sands US Growth

Lombard Odier Funds – Selective Global

Lombard Odier Funds – Swiss Franc Bond (Foreign)

Lombard Odier Funds – Swiss Franc Credit Bond (Foreign)

Lombard Odier Funds – Tactical Alpha

Lombard Odier Funds – Technology

Lombard Odier Funds – Total Return Bond

Lombard Odier Funds – Vital Food

Lombard Odier Funds – William Blair Global Growth

Lombard Odier Funds – World Gold Expertise

This supplementary information was produced in August 2012.

25. SUPPLEMENTARY INFORMATION RELATING TO THE PROSPECTUS FOR INVESTORS IN LIECHTENSTEIN

No distribution notice has been provided granting authorization for the following sub-funds in accordance with Art. 96 ff. of the Liechtenstein Act on Certain Undertakings for Collective Investment in Transferable Securities Act (UCITSG); units of these sub-funds may not be publicly distributed to investors in Liechtenstein:

1798 Technology Long/Short, Asia Credit Bond, Europe Core Equity, Global Corporate Fundamental, Global Equity High Dividend, Global Equity Risk Parity, Pzena Global Value, Smart Cities, Swiss Small and Mid Caps.

Representative and paying agent in Liechtenstein:
Verwaltungs- und Privat-Bank Aktiengesellschaft, Aeulestrasse 6, 9490 Vaduz, Liechtenstein

The English version of the prospectus, the German version of the Key Investor Information Documents (KIIDs), the articles of incorporation (available in German and English), and the English versions of the annual and semi-annual report are available free of charge and upon request in hardcopy form from the company's head office and from the paying agent in Liechtenstein.

Issue and redemption prices of the shares of the investment fund are published on Lombard Odier Group website (funds.lombardodier.com) and www.fundinfo.com.

Any other information to the Shareholders will be sent to the registered shareholders in Liechtenstein by post and will be available free of charge from the paying agent in Liechtenstein.

Any information to the Shareholders which is published in a Luxembourg newspaper will be published accordingly in the "Liechtensteiner Vaterland" and will also be available free of charge at the paying agent in Liechtenstein.