

**Mediolanum International Funds Limited  
4th Floor, The Exchange, Georges Dock, IFSC,  
Dublin 1, Ireland**

**CONSOLIDATED VERSION OF THE  
FUND RULES OF THE INVESTMENT FUND**

**G A M A X F U N D S**

**as at 2 January 2020**

These Fund Rules govern the rights and obligations of the management company, the depositary, and the unit holders of Gamax Funds.

## **1. Gamax Funds**

1.1. Gamax Funds is a “fonds commun de placement” in accordance with Part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment (hereinafter, the “Law of 2010”). It is an investment fund consisting of securities, ancillary liquid assets, and other assets (hereinafter, collectively the “Assets”) that Mediolanum International Funds Limited, a company organised under Irish law (hereinafter, the “Management Company”), manages in its own name for the collective account of investors (hereinafter, “Unit Holders”) under the freedom to provide services in accordance with Articles 119 et seq. of the Law of 2010.

The Management Company invests the assets of Gamax Funds in accordance with the principle of risk diversification and separately from its own assets.

1.2. Gamax Funds is an investment fund with an umbrella structure (“Umbrella Fund”) under which various separate funds (hereinafter, “Funds”) may be set up. This is described in the Sales Prospectus. Each Fund consists of Assets that, pursuant to Section 9 of these Fund Rules, are held separately from the other Assets of Gamax Funds and other Funds.

Units of Gamax Funds are issued for each specific Fund. Several classes of units with different features (hereinafter, “Class” or “Unit Class”) may be issued for a Fund. This is described in the Sales Prospectus.

The Management Company may at its discretion change the characteristics of a Unit Class as described in the current version of the Sales Prospectus of Gamax Funds.

1.3. Holders of units in each Class invest in the Assets of Gamax Funds as joint owners. Such investment pertains to the Assets held in a Fund for which the respective units were issued.

1.4. Pursuant to Section 6 of these Fund Rules, confirmations are issued for units.

1.5. When acquiring units, Unit Holders accept these Fund Rules and their approved and published amendments. The original version of these Fund Rules was published in Mémorial, Recueil des Sociétés et Associations, the official gazette of the Grand Duchy of Luxembourg (hereinafter, the “Mémorial”). Amendments to these Fund Rules will be submitted to the trade register maintained by the District Court of Luxembourg, and a notice of the corresponding submission will be published on the electronic platform of the Luxembourg Trade and Companies Register (Registre de Commerce et des Sociétés), known as the “Recueil électronique des sociétés et associations” (“RESA”).

## **2. Depositary, central administration agent, and transfer agent and registrar**

2.1. The depositary is appointed and removed by the Management Company.

The Management Company has appointed RBC Investor Services Bank S.A. (“RBC”) with registered office at 14, Porte de France, in L-4360 Esch-sur-Alzette, Grand Duchy of Luxembourg, as the depositary and principal paying agent (the “Depositary”) of Gamax Funds, with responsibility for

- (a) the safekeeping of the Assets
- (b) monitoring obligations
- (c) monitoring of cash flow and
- (d) principal paying agent functions

in accordance with legal requirements and the Depositary Bank and Principal Paying Agent Agreement dated 29 July 2019 concluded between the Management Company, acting on behalf of Gamax Funds, and the Depositary (the “Depositary Bank and Principal Paying Agent Agreement”).

2.2. The Depositary is responsible for the safekeeping of the Assets of Gamax Funds and for monitoring the cash flow of Gamax Funds, as well as for other monitoring obligations. The Assets may be disposed of only in conformity with the provisions of these Fund Rules, the Depositary Bank and Principal Paying Agent Agreement, the current version of the Sales Prospectus, and applicable laws.

In accordance with the provisions of the Law of 2010 and Commission Delegated Regulation (EU) 2016/438, the Depositary has been authorised by the Management Company to delegate its safekeeping obligations (i) with regard to other Assets, to delegates and (ii) with regard to financial instruments, to sub-depositaries and to open accounts with such sub-depositaries.

2.3. The Depositary acts in accordance with instructions of the Management Company, provided that same are in conformity with these Fund Rules, the Depositary Bank and Principal Paying Agent Agreement, the current version of the Sales Prospectus, and applicable laws, and it exercises the functions placed on it pursuant to the Law of 2010.

2.4. On the basis of its monitoring obligations, the Depositary:

- Ensures that the sale, issue, redemption, payment, and cancellation of units undertaken on behalf of the relevant Fund are carried out in accordance with legal requirements and these Fund Rules;
- Ensures that the calculation of the value of the units is carried out in accordance with legal requirements and these Fund Rules;
- Follows the instructions of the Management Company, acting on behalf of Gamax Funds, unless they conflict with legal requirements, the Sales Prospectus, or these Fund Rules;

- Ensures that in the case of transactions involving a Fund's Assets, any consideration is remitted to it within the customary time limits;
- Ensures that a Fund's income is utilised in accordance with legal requirements, the Sales Prospectus, and these Fund Rules.

The Depositary also ensures that cash flows are properly monitored in accordance with legal requirements and the Depositary Bank and Principal Paying Agent Agreement.

2.5. The Depositary and the Management Company are entitled to terminate the depositary appointment at any time effective at the end of a month, subject to the contractual termination notice period.

The Management Company is obligated to appoint a different bank as the depositary of Gamax Funds within two months after the end of the termination notice period with the approval of the responsible supervisory authority. Otherwise, the Management Company will initiate all measures necessary to dissolve Gamax Funds. In order to protect the interests of Unit Holders, the current Depositary must continue to perform its obligations within these two months after the end of the termination notice period.

RBC Investor Services Bank S.A. also acts as central administration agent. Among other things, it keeps the accounts of Gamax Funds and is responsible for calculating the unit value for each of the Funds.

Moventum S.C.A. acts as the transfer agent and registrar. Among other things, it maintains the register of the names of Unit Holders and processes purchase, redemption, and conversion requests. Moventum S.C.A. is a partnership limited by shares under Luxembourg law with registered office at 12, rue Eugène Ruppert, in L-2453 Luxembourg.

### **3. The Management Company**

3.1. The Management Company manages the Assets of Gamax Funds in its own name for the common account of Unit Holders. It may at its own responsibility retain the services of one or more investment managers and/or investment advisors.

3.2. The Management Company is authorised to acquire Assets with the monies deposited by Unit Holders, to resell same, and to invest the proceeds in some other manner. In addition, it is empowered to engage in all other transactions associated with management of the Assets of Gamax Funds.

3.3. The Management Company may obtain loans for the account of a Fund only in compliance with the restrictions set forth in these Fund Rules.

### **4. Investment principles**

The monies entrusted to Gamax Funds are invested by the Management Company for the collective account of Unit Holders in securities and other Assets permitted by law in accordance with the principle of risk diversification. In this regard, the Management Company

sets policies for each Fund governing the composition of the respective portfolio, which it publishes in the sales prospectus for the respective Fund.

As a rule, securities must be listed on an exchange or traded on another regulated market that operates regularly and is recognised and open to the public.

In addition, each Fund may hold ancillary liquid assets.

Furthermore, each Fund may make use of options and futures. Other than for hedging purposes, each Fund may make use of such techniques and instruments only to the extent that this is permitted by the investment policy set forth in the respective sales prospectus.

## **5. Investment restrictions**

A Fund's investment objectives and specific investment policy are specified on the basis of the general policy set forth in the Sales Prospectus.

The following definitions are applicable:

"Third Country" means a European country that is not a member of the European Union, as well as any country in the Americas, Africa, Asia, or Australia and Oceania.

"Money Market Instruments" mean instruments normally dealt in on the money market which are liquid and have a value which can be accurately determined at any time.

"Regulated Market" has the meaning set forth in Directive 2004/39/EC.

"Law of 17 December 2010" means the Law of 17 December 2010 on Undertakings for Collective Investment, as amended.

"UCI" means an undertaking for collective investment.

"UCITS" means an undertaking for collective investment in transferable securities subject to Directive 2009/65/EC.

"Transferable Securities" mean:

- shares in companies and other securities equivalent to shares in companies ("Shares")
- bonds and other forms of securitised debt ("Debt Securities")
- any other negotiable securities which carry the right to acquire any such Transferable Securities by subscription or exchange, other than those techniques and instruments specified in Section 5.5, below.

A Fund's investment policy is subject to the following provisions and investment restrictions:

### **5.1. Investments by Gamax Funds may consist of the following Assets:**

Owing to a Fund's specific investment policy, it is possible that some of the investment opportunities described below are not applicable to certain Funds. If appropriate, this will be stated in the Sales Prospectus.

- a) Transferable Securities and Money Market Instruments admitted to or dealt in on a Regulated Market;
- b) Transferable Securities and Money Market Instruments dealt in on another Regulated Market in a Member State of the European Union, which operates regularly and is recognised and open to the public;
- c) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in a Third Country or dealt in on another market there that operates regularly and is recognised and open to the public;
- d) recently issued Transferable Securities and Money Market Instruments, provided that the terms of issue include an undertaking that an application will be made for admission to trading on a Regulated Market referred to in points (a) to (c) and the admission is secured within a year of issue;
- e) units of UCITS authorised according to Directive 2009/65/EC and/or other UCI within the meaning of Article 1(2)(a) and (b) of Directive 2009/65/EC with registered office in a Member State of the European Union or a Third Country, provided that:
  - such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Luxembourg supervisory authority responsible for the financial sector (the "CSSF") to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured;
  - the level of protection for unit holders in the other UCIs is equivalent to that provided for unit holders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of Directive 2009/65/EEC;
  - 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; and
  - no more than 10% of the assets of the UCITS or of the other UCI, whose acquisition is contemplated, can, according to their fund rules or formation documents, be invested in aggregate in units of other UCITS or UCIs;
- f) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State of the European Union or, if the credit

institution has its registered office in a Third Country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;

- g) financial derivative instruments – i.e., particularly options, futures, and swaps – including equivalent cash-settled instruments, dealt in on a Regulated Market referred to in points (a) to (c) or financial derivative instruments dealt in over-the-counter (OTC) derivatives, provided that:
- the underlying of the derivative consists of instruments covered by points (a) to (h), financial indexes, interest rates, foreign exchange rates or currencies;
  - 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 initiative of the respective Fund; or
- h) Money Market Instruments other than those dealt in on a Regulated Market, which fall under the above-mentioned definition, if the issuer or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, 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 Third Country 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;
  - issued by an undertaking any securities of which are dealt in on Regulated Markets referred to in points (a) to (c);
  - issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law; or
  - issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, second, or third indent and provided that the issuer is a company whose capital and reserves amount to at least EUR 10,000,000 and which presents and publishes its annual accounts in accordance with Fourth Council Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

**5.2. In addition, any Fund may:**

- a) Invest up to 10% of its net assets in Transferable Securities or Money Market Instruments other than those referred to in Section 5.1;
- b) Hold ancillary liquid assets in the amount of up to 10% of its net assets. In certain exceptional cases, these may also amount to a share of more than 10%, if and to the extent that this appears advisable in the interest of Unit Holders;
- c) Obtain short-term loans up to an amount equivalent to 10% of its net assets. Hedging transactions in connection with the sale of options or the purchase or sale of forward contracts and futures are not considered borrowing in the sense of this investment restriction; and
- d) Acquire currencies in connection with a back-to-back transaction.

**5.3. In addition, a Fund will observe the following investment restrictions when investing its Assets:**

- a) A Fund may invest no more than 10% of its net assets in Transferable Securities or Money Market Instruments issued by the same body. A Fund may invest no more than 20% of its net assets in deposits made with the same body. The risk of default by the counterparty to a Fund's OTC derivative transactions may not exceed 10% of its net assets when the counterparty is a credit institution referred to in Section 5.1 (f). In other cases, the limit is 5% of the net assets of the respective Fund.
- b) The total value of the Transferable Securities and the Money Market Instruments of the issuing bodies in each of which a Fund invests more than 5% of its net assets may not exceed 40% of the value of its net assets. This limitation does not apply to deposits or OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual upper limits referred to in point (a), a Fund may not combine several of the following elements where this would lead to investment of more than 20% of its assets in a single body:

- investments in Transferable Securities or Money Market Instruments issued by that body;
  - deposits made with that body; or
  - exposures resulting from OTC derivative transactions with that body.
- c) The upper limit referred to in point (a) sentence 1 amounts to a maximum of 35% if the Transferable Securities or Money Market Instruments are issued or guaranteed by a Member State of the European Union, by its local authorities, by a Third Country, or by a public international body to which one or more Member States of the European Union belong.

- d) The upper limit referred to in point (a) sentence 1 amounts to a maximum of 25% where bonds are issued by a credit institution which has its registered office in a Member State of the European Union and is subject by law to special prudential supervision designed to protect bond holders. In particular, sums deriving from the issue of those bonds must be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

Where a Fund invests more than 5% of its net assets in the bonds referred to in the foregoing subparagraph which are issued by a single issuer, the total value of these investments may not exceed 80% of the value of the net assets of the UCITS.

- e) The Transferable Securities and Money Market Instruments referred to in points (c) and (d) are not taken into account for the purpose of applying the limit of 40% referred to in point (b).

The limits specified in points (a) to (d) may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body or in deposits or derivative instruments made with this body carried out in accordance with points (a) to (d) may not exceed in total 35% of the net assets of the respective Fund.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in points (a) to (e).

A Fund may cumulatively invest up to 20% of its net assets in Transferable Securities and Money Market Instruments issued by the same group of companies.

- f) Without prejudice to the limits laid down in points (k) to (m), below, the limits laid down in points (a) to (e) amount to a maximum of 20% for investment in Shares or Debt Securities issued by the same body when, according to the Fund Rules or formation documents, the aim of the Fund's investment policy is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF, on the following basis:
- its composition is sufficiently diversified;
  - it represents an adequate benchmark for the market to which it refers; and
  - it is published in an appropriate manner.
- g) The limit specified in point (f) amounts to 35% where this 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 permitted only for a single issuer.

- h) **Without prejudice to the provisions of points (a) to (e), a Fund may, in accordance with the principle of risk diversification, invest up to 100% of its Assets in different Transferable Securities and Money Market Instruments issued or guaranteed by a Member State of the European Union, its local authorities, a Third Country, or a public international body to which one or more Member States of the European Union belong, provided that (i) such securities are from at least six different issues and (ii) securities from any single issue account for no more than 30% of the Fund's net assets**
- i) A Fund may acquire the units of UCITSs and/or other UCIs referred to in Section 5.1 (e), provided that no more than 20% of its net assets are invested in units of a single UCITS or another UCI.

When applying this investment limit, each sub-fund of an umbrella fund within the meaning of Article 181 of the Law of 2010 is to be considered an independent issuer, provided that the principle of individual liability for each sub-fund is applicable with respect to third parties.

- j) Investments made in units of other UCIs other than UCITSs may not exceed, in aggregate, 30% of a Fund's net assets.

Where a Fund has acquired units of a UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs may not be combined for the purposes of the limits laid down in points (a) to (e).

Where a Fund invests in units of other UCITSs and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription or redemption fees on account of the Fund's investment in units of such other UCITSs and/or other UCIs.

- k) The Management Company may not acquire Shares carrying voting rights in any of the UCITSs managed by it to an extent that would enable it on whole to exercise significant influence over the management of an issuing body.
- l) Furthermore, a Fund may acquire no more than:
- 10% of the non-voting Shares of a single issuing body;
  - 10% of the Debt Securities of a single issuing body;
  - 25% of the units of a single UCITS and/or other UCI;
  - 10% of the Money Market Instruments of a single issuing body.

The limits laid down in the second, third, and fourth indents may be disregarded at the time of acquisition if at that time the gross amount of the Debt Securities or of the

Money Market Instruments, or the net amount of the securities in issue, cannot be calculated.

- m) The foregoing provisions in points (k) and (l) are not applicable with respect to:
  - aa) Transferable Securities and Money Market Instruments issued or guaranteed by a Member State of the European Union or its local authorities;
  - bb) Transferable Securities and Money Market Instruments issued or guaranteed by a Third Country;
  - cc) Transferable Securities and Money Market Instruments issued by a public international body to which one or more Member States of the European Union belong;
  - dd) Shares of companies established under the law of a country that is not a Member State of the European Union, provided that (i) such a company invests its assets primarily in Transferable Securities of issuers from this country, (ii) under the law of this country, participation by the Fund in the capital of such a company represent the only possible way to acquire Transferable Securities of issuers of this country, and (iii) as part of its asset investment, this company complies with the investment restrictions in points (a) to (e) and (i) to (l).
- n) No fund may acquire precious metals or certificates in respect thereof.
- o) No Fund may invest in real estate, although investments in Transferable Securities secured by real estate or interest payments from this or investments in Transferable Securities issued by companies that invest in real estate and interest payments from this are permissible.
- p) No loans or guaranties may be granted to third parties to the detriment of a Fund's assets, although this investment restriction does not prevent any Fund from investing its net assets in Transferable Securities, Money Market Instruments, or other financial instruments within the meaning of Section 5.1 (e), (g), and (h) that are not fully paid in.
- q) Uncovered sales of Transferable Securities, Money Market Instruments, or other financial instruments referred to in Section 5.1 (e), (g), and (h) may not be carried out.

**5.4. Without prejudice to contrary provisions contained herein:**

- a) Funds are not required to comply with the investment limits laid down in Section 5.1 to 5.3 when exercising subscription rights attaching to Transferable Securities or Money Market Instruments which form part of their assets.
- b) Notwithstanding their obligation to observe the principle of risk diversification, recently authorised Funds may derogate from the provisions of Section 5.3 (a) to (j) for six months following the date of their authorisation.

- c) If for reasons beyond the control of the corresponding Fund or due to subscription rights, these provisions are breached, a Fund must make every effort to resolve the situation in connection with its sales transactions, taking into account the interests of its Unit Holders.
- d) In the event that an issuer forms a legal entity with several sub-funds and the assets of a sub-fund are exclusively liable for the claims of investors in such sub-fund as well with regard to creditors whose claim relates to the formation, term, or liquidation of the sub-fund, each sub-fund is considered to be an independent issuer for the purpose of applying the provisions on risk diversification in Section 5.3 (a) to (g) as well as Section 5.3 (i) and (j).

The Board of Directors of the Management Company is entitled to establish additional investment restrictions to the extent that this is necessary in order to comply with legal and regulatory provisions in countries in which the units of the Fund are offered or sold.

#### **5.5. Securities financing transactions and total return swaps**

##### a) General provisions

Under the current version of these Fund Rules, the Management Company may enter into securities lending transactions and total return swaps on behalf of a Fund, provided that this is expressly mentioned in the Sales Prospectus.

Apart from securities lending transactions and total return swaps, the Management Company does not enter into securities financing transactions on behalf of the Funds within the meaning of Article 3(11) of Regulation (EU) 2015/2365. If at a future point in time the Management Company should decide to make use of further securities financing instruments, this Prospectus will be modified accordingly.

##### b) Securities lending transactions

In accordance with the rules set forth in Section 5.3 concerning the investment policy, the Management Company may enter into securities lending transactions for a specific Fund, provided that this is expressly mentioned in the part of the annex to the Sales Prospectus relating to Funds. The Management Company may conclude securities lending transactions on behalf of the respective Fund within the scope of the investment principles for the purpose of efficient portfolio management. In particular, such securities lending transactions are not to result in a change of the investment objective of the relevant Fund or create additional risks in comparison to the stated risk profile of the relevant Fund.

The Management Company may enter into securities lending transactions on behalf of a Fund only with respect to Transferable Securities within the meaning of the Law of 2010 that are compliant with the respective Fund's investment policy and investment restrictions.

Under normal circumstances and unless otherwise indicated in the part of the annex of the Sales Prospectus relating to Funds, it is generally expected that the actual share of a Fund's Assets that may be subject to securities lending transactions will not exceed 60% of such

Fund's net assets at any time. However, the Management Company does not anticipate that a Fund's exposure in securities lending transactions will exceed 20% of the respective Fund's net assets. The actual share depends on various factors, such as the value of the relevant Transferable Securities held by such Fund and the market demand for such securities at any given time. The Management Company will ensure that the volume of a Fund's securities lending transactions remains at an appropriate level and that the Fund is entitled to demand the return of the lent Transferable Securities in a manner that enables it to meet its redemption obligations at all times.

Transferable Securities borrowed by a Fund may not be disposed of during the time in which they are in the possession of the Fund, unless they are sufficiently secured by financial instruments that enable the Fund to return the borrowed Transferable Securities at the end of the contract.

A Fund may act as borrower under the following circumstances in connection with the execution of a securities transaction: (i) during a period in which the Transferable Securities were sent for renewed registration; (ii) if Transferable Securities were lent and not returned on time, or (iii) in order to prevent failure in execution where the depositary bank does not meet its obligation to deliver.

All income from securities lending transactions, net of direct and indirect operational costs and fees, is forwarded to the respective Fund. In particular, fees and costs may be paid to service providers of the Management Company and other intermediaries that provide services in connection with securities lending transactions as compensation for their services. Such fees may be calculated as a percentage of the Fund's gross income generated through the use of such techniques. Of the income generated from securities lending transactions, 70% is credited to the participating Fund and 30% to the securities lending agent. The Management Company does not receive any income from securities lending transactions.

The counterparties to securities lending transactions must be regulated, first-class financial institutions of any legal form, have a minimum rating of investment-grade quality, specialise in this type of transaction, and have their registered office in an OECD member country. They must be subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law.

The participating Funds receive cash or non-cash collateral for securities lending transactions that they enter into that is compliant with applicable Luxembourg law and with the requirements described in chapter "Collateral and reinvestment of collateral", below.

The risk of default by the counterparty in connection with securities lending transactions and OTC derivative transactions must be taken into account when calculating the counterparty risk limits pursuant to Section 5.3. Counterparty risk may be disregarded if the value of the collateral, taking into account appropriate discounts, exceeds the value of the amount exposed to counterparty risk.

c) Total return swaps

In accordance with the rules set forth in Section 5.3 concerning the investment policy, the Management Company may enter into total return swaps for a specific Fund, provided that this is expressly mentioned in the part of the annex to the Sales Prospectus relating to Funds. The Management Company may conclude total return swaps on behalf of the respective Fund within the scope of the investment principles for the purpose of efficient portfolio management. In particular, such total return swaps are not to result in a change of the investment objective of the relevant Fund or create additional risks in comparison to the stated risk profile of the relevant Fund.

The Management Company may enter into total return swaps on behalf a Fund only with respect to Transferable Securities within the meaning of the Law of 2010 that are compliant with the respective Fund's investment policy and investment restrictions.

Under normal circumstances and unless otherwise indicated in the part of the annex to the Sales Prospectus relating to Funds, it is generally expected that the Management Company will not invest more than 20% of a Fund's net assets in total return swaps. In special circumstances, this share may be increased up to a maximum of 100% of the respective Fund's net assets.

The Fund receives 100% of the net return generated from the total return swap after deduction of costs, including, in particular, transaction costs and fees for collateral paid to the swap counterparty. In the case of unfunded total return swaps, such transaction fees are normally paid in the form of an agreed interest rate, which may be either fixed or variable. In the case of funded total return swaps, the Fund makes an upfront payment of the nominal value of the total return swap, normally without any additional periodic payments. A partially funded total return swap combines the characteristics and the cost profile of both a funded and an unfunded total return swap in the corresponding ratio. Costs for collateral typically depend on the mark-to-market value of the respective instrument and on the amount and frequency of the collateral being exchanged. Information about the costs and fees incurred by each Fund in this respect, as well as the identity of the entities to which such costs and fees are paid and any affiliation they may have with the Management Company, is made available in the annual and half-yearly reports. The Management Company does not receive any income from total return swaps.

The counterparties are not affiliated with the investment manager.

The Management Company enters into total return swap transactions on behalf of a Fund only through first-class financial institutions of any legal form that have a minimum rating of investment-grade quality, specialise in this type of transaction, and have their registered office in an OECD member country. They must be subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law.

The participating Funds may receive cash and/or non-cash collateral for total return swap transactions that they enter into that is both compliant with applicable Luxembourg law and satisfies the requirements described in chapter "Collateral and reinvestment of collateral", below.

If a Fund invests in total return swaps or comparable derivative financial instruments, the following additional information is provided in the relevant annex to the Sales Prospectus:

- aa) Information about the underlying strategy and the composition of the investment portfolio or index;
- bb) Information about the counterparties to these transactions;
- cc) (if pertinent) Information about the extent to which the counterparty is given discretion regarding the composition or the management of the Fund's portfolio or the derivative's underlying, as well as information about whether the counterparty's approval is required for transactions that concern the respective Fund's portfolio;
- dd) (if pertinent) The name of the counterparty as investment manager.

## **5.6. Derivatives**

Subject to compliance with conditions and limits specified in Section 5.1 to 5.4 and in the respective annex to the Sales Prospectus, derivative financial instruments (such as futures, forwards, and options) and swaps may be purchased for investment and/or hedging purposes with regard to currency, interest rate and price risks, as well as for hedging other risks. Furthermore, the provisions of the Section 5.8 concerning risk management procedures must be taken into account in the case of derivatives.

## **5.7. Collateral and reinvestment of collateral**

In connection with OTC derivative transactions, securities lending transactions, and total return swaps, the Management Company receives collateral in connection with the strategy specified in this section in order to reduce counterparty risk. The following section specifies the strategy applied by the Management Company for the respective Funds for the purpose of managing collateral. All assets that are received by the Management Company in connection with securities lending transactions, total return swaps, and OTC derivative transactions are to be considered collateral within the meaning of this section.

### General arrangements

Collateral that is received by the Management Company for the respective Fund may be used to reduce the counterparty risk to which the Management Company is exposed if the collateral fulfils the requirements listed in circulars issued by the CSSF, especially with respect to liquidity, valuation, quality in terms of issuer solvency, correlation, risks with regard to the management of collateral, and enforceability. Details about this are set forth in the current version of the Sales Prospectus.

Unless set forth otherwise in the current version of the Sales Prospectus, the collateral must generally consist of one of the following:

#### (i) Liquid assets

Liquid assets include not only cash and bank balances with a short term but also money market instruments as defined in Directive in 2007/16/EC of the 19 March 2007 implementing

Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions. A letter of credit or a guaranty enforceable on first demand that is issued by a first-class credit institution that is not affiliated with the counterparty is considered equivalent to liquid assets; or

- (ii) Bonds that are issued or guaranteed by an OECD member country or its local authorities or by supranational institutions at the EU, regional, or international level.

The accepted collateral must be issued by an entity that is independent from the counterparty and does not exhibit a high degree of correlation with the performance of the counterparty.

Cash collateral may expose the Fund to a credit risk with regard to the depositary of such collateral. If such a risk exists, the Fund must take into account Article 43 (1) of the Law of 2010 with regard to deposit limits.

#### Scope of collateral

The Management Company specifies the necessary scope of collateral for OTC derivative transactions, securities lending transactions, and total return swaps for the respective Fund according to the nature and characteristics of the transactions executed, the creditworthiness and identity of the counterparties, and the respective market conditions. Details about the value of collateral provided for OTC derivative transactions, securities lending transactions, and total return swaps are set forth in the Sales Prospectus.

#### Strategy for valuation discounting (haircut strategy)

Received collateral is valued on each valuation day using available market prices and taking into consideration appropriate valuation discounts specified by the Management Company for each asset type of the respective Fund based on the Management Company's haircut strategy. Depending on the received collateral, this strategy, which is described in more detail in the current version of the Sales Prospectus, takes into account several factors, such as the credit rating of the counterparty, maturity, currency, and price volatility of the assets.

#### Reinvestment of collateral

Received collateral is not reinvested.

### **5.8. Risk management procedure**

The Management Company utilises a risk management procedure for the Funds in line with the Law of 2010 and other applicable regulations, in particular, CSSF Circular 11/512. With the aid of the risk management procedure, the Management Company identifies and measures the market risk, liquidity risk, and counterparty risk, including operational risks, that are material for the respective Fund.

A Fund may invest in derivatives as part of its investment strategy, provided that the overall risk of the underlyings does not exceed the investment limits set forth in Section 5.3 (a) to (e). Where a Fund invests in index-based derivatives, such investments do not have to be taken into consideration with regard to the investment limits set forth in Section 5.3 (a) to (e).

A derivative that is embedded in a Transferable Security or a Money Market Instrument must also be taken into consideration with respect to compliance with the requirements in this Section 5.8.

## **6. Unit confirmations**

6.1. Unit Holders receive written confirmation of the acquired registered units.

6.2. Entry of the name of the Unit Holder in the register of unit holders serves as proof that such Unit Holder owns the registered units. Registered units may be transferred to third parties by instruction given to the transfer agent and registrar.

## **7. Issue and redemption of units**

7.1. As a rule, the number of issued units is unlimited. Units are issued at the issue price, which corresponds to the net asset value per unit of the relevant Class, plus an issue premium, which may not exceed 8.5% of the net assets and is paid to persons entrusted with the sale of the units, and any stamp duties or other charges or taxes imposed in the respective country of sale. The issue price must be paid by the deadline specified in the Sales Prospectus. Once the issue price is received by the Depositary, it promptly transfers the corresponding number of units on behalf of the Management Company through issuance of unit confirmations. However, the Management Company reserves the ability to temporarily or permanently suspend the issue of units. In such cases, payments that have already been made are promptly refunded.

Units in Funds may not be acquired by U.S. persons or sold to U.S. persons.

“U.S. persons” mean natural or legal persons who, irrespective of the source of their income, (i) possess U.S. citizenship, (ii) have their place of residence in the USA, (iii) any company, partnership, or entity that is organised in or under the laws of the United States of America or one of its political subdivisions, or any assets or trusts that are subject to the federal income tax laws of the United States of America, (iv) are in possession of a green card, or (v) have stayed in the USA for a number of consecutive days over the past three years and thus satisfy what is known as the “substantial presence test”. In particular, this includes all citizens of the United States of America who are covered by the scope of Foreign Account Tax Compliance Act (“FATCA”), which was enacted in March 2010 as part of the Hiring Incentives to Restore Employment Act.

With FATCA having come into force on 1 January 2013, Unit Holders and those interested in acquiring units must demonstrate that they are not U.S. persons and that they are neither acquiring units in Gamax Funds or one of the Funds at the instruction of U.S. persons nor

reselling them to U.S. persons or, as the case may be, that they are not covered by the scope of FATCA.

Further details concerning the issue of units in Gamax Funds are set forth in the Sales Prospectus.

7.2. Unit Holders may at any time request the redemption of their units by contacting the Management Company, the sales companies, or the paying agents. The request must conform to the minimum amount stipulated by the Management Company and described in the Sales Prospectus. The Management Company is obligated to redeem the units at the applicable redemption price per unit for the respective Class for the account of the respective Fund on the days specified by the Management Company in the Sales Prospectus and at least twice each month. The redemption price is paid by the deadline specified in the Sales Prospectus in the currency specified by the Management Company for the respective Unit Class. In the event that a large number of redemption orders are received, the Management Company reserves the ability, with the prior consent of the Depositary, to first redeem the units at the applicable redemption price after it has promptly sold corresponding Assets while however safeguarding the interests of all Unit Holders.

Further details concerning the redemption of units in Gamax Funds are set forth in the Sales Prospectus.

7.3. The Management Company may set restrictions that it considers necessary in order to guarantee that the acquisition or ownership of units by a Unit Holder does not result in an infringement of statutory or regulatory requirements.

The Management Company may in addition impose restrictions on Unit Holders who in its opinion acquire or own units under circumstances that could result in a taxation obligation for the Fund or could otherwise disadvantage the Fund that it would in either case otherwise not have had to experience. In particular, the Management Company may prohibit the acquisition or ownership of units (i) by U.S. persons (as defined in Section 7.1), (ii) by persons who do not provide the Management Company or third parties engaged by it with the information requested by them that is necessary for compliance with FATCA regulations and other U.S. legal provisions, or (iii) by any person who might possibly cause financial risks and detriments for the Fund. The Management Company is authorised to repurchase units that are held by the aforesaid Unit Holders at the applicable net asset value, including against their will.

7.4. The Depositary is obligated to make payment only where bank transfer of the redemption price is not prevented by statutory provisions, such as foreign currency rules, or other circumstances for which the Depositary is not responsible.

## **8. Joint management of Assets**

Where allowed by the Funds' investment policies, and to the extent that it appears reasonable in view of the respective investment areas, the Board of Directors is authorised to manage the Assets of certain Funds jointly for the purpose of more efficient fund management. The corresponding Assets are referred to in the following as an "asset pool",

regardless whether joint management serves exclusively internal administrative purposes. Such asset pools do not constitute separate assets and are not directly accessible to investors. Each of the Funds whose Assets are jointly managed are allocated the Assets to which it is entitled.

If the Assets of various Funds are jointly managed, the Assets that are to be initially imputed to the various Funds are to be specified pursuant to the initial valuation of the Assets in the asset pool. The interests of the Funds in the respective asset pool change according to subsequent cash inflows and outflows.

The proportional entitlement of the various Funds to the jointly managed Assets relates to all investment objects in the respective asset pool.

## **9. Issue and redemption price**

9.1. For the purpose of calculating the issue price and redemption price of units, the Depositary determines the Assets attributable to each Fund and each Unit Class at the time and in the currency set forth in the current version of the Sales Prospectus and divides this amount by the number of units of this Class that are in circulation ("Net Asset Value Per Unit"). The overall net asset value of Gamax Funds is determined in euros.

9.2. Assets and liabilities are apportioned as follows:

- a) The issue price collected upon issue of units of a specific Fund are credited to the respective Fund in the books of Gamax Funds. The Fund's Assets and liabilities, as well as income and expenses relating to a Fund, are attributed to it in compliance with the following provisions.
- b) Assets that are acquired as a result of another Asset already contained in the Fund are credited to such Fund. Each time an investment is revalued, the appreciation or depreciation in value is imputed to the respective Fund.
- c) If in connection with an Asset of a Fund, Gamax Funds assumes any type of liability, such liability is imputed to the Fund concerned.
- d) If an Asset or liability cannot be imputed to a specific Fund, such Asset or liability is allocated to all Funds in proportion to the various net asset values of the individual Funds.
- e) As a consequence of a distribution to holders of units of a specific Class, or as a consequence of the payment of costs for holders of units of a specific Class, as well as the provision for such costs, such Class's share of the total net asset value is reduced by the amount of the distribution or such costs.
- f) If several Unit Classes are issued for a Fund, each Unit Class's share of the net assets of such Fund is specified by taking into account issues, redemptions, conversions, distributions, and the costs to be borne by the individual Unit Classes.

Each Fund is liable only for those liabilities that are to be attributed to it.

9.3. The Fund's net assets are calculated according to the following principles:

- a) The value of cash and bank balances, certificates of deposit and outstanding receivables, prepaid expenses, cash dividends, and declared or accrued interest not yet received corresponds to the respective full amount, unless it is likely that same cannot be paid or received in full, in which case the value is determined by including a reasonable discount in order to obtain the actual value.
- b) The value of Assets listed or traded on an exchange is calculated on the basis of the closing price on the banking day preceding the relevant valuation day. In this regard, the closing price on the exchange that is normally the primary market for this Transferable Security is used for the purpose of calculation. If a Transferable Security or other Asset is listed on several exchanges, the relevant closing price on the exchange or Regulated Market that is the primary market for that Asset is controlling.
- c) The value of Assets traded on a different Regulated Market is calculated on the basis of the closing price on the banking day preceding the relevant valuation day.
- d) To the extent that an Asset is not listed or traded on an exchange or on another Regulated Market, or to the extent that the prices of Assets that are listed or traded on an exchange or on another market as mentioned above do not adequately reflect the actual market value of the corresponding Assets in accordance with the arrangements in (b) or (c), the value of such Assets is calculated on the basis of the reasonably foreseeable, conservatively estimated sales price.
- e) The liquidation value of futures, forwards, and options that are not traded on exchanges or other organised markets corresponds to the respective net liquidation value as determined pursuant to the guidelines of the Board of Directors on a basis that is applied consistently for all various types of contracts. The liquidation value of futures, forwards, and options that are traded on exchanges or other organised markets is calculated on the basis of the most recently available settlement prices for such contracts on the exchanges or organised markets on which such futures, forwards, or options of the Fund are traded; to the extent that a future, forward, or option cannot be liquidated on a day for which the net asset value is specified, the valuation basis for such a contract is specified by the Board of Directors in an appropriate and reasonable manner. Swaps are valued at their specific market value, taking into account applicable interest rate trends.
- f) The value of Money Market Instruments that are not listed on an exchange or traded on another Regulated Market and have a remaining term to maturity of less than 12 months and more than 90 days corresponds to the respective nominal value, plus interest accrued thereon. Money Market Instruments with a remaining term to maturity of less than 90 days are calculated on the basis of amortisation costs, which corresponds to the approximate market value.

- g) All other Transferable Securities and other Assets are calculated at their fair market value, as determined in good faith and in accordance with the procedure to be established by the Management Company.

The value of all Assets and liabilities that are not expressed in the Fund's currency are converted into that currency at the exchange rates most recently available to the Depositary. If such rates are not available, the exchange rate is determined in good faith and in accordance with the procedure established by the Board of Directors.

The Management Company may at its discretion permit other valuation methods if it considers this to be appropriate in the interest of a more suitable valuation of an Asset of the Fund.

If the Management Company is of the opinion that the calculated unit value does not reflect the actual value of the Fund's units on a given valuation day, or if there has been considerable movement on the relevant exchanges and/or markets since calculation of the unit value, the Management Company may decide to update the unit value on the same day. Under such circumstances, all subscription and redemption requests received for such valuation day are honoured on the basis of the unit value as updated in consideration of the principle of good faith.

9.4. In connection with specifying the issue price, the issue premium may be added to the Net Asset Value Per Unit in order to defray issue costs. If stamp duties or other charges or taxes are incurred in a country in which units are sold, the issue price increases accordingly.

9.5. The redemption price is the Net Asset Value Per Unit of the respective Unit Class. The Depositary pays same without any further deduction, other than in the case of Unit Classes for which the issue price of units does not include any issue premium. In such case, a corresponding deduction from the net asset value is made in favour of the Management Company and/or third parties.

9.6. Subscription and redemption requests that are received by the Management Company or the transfer agent and registrar on or before the time specified in the Sales Prospectus are processed at the issue or redemption price applicable on the next valuation day. Subscription and redemption requests that are received by the Management Company or the transfer agent and registrar after the time specified in the Sales Prospectus are processed at the issue or redemption price applicable on the next valuation day thereafter.

9.7. Under extraordinary circumstances, additional evaluations may be performed in the course of a given day, and same will be controlling for purchase and redemption requests received thereafter.

## **10. Conversion of units**

Unit Holders may convert units into units of another Fund in the scope indicated in the Sales Prospectus. Such conversion takes place on the basis of the most recently calculated net asset values, and in some cases, a commission of not more than 1% of the converted units

is charged and paid to the Management Company. Further details about this, particularly concerning the time periods to be complied with, are set forth in the Sales Prospectus.

## **11. Suspension**

11.1. Calculation of the net asset value, as well as the issue, redemption, and conversion of units of each Class, may be temporarily suspended by the Management Company, if and as long as

- an exchange on which a substantial portion of the Transferable Securities of Gamax Funds are traded is closed (other than on weekends and customary holidays) or trade is restricted or suspended;
- the Management Company cannot dispose of Assets;
- consideration in the case of purchases and sales is not to be transferred; or
- it is not possible to properly perform the calculation of the net asset value.

11.2. Notice of the suspension and resumption of net asset value calculation is given without delay to those Unit Holders who have applied for the redemption or conversion of their units. If the calculation of a Fund's net asset value is suspended, this has no effect on units in other Funds where such circumstances do not exist for the other Funds.

## **12. Costs**

12.1. In exchange for the management of Gamax Funds, the Management Company is paid a fixed fee of a most 1.5% p.a. of the net assets value and performance-related fee ("Performance Fee") from the assets of the respective Fund. In addition, the Management Company is paid a servicing fee of 0.3% p.a. With the exception of the Performance Fee paid to the Management Company, these fees are calculated on a daily basis and paid monthly in arrears.

The fee of each portfolio manager is borne by the Management Company or the investment manager (the investment manager is, in turn, reimbursed for this by the Management Company from its own fee) and is not charged to the individual Fund's Assets. A portfolio manager is not reimbursed for any disbursements and expenses from the individual Fund's Assets.

12.2. The investment manager is paid a fee of 0.02% p.a. of the relevant net sub-fund assets (plus any applicable VAT) from the Assets of the respective Fund. This fee is calculated on a daily basis and paid monthly in arrears.

12.3. The cash manager is paid a fee of 0.01% p.a. of the relevant net sub-fund assets (plus any applicable VAT) from the Assets of the respective Fund. This fee is calculated on a daily basis and paid monthly in arrears.

12.4. The transfer agent and registrar is paid a fee for its services of up to 0.35% p.a. of the net assets of the respective Fund.

12.5 The fee of the Depositary and central administrative agent ("Service Fee") may amount to as much as 0.5% p.a. of the net asset value of the respective Fund with a minimum fee of EUR 31,000 p.a. on the Fund level and EUR 93,000 p.a. on the Gamax Funds level. This Service Fee is payable monthly and does not include any transaction fees or fees from sub-depositaries or similar service providers. Any cash disbursements or project costs of the Depositary and central administrative agent that are incurred with respect to Gamax Funds and that are not included in this Service Fee may be paid or refunded to the Depositary and central administrative agent from the Assets of the respective Fund. The actual amount paid from the Assets of Gamax Funds to the Depositary and central administrative agent is listed in the annual report of Gamax Funds.

12.6. If an issue premium cannot be assessed for a Unit Class, a sales fee of up to 1% p.a. of the net assets of the respective Fund may be charged for these Unit Classes and paid to the Management Company and/or a third party, provided this is envisaged in the current version of the Sales Prospectus.

12.7. In addition to the costs incurred in connection with the acquisition and disposal of Assets of the Funds, the respective Assets of the Funds may be charged the following costs and disbursements:

- a) Costs for bookkeeping and auditors;
- b) Costs for legal advice;
- c) Fees, charges, costs, and reasonable expenses of each placing agent, structuring agent, paying agent, correspondence bank, and other sales agent;
- d) Fees charged by banks and exchange traders and for corporate financing, including interest for loans, index calculation, performance assignment, risk control, and fees and costs for comparable services;
- e) Taxes and charges demanded by any tax authority;
- f) Costs and disbursements incurred in connection with listing on an exchange and the fulfilment of its requirements;
- g) Depositary fees and transfer fees;
- h) Insurance costs;
- i) All other costs and disbursements, including costs for issuing and redeeming units;
- j) Costs for preparing, translating, printing, and/or submitting the Fund Rules and all other documents relating to Gamax Funds or the relevant Fund in any language, including documentation, sales prospectuses, documents for exchange listing, informational material, annual and half-yearly reports, special reports, confirmations

regarding the subscription of units, and notifications to Unit Holders that are required to be filed with all public authorities responsible for the Fund or one of the Funds or the sale of the respective Fund (including the local securities traders' associations) and the costs for the transmission of any of the aforementioned documents to the Unit Holders;

- k) Costs for advertising in connection with the sale of units or the Fund(s);
- l) Publication costs for notifications in newspapers in each relevant jurisdiction;
- m) All costs in connection with the restructuring of the Fund and/or its Funds;
- n) All costs and disbursements incurred in connection with securities lending transactions by a Fund, including (i) all administrative and/or operating costs and disbursements of the Management Company or the Depository and (ii) all fees, costs, and disbursements of any lending agents, brokers, traders, third-party managers, or other agents whose services are to be rendered in this regard. After deduction of these amounts, the income earned from the investment of cash guarantees and other income earned from securities lending transactions in this sense is allocated between the applicable Fund, the Management Company, and the lending agent (plus any applicable VAT). This allocation is specified in writing from time to time;
- o) If the Management Company or a third-party manager negotiates the refund of part of the fees charged by brokers or traders in conjunction with the acquisition and/or sale of securities of a Fund ("Fee Refund"), this Fee Refund is paid to the relevant Fund. The Management Company and third-party manager are entitled to be reimbursed by the relevant Fund for their reasonable and documented fees, costs, and disbursements that are directly related to the negotiation of a Fee Refund and the monitoring of programs set up for the purpose of achieving the highest standards for mandate exercise, additional services, and investment research conducted for the Funds. The amount of such reimbursement will in any case not exceed 50% of the Fee Refund. Accordingly, it is conceivable that the Management Company or the relevant third-party manager will not be entitled to reimbursement of all or part of the fees, costs, and disbursements incurred in conjunction with the Fee Refund; and
- p) All properly documented remuneration and reasonable costs, fees, and disbursements of a third-party manager in connection with index calculation, performance assignment, risk control, performance measurement, risk analysis, research, and corresponding services for a Fund (the remuneration, costs, fees, and disbursements listed in this Section 12.7 (p) will not exceed a maximum amount of 0.045% p.a. of the net assets of the relevant Fund),

plus any applicable VAT in each case.

The audited annual report of Gamax Funds includes all information about all incurred costs.

### **13. Distributions**

At the end of each financial year, the Management Company specifies the amount of the annual distribution for the respective Fund, as well as the distribution date applicable to the Fund. Moreover, the Management Company may decide to make interim distributions. Distributions may vary for each Fund, and the policy established in this regard is published in the Prospectus. Distributions may be made only to the extent that they do not cause the net asset value of Gamax Funds to fall below the minimum amount prescribed by law. This minimum amount is currently equal to EUR 1,250,000 (One Million Two Hundred Fifty Thousand Euros).

Claims to distributions are prescribed five years after the date on which they become due for payment. The corresponding Assets revert to the respective Fund.

Distributions are made either by bank transfer or bank cheque.

The paying agents are announced in the Prospectus.

#### **14. Financial year, reports, auditing**

14.1. The financial year of Gamax Funds is the calendar year.

14.2. The respective annual and half-yearly reports are available from the Management Company, the Depositary, and each paying agent.

14.3. Gamax Funds and its books are audited by an independent auditing firm appointed by the Management Company.

#### **15. Term and liquidation**

15.1. Gamax Funds and the Funds are established for an indefinite period of time. However, Gamax Funds, as well as the individual Funds, may be liquidated at any time by resolution of the Management Company.

15.2. If Gamax Funds or a Fund is liquidated, notice is published in the Mémorial as well as in daily newspapers. For this purpose, in addition to a daily newspaper in Luxembourg, the Management Company will select a daily newspaper in each of the countries in which the public sale of units is permitted. The issue, redemption, and conversion of units will be discontinued on the day that the resolution is adopted concerning the liquidation of Gamax Funds or the individual Funds. The Assets will be disposed of, and at the instruction of the Management Company or, as the case may be, the liquidators designated by the Management Company or by the Depositary in consultation with the supervisory authority, the Depositary will distribute the liquidation proceeds among the Unit Holders, less liquidation costs and fees, in proportion to their claims.

15.3. Liquidation proceeds that have not been collected by Unit Holders after the conclusion of a liquidation procedure will be deposited with the Caisse de Consignation in Luxembourg for the account of the Unit Holders entitled thereto, where such amounts will be forfeited unless claimed within the statutory period.

## 16. Merger

The Management Company may resolve in compliance with the provisions of the Law of 2010 to conduct a merger within the meaning of Article 1, No. 20 of the Law of 2010 of Gamax Funds or one of the Funds, whereby Gamax Funds or the respectively concerned Fund may participate either as the merging or receiving UCITS.

### 16.1. Merger of Gamax Funds

The Management Company may resolve to merge Gamax Funds as either the receiving or the merging UCITS with

- another UCITS in Luxembourg or abroad (the “New UCITS”) or
- a sub-fund of such UCITS in Luxembourg or abroad

and, if necessary, rename the units in Gamax Funds as units in the New UCITS or the respective sub-fund.

### 16.2. Merger of one of the Funds

The Management Company may resolve to merge a Fund as either the receiving or the merging UCITS with

- another existing Fund or another sub-fund of a New UCITS (the “New Sub-fund”) or
- a New UCITS

and, if necessary, rename the units in the Fund concerned as units in the New UCITS or the New Sub-fund.

In the case of a merger of Gamax Funds or one of the Funds, the Management Company must give the Unit Holders of Gamax Funds or the Fund notice of the intention to merge through a corresponding announcement within the meaning of Article 72 (2) of the Law of 2010 at least 30 days before the time at which the conversion ratio is calculated. Then, in accordance with the provisions of the Law of 2010, Unit Holders have the right for 30 days to return their units to the merging UCITS at the relevant redemption price without further costs (apart from any divestment costs) or, if applicable, to convert them into units of another UCITS with a similar investment policy that is managed by the Management Company or by another company with which the Management Company is affiliated through joint management or control or through material direct or indirect participation. This right is effective from the time at which the Unit Holders of the receiving and merging UCITSs are notified about the planned merger, and it expires five banking days before the time at which the conversion ratio is calculated.

Costs that are incurred in connection with merger are not borne by Gamax Funds, the merging or receiving UCITS, or the respective Unit Holders.

## **17. Amendments to the Fund Rules**

17.1. These Fund Rules may be amended by the Management Company with the consent of the Depositary.

17.2. They will be published in the RESA and enter into effect on the date of signature, unless provided otherwise

## **18. Place of performance, place of jurisdiction, and contract language**

18.1. The Grand Duchy of Luxembourg is the place of performance.

18.2. The Fund Rules are subject to Luxembourg law. Legal disputes between or among Unit Holders, the Management Company, and the Depositary are subject to the jurisdiction of the competent court in the Grand Duchy of Luxembourg. The Management Company and the Custodian are entitled to submit themselves and Gamax Funds to the law and jurisdiction of other countries in which units are sold, should investors domiciled there assert claims against the Management Company or the Depositary with respect to the subscription and redemption of units.

18.3. The English version of these Fund Rules is controlling. The Management Company and the Depositary may declare for themselves and Gamax Funds that translations of these Fund Rules into the languages of countries in which the public sale is permitted are binding.

## **19. Prescription period**

Claims of Unit Holders against the Management Company, the transfer agent and registrar, or the Depositary are prescribed five years after the claim arises.

Consolidated version of these Fund Rules as at 2 January 2020.