



## UBAM (CH)

A fund with multiple sub-funds in the category of "Other funds for traditional investments", incorporated under Swiss law

- Swiss Equity
- Swiss Small and Mid Cap Equity
- High Grade CHF Income
- High Grade CHF Income Plus
- Gold +

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### PART I PROSPECTUS

This prospectus with integrated Fund Contract, key investor information and latest annual or semi-annual report (if published after the latest annual report) form the basis of all subscriptions for the units in the sub-funds.

Only information contained in the Fund Contract, prospectus and key investor information is deemed valid.

#### 1. Information on the umbrella fund and sub-funds

##### 1.1 General information

UBAM (CH) is a contractual umbrella fund under Swiss law in the category of "Other funds for traditional investments" under the terms of the Federal Act on Collective Investment Schemes (CISA) of 23 June 2006, divided into the following sub-funds:

- Swiss Equity
- Swiss Small and Mid Cap Equity
- High Grade CHF Income
- High Grade CHF Income Plus
- Gold +

The Fund Contract was established by GERIFONDS SA, Lausanne, the fund management company, with the agreement of Banque Cantonale Vaudoise, Lausanne, the Custodian Bank, and is subject to the provisions of the Swiss Financial Market Supervisory Authority FINMA. The Fund Contract received FINMA's recent approval on 7 February 2020 and came into force on 7 February 2020.

The sub-funds are based on a collective investment contract (the Fund Contract), under which terms the fund management company undertakes to act autonomously and in its own name on behalf of investors, by enabling the said investors to participate in the sub-funds in line with the number of units they own and by managing the sub-funds in accordance with the provisions of the law and the Fund Contract. The Custodian Bank is party to the Fund Contract, in accordance with the responsibilities assigned to them by law and the Fund Contract.

Investors are only entitled to the assets and income of the sub-fund in which they participate. Liabilities accrued in a sub-fund will only be met by the sub-fund in question.

In accordance with the provisions of the Fund Contract, the fund management company may at any time create new sub-funds, subject to the supervisory authority's approval, or merge or dissolve them.

The **Swiss Equity** sub-fund is divided into eight classes:

- A, open to all investors and whose net incomes are distributed annually.
- AP, open to all investors and for which the asset manager receives a performance fee in accordance with § 20 section 3 of the fund contract. The net incomes of the class AP units are distributed annually.
- I, open to qualified investors, as defined by CISA and its implementing ordinances, and whose net incomes are distributed annually.
- IP, open to qualified investors, as defined by the CISA and its implementing ordinances, and for which the asset manager receives a performance fee in accordance with § 20 section 3 of the fund contract. The net incomes of the class IP units are distributed annually.
- P, open to investors within the meaning of Art. 38a paragraph 1 of the Ordinance on withholding tax (OIA). Investors within the meaning of Art. 38a paragraph 1 OIA are the institutions exempt from occupational pension plans, tied pensions,

the vested institutions, social insurance, compensation funds and life insurers subject to the supervision of the Confederation and the Swiss insurers under public law. To allow the fund management company to fulfil its obligations under Art. 38a paragraph 1 OIA, the units are deposited and held directly in the name of the investor or indirectly on behalf of its custodian, at the Banque Cantonale Vaudoise, and investors must waive their bank secrecy vis-à-vis the fund management company, the Banque Cantonale Vaudoise acting as the Custodian Bank of the sub-fund and the Swiss tax authorities. The net incomes of the class P units are reinvested annually.

- PP, open to investors within the meaning of Art. 38a paragraph 1 of the Ordinance on withholding tax (OIA) and for which the asset manager receives a performance fee in accordance with § 20 section 3 of the fund contract. Investors within the meaning of Art. 38a paragraph 1 OIA are the institutions exempt from occupational pension plans, tied pensions, the vested institutions, social insurance, compensation funds and life insurers subject to the supervision of the Confederation and the Swiss insurers under public law. To allow the fund management company to fulfil its obligations under Art. 38a paragraph 1 OIA, the units are deposited and held directly in the name of the investor or indirectly on behalf of its custodian, at the Banque Cantonale Vaudoise, and investors must waive their bank secrecy vis-à-vis the fund management company, the Banque Cantonale Vaudoise acting as the Custodian Bank of the sub-fund and the Swiss tax authorities. The net incomes of the class PP units are reinvested annually.
- U, open to all investors and for which the distributors do not receive any retrocession for their distribution activity. The net incomes of the class U are distributed annually.
- UP, open to all investors, for which the asset manager receives a performance fee in accordance with § 20 section 3 of the fund contract and the distributors do not receive any retrocession for their distribution activity. The net incomes of the class UP units are distributed annually.

The **Swiss Small and Mid Cap Equity** sub-fund is divided into two classes: A and I, as described above.

The **High Grade CHF Income** sub-fund is divided into four classes: A, I, P and U, as described above.

The **High Grade CHF Income Plus** sub-fund is divided into seven classes: A, I, P and U, as described above, and as well:

- A+, open to all investors authorised to invest in the sub-fund by virtue of a specific written agreement concluded with UNION BANCAIRE PRIVÉE, UBP SA, or another entity of the UBP Group. The net incomes of the class A+ are distributed annually.
- I+, open to qualified investors, as defined by the CISA, authorised to invest in the sub-fund by virtue of a specific written agreement entered into with UNION BANCAIRE PRIVÉE, UBP SA, or another entity of the UBP Group. The net incomes of the class I+ are distributed annually.
- U+, open to all investors authorised to invest in the sub-fund by virtue of a specific written agreement concluded with UNION BANCAIRE PRIVÉE, UBP SA, or another entity of the UBP Group, and for which the distributors do not receive any retrocession for their distribution activity. The net income of the class U+ are distributed annually.

The **Gold +** sub-fund is divided into eight classes:

- (USD) A, with the reference currency being the US Dollar (USD), open to all investors and whose net incomes are distributed annually.
- (USD) I, with the reference currency being the US dollar (USD), open to qualified investors, as defined by CISA and its implementing ordinances, and whose net incomes are distributed annually.
- (CHF) AH, with the reference currency being the Swiss franc (CHF), open to all investors and whose net incomes are distributed annually.
- (CHF) IH, with the reference currency being the Swiss franc (CHF), open to qualified investors, as defined by CISA and its implementing ordinances, and whose net incomes are distributed annually.
- (EUR) AH, with the reference currency being the euro (EUR), open to all investors and whose net incomes are distributed annually.
- (EUR) IH, with the reference currency being the euro (EUR), open to qualified investors, as defined by CISA and its implementing ordinances, and whose net incomes are distributed annually.
- (SGD) AH, with the reference currency being the Singapore dollar (SGD), open to all investors and whose net incomes are distributed annually.
- (SGD) IH, with the reference currency being the Singapore dollar (SGD), open to qualified investors, as defined by CISA and its implementing ordinances, and whose net incomes are distributed annually.

Investors requesting the allocation, conversion, or maintenance of their units in either of classes A+, I, IP, I+, (USD) I, (CHF) IH, (EUR) IH, (SGD) IH, P, PP or U+, must provide all necessary documents and information proving compliance to the conditions of acceptance into the class concerned.

In accordance with the provisions of the Fund Contract, the fund management company may at any time, subject to the Custodian Bank's consent and the supervisory authority's approval, create new classes, or merge or terminate them.

The classes do not represent segmented assets. As such, it cannot be excluded that a class liable for the liabilities of another class, even if the costs incurred are in principle attributed to the class benefiting from the particular performance.

## 1.2 Sub-funds objectives and investment policies

The detailed investment policies and restrictions, permitted investment techniques and instruments (notably the financial derivative instruments and their scope), are stated in the Fund Contract (Part II §§ 7-15).

The fund management company does not trade in securities lending transactions or in repo and reverse repo arrangements.

### 1.2.1 Swiss Equity sub-fund

The Swiss Equity sub-fund aims in the medium term, to generate superior returns relative to the Swiss equity market as measured by the SPI® index. The sub-fund is actively managed and the companies are chosen after a rigorous and diverse selection process. No guarantee can be given as to the achievement of the sub-fund's investment objective.

- a) The sub-fund invests at least 51% of its assets in:
  - aa) shares and other securities or participation rights of companies domiciled or exercising the predominant part of their economic activity in Switzerland;
  - ab) collective investment schemes that according to their documentation invest in investments according to letter aa) above;
  - ac) derivative financial instruments on investments or indices according to letter aa) above.Regarding units or shares in collective investment schemes pursuant to letter ab) above, at least 51% of the sub-fund's assets shall be invested on a consolidated basis in investments described under letter aa) above.
- b) The sub-fund may also invest up to 49% of its assets in:
  - ba) shares and other securities or participation rights of companies worldwide;
  - bb) collective investment schemes that according to their documentation invest in investments according to letter ba) above;
  - bc) derivative financial instruments on investments or indices according to letter ba) above;
  - bd) bank sight or term deposits.
- c) The sub-fund mostly invests the sub-fund's assets in securities of companies that can be qualified as large and mid-cap companies.
- d) In addition, sub-fund must adhere to the investment limits stated below, which refers to its assets:
  - Collective investment schemes: up to a maximum of 10%;
  - Derivative financial instruments for investment purposes: up to a maximum of 20% exposure.

The Swiss Equity sub-fund's base currency is the Swiss franc (CHF).

### 1.2.2 Swiss Small and Mid Cap Equity sub-fund

The Swiss Small and Mid Cap Equity sub-fund aims in the medium term, to generate superior returns relative to the Swiss small and mid caps equity market as measured by the SPI Extra® index. The sub-fund is actively managed and the companies are chosen after a rigorous and diverse selection process. No guarantee can be given as to the achievement of the sub-fund's investment objective.

- a) The sub-fund invests at least 51% of its assets in:
  - aa) shares and other securities or participation rights of companies domiciled or exercising the predominant part of their economic activity in Switzerland and are part of the SPI Extra®;
  - ab) collective investment schemes that according to their documentation invest their assets or any part thereof in accordance with the guidelines of this sub-fund;
  - ac) derivative financial instruments (including warrants) on the aforementioned investments, on the SPI Extra® or an index whose composition is similar to that of the aforementioned index.Regarding units or shares in collective investment schemes pursuant to letter ab) above, at least 51% of the sub-fund's assets shall be invested on a consolidated basis in investments described under letter aa) above.
- b) The sub-fund may also invest up to 49% of its assets in:
  - ba) shares and other securities or participation rights of companies worldwide;
  - bb) bonds and other fixed or variable income securities or debt instruments, of private or public debtors worldwide having a credit rating of at least BBB+;
  - bc) money market instruments and collective investment schemes that invest in such instruments;
  - bd) collective investment schemes that do not meet the investment requirements described under letter a) ab) above;
  - be) derivative financial instruments (including warrants) on the aforementioned investments;
  - bf) bank sight or term deposits.
- c) In addition, the sub-fund must adhere to the investment limit stated below, which refers to its assets:
  - Collective investment schemes: up to a maximum of 49%.

The Swiss Small and Mid Cap Equity sub-fund does not invest in precious metals.

The Swiss Small and Mid Cap Equity sub-fund's base currency is the Swiss franc (CHF).

### 1.2.3 High Grade CHF Income sub-fund

The High Grade CHF Income sub-fund aims to generate stable returns in Swiss francs by investing, directly and/or indirectly, in mainly investment grade Swiss and international bonds markets, including hedging the currency risk in Swiss francs when making direct investments. The sub-fund is set up to take advantage of all bond markets performance opportunities, both in physical form (bonds) and synthetic form

(rate derivatives and credit derivatives). The sub-fund's active management seeks to optimise performance by selecting debts instruments offering the best returns. Based on market conditions and yields, the sub-fund can be 100% invested in either physical bonds or 100% invested in synthetic bonds. No guarantees can be given as to the successful achievement of the sub-fund's investment objective.

- a) The sub-fund invests its assets in:
  - aa) bonds and other fixed or variable income securities or debt instruments, denominated in any currency, of private or public debtors worldwide;
  - ab) derivative financial instruments whose underlying are represented by an investment according to letter aa) above or by an investment index according to letter aa) above. Derivative financial instruments are primarily futures and credit derivatives;
  - ac) money market instruments;
  - ad) collective investment schemes that invest in money market instruments
  - ae) bank sight or term deposits;
  - af) fiduciary investments.
- b) At least 51% of the sub-fund's assets are exposed to investments according to letter a) aa) above. Exposure takes place either through direct investments or indirectly through derivative financial instruments.
- c) In addition, the sub-fund must adhere to the investment limits stated below, which refer to its assets:
  - Collective investment schemes: up to a maximum of 30%
  - Bonds and other securities or debt instruments with less than Investment Grade rating: up to a maximum 15%.

The High Grade CHF Income sub-fund's base currency is the Swiss franc (CHF).

### 1.2.4 High Grade CHF Income Plus sub-fund

The High Grade CHF Income Plus sub-fund aims to generate stable returns in Swiss francs by investing, directly and/or indirectly, in the Swiss and international investment grade and high yield (up to 25%) bonds markets, including hedging the currency risk in Swiss francs when making direct investments. The sub-fund is set up to take advantage of all bond markets performance opportunities, both in physical form (bonds) and synthetic form (rate derivatives and credit derivatives). The sub-fund's active management seeks to optimise performance by selecting debts instruments offering the best returns. Based on market conditions and yields, the sub-fund can be 100% invested in either physical bonds or 100% invested in synthetic bonds. No guarantees can be given as to the successful achievement of the sub-fund's investment objective.

- a) The sub-fund invests its assets in:
  - aa) bonds and other fixed or variable income securities or debt instruments, denominated in any currency, of private or public debtors worldwide;
  - ab) derivative financial instruments whose underlying are represented by an investment according to letter aa) above or by an investment index according to letter aa) above. Derivative financial instruments are primarily futures and credit derivatives;
  - ac) money market instruments;
  - ad) collective investment schemes that invest in money market instruments
  - ae) bank sight or term deposits;
  - af) fiduciary investments.
- b) At least 51% of the sub-fund's assets are exposed to investments according to letter a) aa) above. Exposure takes place either through direct investments or indirectly through derivative financial instruments.
- c) In addition, the sub-fund must adhere to the investment limits stated below, which refer to its assets:
  - Collective investment schemes: up to a maximum of 30%
  - Bonds and other securities or debt instruments with less than Investment Grade rating: up to a maximum 15%;
  - Derivative financial instruments for investment purposes: up to a maximum of 100% exposure.

The High Grade CHF Income Plus sub-fund's base currency is the Swiss franc (CHF).

### 1.2.5 Gold + sub-fund

The Gold + sub-fund aims to generate, through an active management, long-term overperformance in comparison to the gold market as measured by the London Gold Market Fixing index - LBMA PM Fixing Price (GOLDLNP). No guarantees can be given as to the successful achievement of the sub-fund's investment objective.

- a) The sub-fund invests at least 51% of its assets in:
  - aa) physical gold with a purity of at least 995/1000 in the form of standard bars or ingots;
  - ab) "metal" accounts;
  - ac) collective investment schemes that according to their documentation invest their assets or any part thereof in accordance with the guidelines of this sub-fund;
  - ad) derivative financial instruments (including warrants) on the aforementioned investments.Regarding units or shares in collective investment schemes pursuant to letter ac) above, at least 51% of the sub-fund's assets shall be invested on a consolidated basis, in accordance with investments described under letters aa) and ab) above.
- b) The sub-fund may also invest up to 49% of its assets in:
  - ba) bonds and other fixed or variable income securities or debt instruments, of private or public debtors worldwide having a credit rating of at least BBB+;
  - bb) money market instruments and collective investment schemes that invest in such instruments;

- bc) structured products (e.g. certificates) whereby their underlyings are gold, gold indices or collective investment schemes investing the majority of their assets in gold;
  - bd) collective investment schemes that do not meet the investment requirements described under letter a) ac) above;
  - be) derivative financial instruments (including warrants) on the aforementioned investments;
  - bf) currency derivatives;
  - bg) bank sight or term deposits.
- c) In addition, the sub-fund must adhere to the investment limits stated below, which refers to its assets:
- Collective investment schemes: up to a maximum of 49%;
  - Structured products: up to a maximum of 10%.

The Gold + sub-fund's base currency is the US dollar (USD).

### 1.2.6 Special risks

#### Swiss Small and Mid Cap Equity sub-fund

##### Liquidity Risk

The sub-fund invests in small and mid-caps companies; its assets may, therefore, be exposed to reduced liquidity in the case of low or no demand.

##### Asset Risk

The concentration of the sub-fund's assets in small and mid-caps companies increases its risk due to the specificity of these securities.

#### High Grade CHF Income Plus sub-fund

##### Issuer risk

High yield securities carry a greater risk of default and credit event risk than high quality securities. In return, they generally offer higher yields.

#### Gold + sub-fund

##### Market risk

The price of gold is influenced by fundamental and cyclical factors. It can therefore be very volatile.

##### Political, legal and fiscal risks

This is the political risk associated with gold producers, as well as risks associated with legal or tax changes governing gold transactions.

##### Counterparty risk

The sub-fund may invest in gold through "metal" accounts. These accounts represent unsecured debts in the event of bankruptcy of the institution with which the accounts are established.

##### Currency risk

This is risk associated with investment currencies (mainly the US dollar, USD), relative to the reference currencies of the different classes or the currency of the sub-fund. The asset manager will aim to hedge this risk to a large extent and systematically, but this risk can not be completely excluded.

### 1.3 Sub-funds investment restrictions

The fund management company may, in principle, invest up to 20% of the Swiss Equity sub-fund's assets, including derivatives and structured products, in transferable securities or money market instruments from a same issuer. The fund management company is authorised to reflect the structure of the SPI® index in this sub-fund and the limit of 20% is raised to 25% for three security issuers of the index among the five largest market capitalisations. In addition, only one issuer of securities in the index among the five largest market capitalisations is allowed to exceed the above-mentioned 25% limit, with a maximum overweight of 5% in relation to its weight in the index and a maximum of 33%. The total value of transferable securities and money market instruments from issuers with whom more than 10% of the sub-fund's assets are invested, cannot exceed 75% of the assets of that particular sub-fund. In addition, the sub-fund's assets must be invested in the securities of at least ten separate issuers.

The fund management company may invest up to 20% of the Swiss Small and Mid Cap Equity, High Grade CHF Income, High Grade CHF Income Plus, and Gold + sub-fund's assets, including derivatives and structured products, in transferable securities or money market instruments from the same issuer or debtor, including in "metal" accounts.

The fund management company may invest up to 35% of the High Grade CHF Income and High Grade CHF Income Plus sub-funds into transferable securities or money market instruments of the same issuer if issued or guaranteed by a Swiss central mortgage bond institution, a member country of the OECD, a public corporation from the OECD, or by any other international public institution in which Switzerland or a member state of the European Union participates.

The fund management company may invest up to 100% of the assets of the High Grade CHF Income and High Grade CHF Income Plus sub-funds in transferable securities or money market instruments of the same issuer provided that these are issued or guaranteed by a member country of the OECD, a public corporation from the OECD, or by any other international public institution in which Switzerland or a member state of the European Union participates. In this case, the sub-fund must hold securities or money market instruments from at least six different issues and a maximum of 30% of the sub-fund can be placed in securities or money market instruments of the same issue. Issuers or authorised guarantors are all Member States of the OECD as well as governmental, intergovernmental or paragonovernmental bodies of these States.

### 1.4 The use of derivatives by the sub-funds

The fund management company may use derivatives. However, the use of derivatives, even under extraordinary market circumstances, cannot lead to a divergence from the investment objectives or a modification to the investment characteristics of the sub-funds.

### Commitment approach I

Commitment approach I applies to the assessment of risk for the Swiss Equity and Swiss Small and Mid Cap Equity sub-funds.

Derivatives are used mainly for the purpose of hedging investments and currency risk. They are used only incidentally for investment strategy purposes.

Only basic type of derivatives shall be used, meaning call or put options, swaps, and term contracts (futures and forwards), as described in more detail in the Fund Contract (see § 12), as long as their underlyings are permitted as investments by the investment policy. Derivatives can be traded on an exchange or another regulated market open to the general public or concluded OTC (over-the-counter). Derivatives are subject to counterparty risk, in addition to market risk. In other words, there is a risk that the contracting party fails to honour its commitments thus causing a financial loss.

The use of derivatives should not, even under extraordinary market circumstances, lead to any leverage on the sub-funds' assets or correspond to short selling.

### Commitment approach II

Commitment approach II applies to the assessment of risk for the High Grade CHF Income, High Grade CHF Income Plus, and Gold + sub-funds.

For the High Grade CHF Income and High Grade CHF Income Plus sub-funds, derivatives are used for investment strategy purposes to replicate positions in a synthetic manner. They are also used for hedging investments and currency risk.

For the Gold+ sub-fund, derivatives are used for investment strategy purposes. They are also used for hedging investments and currency risk.

It shall be possible to use basic type of derivatives, as well as exotic derivatives, the latter to a negligible extent, as described in detail in the Fund Contract (see § 12), as long as their underlyings are permitted as investments by the investment policy. Derivatives can be traded on an exchange or another regulated market open to the general public or concluded OTC (over-the-counter). Derivatives are subject to counterparty risk, in addition to market risk. In other words, there is a risk that the contracting party fails to honour its commitments thus causing a financial loss.

In addition to Credit Default Swaps (CDS), all other types of credit derivatives can be purchased (e.g. total return swaps [TRS], credit spread options [CSO], and credit linked notes [CLN]), which allow transferring credit risk to third parties, also known as buyers of risk. Buyers of risk are compensated in the form of premiums. The amount of the premium depends on, among other things, the probability of a loss and its maximum amount. These two factors are generally difficult to assess, thus increasing the risk associated with credit derivatives. The sub-funds can take on both roles of buyer and seller of risk.

The use of derivatives may lead to leveraging the sub-funds' assets or correspond to short selling. Total derivative commitments may represent up to 100% of the sub-fund's net assets, thus raising the sub-fund's total commitment to 200% of its net assets.

### 1.5 Collateral strategy

The Swiss Equity and Swiss Small and Mid Cap Equity sub-funds do not conclude contracts for OTC financial derivatives providing for exchanges of collateral.

If the High Grade CHF Income, High Grade CHF Income Plus, and Gold + sub-funds enter into contracts covering OTC financial derivatives, they can require collateral to reduce counterparty risk, based on a threshold agreed with the said counterparty. The collateral must comply with the following requirements:

- Authorised collateral: sight deposits.
- Collateral margins: a 0% discount is applied.
- Reinvestment of the collateral into cash is not allowed.

### 1.6 Profile of the typical investor

#### Swiss Equity sub-fund

The sub-fund is designed for investors seeking exposure to the small and mid-cap Swiss equity market (mainly excluding SMI) through an active and rigorous management plan

#### Swiss Small and Mid Cap Equity sub-fund

The sub-fund is designed for investors seeking exposure to the small and mid cap Swiss equity market (mainly excluding SMI) through an active and rigorous management plan.

#### High Grade CHF Income sub-fund

The sub-fund is designed for investors seeking attractive returns in Swiss francs on the primarily investment grade bond market.

#### High Grade CHF Income Plus sub-fund

The sub-fund is designed for investors seeking attractive returns in Swiss francs on the investment grade and high yield (up to 25%) bond market.

#### Gold + sub-fund

This sub-fund is designed for investors seeking exposure to the gold market through an active and rigorous management plan that makes use of various investment vehicles.

### 1.7 Useful tax regulations relevant to the sub-funds

Fund and sub-funds do not hold any legal personality in Switzerland. They are not subject to income or capital taxes.

The federal withholding tax deducted in the sub-funds on Swiss income can be reclaimed in full by the fund management company for the corresponding sub-fund.

Income and capital gains realised abroad may be subject to the appropriate withholding taxes applicable in the country of investment. Wherever possible, these taxes will be reclaimed by the fund management company on behalf of investors domiciled in Switzerland, in accordance with existing double taxation treaties or other special agreements.

A sub-fund income distribution (to investors domiciled in Switzerland or abroad), shall be subject to federal withholding tax of 35%. Capital gains distributed via separate coupon payments are not subject to this withholding tax.

Net income retained and reinvested by the sub-funds is normally subject to withholding tax of 35%.

Investors domiciled in Switzerland may reclaim the withholding tax withheld, by declaring the corresponding income in their tax returns or by submitting a separate refund application.

Investors domiciled abroad may request a refund of the federal withholding tax, depending on existing double taxation treaties between Switzerland and their country of residence. In the absence of any such treaties, reimbursement of the withholding tax will not be possible.

Income distribution to investors domiciled abroad will not be subject to any deduction of Swiss withholding tax, provided that at least 80% of the income generated by the corresponding sub-fund stems from foreign sources or, against declaration of residence, the withholding tax is credited to investors domiciled abroad who take advantage of the affidavit process. In these cases, a bank confirmation on behalf of the investor must be submitted, proving the existence in the country of residence of an account holding the relevant units and that all income is being credited to that particular investor's account (declaration of domicile or affidavit). There is no guarantee that at least 80% of a sub-fund's income will be generated from foreign sources.

If investors domiciled abroad are subject to a withholding tax deduction, due to the failure of a declaration of domicile, they may seek a tax refund directly from the office of the Swiss Federal Tax Administration in Bern, citing the provisions of Swiss law.

Furthermore, income and capital gains, whether distributed or reinvested, may be wholly or partially subject to a tax withheld by the paying agent (notably taxes on savings income by the European Union, withholding tax deducted at the source and FATCA), depending on the person who directly or indirectly owns the shares.

Furthermore, both income and capital gains, whether distributed or reinvested, may, depending on the person who holds the units directly or indirectly, be subject in full or in part to a "paying agent tax" (e.g. Foreign Account Tax Compliance Act).

Sub-funds have the following tax status:

Automatic Exchange of Financial Account Information in Tax Matters (automatic exchange of information)

The sub-funds are classified as "non-reporting financial institution", for the purposes of the automatic exchange of information within the meaning of the Standard for Automatic Exchange of Financial Account Information in Tax Matters of the Organisation for Economic Cooperation and Development (OECD) for information related to financial accounts.

Final withholding tax at the source

The sub-funds are not transparent for the purpose of calculating flat-rate tax withheld at source, in both the UK and Austria, meaning the amount of flat-rate tax withheld at source is not based on concrete elements of the sub-fund (auditing report) but on a substitute calculation basis.

FATCA

The sub-funds are registered with the US tax authorities as a "Registered Deemed Compliant Financial Institution" under sections 1471 - 1474 of the US Internal Revenue Code (Foreign Account Tax Compliance Act, including decrees relating thereto, "FATCA").

**All tax explanations above are provided for information purposes only and are based on existing law codes and current practice. Changes in legislation, jurisprudence and tax authority regulations remain expressly reserved.**

**Taxation and other tax implications for investors, who hold, buy or sell sub-fund units, must refer to the tax law requirements of their individual country of residence.**

**Investors are responsible for determining and supporting the tax consequences of their sub-fund investment. For more information, they are encouraged to contact their tax advisors.**

## 2. Information on the fund management company

### 2.1 General information on the fund management company

GERIFONDS SA is the designated fund management company. GERIFONDS SA has been managing investment funds ever since its foundation in 1970 as a limited company with headquarters in Lausanne. Subscribed share capital in the company, amounts to CHF 2.9m. The share capital is made up of registered ordinary shares and is fully paid. The Banque Cantonale Vaudoise (BCV) holds 100% of the share capital. GERIFONDS SA also owns the majority of the share capital of GERIFONDS (Luxembourg) SA, a fund management firm. The total amount of assets under management in both Switzerland and Luxembourg amounts to more than CHF 15 billion. Further information is available on the company's website, www.gerifonds.ch.

Sitting on the GERIFONDS SA Board of Directors are:

Stefan Bichsel	President, Member of the Executive Board, BCV
Florian Magnollay	Vice-President
Patrick Botteron	Member, Senior Vice-President, BCV
Christian Beyeler	Member
Oren-Olivier Puder	Member

The GERIFONDS SA management committee is composed of:

Christian Carron	Director
Bertrand Gillibert	Deputy Director
Nicolas Biffiger	Sub-Deputy Director
Frédéric Nicola	Sub-Deputy Director
Antonio Scorrano	Sub-Deputy Director

### 2.2 Delegation of investment decisions (Asset manager)

Investment decisions regarding the sub-funds are delegated to UNION BANCAIRE PRIVEE, UBP SA, Geneva (hereinafter "UBP"). The rules of execution of the investment mandate are set out in the contract established between GERIFONDS SA and UBP.

UBP, being a banking institution, is regulated by the Swiss Financial Market Supervisory Authority FINMA. UBP is one of the largest private banks in Switzerland. Their head office is situated in Geneva. The bank came into being in 1990 following the merger of TDB American Express Bank (founded in 1956) and Compagnie de

Banque et d'Investissement (founded in 1969). UBP specialises in private and institutional asset management, by offering all the relevant services pursuant to these activities. It possesses an international network stretching throughout Europe and beyond, to the Middle East, United States, Latin America, and Asia.

### 2.3 Exercising shareholder and creditor rights

The fund management company shall exercise shareholder and creditor rights connected to the sub-funds' assets in an independent manner and solely in the interest of investors. Upon request, investors can receive from the fund management company any information regarding the exercising of shareholder and creditor rights.

For routine ongoing transactions, the fund management company is free to exercise shareholder and creditor rights, or delegate those rights to the Custodian Bank or third parties.

Under all other circumstances liable to have a significant impact on investors' concerns, notably in exercising shareholder and creditor rights by the fund management company as a shareholder or creditor of the Custodian Bank or associated legal personalities, the fund management company is free to exercise those voting rights, or to give explicit instructions in that regard. In such instances, the fund management company may refer to any information received from the Custodian Bank, asset manager, the company, or outside advisers on proxy voting and other third parties or reported in the news media.

The fund management company is free to refrain, or not, from exercising shareholder and creditor rights.

## 3. Information on the Custodian Bank

The Custodian Bank's functions are exercised by Banque Cantonale Vaudoise (BCV). The bank was established by decree of the Grand Council of Vaud on 19 December 1845. Its duration is unlimited. BCV is a limited company under public law. Its head office and executive management committee are located at Place St-François 14, Lausanne (Switzerland). It can also have subsidiaries, branches, agencies, and representative offices.

BCV can call upon over 170 years of experience. It has nearly 2000 employees and over 60 outlets across the Canton of Vaud. BCV aims to offer proximity banking services to clients. As such, it is present throughout the different regions of the Canton of Vaud, contributing to the development of the various sections of local economy or supporting financially community associations and other public corporations, in addition to providing mortgage services in the canton. It performs all the usual banking transactions on its own account or for third parties (Article 4 BCV Law and Article 4 of statutes). The bank operates primarily in the canton of Vaud. In the interest of the Vaud economy, it is authorised to trade elsewhere in Switzerland or abroad. In its capacity as a cantonal bank, one of its central missions is ensuring the development of the cantonal economy in accordance with the principles of economic, environmental, and social sustainability.

The Custodian Bank is registered with the US tax authorities as a foreign financial institution subject to reporting according to model 2 of the intergovernmental agreement (Model 2 FFI Reporting) under sections 1471 - 1474 of the US Internal Revenue Code (Foreign Account Tax Compliance Act, including decrees relating thereto, "FATCA").

The Custodian Bank may entrust custody of the sub-fund assets to a third party or central securities depository located in Switzerland or abroad, provided this is in the interests of proper custody. Regarding financial instruments, custody can only be entrusted to a third party or central securities depository that is subject to supervision. Exception can be made to this rule if the transfer of custody to a third party or central securities depository subject to supervision is impossible, notably if there should exist binding legal regulations or special conditions attached to a particular investment product. Collective custodians and third parties result in the fund management company no longer having individual ownership of the deposited securities, but only co-ownership. Furthermore, if the third party or central securities depository is not subject to supervision, it does not have to meet the organizational requirements imposed on Swiss banks.

The Custodian Bank is liable for damage caused by the agents, unless it can prove all care was taken in its choice, instruction, and supervision according to the circumstances.

For the Gold + sub-fund, physical custody of the gold is undertaken by the Custodian Bank or its sub-custodians located in Switzerland.

## 4. Information on third parties

### 4.1 Payment domiciliation

Banque Cantonale Vaudoise, Place St-François 14, 1003 Lausanne  
UNION BANCAIRE PRIVEE, UBP SA, Rue du Rhône 96-98, 1204 Geneva

### 4.2 Distributors

UNION BANCAIRE PRIVEE, UBP SA, Geneva  
Banque Cantonale Vaudoise, Lausanne  
Banque Cantonale de Genève, Geneva  
Banque Cantonale du Valais, Sion  
Banque Cantonale de Fribourg, Fribourg  
HERITAGE BANK LTD, Geneva  
BANQUE PROFIL DE GESTION SA, Geneva  
Cronos Finance SA, Pully  
Piguet Galland & Cie SA, Yverdon-les-Bains  
All other cantonal banks and distributors  
via Clearstream Banking S.A., Luxembourg

### 4.3 Audit firm

KPMG SA, Geneva

## 5. Other information

### 5.1 Useful notes

UBAM (CH)	Swiss Equity	Swiss Small and Mid Cap Equity	High Grade CHF Income	High Grade CHF Income Plus
Security Number	A 50606322	A 11798372	A 27145341	A 52162901
	AP 50606323	I 11798384	I 27145342	A+ 52162902
	I 50606324		P 27145343	I 52162903
	IP 50606325		U 33622525	I+ 52162904
	P 50606326			P 52162905
	PP 50606327			U 52162906
	U 50606328			U+ 52162907
	UP 50606329			
Launch Date	A	A 08.10.2010	A 10.07.2015	A
	AP	I 08.10.2010	I 30.06.2015	A+
	I 13.11.2019		P 30.06.2015	I
	IP		U 14.09.2016	I+
	P			P
	PP			U
	U			U+
	UP			
Negotiation	Each bank business day (Monday to Friday)			
Financial year	1 May to 30 April			
Base currency	CHF	CHF	CHF	CHF
Units	Bearer			
Fractions of units	No fractions of units			
Distribution / Reinvestment	No later than August of each year			

UBAM (CH)	Gold +			
Security Number	(USD) A 11798355			
	(USD) I 11798362			
	(CHF) AH 11798313			
	(CHF) IH 11798333			
	(EUR) AH 11798341			
	(EUR) IH 11798349			
	(SGD) AH 14235154			
	(SGD) IH 14235155			
Launch Date	(USD) A 22.10.2010			
	(USD) I 22.10.2010			
	(CHF) AH 22.10.2010			
	(CHF) IH 21.02.2012			
	(EUR) AH 22.10.2010			
	(EUR) IH			
	(SGD) AH			
	(SGD) IH			
Negotiation	Each bank business day (Monday to Friday)			
Financial year	1 May to 30 April			
Base currency	USD			
Units	Bearer			
Fractions of units	No fractions of units			
Distribution / Reinvestment	No later than August of each year			

### 5.2 Conditions of issue and redemption of sub-funds units

#### Issue and redemption

##### All of the sub-funds

The sub-fund units are issued and redeemed on every bank business day (Monday to Friday). No issue or redemption is possible during public holidays in Switzerland, Geneva and Vaud (1 and 2 January, Good Friday, Easter Monday, Ascension Day, Whit Monday, 1 August, Geneva Fast, Federal Fasting Monday, Christmas, 31 December), 24 and 26 December, as well as on the days when the exchanges or markets of the countries where the concerned sub-fund are invested are closed, or again in exceptional circumstances defined by § 17 section 4 of the Fund Contract.

##### Swiss Equity sub-fund

Each investor may request, when subscribing, to assign securities to the sub-fund's assets instead of paying cash (contribution in kind). The conditions applicable to the issuance of units by contribution in kind are set out in detail in § 18 of the fund contract.

##### High Grade CHF Income, High Grade CHF Income Plus and Gold + sub-funds

There is also no issuance or redemption of units:

- during bank holidays in London;
- when trading on the US stock markets is partially closed, in principle:
  - The banking day preceding the American holidays of Good Friday, Memorial Day, Independence Day, Christmas Day, and New Year's Day;
  - The banking day following the American holiday of Thanksgiving Day.

#### Application for subscription and redemption

Applications for the subscription and redemption of units received by the Custodian Bank by 12:00pm at the latest on a bank business day (day the order is placed), will be calculated on the next bank business day (day of valuation), on the basis of the net asset value calculated for that day. The net asset value used for the calculation is not known at the time the order is placed (forward pricing). It is calculated on the day of valuation based on the closing prices on the day of order.

#### Net asset value

The net asset value of the units of a class of a sub-fund is calculated from the proportion of the market value of the sub-fund's assets attributable to the particular class, less any sub-fund's liabilities allocated to this same class, divided by the number of outstanding units of the class, rounded to two decimal places.

#### Issue and redemption price

The issue price of the units of a class of a sub-fund corresponds to the net asset value of that class calculated on the valuation date, rounded to two decimal places. An issuing commission on behalf of the distributor may be charged. The issue commission charges are listed under 5.3.1 below.

The redemption price of the units of a class of a sub-fund to the net asset value of that class calculated on the valuation date, rounded to two decimal places. No redemption fee is charged.

#### Incidental costs

Incidental costs linked to the purchase and sale of investments (notably standard brokerage fees, commissions, duties, and taxes), incurred for amounts paid out of a sub-fund or for the sale of investment assets corresponding to the units that have been redeemed, are charged to the assets of that particular sub-fund.

#### Value date

Swiss Equity, Swiss Small and Mid Cap Equity High Grade CHF Income, and High Grad CHF Income Plus sub-funds

The payment occurs two bank business days after the order is placed (value date 2 days).

#### Gold + sub-fund

The payment occurs three bank business days after the order is placed (value date 3 days).

#### All of the sub-funds

However, following requests for the redemption of units, and in cases when settlement on the market is closed, payment can be deferred until the reopening and settlement takes place.

#### Units

Units are not issued in the form of securities but as registered transactions.

### 5.3 Fees and expenses

#### 5.3.1 Fees and expenses charged to the investor (§ 19 of the Fund Contract)

##### Swiss Equity, Swiss Small and Mid Cap Equity, and Gold + sub-funds

Issuing commission for distributors in Switzerland and abroad: 3.00% maximum of the issue price.

#### 5.3.2 Fees and expenses charged to the sub-funds' assets (§ 20 of the Fund Contract)

Maximum annual flat management commissions:

##### Swiss Equity sub-fund

- Class A: 1.50%.
- Class AP: 1.30%\*.
- Class I: 1.00%.
- Class IP: 0.80%\*.
- Class P: 1.00%.
- Class PP: 0.80%\*.
- Class U: 1.00%\*\*.
- Class UP: 0.80%\*\*\*.

\* For AP, IP, PP, and UP classes, a performance fee is paid in accordance with § 20 section 3 of the fund contract.

\*\* For the U and UP classes, no retrocession is paid to compensate the distribution activity.

##### Swiss Small and Mid Cap Equity sub-fund

- Class A: 1.50%.
- Class I: 1.00%.

##### High Grade CHF Income sub-fund

- Class A: 0.85%.
- Class I: 0.50%.
- Class P: 0.50%.
- Class U: 0.50%\*

\* For the Class U, no retrocession is paid to compensate the distribution activity.

##### High Grade CHF Income Plus sub-fund

- Class A: 0.85%.
- Class A+: 0.75%.
- Class I: 0.50%.
- Class I+: 0.40%.
- Class P: 0.50%.
- Class U: 0.50%\*.
- Class U+: 0.40%\*.

\* For the U and U+ classes, no retrocession is paid to compensate the distribution activity.

##### Gold + sub-fund

- Classes (USD) A, (CHF) AH, (EUR) AH and (SGD) AH: 1.50%.
- Classes (USD) I, (CHF) IH, (EUR) IH and (SGD) IH: 1.20%.

The actual flat management commissions charged to each class are disclosed in the annual and semi-annual reports.

The flat management commissions are used for the administration, asset management and distribution of sub-fund units as well as to cover all duties of the Custodian Bank, such as the safekeeping of the sub-fund's assets, payment transactions, distribution of annual incomes and other tasks mentioned in § 4 of the Fund Contract. However, the distribution of the U, UP et U+ classes are not compensated.

In addition to the flat management fee, the fund management company charges a 15% performance fee for the AP, IP, PP, and UP classes of the Swiss Equity sub-fund, and a performance fee of 20% for each class of the Gold + sub-fund. The performance fee is calculated and accrued each time the net asset value is calculated, based on the out-performance of the assets of the class in question, after the deduction of the flat management commission and before the deduction of the performance fee, in comparison with the index stated 1.2.1 for the Swiss Equity sub-fund and 1.2.4 for the Gold + sub-fund and taking into account the issued or redeemed units. The performance fee is paid out, if due, proportionally to the redeemed units, and for the other units, at the end of each accounting quarter for the entire period. If a performance fee has been paid out, the next performance fee shall be calculated and accrued but henceforth based on the resulting value of the class assets that determined the last performance fee, after the deduction made for the annual flat management commission and the performance fee ("High Water Mark").

Retrocessions and rebates can be paid on the flat management commission of the fund management company.

The fund management company and its agents can pay retrocessions to remunerate the sub-funds' distribution activity in Switzerland or from Switzerland. This remuneration enables payment the following services notably:

- implementing procedures for unit subscription;
- storing and distributing legal and marketing documents;
- fulfilling due diligence requirements on money laundering, clarifying client needs and distribution limitations (e.g. US Persons.);
- mandating an auditing firm to monitor distributor compliance as well as the reporting obligation within the meaning of Art. 16 CISA;
- training of customer advisors in the field of collective investment schemes.

Retrocessions are not considered as rebates even if, ultimately, they are fully or partially paid back to investors.

The beneficiaries of the retrocessions must ensure transparent communication and inform spontaneously and free of charge the investors about the amount of remuneration they could receive for distribution.

Upon request, the beneficiaries of the retrocessions will reveal the amounts actually received for the distribution of the collective investments to investors.

The fund management company and its agents may provide rebates directly to investors upon request in respect of the distribution in Switzerland or from Switzerland. Rebates are used to reduce the charges or costs incurred to the investors concerned. Rebates are permitted subject to the following:

- they come out of the fund management company fees and are not charged against the sub-fund's assets;
- they are granted based on objective criteria;
- they are granted under the same conditions and to the same extent for all investors meeting the objective criteria and asking for such rebates.

The objective criteria for granting rebates by the fund management company include the following:

- the volume subscribed for or held by the investor in the collective investment scheme, or in the promoter's range of products;
- the amount of fees generated by the investor;
- the investor's financial behaviour (e.g. planned holding period);
- willingness of the investor to provide support during the launch phase of a collective investment scheme.

At the investor's request, the fund management company shall make available the amount corresponding to the rebates free of charge.

§ 20 of the Fund Contract lists the fees and expenses that are not included in the flat management fee.

The target funds management commission, into which the sub-fund's assets are invested, may amount up to 3%. The maximum rate of the target funds management commissions, into which the sub-fund's assets are invested, must be indicated in the annual report.

### 5.3.3 Total Expense Ratio

The current Total Expense Ratio (TER) charged to sub-fund assets for classes launched on 31 October 2019, amounted to (sub-funds and classes launched on that date):

Swiss Equity - I	n.d. (launched on 13/11/2019)
Swiss Small and Mid Cap Equity - A	1.40%
Swiss Small and Mid Cap Equity - I	0.90%
High Grade CHF Income - A	0.41%
High Grade CHF Income - I	0.26%
High Grade CHF Income - P	0.26%
High Grade CHF Income - U	0.26%
Gold + - (USD) A	1.50%*
Gold + - (USD) A	1.50%**
Gold + - (USD) I	1.00%*
Gold + - (USD) I	1.00%**
Gold + - (CHF) AH	1.50%*
Gold + - (CHF) AH	1.50%**
Gold + - (CHF) IH	1.00%*
Gold + - (CHF) IH	1.00%**

Gold + - (EUR) AH	1.50%*
Gold + - (EUR) AH	1.50%**

\* TER without performance fee

\*\* TER with performance fee

### 5.3.4 Investments in connected target funds

If a company exercising delegated management invests in collective investment schemes that are managed directly or indirectly by it, or by a company with which it is connected through a common management or control, or by a direct or indirect substantial participation (connected target funds), no issue or redemption fees of the connected target funds shall be deducted.

### 5.3.5 Agreements for sharing of costs and pecuniary benefits ("Soft Commissions")

The fund management company has not concluded any cost-sharing or "Soft Commissions" agreements.

### 5.4 Publications of the umbrella fund and sub-funds

Further information on the fund and sub-funds are published in the latest annual or semi-annual reports. The most recent information can also be found on the company's website, [www.gerifonds.ch](http://www.gerifonds.ch).

The prospectus with integrated Fund Contract, key investor information and annual or semi-annual reports, can be obtained free of charge from the fund management company, Custodian Bank, and distributors.

In case of changes linked to the Fund Contract, fund management company or Custodian Bank, or upon the dissolution of a sub-fund, the information shall be published by the fund management company on the electronic platform [www.swissfunddata.ch](http://www.swissfunddata.ch).

The prices for all the classes are published on each bank business day on the electronic platform [www.swissfunddata.ch](http://www.swissfunddata.ch) and on the company's website, [www.gerifonds.ch](http://www.gerifonds.ch).

### 5.5 Selling restrictions

**During the issue and redemption of sub-funds units abroad, the transaction is governed by the provisions in force in the country in question.**

**No action has been taken to register or authorise the sub-fund's units in jurisdictions other than Switzerland. The sale of units of these sub-funds may be restricted or prohibited by law in some jurisdictions. Investors in possession of this prospectus must seek confirmation regarding the existence of any such prohibitions in their jurisdiction and to comply with them. This prospectus does not constitute an offer or a solicitation to buy units of these sub-funds in a jurisdiction where such an offer or solicitation is unlawful.**

**In particular, these sub-fund units have not been and will not be registered under the Securities Act of 1933 of the United States of America ("Securities Act"). The offer or sale of these sub-fund units by a distributor in the United States may constitute a violation of the registration requirements of the Securities Act.**

**The units of the sub-funds may not be directly or indirectly offered, sold, transferred, or delivered:**

- (1) In the United States and its territories, possessions, or areas subject to its jurisdiction; or
- (2) To US citizens (national or bi-national) regardless of their domicile or residence; or
- (3) To persons having their domicile or residence in the United States; or
- (4) To other individuals or legal entities, trusts, or other structures whose income and/or performance, regardless of their origin, are subject to U.S. income tax; or
- (5) To persons who have the status of "US Persons" as defined in Regulation S of the Securities Act and/or the US Commodity Exchange Act of 1936 as in force; or
- (6) To trusts, legal entities, or other structures created for the purpose of allowing persons mentioned under numbers 1 to 5 to invest in this sub-fund.

**The fund management company, the custodian bank, and their agents reserve the right to refuse or prevent the acquisition or legal or economic ownership of units by any person acting in contravention of any law or regulation, both Swiss and foreign, or if the acquisition or detention is likely to expose the sub-fund to adverse regulatory or tax consequences, including refusing subscriptions or by compulsorily redeeming units in accordance with the provisions of the sub-fund contract.**

### 5.6 Detailed provisions

All other information about the fund and sub-funds, such as the valuation of the sub-funds' assets, all compensation paid out and all costs charged to the investor and sub-funds, as well as the appropriation of net income, are specified in detail in the Fund Contract.

## PART II FUND CONTRACT

### I. Basics

#### § 1 Denomination; the fund management company, Custodian Bank, asset manager and headquarters

1. Under the denomination of **UBAM (CH)**, it exists a contractual umbrella fund in the category of "Other funds for traditional investments" (hereinafter "the fund") with multiple sub-funds, under the terms of Art. 25 ff, 68 ff and 92 ff of the Federal Act on Collective Investment Schemes (CISA) of 23 June 2006.

2. The sub-funds are:
  - Swiss Equity
  - Swiss Small and Mid Cap Equity
  - High Grade CHF Income
  - High Grade CHF Income Plus
  - Gold +
3. The fund management company is GERIFONDS SA, Lausanne.
4. The Custodian Bank is the Banque Cantonale Vaudoise, Lausanne.
5. The fund management company has delegated the sub-fund investment decisions to UNION BANCAIRE PRIVEE, UBP SA, Geneva.

## II. Rights and obligations of contracting parties

### § 2 Fund Contract

The legal relationship between the investors, on one side, and the fund management company and Custodian Bank, on the other, are governed by this present Fund Contract and existing legal provisions of the Collective Investment Schemes Act.

### § 3 Fund management company

1. The fund management company manages the sub-funds on behalf of investors in an independent manner and in its own name. It decides, in particular, on the issue of units, investment of assets and their valuation. It calculates the net asset values, fixes the issue and redemption prices, and handles the distribution of income. It exercises all rights associated with the fund and sub-funds.
2. The fund management company and its agents must adhere to the obligations of loyalty, due diligence and disclosure. They must act in an independent manner and solely in the interest of investors. They must take all necessary organisational measures with the aim of managing the assets in an irreproachable manner. They must maintain transparent accounting procedures and provide appropriate information on the fund and sub-funds. They shall inform investors about the direct and indirect fees and expenses to be paid as well as their allocation; they must thoroughly inform investors consistent with reality about the remuneration for the distribution of collective investment schemes in the form of commissions, brokerage or other financial benefits.
3. The fund management company may delegate investment decisions and other tasks with the aim of managing the assets in an appropriate manner. They must appoint only suitably qualified persons to ensure that the delegated tasks are managed in an irreproachable manner. They must provide training and monitor these persons during the execution of the investment mandate.

Investment related decisions may only be delegated to managers subject to a recognised supervision.

Where foreign law provides a an agreement on cooperation and the exchange of information with foreign supervisory authorities, the fund management company may only delegate investment decisions to a foreign manager if such an agreement has been concluded between FINMA and the foreign supervisory authority involved in these decisions.

The fund management company is just as responsible for the actions of its agents as for their own actions.

4. The fund management company, with the Custodian Bank's consent, must submit any changes to the Fund Contract for approval by the supervisory authority (see § 27).
5. The fund management company may at any time create new sub-funds, subject to the supervisory authority's approval, merge any number of sub-funds together or with other funds under the provisions of § 25, or dissolve the sub-funds under the provisions of § 26.
6. The fund management company is entitled to the fees stipulated in § 20, be released from the liabilities assumed in the proper execution of the Fund Contract and be reimbursed for expenses incurred in connection with such liabilities.

### § 4 Custodian Bank

1. The Custodian Bank guarantees the custody of the sub-fund assets. It issues or redeems the sub-fund units and handles the sub-fund payment transactions.
2. The Custodian Bank and its agents must adhere to the obligations of loyalty, due diligence and disclosure. They must act in an independent manner and solely in the interest of investors. They must take the necessary organisational measures with the aim of managing the assets in an irreproachable manner. They must maintain transparent accounting procedures and provide appropriate information on the fund and sub-funds. They shall inform investors about the direct and indirect fees and expenses to be paid as well as their allocation; they must thoroughly inform investors consistent with reality about the remuneration for the distribution of collective investment schemes in the form of commissions, brokerage or other financial benefits.
3. The Custodian Bank is responsible for handling the sub-funds' accounts and deposits, but cannot hold all of the sub-funds' assets by itself.
4. The Custodian Bank ensures that the equivalent value is transferred in a timely manner for transactions relating to the sub-funds' assets. It informs the fund management company if the equivalent value is not paid within the usual time and requires the counterparty to compensate the asset value to the extent that this is possible.
5. The Custodian Bank manages the records and accounts distinguishing at all times the various assets in custody of the different collective investment schemes.

It records the ownership of the fund management company and manages the corresponding registers when assets cannot be held.

6. The Custodian Bank may entrust custody of the sub-fund assets to a third party or central securities depository located in Switzerland or abroad, provided this is in the interests of proper custody. It checks that third party or central securities depository:
  - a) is adequately organised, have the financial guarantees and technical qualifications required for the type and complexity of assets entrusted to them;

- b) is subject to regular external audits that ensures that the financial instruments are indeed in their possession;
- c) ensures that the assets received from the Custodian Bank are held so that the Custodian Bank can identify them unequivocally at any time as belonging to the sub-fund concerned, through regular checks for consistency between the portfolio and accounts;
- d) ensures compliance with the requirements for the Custodian Bank regarding the performance of tasks delegated to it and the prevention of conflicts of interest.

The Custodian Bank is liable for damage caused by the agent, unless it can prove all care was taken in its choice, instruction, and supervision according to the circumstances. The prospectus contains information on the risks associated with the transfer of custody to a third party or central securities depository.

Regarding financial instruments, custody can only be entrusted, as defined in the preceding paragraphs, to a third party or central securities depository that is subject to supervision. Exception can be made to this rule if the transfer of custody to a third party or central securities depository subject to supervision is impossible, notably if there should exist binding legal regulations or special conditions attached to a particular investment product. The prospectus must inform the investor that custody is being carried out by a third party or a central securities depository not subject to supervision.

7. The Custodian Bank must ensure that the fund management company adheres to both the law and Fund Contract. It must verify that the calculation of net asset values, the issue and redemption prices of units, as well as decisions relating to investments, are all made in compliance with the law and Fund Contract, and income is used in accordance with the said Fund Contract. Under the provisions governing investments, the Custodian Bank is not responsible for the choice of investments made by the fund management company.
8. The Custodian Bank is entitled to the fees stipulated in §§ 19 and 20, be released from the liabilities assumed in the proper execution of the Fund Contract and be reimbursed for expenses incurred in connection with such liabilities.
9. The Custodian Bank is not responsible for the custody of assets of the target funds in which the sub-fund invests unless this task has been delegated to it.

### § 5 Investors

1. The sub-funds are all open to the general public, although some classes may be restricted to qualified investors, as defined by CISA and its implementing ordinances, and/or provide for the other conditions of access (see § 6).
2. Upon signing the contract and making the cash payment or, for the Swiss Equity sub-fund only, the payment in kind, investors obtain, as a result of acquired units, a receivable against the management company, under the form of a participation in the assets and income of the sub-fund for which they have subscribed. Their receivable is based on the number of units. The issuance of units by contribution in kind, authorised for the Swiss Equity sub-fund only, is subject to the conditions of § 18.
3. Investors are only entitled to the assets and income of the sub-fund in which they participate. Each sub-fund is only liable for its own commitments.
4. Investors' obligation rests solely in the payment of the subscribed units. Their personal liability does not extend to the liabilities of the fund and sub-funds.
5. The fund management company must inform investors, upon their request, on the method used for calculating the net asset values of units. If investors desire detailed information about specific operations of the fund management company, such as the exercise of shareholder and creditor rights, on risk management or contribution in kind, the fund management company must at all times provide this information. Investors may apply to the court of the locality where the fund management company has their head office, to have an audit firm or another expert to investigate any matter requiring clarification on their behalf and to provide them with the corresponding report.
6. Investors may terminate the Fund Contract on every bank business day in accordance with the provisions of § 17 and prospectus and demand a cash repayment of the value of their units.
7. Investors must be able to prove, on request, to the fund management company, the Custodian Bank, and their agents that they meet, or continue to meet, the legal or contractual conditions regarding participation in a sub-fund or a class. They must immediately inform the fund management company, the Custodian Bank, or their agents, when they no longer fulfil these conditions.
8. An investor's units must be forcibly redeemed, at the respective redemption price, by the fund management company in collaboration with the Custodian Bank if:
  - a) this action is necessary to preserve the reputation of the financial centre, especially as regards the fight against money laundering;
  - b) the investor no longer fulfils the legal, regulatory, contractual or statutory conditions necessary to participate in a sub-fund or a class.
9. In addition, an investor's units may be forcibly redeemed, at the respective redemption price, by the fund management company in collaboration with the Custodian Bank if:
  - a) the participation of the investor is likely to significantly impact on the economic interests of other investors, notably where participation may result in tax losses suffered by the fund and/or sub-fund in Switzerland or abroad;
  - b) investors have acquired or held their units in violation of the provisions of a Swiss or foreign law, the Fund Contract or the relevant prospectus;
  - c) the economic interests of investors are affected, especially in cases where an investor seeks, through systematic subscriptions and immediate redemptions, to make pecuniary profits by exploiting the time differences between the setting of closing prices and valuation of the sub-fund assets (Market Timing).

### § 6 Units and classes

1. The fund management company may, for each sub-fund and subject to the Custodian Bank's consent and the supervisory authority's approval, create, terminate, or merge the classes at any time. All classes entitle participation in



the sub-fund total assets, which are not segmented. This participation may differ in terms of charges, distributions, and income specific to the class, just as the different classes of a same sub-fund can each return a different net asset value per unit. A sub-fund's assets as a whole are liable for each class-specific cost.

2. The creation, termination and merger of the classes are published in the medium of publication. Only a merger shall be deemed an amendment to the Fund Contract pursuant to § 27.
3. The different classes may differ from one another especially in terms of their cost structures, reference currencies, hedging against exchange risk, distribution or reinvestment of income, minimum investment amount, or circle of investors.
4. Fees and expenses are charged only to the class that is directly impacted by the respective service provided. Fees and expenses that cannot be attributed with certainty to a particular class are distributed among all the classes, proportionally to their part of the sub-fund assets.
5. The **Swiss Equity** sub-fund is subdivided into eight classes:

- A, open to all investors and whose net incomes are distributed annually.
- AP, open to all investors and for which the asset manager receives a performance fee in accordance with § 20 section 3. The net incomes of the class AP units are distributed annually.
- I, open to qualified investors, as defined by CISA and its implementing ordinances, and whose net incomes are distributed annually.
- IP, open to qualified investors, as defined by the CISA and its implementing ordinances, and for which the asset manager receives a performance fee in accordance with § 20 section 3. The net incomes of the class IP units are distributed annually.
- P, open to investors within the meaning of Art. 38a paragraph 1 of the Ordinance on withholding tax (OIA). Investors within the meaning of Art. 38a paragraph 1 OIA are the institutions exempt from occupational pension plans, tied pensions, the vested institutions, social insurance, compensation funds and life insurers subject to the supervision of the Confederation and the Swiss insurers under public law. To allow the fund management company to fulfil its obligations under Art. 38a paragraph 1 OIA, the units are deposited and held directly in the name of the investor or indirectly on behalf of its custodian, at the Banque Cantonale Vaudoise, and investors must waive their bank secrecy vis-à-vis the fund management company, the Banque Cantonale Vaudoise acting as the Custodian Bank of the sub-fund and the Swiss tax authorities. The net incomes of the class P units are reinvested annually.
- PP, open to investors within the meaning of Art. 38a paragraph 1 of the Ordinance on withholding tax (OIA) and for which the asset manager receives a performance fee in accordance with § 20 section 3. Investors within the meaning of Art. 38a paragraph 1 OIA are the institutions exempt from occupational pension plans, tied pensions, the vested institutions, social insurance, compensation funds and life insurers subject to the supervision of the Confederation and the Swiss insurers under public law. To allow the fund management company to fulfil its obligations under Art. 38a paragraph 1 OIA, the units are deposited and held directly in the name of the investor or indirectly on behalf of its custodian, at the Banque Cantonale Vaudoise, and investors must waive their bank secrecy vis-à-vis the fund management company, the Banque Cantonale Vaudoise acting as the Custodian Bank of the sub-fund and the Swiss tax authorities. The net incomes of the class PP units are reinvested annually.
- U, open to all investors and for which the distributors do not receive any retrocession for their distribution activity. The net incomes of the class U are distributed annually.
- UP, open to all investors, for which the asset manager receives a performance fee in accordance with § 20 section 3 and the distributors do not receive any retrocession for their distribution activity. The net incomes of the class UP units are distributed annually.

The **Swiss Small and Mid Cap Equity** sub-fund is divided into two classes:

- A, open to all investors and whose net incomes are distributed annually.
- I, open to qualified investors, as defined by CISA and its implementing ordinances, and whose net incomes are distributed annually.

The **High Grade CHF Income** sub-fund is divided into four classes:

- A, open to all investors and whose net incomes are distributed annually.
- I, open to qualified investors, as defined by CISA and its implementing ordinances, and whose net incomes are distributed annually.
- P, open to investors within the meaning of Art. 38a paragraph 1 of the Ordinance on withholding tax (OIA). Investors within the meaning of Art. 38a paragraph 1 OIA are the institutions exempt from occupational pension plans, tied pensions, the vested institutions, social insurance, compensation funds and life insurers subject to the supervision of the Confederation and the Swiss insurers under public law. To allow the fund management company to fulfil its obligations under Art. 38a paragraph 1 OIA, the units are deposited and held directly in the name of the investor or indirectly on behalf of its custodian, at the Banque Cantonale Vaudoise, and investors must waive their bank secrecy vis-à-vis the fund management company, the Banque Cantonale Vaudoise acting as the Custodian Bank of the sub-fund and the Swiss tax authorities. The net incomes of the class P units are reinvested annually.
- U, open to all investors and for which the distributors do not receive any retrocession for their distribution activity. The net incomes of the class U are distributed annually.

The **High Grade CHF Income Plus** sub-fund is divided into seven classes:

- A, open to all investors and whose net incomes are distributed annually.
- A+, open to all investors authorised to invest in the sub-fund by virtue of a specific written agreement concluded with UNION BANCAIRE PRIVÉE, UBP SA, or another entity of the UBP Group. The net incomes of the class A+ are distributed annually.

- I, open to qualified investors, as defined by CISA, and whose net incomes are distributed annually.
- I+, open to qualified investors, as defined by the CISA, authorised to invest in the sub-fund by virtue of a specific written agreement entered into with UNION BANCAIRE PRIVÉE, UBP SA, or another entity of the UBP Group. The net incomes of the class I+ are distributed annually.
- P, open to investors within the meaning of Art. 38a paragraph 1 of the Ordinance on withholding tax (OIA). Investors within the meaning of Art. 38a paragraph 1 OIA are the institutions exempt from occupational pension plans, tied pensions, the vested institutions, social insurance, compensation funds and life insurers subject to the supervision of the Confederation and the Swiss insurers under public law. To allow the fund management company to fulfil its obligations under Art. 38a paragraph 1 OIA, the units are deposited and held directly in the name of the investor or indirectly on behalf of its custodian, at the Banque Cantonale Vaudoise, and investors must waive their bank secrecy vis-à-vis the fund management company, the Banque Cantonale Vaudoise acting as the Custodian Bank of the sub-fund and the Swiss tax authorities. The net incomes of the class P units are reinvested annually.
- U, open to all investors and for which the distributors do not receive any retrocession for their distribution activity. The net incomes of the class U are distributed annually.
- U+, open to all investors authorised to invest in the sub-fund by virtue of a specific written agreement concluded with UNION BANCAIRE PRIVÉE, UBP SA, or another entity of the UBP Group, and for which the distributors do not receive any retrocession for their distribution activity. The net income of the class U+ are distributed annually.

The **Gold +** sub-fund is divided into eight classes:

- (USD) A, with the reference currency being the US Dollar (USD), open to all investors and whose net incomes are distributed annually.
  - (USD) I, with the reference currency being the US dollar (USD), open to qualified investors, as defined by CISA and its implementing ordinances, and whose net incomes are distributed annually.
  - (CHF) AH, with the reference currency being the Swiss franc (CHF), open to all investors and whose net incomes are distributed annually.
  - (CHF) IH, with the reference currency being the Swiss franc (CHF), open to qualified investors, as defined by CISA and its implementing ordinances, and whose net incomes are distributed annually.
  - (EUR) AH, with the reference currency being the euro (EUR), open to all investors and whose net incomes are distributed annually.
  - (EUR) IH, with the reference currency being the euro (EUR), open to qualified investors, as defined by CISA and its implementing ordinances, and whose net incomes are distributed annually.
  - (SGD) AH, with the reference currency being the Singapore dollar (SGD), open to all investors and whose net incomes are distributed annually.
  - (SGD) IH, with the reference currency being the Singapore dollar (SGD), open to qualified investors, as defined by CISA and its implementing ordinances, and whose net incomes are distributed annually.
6. Investors requesting the allocation, conversion, or maintenance of their units in either of classes A+, I, IP, I+, (USD) I, (CHF) IH, (EUR) IH, (SGD) IH, P, PP or U+, must provide all necessary documents and information proving their compliance with the conditions of acceptance into the class concerned.
  7. Units are not issued in the form of securities but as registered transactions. The investor is not entitled to receive a registered or bearer certificate. The right of investors to require a statement under the terms of Article 16 of the Federal Act on Intermediated Securities (FISA) is reserved.
  8. Under the terms of § 17, the fund management company and the Custodian Bank shall instruct investors who no longer fulfil the conditions for the retention of units in a class, to return them within 30 calendar days, or transfer them to a person who meets the said conditions or exchange them against units in another class for which they qualify. If any investor fails to respond to this instruction, the fund management company must, in collaboration with the Custodian Bank, undertake the forced exchange for units in another class, and if this proves not to be possible, the compulsory redemption under § 5 section 8 of the relevant units.

### III. Investment policy guidelines

#### A. Investment principles

##### § 7 Observance of investment guidelines

1. When choosing where to invest the sub-fund assets, the fund management company must observe the principle of balanced-risk allocation, in line with the limits expressed in percentages below. These limits are given for the assets of each sub-fund, estimated at their market value, which must be respected at all times. The sub-funds must maintain the investment limits up to six months after the date of subscription (launch).
2. If those limits are exceeded as a result of market fluctuations, the investments must be reduced to the permitted rate within a reasonable period of time, taking into account the interests of investors. If the limits relating to derivatives are affected by a change in delta according to § 12 further below, the status quo must be restored within three bank business days whilst safeguarding the interests of investors.

##### § 8 Sub-funds investment policies

1. The fund management company may, under the specific investment policy of each sub-fund, invest the assets of each sub-fund in the different investments listed here below. The risks associated with these investments must be mentioned in the prospectus.
  - a) Securities or paper securities issued in large numbers under unincorporated rights with similar functions (value rights), that are traded on an exchange or another regulated market open to the general public and incorporating a participation right, claim or acquisition right for these types of securities or paper securities by subscription or exchange, such as warrants.



Investments in newly issued securities are only permitted if their admission onto an exchange or another regulated market open to the general public is stated in the conditions of issue. If they have not yet been admitted onto an exchange or another regulated market open to the general public one year after acquisition, the securities must be sold within the following month or retaken by observing the investment limits set out in section 1 letter i) below.

- b) Derivatives, when (i) their underlyings are represented by securities pursuant to letter a), derivatives pursuant to letter b), units or shares of collective investment schemes pursuant to letter d), money market instruments pursuant to letter e), precious metals, financial indices, interest rates, exchange rates, credits or currencies, and when (ii) their underlyings are permitted as a possible investment under the terms of the Fund Contract. Derivatives are traded on an exchange or another regulated market open to the general public or concluded OTC.

Investments in OTC derivative financial instruments (OTC transactions) are allowed only if (i) the counterparty is a specialist financial intermediary for this type of transaction and is subject to supervision, and (ii) the OTC derivative instruments are able to be traded daily or possibly redeemed at any time by the issuer. In addition, the derivatives must be able to be valued reliably and in a transparent manner. Derivative financial instruments pursuant to § 12 can be used.

- c) Structured products when (i) their underlyings are represented by securities pursuant to letter a), derivatives pursuant to letter b), structured products pursuant to letter c), units or shares of collective investment schemes pursuant to letter d), money market instruments pursuant to letter e), financial indices, interest rates, exchange rates, credits or currencies, and when (ii) their underlyings are permitted as a possible investment under the terms of the Fund Contract.

The underlyings may also be represented by precious metals, precious metal indices or collective investment schemes investing most of their assets in precious metals.

Structured products are traded on an exchange or another regulated market open to the general public or concluded OTC. OTC structured investments are allowed only if (i) the counterparty is a specialist financial intermediary for this type of transaction and is subject to supervision, and (ii) the OTC structured products are able to be traded daily or possibly redeemed at any time by the issuer. In addition, they must be able to be valued reliably and in a transparent manner.

- d) Units or shares of collective investment schemes (target funds), if (a) their own documentation restricts the investment into other target funds to 49% in total; (b) it exists for these target funds – as regards their purpose, organisation, investment policy, investor protection, risk allocation, asset segregation, borrowing, lending, short selling of paper securities and money market instruments, issue and redemption of units or shares, as well as the content of annual and semi-annual reports – comparable provisions as those of a securities fund or other fund for traditional investment; (c) these target funds are authorised as collective investment schemes in the country where they are based and are subject to supervision designed to protect investors in a manner comparable to that practiced in Switzerland, and whereby international legal assistance is guaranteed for the investors.

- e) Money market instruments, if liquid and able to be valued and able to be traded on an exchange or another regulated market open to the general public. Money market instruments that are not able to be traded on an exchange or another regulated market open to the general public can only be acquired if the issue or issuer is subject to the provisions on the protection of creditors and investors, and if these instruments are issued or guaranteed by the issuer pursuant to Art. 74 paragraph 2 CISO.

- f) Precious metals, notably gold, silver, palladium, and platinum.

- g) Currencies.

- h) Sight or term deposits with a maturity of up to twelve months, in banks based in Switzerland or in a member state of the European Union, or in any other state provided the bank is subject in its country of origin to supervision comparable to that practiced in Switzerland.

- i) Other investments than those mentioned in a) to h) above, up to a maximum of 10% of the assets of each sub-fund. Not permitted are (i) commodities investments and commodity certificates and (ii) real short-selling of any type of investment. Precious metals pursuant to f) above are not considered as commodities for the purposes of this present provision.

## 2. Swiss Equity sub-fund

- a) The fund management company invests at least 51% of the sub-fund's assets in:

- aa) shares and other securities or participation rights of companies domiciled or exercising the predominant part of their economic activity in Switzerland;
- ab) collective investment schemes that according to their documentation invest in investments according to letter aa) above;
- ac) derivative financial instruments on investments or indices according to letter aa) above.

Regarding units or shares in collective investment schemes pursuant to letter ab) above, at least 51% of the sub-fund's assets shall be invested on a consolidated basis in investments described under letter aa) above.

- b) The fund management company may also invest up to 49% of the sub-fund's assets in:

- ba) shares and other securities or participation rights of companies worldwide;
- bb) collective investment schemes that according to their documentation invest in investments according to letter ba) above;
- bc) derivative financial instruments on investments or indices according to letter ba) above;
- bd) bank sight or term deposits.

- c) The fund management company mostly invests the sub-fund's assets in securities of companies that can be qualified as large and mid-cap companies.

- d) In addition, the fund management company must adhere to the investment limits stated below, which refers to the sub-fund assets:

- Collective investment schemes: up to a maximum of 10%;
- Derivative financial instruments for investment purposes: up to a maximum of 20% exposure.

## 3. Swiss Small and Mid Cap Equity sub-fund

- a) The fund management company invests at least 51% of the sub-fund's assets in:

- aa) shares and other securities or participation rights of companies domiciled or exercising the predominant part of their economic activity in Switzerland and are part of the index mentioned in the prospectus;
- ab) collective investment schemes that according to their documentation invest their assets or any part thereof in accordance with the guidelines of this sub-fund;
- ac) derivative financial instruments (including warrants) on the aforementioned investments, on the index mentioned in the prospectus or an index whose composition is similar to that of the aforementioned index.

Regarding units or shares in collective investment schemes pursuant to letter ab) above, at least 51% of the sub-fund's assets shall be invested on a consolidated basis in investments described under letter aa) above.

- b) The fund management company may also invest up to 49% of the sub-fund's assets in:

- ba) shares and other securities or participation rights of companies worldwide;
- bb) bonds and other fixed or variable income securities or debt instruments, of private or public debtors worldwide having a credit rating of at least BBB+;
- bc) money market instruments and collective investment schemes that invest in such instruments;
- bd) collective investment schemes that do not meet the investment requirements described under letter a) ab) above;
- be) derivative financial instruments (including warrants) on the aforementioned investments;
- bf) bank sight or term deposits.

- c) In addition, the fund management company must adhere to the investment limit stated below, which refers to the sub-fund assets:

- Collective investment schemes: up to a maximum of 49%.

The Swiss Small and Mid Cap Equity sub-fund does not invest in precious metals.

## 4. High Grade CHF Income sub-fund

- a) The fund management company invests the sub-fund's assets in:

- aa) bonds and other fixed or variable income securities or debt instruments, denominated in any currency, of private or public debtors worldwide;
- ab) derivative financial instruments whose underlying are represented by an investment according to letter aa) above or by an investment index according to letter aa) above. Derivative financial instruments are primarily futures and credit derivatives;
- ac) money market instruments;
- ad) collective investment schemes that invest in money market instruments;
- ae) bank sight or term deposits;
- af) fiduciary investments.

- b) The fund management company shall ensure that at least 51% of the sub-fund's assets are exposed to investments according to letter a) aa) above. Exposure takes place either through direct investments or indirectly through derivative financial instruments.

- c) In addition, the fund management company must adhere to the investment limits stated below, which refer to the sub-fund's assets:

- Collective investment schemes: up to a maximum of 30%;
- Bonds and other securities or debt instruments with less than Investment Grade rating: up to a maximum of 15%.

## 5. High Grade CHF Income Plus sub-fund

- a) The fund management company invests the sub-fund's assets in:

- aa) bonds and other fixed or variable income securities or debt instruments, denominated in any currency, of private or public debtors worldwide;
- ab) derivative financial instruments whose underlying are represented by an investment according to letter aa) above or by an investment index according to letter aa) above. Derivative financial instruments are primarily futures and credit derivatives;
- ac) money market instruments;
- ad) collective investment schemes that invest in money market instruments;
- ae) bank sight or term deposits;
- af) fiduciary investments.

- b) The fund management company shall ensure that at least 51% of the sub-fund's assets are exposed to investments according to letter a) aa) above. Exposure takes place either through direct investments or indirectly through derivative financial instruments.

- c) In addition, the fund management company must adhere to the investment limits stated below, which refer to the sub-fund's assets:
- Collective investment schemes: up to a maximum of 30%;
  - Bonds and other securities or debt instruments with less than Investment Grade rating: up to a maximum of 25%;
  - Derivative financial instruments for investment purposes: up to a maximum of 100% exposure.
6. **Gold + sub-fund**
- a) The fund management company invests at least 51% of the sub-fund's assets in:
- aa) physical gold with a purity of at least 995/1000 in the form of standard bars or ingots;
  - ab) "metal" accounts;
  - ac) collective investment schemes that according to their documentation invest their assets or any part thereof in accordance with the guidelines of this sub-fund;
  - ad) derivative financial instruments (including warrants) on the aforementioned investments.
- Regarding units or shares in collective investment schemes pursuant to letter ac) above, at least 51% of the sub-fund's assets shall be invested on a consolidated basis, in accordance with investments described under letters aa) and ab) above.
- b) The fund management company may also invest up to 49% of the sub-fund's assets in:
- ba) bonds and other fixed or variable income securities or debt instruments, of private or public debtors worldwide having a credit rating of at least BBB+;
  - bb) money market instruments and collective investment schemes that invest in such instruments;
  - bc) structured products (e.g. certificates) whereby their underlyings are gold, gold indices or collective investment schemes investing the majority of their assets in gold;
  - bd) collective investment schemes that do not meet the investment requirements described under letter a) ac) above;
  - be) derivative financial instruments (including warrants) on the aforementioned investments;
  - bf) currency derivatives;
  - bg) bank sight or term deposits.
- c) In addition, the fund management company must adhere to the investment limits stated below, which refer to the sub-fund's assets:
- Collective investment schemes: up to a maximum of 49%;
  - Structured products: up to a maximum of 10%.
7. Subject to § 20, sections 5 and 6, a company exercising the delegated management may acquire units or shares in collective investment schemes that they directly or indirectly manage itself, or by a company with which it is connected through a common management or control, or by a direct or indirect substantial participation (connected target funds).

## § 9 Liquid assets

The fund management company may hold adequate liquid assets for each of the sub-funds in the base currency of the account, as well as in all the different currencies in which investments are permitted. Liquid assets imply bank sight or term deposits with up to twelve months maturity.

## B. Investment techniques and instruments

### § 10 Securities lending

The fund management company does not trade in securities lending transactions.

### § 11 Securities repurchase agreements (Repo and Reverse Repo)

The fund management company does not enter into repo and reverse repo arrangements.

### § 12 Derivative financial instruments (Commitment approaches I and II)

1. The fund management company may use derivatives. It shall ensure that the use of derivatives does not lead by its economic impact, even under extraordinary market circumstances, to a divergence from the investment objectives as reflected in the Fund Contract, the prospectus, and the key investor information, or in a modification to the investment characteristics of the sub-funds. In addition, the derivatives' underlyings must be permitted as investments for the particular sub-fund, in accordance with the Fund Contract.
 

For the Swiss Equity sub-fund, derivatives are used mainly for the purpose of hedging investments and currency risk. They are used only incidentally for investment strategy purposes.

For the High Grade CHF Income and High Grade CHF Income Plus sub-funds, derivatives are used for investment strategy purposes to replicate positions in a synthetic manner. They are also used for hedging investments and currency risk.
2. Commitment approach I applies to the assessment of risk for the Swiss Equity and Swiss Small and Mid Cap Equity sub-funds. Taking into account the hedging required pursuant to this paragraph, the use of derivatives must neither leverage the sub-fund's assets, nor correspond to short selling.
 

Commitment approach II applies to the assessment of risk for the High Grade CHF Income, High Grade CHF Income Plus, and Gold + sub-funds. The sub-fund's total commitments to derivatives shall not exceed 100% of net assets, just as total commitments shall not exceed 200% of net assets. Taking into account the possibility of temporary borrowing of up to 25% of net assets, as prescribed in § 13 section 2, the total commitments of the sub-fund may reach 225% of net assets. Total commitment is calculated in accordance with Art. 35 CISO-FINMA.

## A. Common provisions for all sub-funds

3. The fund management company may use standardised or non-standardised derivatives. They may undertake derivative transactions on an exchange or another regulated market open to the general public or concluded OTC (over-the-counter).
  4.
    - a) The fund management company shall only undertake OTC transactions with specialist financial intermediaries in these types of operations, who are subject to supervision and can guarantee irrevocable trading. If the counterparty is not the Custodian Bank, the said counterparty or its guarantor must present a high credit rating.
    - b) An OTC derivative must be able to be valued daily, reliably and in a transparent manner, and it must be able to be sold, liquidated, or unwound by a reverse transaction at any time and at market value.
    - c) If a market price is not available for an OTC derivative, its price must be able to be assessed at any time using appropriate valuation models recognised in practice, based on the market value of the underlyings. Before the transaction is concluded, solid offers from at least two counterparties fit for consideration must, in principle, be obtained. In principle, the contract shall be concluded with the counterparty who submitted the most advantageous tender from the point of view of price. Derogations from this principle are allowed for reasons of risk-spreading, or if other aspects of the contract, such as the counterparty's solvency or supply of services reveals another offer that is more advantageous for the investors. In addition, this can be waived exceptionally after obtaining at least two potential counterparty offers, if they better serve the interest of the investors. The reasons for this renunciation as well as the conclusion of the contract and the price determination must be documented in a comprehensible manner.
    - d) The fund management company and its agents can only accept collateral under an OTC transaction meeting the requirements of Art. 51 CISO-FINMA. The issuer of the collateral must present a high credit rating and the collateral may not be issued by the counterparty or a company within the counterparty's group, or from a company dependent on this group. The collateral must be highly liquid, transacted at a transparent price on an exchange or another regulated market open to the general public, and be priced at least every trading day. The fund management company and its agents must fulfil the obligations and requirements of Art. 52 CISO-FINMA for collateral management. They are especially required to diversify the collateral in a manner appropriate in terms of countries, markets, and issuers, with a diversification of issuers regarded as appropriate if the collateral held by a single issuer does not exceed 20% of the net asset value. Exceptions remain relating to investments or guarantees issued by institutions constituted under public law within the meaning of Art. 83 CISO. Furthermore, the fund management company and its agents must be able to obtain at any time, without intervention or the agreement of the counterparty, the power over and the ability to dispose of the collateral received in case of the counterparty's default. The collateral received must be held at the Custodian Bank. Collateral received can be held by a third-party custodian subject to supervision at the request of the fund management company, if the ownership of the collateral is not transferred, and if the third-party custodian is independent of the counterparty.
  5. In compliance with the legal and contractual investment restrictions (maximum and minimum limits), derivatives must be taken into account in accordance with the laws on collective investment schemes.
  6. The prospectus contains further guidance on:
    - the importance of derivatives as part of the investment strategy;
    - the effect of derivative usage on the sub-fund's risk profile;
    - the derivatives' counterparty risk;
    - the increased volatility as a result of the use of derivatives and the increased total commitment (leverage effect);
    - credit derivatives;
    - collateral strategy.
- ## B. Swiss Equity and Swiss Small and Mid Cap Equity sub-funds (Commitment approach I)
7. Only basic type of derivatives can be used, namely:
    - a) call and put options with their maturity values linearly dependent on the positive or negative difference between the market value of the underlying and the strike price, equal to zero when this difference is between opposite signs;
    - b) swaps with payments linearly dependent, and in a "non path-dependent" manner, on value of the underlying or an absolute amount;
    - c) term contracts (futures and forwards), with their value linearly dependent on the value of the underlying.
  8. In economic terms, a derivative commitment is either a sale (exposure-reducing derivatives) or a purchase (exposure-raising derivatives) of an underlying.
  9.
    - a) Exposure-reducing derivatives must be covered at all times by the corresponding underlyings, subject to b) and d) below.
    - b) Using other investments for covering is permitted, if the exposure-reducing derivative uses an index that is:
      - calculated by an independent external office;
      - representative of the investments serving as cover;
      - in proper correlation with these investments.
    - c) The fund management company must be able to call on the underlyings or the investments at all times and without restriction.
    - d) An exposure-reducing derivative may be delta-weighted when calculating the corresponding underlyings.
  10. For exposure-raising derivatives, the underlying equivalent must be covered at all times by highly liquid assets within the meaning of Art. 34 para. 5 CISO-FINMA. The underlying equivalent is calculated in accordance with Annex 1 of the CISO-FINMA for futures, options, swaps, and forwards.

11. The fund management company must take into account the following rules when compensating derivative positions:

- a) Opposite positions in derivatives of the same underlying as well as opposite positions in derivatives and investments of the same underlying can be offset despite the netting of the derivatives if the derivative transaction was made for the sole purpose of eliminating the risks in connection with the derivatives or investments acquired, if no material risks are disregarded in the process, and if the conversion amount of the derivatives is calculated according to Art. 35 CISO-FINMA.
- b) During hedging operations, if the derivatives do not refer to the same underlyings as the assets being hedged, the following conditions must be met, in addition to the requirement mentioned under letter a, for hedging: derivative transactions should not be based on an investment strategy used to realise a gain, the derivative must lead to an actual verifiable reduction of risk, the risk of the derivative must be offset, the derivatives, underlyings, and assets to be offset must refer to the same category of financial instruments and the hedging strategy must be effective even during exceptional market conditions.
- c) Derivatives that are used for the sole purpose of hedging currency risks and do not use leverage nor involve additional market risks can be offset without having to meet the requirements mentioned under letter b when calculating the total commitment resulting from the derivatives.
- d) Hedging transactions that use interest rate derivatives are permitted. Convertible bonds must not be taken into account when calculating derivative commitments.

**C. High Grade CHF Income, High Grade CHF Income Plus, and Gold + sub-funds (Commitment approach II)**

12. The fund management company may use basic type of derivatives such as call and put options with their maturity values linearly dependent on the positive or negative difference between the market value of the underlying and the strike price, equal to zero when the difference is between opposite signs, credit derivatives (credit default swaps, CDS) or swaps with payments linearly dependent, and in a "non path-dependent" manner, on the value of the underlying or an absolute amount, or term contracts (futures and forwards) with their value linearly dependent on the value of the underlying. In addition, the fund management company may also use combinations of basic type of derivatives, or derivatives with a different economic impact to basic type of derivatives or from combinations of basic type of derivatives (exotic derivatives).

13. a) Opposite positions in derivatives of the same underlying as well as opposite positions in derivatives and investments of the same underlying can be offset despite the netting of the derivatives if the derivative transaction was made for the sole purpose of eliminating the risks in connection with the derivatives or investments acquired, if no material risks are disregarded in the process, and if the conversion amount of the derivatives is calculated according to Art. 35 CISO-FINMA.
- b) During hedging operations, if the derivatives do not refer to the same underlyings as the assets being hedged, the following conditions must be met, in addition to the requirement mentioned under letter a, for hedging: derivative transactions should not be based on an investment strategy used to realise a gain, the derivative must lead to an actual verifiable reduction of risk, the risk of the derivative must be offset, the derivatives, underlyings, and assets to be offset must refer to the same category of financial instruments and the hedging strategy must be effective even during exceptional market conditions.
- c) In the case of a predominant use of interest rate derivatives, the amount attributable to the resulting total commitment of the derivatives can be calculated using recognised international offset rules as long as such rules lead to a correct risk profile calculation of the sub-fund, that the main risks are taken into account, that the application of these rules does not lead to unwarranted leverage, that no interest rate arbitrage strategy is pursued, and that the sub-fund's leverage is not enhanced by the application of these rules nor by investments in short-term positions.
- d) Derivatives that are used for the sole purpose of hedging currency risks and do not use leverage nor involve additional market risks can be offset without having to meet the requirements mentioned under letter b when calculating the total commitment resulting from the derivatives.
- e) Payment commitments resulting from derivatives must be permanently hedged by highly liquid assets, debt instruments, or shares traded on an exchange or another regulated market open to the general public, in accordance with the law on collective investment schemes.
- f) Delivery commitments arising from derivatives must be covered by the corresponding underlyings, or other investments provided that such investments and underlyings are highly liquid and can be bought or sold at any time a delivery is ordered. The fund management company must be able to call on the underlyings or the investments at all times and without restriction.

**§ 13 Borrowing and lending**

1. The fund management company is not authorised to grant credits on behalf of any of the sub-funds.
2. The management company may temporarily borrow up to 10% of net assets for the Swiss Equity sub-fund and 25% of the net assets for the Swiss Small and Mid Cap Equity, High Grade CHF Income, High Grade CHF Income Plus, and Gold + sub-funds.

**§ 14 Sub-funds' assets pledging**

1. The management company cannot pledge or use as a guarantee more than 25% of the net assets of the Swiss Equity sub-fund or 60% of the net assets of the Swiss Small and Mid Cap Equity, High Grade CHF Income, High Grade CHF Income Plus, and Gold + sub-funds.
2. Encumbrance of a sub-fund's assets by granting guarantees is not permitted.
3. Credit derivatives that increase exposure are not worth accepted within the meaning of this paragraph.

**C. Investment restrictions**

**§ 15 Risk allocation**

1. The following must be integrated into the following provisions on risk allocation:
  - a) investments pursuant to § 8, with the exception of index-based derivatives, provided the index is sufficiently diversified, is representative of the market to which it relates and is appropriately published;
  - b) liquid assets pursuant to § 9;
  - c) claims against counterparties resulting from OTC transactions.

The risk allocation provisions apply to each particular sub-fund.

2. Companies which form a group in accordance with international accounting standards are regarded as a single issuer or debtor.
3. The fund management company may, in principle, invest up to 20% of the Swiss Equity sub-fund's assets, including derivatives and structured products, in transferable securities or money market instruments from a same issuer. The fund management company is authorised to reflect the structure of the SPI® index in this sub-fund and the limit of 20% is raised to 25% for three security issuers of the index among the five largest market capitalisations. In addition, only one issuer of securities in the index among the five largest market capitalisations is allowed to exceed the above-mentioned 25% limit, with a maximum overweight of 5% in relation to its weight in the index and a maximum of 33%. The total value of transferable securities and money market instruments from issuers with whom more than 10% of the sub-fund's assets are invested, cannot exceed 75% of the assets of that particular sub-fund. In addition, the sub-fund's assets must be invested in the securities of at least ten separate issuers. The provisions under sections 4 and 5 below are reserved.

The fund management company may invest up to 20% of the Swiss Small and Mid Cap Equity, High Grade CHF Income, High Grade CHF Income Plus, and Gold + sub-fund's assets, including derivatives and structured products, in transferable securities or money market instruments from a same issuer or debtor, including in "metal" accounts. The total value of transferable securities and money market instruments of issuers or debtors with whom more than 10% of a sub-fund's assets are invested, cannot exceed 60% of the assets of that particular sub-fund. The provisions under sections 4 and 5 below are reserved.

4. The fund management company may invest up to 20% of a sub-fund's assets in sight or term deposits at the same bank. This 20% limit shall include liquid assets pursuant to § 9, as well as investments in bank deposits pursuant to § 8.
5. The fund management company may invest up to 5% of a sub-fund's assets in OTC transactions with the same counterparty. If the counterparty is a bank with its head office in Switzerland or in a member state of the European Union, or in another country where it is subject to comparable supervision as in Switzerland, this investment limit shall be raised to 10% of the Swiss Equity sub-fund's assets, respectively 20% of the Swiss Small and Mid Cap Equity, High Grade CHF Income, High Grade CHF Income Plus, and Gold + sub-funds' assets. If receivables resulting from OTC transactions are guaranteed by collateral in the form of liquid assets in accordance with Art. 50 to 55 CISO-FINMA, these receivables are not taken into account in the calculation of counterparty risk.
6. Investments, deposits and claims from the same issuer or debtor as defined under sections 3 to 5 above, shall not exceed 20% of a sub-fund's assets, subject to the higher limits pursuant to sections 12 and 13 below.
7. Investments pursuant to section 3 above, from a same group of companies, must not exceed 20% of a sub-fund's assets, subject to the higher limits pursuant to sections 12 and 13 below.
8. The fund management company may invest not more than 20% of a sub-fund's assets in units or shares from the same target fund.
9. The fund management company may not acquire participation rights representing more than 10% of the total voting rights or allow for major influence over an issuer's management decisions.
10. For any the assets of a sub-fund, the fund management company may acquire not more than 10% of non-voting equity securities, obligations, or money market instruments from a single issuer, as well as not more than 25% of units or shares of a same collective investment scheme. These limits do not apply if, at the time of acquisition, the gross amount of bonds, money market instruments or units or shares in collective investment schemes cannot be calculated.
11. The limits defined under sections 9 and 10 above shall not apply to securities and money market instruments issued or guaranteed by a member country of the OECD, a public corporation from the OECD, or by any other international public institution in which Switzerland or a member state of the European Union participates.
12. For the High Grade CHF Income and High Grade CHF Income Plus sub-funds, the 20% limit mentioned under section 3 is raised to 35% if the securities or money market instruments are issued or guaranteed by either a central Swiss mortgage bond institution, a member country of the OECD, a public corporation from the OECD, or by any other international public institution in which Switzerland or a member state of the European Union participates. The above mentioned securities or money market instruments are not considered when applying the 60% limit according to section 3. However, individual limits from section 3 and 5 may not be cumulated with the aforementioned limit of 35%.
13. For the High Grade CHF Income and High Grade CHF Income Plus sub-funds, the 20% limit mentioned under section 3 is raised to 100% if the securities or money market instruments are issued or guaranteed by a member country of the OECD, a public corporation from the OECD, or by any other international public institution in which Switzerland or a member state of the European Union participates. In this case, the sub-fund must hold securities or money market instruments from at least six different issuers and a maximum of 30% of the sub-fund can be placed in securities or money market instruments of the same issuer. The above mentioned securities or money market instruments are not considered when applying the 60% limit according to section 3. Issuers or authorised guarantors are all Member States of the OECD as well as governmental, intergovernmental or paragonovernmental bodies of these States.

#### IV. Calculation of net asset values and issue or redemption of units

##### § 16 Calculation of net asset values

1. The net asset value of each sub-fund and the proportion for the different classes are calculated at market value, in the base currency of the particular sub-fund and at the end of a financial year, as well as on each day when units are issued or redeemed. On those days when the exchanges or markets of the countries where the concerned sub-fund are invested are closed (e.g. bank and stock exchange holidays), net asset values are not calculated.
2. Investments traded on an exchange or another regulated market open to the general public, shall be valued at their principal market price. Other investments, including those for which no current prices are available, shall be valued at the price that could be obtained through a diligent sale at the time of valuation. To determine the market value, the fund management company shall use appropriate valuation models and principles recognised in practice.
3. Open-ended collective investment schemes are valued at their redemption price or net asset value. If they are regularly traded on an exchange or another regulated market open to the general public, the fund management company may value them under the terms of section 2 above.
4. The value of money market instruments that are not traded on an exchange or another regulated market open to the general public, is determined as follows: the valuation price of such investments is successively adjusted in line with their redemption price, taking their net purchase price as the basis and keeping as constant the calculated investment yields. In the event of significant changes in market conditions, the valuation basis of the various investments is adjusted to reflect the new market yields. When there are no current market prices, valuation is normally calculated using money market instruments with similar characteristics (quality and domicile of issuer, issue currency, duration).
5. Bank deposits are valued at their actual balances plus accrued interest. In the event of significant changes in market conditions or solvency ratings, valuation of term deposits in banks shall be adjusted to reflect the new situation.
6. The value of physical gold is calculated on the basis of its fixing price at 15:00 hours (GMT) in London.
7. The net asset value of the units of a class of a sub-fund is calculated from the proportion of the market value of the sub-fund's assets attributable to the particular class, less any sub-fund's liabilities allocated to this same class, divided by the number of outstanding units of the class, rounded to two decimal places.
8. The proportion of the market value of a sub-fund's net assets (sub-fund's assets less liabilities) attributable to each class, is first determined at the initial issue of the different classes (when this occurs at the same time), or upon the first issue of a separate class, based on the income attributable to each class of the relevant sub-fund. Each proportion is recalculated for each of the events below:
  - a) when units are issued or redeemed;
  - b) at the date of distribution, if (i) the distribution is for the various classes (distribution classes) or (ii) the distribution for the various classes differs in terms of percentage of their net asset value or (iii) different commissions and fees apply for the distribution to the various classes, as a percentage of the distribution;
  - c) when calculating the net asset value for allocating liabilities (including accruing fees and commissions) paid out to the various classes, provided that the commitments of the various classes differ as a percentage of their net asset value, i.e. when (i) different commission rates are applied to the various classes, or (ii) class-specific fees are applied;
  - d) when calculating the net asset value for the allocation of income or capital gains to the different classes, provided that the income or capital gains arise from transactions made solely in one particular class, or for the various classes but disproportionately to their proportion of the sub-fund's assets.

##### § 17 Issue and redemption of units

1. Applications for subscription and redemption of units are received on the day the order is placed until a time specified in the prospectus. The issue and redemption prices are determined at the earliest time on a bank business day after the day the order is placed (valuation day; forward pricing). The prospectus sets out the details.
  2. The issue and redemption prices are determined based on the net asset value per unit pursuant to § 16 on valuation day, taking into consideration the day's closing prices as mentioned in the prospectus. The issue and redemption prices are rounded to two decimal places.

When issuing units, an issuing commission pursuant to § 19 may be added to the net asset value. No redemption fee is charged.

Incidental costs linked to the purchase and sale of investments (notably standard brokerage fees, commissions, duties, and taxes), incurred for amounts paid out of a sub-fund or for the sale of investment assets corresponding to the units that have been redeemed, are charged to the assets of that particular sub-fund.
3. The fund management company may at any time suspend the issue of units, or reject subscription or transfer applications, for any of the units.
  4. In the interest of all investors, the fund management company may suspend the redemption of a sub-fund's units temporarily and exceptionally:
    - a) if the market constituting the basis for the valuation of a substantial portion of the particular sub-fund's assets is closed, or if trading on such a market has been restricted or suspended;
    - b) when emergencies arise, be those political, economic, military, financial or of another nature;
    - c) when, due to restrictions imposed on currency exchanges or on other asset transfers, the sub-fund's activities are suspended;
    - d) when a large number of a sub-fund's units are redeemed, which subsequently affects significantly the interests of other investors.
  5. The fund management company informs, immediately and appropriately, of its decision to suspend to the audit firm, supervisory authority, and investors.

6. For as long as the redemption of a sub-fund's units is deferred, for the reasons listed in section 4 a) to c) above, there shall be no further issue of units of the sub-fund.

##### § 18 Issuance of units by contribution in kind

1. The issuance of units by contribution in kind is authorised for the Swiss Equity sub-fund only.
2. At the request of an investor, the fund management company may accept, in whole or in part, subscriptions in kind if they comply with the fund contract, in particular to the investment policy of the relevant sub-fund, and if the interests of other investors are not compromised. The fund management company has full decision power regarding the acceptance of contributions in kind. Costs related to such contributions in kind are the responsibility of the investor.
3. For each subscription in kind, the fund management company draws up a report that mentions:
  - Separately, the investments made in kind to the sub-fund concerned;
  - The value of these investments on the day of the contribution;
  - The number of units subscribed;
  - Any additional cash payments made at the time of the transaction.
4. For each subscription in kind, the Custodian Bank verifies compliance with the subscription conditions, the obligation of loyalty, as well as the evaluation of the contributions in kind. It announces without delay to the audit firm any reservations, irregularities, or rectification requests.
5. The sub-fund's annual report lists all subscriptions in kind.

##### V. Fees and expenses

##### § 19 Fees and expenses charged to the investor

When issuing units of the Swiss Equity, Swiss Small and Mid Cap Equity, and Gold + sub-funds, an issuing commission may be charged to the investor on behalf of distributors in Switzerland and abroad, amounting up to 3.00% of the issue price. The current applying maximum rate is stated in the prospectus.

##### § 20 Fees and expenses charged to the sub-funds' assets

1. For the administration, asset management and distribution of sub-fund units, as well as to cover all duties of the Custodian Bank, such as the safekeeping of the sub-fund's assets, payment transactions, distribution of annual incomes and other tasks mentioned in § 4, the fund management company shall deduct an annual flat commission (flat management commission), based on the average net assets of each class. This commission is accrued from the assets of the class on a pro rata basis, each time the net asset value is calculated, and charged at the end of each accounting month for the whole elapsed month. However, the distribution of the U, UP, and U+ classes are not compensated.

The maximum annual flat management commissions are:

##### Swiss Equity sub-fund

Class A: 1.50%.

Class AP: 1.30%\*.

Class I: 1.00%.

Class IP: 0.80%\*.

Class P: 1.00%.

Class PP: 0.80%\*.

Class U: 1.00%\*\*.

Class UP: 0.80%\*\*\*.

\* For AP, IP, PP, and UP classes, a performance fee is paid in accordance with § 20 section 3.

\*\* For the U and UP classes, no retrocession is paid to compensate the distribution activity.

##### Swiss Small and Mid Cap Equity sub-fund

Class A: 1.50%.

Class I: 1.00%.

##### High Grade CHF Income sub-fund

Class A: 0.85%.

Class I: 0.50%.

Class P: 0.50%.

Class U: 0.50%\*

\* For the U class, no retrocession is paid to compensate the distribution activity.

##### High Grade CHF Income Plus sub-fund

Class A: 0.85%.

Class A+: 0.75%.

Class I: 0.50%.

Class I+: 0.40%.

Class P: 0.50%.

Class U: 0.50%\*.

Class U+: 0.40%\*.

\* For the U and U+ classes, no retrocession is paid to compensate the distribution activity.

##### Gold + sub-fund

Classes (USD) A, (CHF) AH, (EUR) AH and (SGD) AH: 1.50%.

Classes (USD) I, (CHF) IH, (EUR) IH and (SGD) IH: 1.20%.

The actual flat management commissions charged to each class are disclosed in the annual and semi-annual reports.

2. The following fees and expenses of the fund management company and the Custodian Bank that may be additionally charged to the sub-fund's assets concerned, are not included in the flat management commission:
  - a) Costs of purchasing and selling investments, notably standard brokerage fees, commissions, duties, and taxes. These costs are charged directly to the cost price or sale of the investments concerned;

- b) External financial analysis and research costs;
  - c) Fees charged by the supervisory authority for amendment, liquidating or merger of the sub-fund;
  - d) Auditor fees for certificates issued in connection with the amendment, liquidation or merger of the sub-fund;
  - e) Legal and tax advisory fees in relation to the establishment, amendment, liquidation or merger of the sub-fund, as well as for the general advocacy of the interests of the sub-fund and its investors;
  - f) Costs for any registering the sub-fund with a foreign supervisory authority, including fees levied by the foreign supervisory authority, translation expenses and allowances paid to the representative or the payment service abroad;
  - g) Expenses related to exercising the sub-fund's voting rights or creditor rights, including fees for external consultants;
  - h) Expenses and fees related to intellectual property rights registered in the name of the sub-fund or licensed by the latter;
  - i) Any costs for extraordinary actions taken by the fund management company, the asset manager or the Custodian Bank to defend investor interests.
3. In addition to the flat management fee provided for in section 1 above, the fund management company charges a 15% performance fee for the AP, IP, PP, and UP classes of the Swiss Equity sub-fund, and a performance fee of 20% for each class of the Gold + sub-fund.

The performance fee is calculated and accrued each time the net asset value is calculated, based on the out-performance of the assets of the class in question, after the deduction of the flat management commission defined in section 1 and before the deduction of the performance fee as defined in section 4 above, in comparison with the index stated in the prospectus and taking into account the issued or redeemed units.

The performance fee is paid out, if due, proportionally to the redeemed units, and for the other units, at the end of each accounting quarter for the entire period.

If a performance fee has been paid out, the next performance fee shall be calculated and accrued in accordance with paragraph 2 above but henceforth based on the resulting value of the class assets that determined the last performance fee, after the deduction made for the annual flat management commission defined in section 1 and the performance fee as defined in section 4 ("High Water Mark").

- 4. The fund management company and its agents can pay retrocessions to remunerate the sub-fund's distribution activity in accordance with the provisions of the prospectus as well as rebates to reduce costs and expenses attributable to investors charged to the sub-fund.
- 5. The target funds management commission, into which the sub-fund's assets are invested, may amount up to 3%, taking into account eventual retrocession payments. The maximum rate of the target funds management commission, into which the sub-fund's assets are invested, is disclosed in the annual report by taking into account the eventual retrocession payments for each sub-fund.
- 6. When a company exercising delegated management acquires units or shares in collective investment schemes that are managed directly or indirectly by itself, or by a company with which it is connected through a common management or control, or by a direct or indirect substantial participation (connected target funds), no commission shall be charged to the particular sub-fund for any issue or redemption of the connected target funds.
- 7. Fees may only be charged against the sub-funds to which a particular service has been provided. Expenses that cannot be attributed with certainty to a particular sub-fund shall be divided between all the sub-funds based on their proportion of the fund's assets.

## VI. Financial statements and audit

### § 21 Financial Statements

- 1. The base currency for the Swiss Equity, Swiss Small and Mid Cap Equity High Grade CHF Income, and High Grade CHF Income Plus sub-funds is the Swiss franc (CHF).  
The base currency for the Gold + sub-fund is the US dollar (USD).
- 2. The financial year of each sub-fund runs from 1 May to 30 April of the following year.
- 3. The fund management company shall publish a yearly audited report of the fund and/or sub-funds, within four months from the end of the financial year.
- 4. The fund management company shall publish a semi-annual report of the fund and/or sub-funds, within two months of the mid-financial year.
- 5. The right of investors to be informed pursuant to § 5 section 5, remains reserved.

### § 22 Audit

The audit firm shall verify compliance by the fund management company and the Custodian Bank with the legal and contractual provision and the Swiss Funds & Asset Management Association's code of conduct. A summary report of the audit firm on the published annual financial statements shall appear in the annual report.

## VII. Appropriation of net income

### § 23

- 1. The net income of the classes A, AP, A+, (USD) A, (CHF) AH, (EUR) AH, (SGD) AH, I, IP, I+, (USD) I, (CHF) IH, (EUR) IH, (SGD) IH, U, UP and U+ is distributed annually to investors per class, no later than four months after the end of the financial year, in the base currency of the sub-fund or the reference currency of the class.  
The fund management company may also make interim distributions of investment income.
- 2. The net income of the classes P and PP is reinvested annually into the assets of this class no later than four months after the end of the financial year. The

fund management company may also decide to make interim reinvestments. Reservation made for possible taxes and taxes imposed on reinvestment.

- 3. Up to 30% of the net income of the classes A, AP, A+, (USD) A, (CHF) AH, (EUR) AH, (SGD) AH, I, IP, I+, (USD) I, (CHF) IH, (EUR) IH, (SGD) IH, U, UP and U+, including deferred income from previous financial years, can be carried forward.
- 4. Distribution, respectively reinvestment, may be waived, and net income may be carried forward to the new account under the following cumulative conditions:
  - the net income for a period, including deferred income from previous financial years, amounts to less than 1% of the net asset value of a class and
  - the net income for a period, including deferred income from previous financial years, amounts to less than CHF 1.00, USD 1.00, EUR 1.00 or SGD 1.00 per unit.
- 5. Capital gains realised on the sale of assets and rights may be distributed by the fund management company or retained for reinvestment.

## VIII. Publications of the umbrella fund and sub-funds

### § 24

- 1. The medium of publication of the fund and sub-funds is the print medium or electronic medium specified in the prospectus. Any change in the medium of publication shall be published in the medium of publication.
- 2. In this medium of publication are provided a summary of the changes to the Fund Contract, indicating the relevant addresses where the full text on these changes can be freely obtained, any change in the fund management company and/or Custodian Bank, the creation, termination or mergers of classes or the dissolution of a sub-fund. Changes that are required by law that do not affect the rights of investors or are an exclusively formal nature may be excluded from the duty of publication, subject to permission from the supervisory authority.
- 3. The fund management company shall publish in the printed or electronic media specified in the prospectus, the issue and redemption prices of all units for each sub-fund, or the net asset value with the mention "excluding commissions", each time a unit is issued or redeemed for any of the classes of a sub-fund. These prices must be published at least twice a month. The weeks and days on which publications are made, shall be specified in the prospectus.
- 4. The prospectus with integrated Fund Contract, key investor information and annual and semi-annual reports, may be obtained free of charge from the fund management company, the Custodian Bank, and all distributors.

## IX. Restructuring and dissolution

### § 25 Merger

- 1. Subject to consent from the Custodian Bank, the fund management company may merge individual sub-funds with other sub-funds or other funds, with the assets and liabilities of the acquired sub-fund and/or fund being transferred to the acquiring sub-fund and/or fund on the day of merger. Investors of the acquired sub-fund and/or fund acquire the units of corresponding value from the acquiring sub-fund and/or fund. On the day of merger, the acquired sub-fund and/or fund is dissolved without liquidation, and the Fund Contract of the acquiring sub-fund and/or fund shall apply to the acquired sub-fund and/or fund.
- 2. The fund or sub-funds may be merged only if:
  - a) such provisions exist in the relevant Fund Contracts;
  - b) they are managed by the same fund management company;
  - c) the relevant Fund Contracts concur principally in terms of:
    - the investment policy, investment techniques, risk allocation and investment risks;
    - the appropriation of net income and capital gains resulting from the sale of assets and rights;
    - the nature, amount, and calculation of all fees, issue, and redemption commissions, along with incidental costs for purchasing and selling investments (notably standard brokerage fees, commissions, duties, and taxes) charged to the assets of the fund and/or sub-fund or to the investors;
    - the redemption conditions;
    - the contract duration and conditions of dissolution;
  - d) the valuation of assets of participating funds and/or sub-funds, the calculation of exchange ratio and the transfer of assets and liabilities, are all carried out on the same day;
  - e) there is no resulting charge against the fund and/or sub-fund, or against the investors.

The provisions of § 20 section 2 letters c, d and e remain reserved.

- 3. The supervisory authority may authorise the suspension of the redemption of units of participating sub-funds and/or funds for a specified period of time if the merger is expected to take more than a day.
- 4. At least one month before the planned publication, the fund management company shall submit the planned changes to the Fund Contract, along with the merger proposal and plan, to the supervisory authority for review. The merger plan must provide information on the reasons for the merger, the investment policy for the participating funds and/or sub-funds, eventual differences between the acquired fund and/or sub-fund and acquiring fund and/or sub-fund, calculation of exchange ratio, any differences in paid commissions, possible tax consequences for the funds and/or sub-funds, as well as the declaration report from the audit firm pursuant to the law.
- 5. The fund management company shall publish changes to the Fund Contract pursuant to § 24 section 2, as well as the proposed date and plan for the merger, at least two months before the established date, in the medium of publication of the participating funds and/or sub-funds. It must also inform investors of the possibility of contacting the supervisory authority, within 30 days from publication, to lodge their objections against the planned changes to the Fund Contract or demand that their sub-fund units be redeemed in cash.

6. The audit firm immediately verifies the correct procedures of the merger, submitting its report and opinion to the fund management company and supervisory authority.
7. The fund management company informs without delay the supervisory authority the completion of the merger and publishes in the medium of publication of the participating funds and/or sub-funds the execution of the merger, the confirmation of the audit firm on the proper execution of the merger and the exchange ratio.
8. The fund management company declares the merger in the next annual report of the acquiring funds and/or sub-funds and, eventually, in the previous semi-annual report. An audited closing report must be produced for the acquired fund(s) and/or sub-fund(s), if the merger does not occur at the normal closing date of a financial year.

#### **§ 26 Duration and dissolution of sub-funds**

1. The sub-funds are created for an indefinite period.
2. Either of the fund management company or the Custodian Bank may dissolve a sub-fund, by terminating the Fund Contract forthwith.
3. Any sub-fund may be dissolved by decision of the supervisory authority, especially if the net assets of the particular sub-fund have still not reached at least CHF 5 million (or equivalent value), a year after the expiry date of the subscription period (launch) or a longer period as granted by the supervisory authority at the request of the Custodian Bank and the fund management company.
4. The fund management company shall inform the supervisory authority of the dissolution forthwith and publish this information in the medium of publication.
5. After the termination of the Fund Contract, the management company may liquidate the sub-fund forthwith. If the supervisory authority has ordered the dissolution of a sub-fund, it must be liquidated forthwith. The payment of liquidation proceeds to investors is entrusted to the Custodian Bank. If the liquidation extends over a longer period, the liquidation proceeds may be paid by installments. The fund management company must obtain authorisation from the supervisory authority prior to the final payment.

#### **X. Changes to the Fund Contract**

##### **§ 27**

If this Fund Contract has to be changed or there is a planned merger of the classes, or a change of fund management company or Custodian Bank, any investor may lodge objections with the supervisory authority within 30 days after the relevant publication. In the publication, the fund management company notifies the investor of any Fund Contract changes that are reviewed and controlled by FINMA in terms of compliance with the Act. In the event of changes to the Fund Contract, including merger of the classes, investors may also request a cash payment for their units in accordance with the contractual deadlines. Cases pursuant to § 24 section 2 that are exempted from the duty to publish subject to permission from the supervisory authority, remain reserved.

#### **XI. Applicable law and jurisdiction**

##### **§ 28**

1. The umbrella fund and each of its sub-funds are subject to Swiss law, in particular the Federal Act on Collective Investment Schemes (CISA) of 23 June 2006, the Ordinance on Collective Investment Schemes (CISO) of 22 November 2006 and the Ordinance of the Swiss Financial Market Supervisory Authority on Collective Investment Schemes (CISO-FINMA) of 27 August 2014.
2. The place of jurisdiction is that of the registered office of the fund management company, in Lausanne.
3. The French version of this Fund Contract shall prevail for the purposes of interpretation.
4. This Fund Contract comes into force on the date set by the supervisory authority. It supersedes that of 1 November 2019.
5. When approving the Fund Contract, the supervisory authority only examines the provisions within the meaning of Art. 35a paragraph 1 letters a to g CISO and monitors their compliance with the Act.

Approved by the Swiss Financial Market Supervisory Authority FINMA on 7 February 2020 and came into force on 7 February 2020.

**Fund management company**  
GERIFONDS SA, Lausanne

**Custodian Bank**  
Banque Cantonale Vaudoise, Lausanne