

This prospectus (this “**Prospectus**”) is subject to Federal Law No. (4) of 2000 Concerning the UAE Securities and Commodities Authority and Market and the Chairman of the Authority’s Board of Directors’ Resolution No (01/Chairman) of 2023 Concerning the Regulations of Investment Funds and its amendments (the “**Resolution**”) and all laws, regulations, and resolutions in force in the United Arab Emirates (the “**UAE**”).

# **MASTER PROSPECTUS**

## **Allianz Global Investors AE Feeder Funds**

**الصناديق المغذية الامارات - أليانز جلوبال انفستور**

A Public Umbrella Fund with segregated liability Sub-Funds established pursuant to the United Arab Emirates Securities and Commodities Authority the Chairman of the Authority’s Board of Directors’ Resolution No (01/Chairman) of 2023 Concerning the Regulations of Investment Funds.

**June 2024**

**Amended on 26 September 2024 (Amendment #1)**

**Amended on 23 December 2024 (Amendment #2)**

**Amended on 6 October 2025 (Amendment #3)**

**Amended on 20 April 2026 (Amendment #4)**

This Master Prospectus includes basic terms and information that applies to all Sub-Funds and each Supplement (each, as defined below). The information contained in this Master Prospectus must be read in conjunction with the Supplement relating the relevant Sub-Fund.

### **Fund Manager**

Daman Investments P.S.C.

### **Advisor**

Allianz Global Investors GmbH

### **Custodian and Subscription Bank**

Standard Chartered Bank UAE

### **Administrator and Unit Registrar**

Standard Chartered Bank UAE

### **Auditor**

PricewaterhouseCoopers Limited  
Dubai Branch

### **Legal Advisor**

White & Case LLP

## IMPORTANT DISCLAIMER

### Investors must carefully read this Disclaimer

- This Prospectus (this “**Prospectus**”) is a master prospectus and includes basic terms and information applicable to all Sub-Funds, as further detailed in the relevant Supplement (each, as defined herein). The information contained in this Prospectus must be read in conjunction with the Supplement relating to the relevant Sub-Fund.
- The main purpose of this Prospectus is to inform the potential investors of the key information that will help them make their investment decisions regarding investing in the offered Sub-Funds. Each Investor prior to the subscription must carefully examine and review all the data contained in this Prospectus in order to make the appropriate investment decision. Additionally, each investor must obtain the necessary advice from his own financial adviser and legal adviser regarding investing in the Sub-Funds offered for subscription. The reader of this Prospectus must also take into account that the words and phrases that indicate that the data are estimated and relate to the future which are intended to show that they are uncertain and should not be relied upon entirely as they are subject to change and it is impossible to predict future circumstances with certainty, which may lead to the actual results differing from the expected results.
- An investment in the offered Sub-Funds may involve a high degree of risk. Therefore, investors should not invest any money in such Sub-Funds unless they can afford to lose their investment. The terms and conditions of the Fund must also be read in full, in particular the “*RISKS AND CONFLICT OF INTERESTS*” section, which explains the factors and risks that must be taken into consideration before making any decision investing.
- This Prospectus contains data submitted in accordance with the issuance and disclosure rules applicable in the Securities and Commodities Authority of the United Arab Emirates (the “**Authority**”). The Fund Manager, whose name is included in the contents of this Prospectus, shall bear full responsibility with regard to the validity of the information and data contained therein. The Fund Manager confirms to the best of its knowledge, after exerting due care and conducting extensive research, that there is no information, other facts or material information that, if not included in this Prospectus, would make any statement contained therein misleading or affecting the investment decision of the subscribers or contrary to the provisions of the resolutions issued by the Authority, and that these resolutions apply and prevail in all cases to what is contained in this Prospectus.
- The information contained in this Prospectus and each Supplement is not subject to any additional information and cannot be amended without the approval of the Authority and notification to the Unitholders in accordance with the approval of the Authority.
- The Sub-Funds offered under this Prospectus have been presented to the Authority for the purpose of an offering within the United Arab Emirates. Accordingly, if the Sub-Funds are offered in any other country, the Fund Manager shall be responsible for taking all the necessary procedures, measures and obtaining the necessary approvals from the concerned bodies in those countries before offering the relevant Sub-Fund.
- The Fund Manager and the service providers of the fund shall undertake to fully comply with all laws, regulations and resolutions in force in the State and those issued at any time by the Authority.
- The Authority approved the offering of the Fund on [●] under number [●]. The adoption of the Prospectus shall not be considered as an endorsement of the feasibility of the investment nor a

recommendation to subscribe for the Units of any Sub-Fund. The adoption only means that this Prospectus contains the minimum required information in accordance with the rules of issuance and disclosure in force by the Authority. The Authority shall not be responsible for the accuracy, completeness, validity or adequacy of the information contained in this Prospectus and shall not be liable for any damage or loss incurred by any person as a result of reliance on the offering document or part thereof.

- This Prospectus has been prepared in accordance with the laws, regulations, and resolutions in force in the United Arab Emirates. Any violation of those laws, regulations, and resolutions that may appear therein shall be null and void, and the fund manager shall bear all the consequences of such violation, unless a special decision has been issued by the Authority.
- This Prospectus is issued in June 2024 and amended on 26 September 2024 (Amendment #1), 23 December 2024 (Amendment #2), 6 October 2025 (Amendment #3) and 20 April 2026 (Amendment #4).

## INTRODUCTION AND GENERAL PROVISIONS

For the sake of clarity, please note that this Prospectus:

- (1) is an invitation for the public subscription to purchase units of the Sub-Funds;
- (2) includes all information and data relating to the Fund, which have been assessed and reviewed by each of the Fund Manager, the Administrator, the Auditor and the Legal Advisor (each in its own capacity) and subject to its own responsibility;
- (3) shall be updated periodically to reflect any material change and the updated Prospectus shall be notified to the Authority, as well as to the Unitholders, if the Authority so decides;
- (4) an updated copy of this Prospectus is available on request of an investor from the Fund Manager at the address set forth in this Prospectus; and
- (5) is subject to the Resolution and all laws, regulations and resolutions in force in the UAE.

## OVERVIEW OF THE FUND AND PROSPECTUS SUMMARY KIID

<b>Name of Fund (English)</b>	Allianz Global Investors AE Feeder Funds	
<b>Name of Fund (Arabic)</b>	انفستور جلوبال أليانز- الامارات المغذية الصناديق	
<b>Type of Management</b>	Fund Manager	
<b>Name of Fund Manager</b>	Daman Investments P.S.C.	
<b>SCA License Number of Fund Manager</b>	Fund Manager License No.: 301043	
<b>Custodian</b>	Standard Chartered Bank UAE	License No. 602005
<b>Administrator</b>	Standard Chartered Bank UAE	License No. 20200000104
<b>Unit Registrar</b>	Standard Chartered Bank UAE	
<b>Legal Advisor</b>	White & Case LLP	
<b>Auditor</b>	PricewaterhouseCoopers Limited, Dubai Branch	
<b>Investment Objectives</b>	<p>The investment objective of each Sub-Fund will be set out in the relevant Supplement.</p> <p>Each Sub-Fund will be a Feeder Fund and will invest substantially all of its assets in a sub-fund of the Master Fund (each, a “<b>Master Sub-Fund</b>”).</p> <p>The “<b>Master Fund</b>” is the Allianz Global Investors Fund, a société anonyme under the laws of the Grand Duchy of Luxembourg that qualifies as an open-ended société d’investissement à capital variable (SICAV) under part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment, as amended from time to time (the “<b>Luxembourg Law</b>”). The Master Fund is an umbrella fund pursuant to Article 181 of the Luxembourg Law and constitutes a single legal entity.</p> <p>Each Master Sub-Fund also constitutes a single legal entity and is treated as a separate entity in relation to each of the shareholders of the Master Sub-Fund. The assets of each Master Sub-Fund only cover the debts and obligations of the relevant Master Sub-Fund, even those that exist in relation to third parties.</p>	
<b>Fund Term</b>	Unless otherwise set out in the relevant Supplement, the term of the Fund and each Sub-Fund shall be indefinite.	
<b>Fund Business Commencement Date</b>	The Fund commenced business on 18 <sup>th</sup> July 2024, the date of being so licensed by the Authority.	
<b>Fiscal Year of the Fund</b>	Unless otherwise set out in the relevant Supplement, the fiscal year of the Fund and each Sub-Fund shall commence on 1 October and end on 30 September in each year except for the first fiscal period of the Fund and each Sub-Fund which	

	shall commence on the establishment date of the Fund (or the applicable Sub-Fund) and end on 30 September 2025.
<b>Type of Fund</b>	In terms of:
	1 – Capital Nature: Open-ended
	2 – Step-out Method: Redemption Possibility (Frequency per Sub-Fund, per the relevant Supplement)
	3 – <b>Umbrella Fund</b>
	Method of transfer between Sub-Funds, if any: Investors may exchange units in accordance with the relevant Supplement.
	4 – Fund Dividends: Per Sub-Fund, per the relevant Supplement
	5 – Compliance with Shari’ah: Certain Sub-Funds may be Shari’ah-compliant as set out in the relevant Supplement
	6 – Benchmark: Per Sub-Fund, per the relevant Supplement.
	7 – Fund Investment Markets (Investment Markets): Per Sub-Fund, per the relevant Supplement.
	8 – Portfolio Composition: Per Sub-Fund, per the relevant Supplement.
9 – Unit NAV (NAV) Calculation Frequency: Per Sub-Fund, per the relevant Supplement.	
<b>Fund Size</b>	Minimum: Per Sub-Fund, per the relevant Supplement. Maximum: Per Sub-Fund, per the relevant Supplement.
<b>Nominal Price per Unit</b>	US\$10.00
<b>Fund Currency</b>	United States Dollars (“US\$”), or as otherwise detailed per Sub-Fund in the relevant Supplement.
<b>Sub-Fund Unit Classes</b>	A separate Class (or Classes) of Units will be issued in respect of each Sub-Fund, as set out in the relevant Supplement.
<b>Eligible Investors</b>	Units will not be offered to or purchased by Restricted Persons. Units are suitable investments only for investors for whom an investment in any Sub-Fund does not constitute a complete investment program and who fully understand, and are willing to assume, and have the financial resources to withstand, the risks involved in the relevant Sub-Fund’s specialized investment program and to bear the potential loss of their entire investment in the Units.
<b>Initial Offering Period</b>	The initial closing date of each Sub-Fund, being the first Subscription Day (each, an “ <b>Initial Closing Date</b> ”) shall be as set out in the relevant Supplement.

<b>Subscription Bank(s)</b>	Standard Chartered Bank UAE
<b>Minimum Initial Subscription</b>	Minimum initial subscription requirements (if any) of each Sub-Fund will be set out in the relevant Supplement.
<b>Minimum Additional Subscription</b>	Minimum subsequent subscription requirements (if any) of each Sub-Fund will be set out in the relevant Supplement.
<b>Maximum Subscription</b>	Maximum subscription requirements (if any) of each Sub-Fund will be set out in the relevant Supplement.
<b>Subscription Price</b>	Units of each Sub-Fund will be offered on or prior to the Initial Closing Date and on each Dealing Day at the subscription price as set out in the relevant Supplement.
<b>Subscription Frequency and Mechanism</b>	Eligible investors may subscribe for Units of each Sub-Fund on each Dealing Day, in accordance with the subscription frequency and mechanism set out in the relevant Supplement.
<b>Redemption Frequency and Mechanism</b>	Unitholders may redeem their Units of each Sub-Fund on each Redemption Day, in accordance with the redemption frequency and mechanism set out in the relevant Supplement.
<b>Net Asset Value Calculation</b>	The Administrator shall calculate the Fund NAV and the Unit NAV of each Sub-Fund on each Valuation Day in accordance with the net asset value calculation requirements set out in the relevant Supplement.
<b>Conversion of Sub-Fund Units</b>	<p>A Unitholder may request the conversion of any of its Units (in whole or in part) into Units of another Class of the same Sub-Fund, or into Units of another sub-fund of the Fund, subject to the payment of any conversion fee as set out in the relevant Supplement.</p> <p>Each such Unitholder must meet any minimum investment amounts or any additional requirements applicable to the issue of the new Units.</p>
<b>Reports Available for Unitholders</b>	The Fund Manager, with respect to each Sub-Fund, will provide Unitholders with certain reports as required by the Resolution, and as further set out in the relevant Supplement.
<b>Rights of Unitholders</b>	Purchase of Units in any Sub-Fund will not grant a Unitholder the rights granted to shareholders of commercial companies, nor will it grant any ownership, voting, controlling or other rights in relation to the Fund or Sub-Fund assets, except as expressly provided for in this Prospectus and the relevant Supplement.
<b>Expenses and Fees</b>	
<b>Subscription Fees</b>	Subscription fees and/or any other similar fees (if any) payable by Unitholders in respect of a Sub-Fund, will be set out in the relevant Supplement.
<b>Redemption Fees</b>	Redemption fees and/or any other similar fees (if any) payable by Unitholders in respect of a Sub-Fund, will be set out in the relevant Supplement.

<p><b>Fund Expenses</b></p>	<p>The expenses of offering and promoting the Units and the expenses of preparation of this Prospectus along with any other documents associated therewith and required by the Authority shall be borne by the Fund Manager, except for the costs and expenses of the Legal Advisor and any upfront expenses of any other service provider (including the Administrator, the Custodian and the Auditor).</p> <p>All other costs and expenses associated with the establishment and launch of each Sub-Fund will be paid by the relevant Sub-Fund, including the costs and expenses of the Legal Advisor and any upfront expenses of any other service provider (including the Administrator, the Custodian and the Auditor) (the “<b>Establishment Expenses</b>”). Establishment Expenses in respect of a Sub-Fund shall also include the amount of the Fund Establishment Expenses (as defined below) allocated to such Sub-Fund in accordance with this Prospectus and the relevant Supplement.</p> <p>The Fund Manager and the Administrator are responsible for providing and paying for all office personnel, office space and office facilities required for the performance of their respective services to the Fund and each Sub-Fund.</p> <p>Each Sub-Fund will also bear all Sub-Fund Expenses and a portion of any Fund Expenses allocated to it as further detailed in this Prospectus.</p>
<p><b>Management and Performance Fees payable to the Fund Manager (Summary and detail thereof are set out in the relevant Supplement).</b></p>	<p><b><i>Management Fees</i></b></p> <p>Each Sub-Fund will pay the Fund Manager a management fee as stated in the relevant Supplement (the “<b>Management Fee</b>”). The Management Fee is exclusive of any value added tax (“<b>VAT</b>”).</p> <p><b><i>Performance Fees</i></b></p> <p>The Sub-Funds will not pay the Fund Manager a performance fee unless otherwise stated in the relevant Supplement.</p>
<p><b>Master Fund Fees</b></p>	<p><b><i>All-in-Fee</i></b></p> <p>Each Master Sub-Fund will pay an all-in-fee (the “<b>All-in-Fee</b>”) to the Master Fund Manager as set out in the relevant Supplement.</p> <p>The fees of any investment managers appointed by the Master Fund Manager are paid by the Master Fund Manager from its All-in-Fee and, if necessary, from any performance fee.</p> <p>The All-in-Fee is accrued daily and charged monthly in arrears on a <i>pro rata</i> basis on the average daily net asset value of the respective Master Fund Share Class.</p> <p><b><i>taxe d’abonnement</i></b></p> <p>The Master Fund is liable in Luxembourg for an annual subscription tax (“<b>taxe d’abonnement</b>”) which is payable quarterly on the basis of the value of the net assets of the Master Fund at the end of the relevant calendar quarter.</p> <p>The <i>taxe d’abonnement</i> per annum for each Master Fund Share Class is set out in the relevant Supplement.</p>

	<p><b><i>Ongoing Charges</i></b></p> <p>The costs incurred by the Master Sub-Funds (or the respective Master Fund Share Classes) during the preceding financial year (excluding transaction costs) are disclosed in the annual report of the Master Fund and are also expressed as a ratio of the average volume of the Master Sub-Funds (or of the average volume of the respective Master Fund Share Classes) (“<b>Ongoing Charges</b>”).</p> <p>In addition to the All-in-Fee as well as the <i>taxe d’abonnement</i>, all other costs are considered except for the incurred transaction costs, the costs related to the use of securities lending programmes and securities lending brokers and compensation for arranging, preparing, and executing securities lending and/or repurchase/reverse repurchase transactions by the Master Fund Manager.</p> <p>If a Master Sub-Fund invests more than 20% of its assets in other UCITS or UCI that publish their ongoing charges, these ongoing charges are taken into consideration when calculating the Ongoing Charges for the Master Sub-Fund.</p>
<b>Custodian Fees (Summary and detail thereof are set in Page 27 of this Prospectus).</b>	Each Sub-Fund will pay the Custodian a fee in such amount and upon such terms as set out in the relevant Supplement (the “ <b>Custodian Fee</b> ”).
<b>Administrator’s Fees (Summary and detail thereof are set in Page 27 of this Prospectus).</b>	Each Sub-Fund will pay the Administrator a fee in such amount and upon such terms as set out in the relevant Supplement (the “ <b>Administrator Fee</b> ”).
<b>Other Fund Service Provider</b>	The Fund will pay the Auditor an auditor fee in an amount equal to US\$20,200 per Sub-Fund per annum (reduced to US\$17,776 per Sub-Fund per annum following the first (1 <sup>st</sup> ) anniversary of the Initial Closing Date of each Sub-Fund), excluding taxes and out-of-pocket expenses.
<b>Fund Head Office</b>	6 <sup>th</sup> Floor, Sheikh Rashid Tower, Dubai World Trade Centre, Dubai, UAE.
<b>Date and Number of the Sub-Fund License(s) issued by SCA</b>	As issued by the Authority in respect of each Sub-Fund.
<b>Business Day</b>	Unless otherwise set out in the relevant Supplement, each day on which banks and exchanges in Luxembourg and the United Arab Emirates are open for business. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business.
<b>Dealing Day</b>	Unless otherwise stated in the relevant Supplement, each Business Day.
<b>Redemption Day</b>	Unless otherwise stated in the relevant Supplement, each Dealing Day.
<b>Valuation Day</b>	Unless otherwise stated in the relevant Supplement, each Business Day; if the Unit value is determined more than once on a single Valuation Day, each of these times is considered to be a valuation time during that Valuation Day.

<b>Delegated Activities (If Any)</b>	None.
<b>Statement whether the Fund only invests in other funds</b>	Each Sub-Fund will invest in the relevant Master Sub-Fund, as set out in the relevant Supplement.
<b>Conflicts and Risk Factors encountered by the Fund (Summary and detail thereof are set in Page 30 of this Prospectus).</b>	<p>Potential investors should be aware that an investment in any Sub-Fund involves a high degree of risk and is suitable only for investors who fully understand and who can bear the risks of such an investment for an indefinite period and who can afford a loss on their investment. In addition, potential investors should be aware that there will be occasions when the Fund Manager and its Affiliates may encounter conflicts of interest in connection with the Fund and any Sub-Fund.</p> <p>The Fund Manager is committed to managing the risks resulting from conflicts of interest in accordance with the regulations issued by the Authority and in force in the United Arab Emirates to preserve the interests of Unitholders.</p> <p><b>ALL POTENTIAL INVESTORS MUST CAREFULLY READ THE SECTION ENTITLED “CERTAIN RISK FACTORS AND CONFLICTS OF INTEREST” IN THIS PROSPECTUS BEFORE MAKING AN INVESTMENT IN THE FUND OR ANY SUB-FUND.</b></p>
<b>Investor Information Requests</b>	<p><b>Safa Bouzidi Leterme</b>  <b>DAMAN INVESTMENTS P.S.C.</b>  Dubai World Trade Center  Level 6, Suite 600, P.O. Box 9436  Dubai, United Arab Emirates  Tel: +971 (04) 3326465  Email: SafaB@daman.ae</p>

A summary of this Prospectus and each Supplement shall, on request, be provided free of charge by the Fund Manager to Unitholders in a soft or hard copy and regularly updated provided so that it shall include the past and prospective performance of each Sub-Fund.

## FUND MANAGEMENT

<b>Fund Manager</b>	<b>Advisor</b>
Name: <b>Daman Investments P.S.C.</b>	Name: <b>Allianz Global Investors GmbH</b>
Legal Form: Private Joint Stock Company	Legal Form: Limited Liability Company
Postal Address: Dubai World Trade Center, Level 6, Suite 600, P.O. Box 9436, Dubai, United Arab Emirates	Postal Address: Bockenheimer, Landstrasse 42-44, 60323, Frankfurt am Main, Germany
Email: safab@daman.ae	Email: mohamed-riadh.hmidi@allianzgi.com
Website: <a href="https://daman.ae/">https://daman.ae/</a>	Website <a href="http://www.allianzglobalinvestors.com">www.allianzglobalinvestors.com</a>
Tel: +971 4 408 0400	Tel: +49 69 2443 14105
<b>Custodian</b>	<b>Administrator</b>
Name: <b>Standard Chartered Bank UAE</b>	Name: <b>Standard Chartered Bank UAE</b>
Legal Form: Limited Liability Company	Legal Form: Limited Liability Company
Postal Address: Downtown Dubai, P.O. Box 999, Dubai, United Arab Emirates	Postal Address: Downtown Dubai, P.O. Box 999, Dubai, United Arab Emirates
Email: jean-marc.laventure@sc.com	Email: jean-marc.laventure@sc.com
Website: <a href="https://www.sc.com/ae/">https://www.sc.com/ae/</a>	Website: <a href="https://www.sc.com/ae/">https://www.sc.com/ae/</a>
Tel: +971 4 508 4495	Tel: +971 4 508 4495
<b>Legal Advisor</b>	<b>Auditor</b>
Name: <b>White &amp; Case LLP</b>	Name: <b>PricewaterhouseCoopers Limited Dubai Branch</b>
Legal Form: Limited Liability Partnership	Legal Form: Limited Liability Company
Postal Address: ICD Brookfield Place, Al Mustaqbal Street, Dubai International Financial Centre, P.O. Box 9705, Dubai, United Arab Emirates	Postal Address: PricewaterhouseCoopers Building 5, Emaar Square, PO Box 11987 Dubai, United Arab Emirates
Email: phillip.sacks@whitecase.com	Email: tamsin.king@pwc.com
Website: <a href="https://www.whitecase.com">https://www.whitecase.com</a>	Website: <a href="https://www.pwc.com/m1/en/">https://www.pwc.com/m1/en/</a>
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## 1. IMPORTANT DEFINITIONS

This Section contains definitions of certain terms and expressions used in this Prospectus.

<b>“Administration Agreement”</b>	means the agreement between the Fund, the Fund Manager and the Administrator pursuant to which the Administrator shall provide the Fund and each Sub-Fund with certain administrative and clerical functions;
<b>“Administrator”</b>	means Standard Chartered Bank UAE, acting in its capacity as the administrator of the Fund and each Sub-Fund;
<b>“Administrator Fee”</b>	the administration fee paid by a Sub-Fund to the Administrator, as set out at Section 0;
<b>“Advisor”</b>	means Allianz Global Investors GmbH, which has been appointed by the Fund Manager to act as its advisor in respect of the Fund and each Sub-Fund;
<b>“AED”</b>	means UAE dirhams, the lawful currency of the UAE;
<b>“Affiliate(s)”</b>	means, when used with respect to a specified Person, any other Person which, directly or indirectly, controls, is controlled by or is under common control with such specified Person, where “control” (including “controlling,” “controlled by” and “under common control with”) of such specified Person shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management, policies or affairs of such specified Person, whether through the ownership of equity, by contract or otherwise;
<b>“All-in-Fee”</b>	means the all-in-fee payable by each Master Sub-Fund to the Master Fund Manager, as set out at Section 8.4.1;
<b>“Auditor”</b>	means PricewaterhouseCoopers Limited, Dubai Branch;
<b>“Authority”</b>	means the UAE Securities and Commodities Authority;
<b>“Business Day”</b>	means, unless otherwise set out in the relevant Supplement, each day on which banks and exchanges in Luxembourg and the United Arab Emirates are open for business. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business;
<b>“Cause”</b>	means where the Authority determines that the Fund Manager has committed a material and significant violation of its obligations, duties and the provisions stated in the Resolution and the relevant resolutions;
<b>“Changes Subject to Notification”</b>	has the meaning ascribed to it in the Resolution, as set out at Section 2.20;

<b>“Commercial Companies Law”</b>	means Federal Decree-Law no. (32) of 2021 on Commercial Companies of the United Arab Emirates;
<b>“Custodian”</b>	means Standard Chartered Bank UAE, which has been appointed by the Fund to act as the custodian of the Fund and each Sub-Fund;
<b>“Custodian Agreement”</b>	means the agreement between the Fund, the Fund Manager and the Custodian pursuant to which the Custodian shall provide the Fund and each Sub-Fund with certain custody services;
<b>“Custodian Fee”</b>	the custody fee paid by a Sub-Fund to the Custodian, as set out at Section 6.2;
<b>“Daman Fund”</b>	means any investment fund, investment vehicle or managed account (other than the Fund) established and/or managed by the Fund Manager and/or any of its Affiliates;
<b>“Data Protection Legislation”</b>	means Federal Decree-Law No. 45 of 2021 on the Protection of Personal Data Protection and other applicable laws and regulations of the UAE;
<b>“Dealing Day”</b>	means, unless otherwise stated in the relevant Supplement, each Business Day;
<b>“Establishment Expenses”</b>	means the costs and expenses associated with the establishment and launch of each Sub-Fund, including the costs and expenses of the Legal Advisor and any upfront expenses of any other service provider (including the Administrator, the Custodian and the Auditor), as set out at Section 8.3;
<b>“Fiscal Year”</b>	means the fiscal year of the Fund and each Sub-Fund which, unless otherwise set out in the relevant Supplement, shall be from 1 October to 30 September each year, except for the first period of the Fund’s formation for which the Fiscal Year began on the establishment date of the Fund and ended on 30 September 2025;
<b>“Fund”</b>	means Allianz Global Investors AE Feeder Funds, the umbrella fund to which this Prospectus relates;
<b>“Fund Establishment Expenses”</b>	means the costs of establishing the Fund, as set out at Section 8.3;
<b>“Fund Expenses”</b>	means the operating and administrative costs of the Fund, as set out at Section 8.3;
<b>“Fund Management Agreement”</b>	means the agreement pursuant to which the Fund has appointed Daman Investments P.S.C. to act as the fund manager of the Fund;
<b>“Fund Manager”</b>	means Daman Investments P.S.C.;

<b>“Fund NAV”</b>	means the net asset value of a Sub-Fund;
<b>“Fund Term”</b>	means the term of each Sub-Fund, which shall continue until terminated in any of the circumstances set out at Section 2.14;
<b>“Gross Negligence” and “Grossly Negligent”</b>	means, in relation to a person, a standard of conduct beyond negligence whereby that person acts with reckless disregard for the consequences of a breach of a duty of care owed to another;
<b>“IFRS”</b>	means International Financial Reporting Standards;
<b>“Important Change”</b>	has the meaning ascribed to it in the Resolution, as set out at Section 2.20;
<b>“Indemnified Party”</b>	means each of the Fund Manager and its directors, officers, employees, Affiliates, advisors and agents;
<b>“Initial Closing Date”</b>	means initial closing date of each Sub-Fund;
<b>“Interested Party” and together, the “Interested Parties”</b>	means each of the Fund Manager and its respective shareholders, directors, officers, employees, agents and Affiliates;
<b>“Investment Committee”</b>	means the investment committee of the Fund Manager, as set out at Section 5.3;
<b>“Legal Advisor”</b>	means White & Case LLP;
<b>“Luxembourg Law”</b>	means Luxembourg Law of 17 December 2010 on undertakings for collective investment, as amended from time to time;
<b>“Management Fee”</b>	means the management fee paid by a Sub-Fund to the Fund Manager, as set out at Section 8.1;
<b>“Master Fund”</b>	means Allianz Global Investors Fund, a société anonyme under the laws of the Grand Duchy of Luxembourg that qualifies as an open-ended société d’investissement à capital variable (SICAV) under part I of the Luxembourg Law;
<b>“Master Fund Manager”</b>	means Allianz Global Investors GmbH, in its capacity as the management company of the Master Fund;
<b>“Master Fund Prospectus”</b>	means the prospectus of the Master Fund, as may be amended from time to time;
<b>“Master Fund Share Class”</b>	means a class of shares of a Master Sub-Fund;
<b>“Master Sub-Fund”</b>	means a sub-fund of the Master Fund;
<b>“Material Change”</b>	has the meaning ascribed to it in the Resolution, as set out at Section 2.20;
<b>“Minimum Holding”</b>	means Units having a total net asset value as at the last Valuation Day of not less than US\$5,000 or such lesser amount

	as determined by the Fund Manager from time to time in its sole discretion;
<b>“Ordinary Resolution”</b>	has the meaning ascribed to it in the Resolution, being a decision issued by majority of the Units represented in the general assembly meeting of the Unitholders;
<b>“Person”</b>	means a natural person, corporation, company, partnership, trust, unincorporated organization, association, or any other entity which has legal personality;
<b>“Prospectus”</b>	means this prospectus dated June 2024, as may be amended and/or supplemented from time to time;
<b>“Redemption Day”</b>	means each Dealing Day, unless otherwise stated in the relevant Supplement;
<b>“Redemption Price”</b>	the price at which Units are redeemed as set out at Section 4.2;
<b>“Related Party”</b>	means any of the Fund Manager, any of its Affiliates and/or any Daman Fund (and <b>“Related Parties”</b> means some or all of such persons as the context may require);
<b>“Resolution”</b>	means the Chairman of the Authority’s Board of Directors’ Resolution No (01/Chairman) of 2023 Concerning the Regulations of Investment Funds, as may be amended and/or supplemented from time to time;
<b>“Restricted Person”</b>	means a person restricted from holding Units of the relevant Sub-Fund, as further detailed in Section 4.8;
<b>“SCA Rulebook”</b>	means the Chairman of the Authority’s Board of Directors’ Decision No. (13/Chairman) of 2021 on the Regulations Manual of the Financial Activities and Status Regularization Mechanisms Rule Book, as may be amended and/or supplemented from time to time;
<b>“Special Resolution”</b>	has the meaning ascribed to it in the Resolution, being a resolution issued by the majority of the Unitholders holding not less than three fourths ( $\frac{3}{4}$ ) of the Units represented at the general meeting of the Unitholders;
<b>“Sub-Fund”</b>	means a sub-fund of the Fund;
<b>“Sub-Fund Expenses”</b>	means expenses of the relevant Sub-Fund, as set out in each Supplement;
<b>“Subscription Agreement”</b>	means the subscription agreement relating to Units of the relevant Sub-Fund, in such form as may approved by the Fund Manager;
<b>“Subscription Day”</b>	means each Dealing Day, unless otherwise stated in the relevant Supplement;

<b>“Subscription Price”</b>	means, unless otherwise stated in the relevant Supplement, the prevailing Unit NAV of the relevant Class as at the relevant Dealing Day, or if such day is not a Valuation Day, as at the immediately preceding Valuation Day;
<b>“Supplement”</b>	means any supplementary prospectus to this Prospectus in respect of a Sub-Fund, as each may be amended from time to time;
<b>“UAE”</b>	means the United Arab Emirates;
<b>“Unit”</b>	means any unit issued by the Fund in respect of any Sub-Fund;
<b>“Unitholder”</b>	means any holder of Units;
<b>“Unit NAV”</b>	means the net asset value per Unit;
<b>“US\$”</b>	means United States dollars, the lawful currency of the United States of America;
<b>“Valuation Day”</b>	means, in respect of each Sub-Fund, each Business Day unless otherwise stated in the relevant Supplement; if the Unit value is determined more than once on a single Valuation Day, each of these times is considered to be a valuation time during that Valuation Day; and
<b>“VAT”</b>	means value added tax.

## **2. The Fund**

### **2.1 General**

The Fund is an Umbrella Fund, and each Sub-Fund is an investment vehicle that aims to collect money from investors and to invest the same collectively in specific fields to achieve its investment goals as specified in this Prospectus and each Supplement. Each Sub-Fund shall, in return, issue Units of equal value to its investors in compliance with the laws and regulations of the UAE.

The Fund and each Sub-Fund is an open-ended public fund established in accordance with the provisions of the Resolution and subject to the approval of the Authority. The Fund is registered with the Authority as a public fund under the Resolution under license number [●].

The Units of each Sub-Fund may be subscribed for by investors as specified in the Section entitled “*Subscription of Units*”. There will be no restrictions on the number of Units of each Sub-Fund to be issued.

### **2.2 Legal Status of Sub-Funds**

Each Sub-Fund will acquire legal personality and an independent financial capacity by virtue of the Authority’s decision to license it. Each Sub-Fund shall have a legal personality, to the extent necessary according to the provisions of the Resolution, during the term of its license.

The assets of each Sub-Fund shall guarantee the rights of the Unitholders and may not be mortgaged or lent to third parties or seized or disposed of in fulfilment of any dues or debts related to any other entities.

Unitholders, their heirs and their creditors may not request to allocate, retain or control any of the relevant Sub-Fund’s assets in any way or obtain any other right over the same.

Each Sub-Fund shall be liable only for the obligations arising from the exercise of its activities, and the Unitholders shall not be liable for the obligations of the relevant Sub-Fund except within the limits of their investments.

The Fund shall pay all expenses incurred by the Fund Manager to license the Fund and each Sub-Fund. All legal consequences arising out of the acts made by the Fund Manager on its behalf shall inure to the relevant Sub-Fund in the course of licensing procedures.

### **2.3 Umbrella Fund**

The Fund is an “Umbrella Fund” with segregated liability Sub-Funds in accordance with the Resolution. As set out in “*Appendix No. (3), Third*” of the Resolution, the Fund is a local fund that aims to establish local Sub-Funds and shall have at least one local Sub-Fund. As an Umbrella Fund, the Fund Manager shall comply with the following:

- (a) the Fund shall have a master offering document (being, this Prospectus), and each Sub-Fund shall have a schedule of conditions linked to the master offering document (being, each Supplement);
- (b) each Sub-Fund shall be established and licensed in accordance with terms and obligations contained in the Resolution, and paying the fee for each Sub-Fund separately; and

- (c) a public Sub-Fund may not invest in another Sub-Fund of the Fund or invest in any other fund managed by the Fund Manager unless this Prospectus or the relevant Supplement stipulates otherwise.

The assets and liabilities of each Sub-Fund will be segregated from the assets and liabilities of any other Sub-Fund. A Unitholder or a creditor of a Sub-Fund shall have no recourse to the assets or income of any other Sub-Fund.

## 2.4 Feeder Funds

Each Sub-Fund is a “Feeder Fund” in accordance with “*Appendix No. (3), Fifth*” of the Resolution, which provides that:

- (a) each Sub-Fund (being a sub-fund of a local “Umbrella Fund”) shall have the purpose of investing no less than eighty-five percent (85%) of its assets in a master investment fund that has the same investment strategy, provided that that percentage in the public feeder fund shall be limited to invest in a local or foreign master fund; and
- (b) each Sub-Fund (as a public feeder fund) shall invest the remaining percentage of its assets in one or more of (i) liquid assets, and/or (ii) financial derivatives that can be only used for hedging.

Further, in accordance with “*Appendix No. (3), Fifth, Section 3*” of the Resolution, the Fund Manager shall adhere to the following:

- (a) the Fund Manager shall fulfil the feeder fund’s, and its local or foreign master fund’s, conditions for licensing as per the requirements of its jurisdiction of incorporation, and ensure that it is not exempted or restricted from any of those conditions;
- (b) the Fund shall have an investment policy similar to the general local or foreign master fund’s policy, and is subject to the supervision of an equivalent supervisory authority that is recognised by the Authority, and the relevant fund shall not be exempted or restricted from public offering in its home country;
- (c) enter into an agreement with the relevant master fund that includes all the data of the master fund and making it available to the unit holders before starting to subscribe to the units and the Authority may set the controls it deems appropriate regarding that agreement. The Fund is excluded from the conclusion of this agreement if the fund and the Master Fund are managed by the Fund Manager;
- (d) disclosing to the current and prospective investors of all information related to the master fund and any changes made thereto before undertaking any subscription or redemption process;
- (e) if the relevant master fund temporarily suspends the issuance or redemption of its shares, whether on its own initiative or at the request of the competent authorities, the Fund shall suspend issuance and redemption of its Units during the same period; and
- (f) in the event of the relevant master fund’s liquidation (or the liquidation of the relevant Master Sub-Fund), the Fund (or the applicable Sub-Fund) shall be (i)

liquidated, (ii) transformed into a feeder fund for another master fund, or (iii) converted into a public or private according to the Resolution and only after receiving the approval of the Authority.

## 2.5 Ownership of Assets

Investors in each Sub-Fund shall jointly own the relevant Sub-Fund's assets and will on a *pro rata* basis share the relevant Sub-Fund's gains, losses, income, profits and dividends, if any, as well as the costs associated with the activities of the relevant Sub-Fund according to the number of Units they own. Once an investor has paid the Subscription Price in full in respect of its Units; such investor shall not be required to provide any additional capital to the Fund or the relevant Sub-Fund in connection with such Units.

## 2.6 Rights of Unitholders and General Assembly

The Units of each Sub-Fund shall grant their holders equal rights, and the Unitholders shall share the profits and losses resulting from the relevant Sub-Fund's activity *pro rata* with the Units owned in the relevant Sub-Fund.

Subscriptions in Units shall not grant investors any voting rights or other rights relating to the procedures or any individual right to obtain dividends or other allocations from the Fund or any Sub-Fund, the assets of the Fund or any Sub-Fund or any other rights related to the assets of the Fund or any Sub-Fund except as expressly provided for in this Prospectus and the relevant Supplement.

Any matter requiring the consent or approval of any or all of the Unitholders of any Sub-Fund pursuant to this Prospectus and the relevant Supplement, or the Resolution, may be considered at a general assembly meeting of the Unitholders of the relevant Sub-Fund (a "**Meeting**").

A Meeting shall be held, after obtaining the Authority's approval, in the following cases:

- (a) in the event that the Fund Manager deems it necessary to hold a Meeting for the purpose of the Unitholders to make determination(s) on certain matters;
- (b) following a written request from the Custodian (following the Custodian's receipt of approval from the Authority) in the event that the Custodian deems it necessary to hold a Meeting;
- (c) following a written request from one or more Unitholders holding, jointly or severally, of the Units representing at least five percent (5%) of the Fund NAV; and
- (d) as otherwise specified in this Prospectus and the relevant Supplement.

Invitations to convene a Meeting (the "**Meeting Notice**") shall be sent, following approval by the Authority, to all Unitholders of the relevant Sub-Fund as follows:

- (a) the Meeting Notice shall be provided to Unitholders of the relevant Sub-Fund at least twenty-one (21) days prior to the specified Meeting date;
- (b) the Meeting Notice shall be in accordance with the declaration method specified in this Prospectus and the relevant Supplement; and
- (c) the Unitholders of the relevant Sub-Fund shall be notified by notarized letters or by modern technological means.

The Fund Manager shall provide the Authority, the Custodian and the Auditor with a copy of the Meeting Notice on the invitation publication date.

The Meeting Notice shall include (i) the agenda, (ii) the place, date and time of the first meeting, and (iii) the place, date and time of the second meeting, in the event of unavailability of the quorum required for validly holding the first Meeting.

The Meeting Notice shall also state (i) the persons having the right to attend the Meeting, and their right to authorize their attorneys under a special power of attorney established in writing, (ii) each Unitholder's right to discuss the matters listed on the Meeting's agenda and to ask questions to the Fund Manager and the Auditor, (iii) the required quorum for validity of the Meeting, and (iv) the decisions issued therein. The Meeting Notice shall also state persons entitled to dividends, if any.

Unitholders of the relevant Sub-Fund may attend Meetings and votes on decisions by way of remote technological means, in accordance with the Authority's rules in this regard.

The Fund Manager shall provide the Authority with each Meeting Notice, and the Fund Manager shall comply with all the decisions taken by the Unitholders of the relevant Sub-Fund within five (5) days from the date of the Meeting.

The quorum at a Meeting shall be deemed present if attended, in person or by proxy, by a number of Unitholders holding Units representing at least fifty percent (50%) of the Fund NAV of the relevant Sub-Fund. If the quorum is not present, another Meeting shall be held within a period not less than five (5) days and not more than fifteen (15) days from the date of the first meeting. The second meeting shall be deemed valid irrespective of the number of the present Unitholders.

The provisions of the Commercial Companies Law shall apply to the validity of advertisement of invitations to the Unitholders, and to their request and the Auditor's and the Authority's request to convene a Meeting, the right to attend the Meeting, monitoring a Meeting, the powers of the Unitholders, the Meeting quorum (as set out above), withdrawal from the Meeting, discussion of the agenda, voting on resolutions and their enforcement, Meeting minutes and inspection of the same and suspension of Meeting resolutions.

The Fund Manager shall be responsible for chairmanship of any Meeting, the attendance record of the Unitholders in the Meeting, management of the Meeting and collection of the votes.

## **2.7 Information to Unitholders**

The Fund Manager shall:

- (a) exercise due diligence to provide adequate and accurate information to current and prospective investors to enable them to take investment decisions;
- (b) if the Fund is listed, make immediate and periodical disclosures to the Authority and the Unitholders in respect of any data, information or any other material events that have affected or will affect the Fund or any Sub-Fund;
- (c) disclose any action or act that results in a conflict of interests while investing the cash of the Fund or any Sub-Fund and how to deal therewith; avoid any action that results in any unnecessary increase of costs or risks to the Fund or any Sub-Fund; and

- (d) seek to protect the interests of the Fund and each Sub-Fund from all acts and actions.

## **2.8 Register of Unitholders**

The Unit Registrar shall maintain an electronic register of Unitholders in accordance with the laws and regulations of the Authority. Printed copies of Unit certificates will not be issued.

## **2.9 Transfer of Units**

A Unitholder (being, for the avoidance of doubt, any Unitholder listed on the register of Unitholders maintained by the Unit Registrar in accordance with the laws and regulations of the Authority) may not assign, sell, charge, mortgage, pledge or otherwise transfer or dispose of in any manner whatsoever all or any part of its Units to another Unitholder or third party except with the prior written consent of the Fund Manager, which shall not be unreasonably withheld or delayed, and subject to satisfying certain requirements.

The Unit Registrar will not approve any transfer of Units unless:

- (a) the transferor has submitted adequate written evidence to the Fund Manager that the prospective transferee is eligible to hold the Units and is not a Restricted Person;
- (b) there is no prospective harm to any other investor due to such transfer;
- (c) the transferor has sent a transfer application in writing to the Unit Registrar in the required form; and
- (d) the transferee provides such documentation that may be requested by the Administrator.

The sale or transfer of Units to a Restricted Person shall lead to compulsory redemption of the relevant Units.

## **2.10 Limitation of Liability of Unitholders**

The Unitholders shall be liable for the relevant Sub-Fund's liabilities *pro rata* to the Units they hold and up to the amount of their investment.

## **2.11 Periodic Valuation**

### *General*

The Administrator shall calculate the net asset value of the relevant Sub-Fund (the “**Fund NAV**”) and the net asset value per Unit (“**Unit NAV**”) generally in accordance with IFRS.

With the exclusion of the times during which the calculation of the Fund NAV and the Unit NAV is suspended or deferred according to the terms and conditions of this Prospectus and the relevant Supplement, the NAV and Unit NAV will be calculated at the end of each Valuation Day.

The Fund NAV on the relevant Valuation Day will be the asset value less the total liabilities of the Fund at the end of such day.

The Unit NAV will be the result of dividing the Fund NAV by the total number of the existing Units at the end of the relevant Valuation Day.

The Fund NAV and the Unit NAV shall be rounded to the nearest two decimal places.

The Administrator shall generally provide the Fund NAV and the Unit NAV within one (1) Business Day following the relevant Valuation Day.

#### *Suspension of NAV Calculation*

Subject to notifying the Authority in accordance with the Resolution, the Fund Manager may temporarily suspend, for no more than ten (10) Business Days (a) the determination of the Fund NAV and/or the Unit NAV of any one or more Classes (and the applicable Valuation Day), (b) the issue of Units of any one or more Classes (and the applicable Dealing Day), (c) the redemption (in whole or in part) by Unitholders of any one or more Classes held by Unitholders (and the applicable Redemption Day), upon the occurrence of any of the following conditions (and in each case for the whole or any part of a period):

- (a) a suspension of net asset value calculation of the Master Fund;
- (b) one or more markets where the relevant Sub-Fund is invested are closed; or dealings on such markets are suspended or is restricted such that the relevant Sub-Fund's ability to exchange currency to purchase or sell assets is restricted;
- (c) the price or value of the assets cannot be correctly or accurately computed for any reason whatsoever;
- (d) a substantial and material change in the valuation of assets occurs;
- (e) the Fund Manager decides to liquidate the Fund or any Sub-Fund in accordance with this Prospectus and the relevant Supplement;
- (f) the business activities of the Fund Manager or the Administrator or any other service provider are interrupted or closed for causes beyond the reasonable control of any of these entities; and
- (g) any other reason that the Fund Manager deems important and necessary provided that the Fund Manager notifies the Authority within a maximum of two (2) Business Days of such reason, the period of suspension or deferral, and the way in which the same will be dealt with, and/or avoided in the future.

In the event of the suspension or deferral the calculation of the Fund NAV or the Unit NAV, the Fund Manager shall, at the earliest opportunity and in conjunction with the Administrator, notify Unitholders of such suspension or deferral. It shall further use its reasonable endeavors to make such period of suspension or deferral as short as possible and shall notify the Authority and the Unitholders upon expiry of such period of suspension.

#### *Fund Assets and Liabilities Valuation Method*

The Administrator shall exercise the skill and judgement of a prudent person to independently ascertain of the price of the assets and liabilities of the Fund and each Sub-Fund.

Where there are no independent pricing sources available, the Administrator may rely on any pricing valuation or information (including without limitation the fair value pricing information) in connection

or any assets or liabilities of the Fund or the relevant Sub-Fund (including but not limited to equity investments) made available thereto by: (1) the Fund Manager, and/or (2) any valuation entity, third party valuation agent or broker or any other third party appointed or authorized in such case by the Fund Manager to provide the Administrator with valuations or information on the prices of the assets or liabilities of the Fund or the relevant Sub-Fund.

The Fund NAV will be calculated on the respective Valuation Day based on the following guidelines:

- (1) the value of Assets will be determined on the basis of the official closing price or, where none is available, the last known price on the relevant market. Where an asset is traded on more than one market, the Fund Manager may, in its sole discretion and in collaboration with the Administrator, select such price on the principal market on which the asset in question is traded;
- (2) for Assets not quoted on a particular market, available valuation reports or other information will be used by the Fund Manager in collaboration with the Administrator to estimate the value of the asset subject of valuation;
- (3) cash and debt instruments, securities, receivables and any similar instruments will be valued at their then current market value;
- (4) any assets not valued in accordance with the foregoing will be valued at their fair values in accordance with commonly accepted international valuation standards. The Fund Manager may, in collaboration with the Administrator and in consultation with the Auditor, determine in relation to any asset or any part thereof to apply some more suitable method of valuation when such method of valuation is more appropriate;
- (5) Fund NAV and Unit NAV will be valued in the currency of the Fund or the relevant Sub-Fund. Any assets or liabilities denominated in currencies other than the currency of the Fund or the relevant Sub-Fund will be converted into the currency of the Fund or the relevant Sub-Fund at the then prevailing exchange rates and as approved by the Fund Manager as it may deem fit; and
- (6) all valuations determined by the Administrator in collaboration with the Fund Manager will be final and binding save in the case of manifest error.

## **2.12 Distribution Policy**

Each Sub-Fund shall pay dividends or other distributions to Unitholders on a Class-by-Class basis following the receipt of distribution proceeds from the relevant Master Sub-Fund and as set out in Supplement applicable to the relevant Sub-Fund, and in such amounts and at such times as determined by the Fund Manager at its sole discretion.

Any dividends and distributions made by any Sub-Fund shall be paid to the Unitholder as set out in the relevant Supplement, on a *pro rata* basis in accordance with the Unit NAV as at the date of the dividend or distribution.

Each Sub-Fund may withhold from any distribution such amounts determined by the Fund Manager to be reasonably necessary to create appropriate reserves, including but not limited to, for expenses and liabilities of the Fund or the relevant Sub-Fund, and for any required tax withholdings.

The ability of the Fund to make dividend payments and/or other distributions with respect to any Sub-Fund is subject to the applicable requirements of the laws of the UAE.

## **2.13 Periodic Disclosure of Information**

Financial statements of the Fund and each Sub-Fund will be prepared by the Fund Manager in Arabic and in English in accordance with IFRS and shall be audited by the Auditor in accordance with the International Auditing and Assurance Standards Board.

Each Sub-Fund will provide Unitholders with certain reports as are required by the Resolution, and as further set out in the relevant Supplement.

## **2.14 Fund Term, Fund Dissolution & Liquidation**

The term of the Fund and each Sub-Fund (the “**Fund Term**”) shall continue until terminated, in any of the following circumstances:

- (a) if the Fund (or, in the case of a Sub-Fund, the relevant Sub-Fund) disposes of its investments and all proceeds of such disposition have been distributed to the Unitholders;
- (b) merger or liquidation of the Fund in accordance with the Resolution;
- (c) a decision issued by the Authority to terminate the Fund (or the relevant Sub-Fund) for committing a material breach or as required by the public interest;
- (d) a court ruling is issued to dissolve the Fund (or the relevant Sub-Fund); or
- (e) in the other circumstances provided in the Resolution.

The dissolution of the Fund (or the relevant Sub-Fund) and its corporate personality shall occur on the issuance of a decision by the Authority, or an irrevocable ruling issued by a court of jurisdiction terminating the Fund (or the relevant Sub-Fund).

Upon termination, the Fund (or the relevant Sub-Fund) will wind down its affairs in an orderly manner, realize all Investments and make a final distribution. The Fund will continue to exist until the completion of the winding up and dissolution of the Fund (or the relevant Sub-Fund).

As a local public fund pursuant to the Resolution, the Fund shall also be wound up in the case of failure to carry on its activity or its investment policy within twelve (12) months from the date of its licensing by the Authority.

## **2.15 Fiscal Year**

Unless otherwise set out in the applicable Supplement, the fiscal year of the Fund and each Sub-Fund (the “**Fiscal Year**”) shall be from 1 October to 30 September each year, except for the first period of the Fund’s incorporation for which the Fiscal Year shall begin on the establishment date of the Fund and end on 30 September 2025.

## **2.16 Fund Investment Policy**

### **2.16.1 General Obligations**

The cash and other assets of the Fund, in respect of each Sub-Fund, shall be registered or kept in the name of the Fund (and the name of the relevant Sub-Fund) and not in the name of any other party unless it is otherwise necessary and subject to obtaining the approval of the Authority.

No investment may be made in any legal entity where the liability of the shareholders is not limited.

The cash of the Fund or any Sub-Fund may only be invested in accordance with the investment policy and within the investment restrictions set out in this Prospectus and the relevant Supplement, except where the investment policy has been amended in accordance with this Prospectus and the relevant Supplement.

### **2.16.2 Investment Instruments**

Each Sub-Fund will be a Feeder Fund and will invest substantially all (and, in any event, not less than 85%) of its assets in a sub-fund of the Master Fund (each, a “**Master Sub-Fund**”).

The “**Master Fund**” is Allianz Global Investors Fund, a société anonyme under the laws of the Grand Duchy of Luxembourg that qualifies as an open-ended société d’investissement à capital variable (SICAV) under part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment, as amended from time to time (the “**Luxembourg Law**”). The Master Fund is an umbrella fund pursuant to Article 181 of the Luxembourg Law and constitutes a single legal entity.

Each Master Sub-Fund also constitutes a single legal entity and is treated as a separate entity in relation to each of the shareholders of the Master Sub-Fund. The assets of each Master Sub-Fund only cover the debts and obligations of the relevant Master Sub-Fund, even those that exist in relation to third parties.

Each Sub-Fund shall follow an investment program substantially similar to that of the corresponding Master Sub-Fund and shall invest substantially all of its assets in the relevant Master Sub-Fund. Due to tax, regulatory, operational and similar considerations, the investments made by each Sub-Fund may be different and may be made outside of the relevant Master Sub-Fund, and consequently, their respective performances may differ.

### **2.16.3 Investment Markets**

Target investment markets in respect of each Sub-Fund are as set out in the Supplement applicable to the relevant Sub-Fund.

### **2.16.4 Investment Restrictions**

#### *Investment Restrictions*

The investment restrictions of the Fund with respect to each Sub-Fund will be specified in the relevant Supplement.

### **2.16.5 Amendments to the Fund's Investment Policy**

Please refer to Section 2.20, entitled “*Amendments to this Prospectus and each Supplement*”.

## **2.17 Fund Borrowing**

### *Borrowing – Fund*

The Fund will not borrow money from any person. A Sub-Fund shall not borrow money unless otherwise stated in the relevant Supplement.

## *Borrowing – Master Fund*

Each Master Sub-Fund may raise short-term loans of up to 10% of the Sub-Fund's net assets, provided the Depository (as defined in the Master Fund Prospectus) agrees to the borrowing and the terms of the relevant loan; the Master Sub-Fund individual Investment Restrictions or in the Master Sub-Fund's specific Asset Class Principles (each, as set out in the Master Fund Prospectus) will give an only declarative indication. Not included in this 10% limit, but permissible without the approval of the Depository, are foreign currency loans in the form of back-to-back loans.

### **2.18 Outsourcing Fund Management Duties**

The Fund Manager will not outsource its fund management duties.

### **2.19 Certain Islamic Sub-Funds**

The Fund is not compliant with Islamic Shari'ah. However, certain Sub-Funds may be compliant with Islamic Shari'ah, as set out in the relevant Supplement.

### **2.20 Amendments to this Prospectus and each Supplement**

In accordance with the Resolution, this Prospectus and each Supplement may be amended by the Fund Manager by (a) in the event of a Material Change, obtaining the approval of (i) the Authority, and (ii) a Special Resolution; (b) in the event of an Important Change, obtaining the approval of (i) the Authority, and (ii) an Ordinary Resolution, or (c) in the event of Changes Subject to Notification, providing notice of any such amendment to the Authority and the Unitholders.

For the purposes of this Section 2.20:

- (a) **“Material Change”** means any change affecting the Fund's or any Sub-Fund's assets, obligations or performance, including any change (i) in the objectives or nature of the Fund, (ii) with respect to a merger of the Fund, (iii) having an effect on ten percent (10%) or more on the Fund NAV, (iv) having a negative effect on ten percent (10%) or more of the holders of the Units, (v) resulting in a conflict of interest which amounts to ten percent (10%) or more of the Fund NAV, or which affects five percent (5%) or more of the total revenues of the Fund; (vi) with respect to the a change or replacement of the Fund Manager as the fund manager of the Fund, (vii) with respect to the due date of the Units, or with respect to the termination of the Fund, or (viii) as otherwise specified by the Authority;
- (b) **“Important Change”** means any change affecting the Fund's or any Sub-Fund's assets, assets and liabilities, including any change (i) causing the Unitholders to reconsider their subscription for Units, (ii) resulting in an increase in payments made out of the Fund's assets to the Fund Manager, (iii) as otherwise specified by the Authority; and
- (c) **“Change Subject to Notification”** means any change that is not a Material Change or an Important Change.

Details of any amendment will be disclosed on the website of the Fund Manager for five (5) Business Days prior to becoming effective, which disclosure period may be amended by the Authority in its discretion.

The Fund Manager will disclose to the Authority and the Unitholders any exceptional circumstances that may have negative or material effects on the Fund's assets, identifying (i) the expected effect of the same, (ii) the procedures taken or proposed to be taken to address such effect, and (iii) the method of management or remedy of the same as soon as practicable to mitigate any possible losses to the Unitholders.

In certain circumstances, should the Authority determine that suggested amendments to this Prospectus or any Supplement may have a material effect on the rights of certain Unitholders, the Authority may require the Fund Manager to obtain the approval of more than seventy-five percent (75%) of the Units of the relevant Sub-Fund prior to such amendment becoming effective.

## **2.21 Liability and Indemnification**

Pursuant to the Fund Management Agreement, each of the Fund Manager and its directors, officers, employees, Affiliates, advisors and agents (each, an "**Indemnified Party**") shall not be liable to the Fund, any Sub-Fund or any Unitholder for any action taken or not taken by it or for any action taken or not taken by any other person with respect to the Fund or any Sub-Fund, or in connection with its services and is indemnified by the Fund or any Sub-Fund accordingly, provided that, any Indemnified Party seeking to rely on such provision was neither Grossly Negligent nor engaged in fraud or wilful misconduct in respect of such action taken or not taken, as determined by a final non-appealable judgement by a court of competent jurisdiction.

To the extent permitted by applicable law, the Fund with respect to the relevant Sub-Fund will indemnify, upon demand, each Indemnified Party, against any and all expenses (including legal fees), claims, costs, damages, losses (including, without limitation, from and against any judgment, settlement, legal fees and other costs or expenses incurred in connection with the defence of any action or threatened action or proceeding), or liabilities which an Indemnified Party sustains or incurs in respect of the Fund and the relevant Sub-Fund or in connection with its activities for and/or on behalf of the Fund and the relevant Sub-Fund, except for losses or damages incurred by an Indemnified Party that are primarily attributable to such person's wilful misconduct, fraud or Gross Negligence, as determined by a final non-appealable judgement by a court of competent jurisdiction.

Under the Fund Management Agreement, there are also limitation of liability provisions and indemnities in favour of the Fund Manager.

## **2.22 Tax**

It is the responsibility of all persons interested in purchasing Units to inform themselves as to any tax consequences from their investing in the Fund and the Fund's operations or management, as well as any foreign exchange or other fiscal or legal restrictions, which are relevant to their particular circumstances in connection with the acquisition, holding or disposition of Units. Investors should therefore seek their own separate tax advice in relation to their holding of Units and accordingly none of the Fund and the Fund Manager accept any responsibility for the taxation consequences of any investment into the Fund by an investor. Please refer to Section entitled "*Certain Tax Considerations*".

## **2.23 Excessive Trading and Market Timing**

Shares may not be acquired for the purposes of market timing or other similar practices. The Fund Manager expressly reserves the right to take necessary measures to protect other investors from market timing or similar practices.

## **2.24 Remuneration policy**

In connection with the management of the Sub-Fund, the Fund Manager may receive from, or provide to, third parties (including service providers and business partners) monetary and non-monetary inducements. Such arrangements are strictly permitted only if they are designed to enhance the quality of the services provided to the Sub-Fund and do not impair the Fund Manager's duty to act in the sole interest of the investors.

This policy applies equally to any inducements or benefits provided to, or received by, the employees of the Fund Manager or the employees of its service providers. The Fund Manager ensures that no such inducements shall influence the professional judgment or the objectivity of the personnel involved, nor shall they encourage risk-taking that is inconsistent with the Sub-Fund's investment objectives.

All inducements, including those at the employee level, must be capped at a reasonable and proportionate value and must not lead to any sub-standard provision of services or the pursuit of private interests. The Fund Manager is committed to maintaining detailed and transparent records of all such arrangements, ensuring they are documented and available for regulatory review to confirm compliance with the best interests of the investors.

## **2.25 Investor Information Requests**

Any request for information or documents in respect of the Fund should be directed to:

**Safa Bouzidi Leterme**  
**DAMAN INVESTMENTS P.S.C.**  
Dubai World Trade Center  
Level 6, Suite 600, P.O. Box 9436  
Dubai, United Arab Emirates  
Tel: +971 (04) 3326465  
Email: SafaB@daman.ae

### **3. SUBSCRIPTION FOR UNITS**

#### **3.1 General**

Eligible investors may subscribe for Units on each Dealing Day.

#### **3.2 Eligible Investor**

Units will not be offered to or purchased by Restricted Persons.

Units are suitable investments only for investors for whom an investment in the Fund and the relevant Sub-Fund does not constitute a complete investment program and who fully understand, and are willing to assume, and have the financial resources to withstand, the risks involved in the relevant Sub-Fund's specialized investment program and to bear the potential loss of their entire investment in the Units.

The Fund Manager may, in its sole discretion, decline to accept the subscription of a prospective investor even if that investor satisfies the Fund's eligibility requirements, provided that the Fund Manager will provide notice setting out the reason(s) therefor, which may be one or more of the following: (a) failure by the prospective investor to comply with applicable laws, including anti-money laundering and sanctions requirements, (b) in the event that prospective investor is, or the relevant Unitholder becomes, a Restricted Person, (c) failure by the prospective investor to provide a duly completed the Subscription Agreement or a breach of the Subscription Agreement (including a breach of any representation or warranty therein), and/or (d) failure by the prospective investor to pay its any or all of its subscription amount.

#### **3.3 Number of offered Units**

Unlimited, unless otherwise set out in the relevant Supplement.

#### **3.4 Fund Size**

The minimum and maximum size of each Sub-Fund shall be as set out in the relevant Supplement.

#### **3.5 Minimum Subscription**

Minimum initial subscription requirements (if any) will be determined by the Fund Manager per Sub-Fund, as set out in the relevant Supplement.

The minimum subsequent subscription amount (if any) will be determined by the Fund Manager per Sub-Fund, as set out in the relevant Supplement.

#### **3.6 Subscription Period and Subscription Price**

Unless otherwise stated in the relevant Supplement, on or prior to each Initial Closing Date, Units of a Sub-Fund shall be issued at a subscription price as set out in the relevant Supplement.

Following each Initial Closing Date, Units are offered on each Dealing Day at a subscription price equal to the prevailing Unit NAV of the relevant Class as at the relevant Dealing Day, or if such day is not a Valuation Day, as at the immediately preceding Valuation Day (the "**Subscription Price**").

#### **3.7 Subscription Procedure**

Prospective investors will be required to complete and return to the Administrator, a duly completed and executed subscription agreement in such form as may approved by the Fund Manager (the "**Subscription Agreement**"), with a copy to the Fund Manager, and such Subscription Agreement must

be received no later than 1:00pm UAE time on the Business Day immediately preceding the relevant Dealing Day or such earlier or later time as determined by the Fund Manager either generally or in any particular case. Subscription monies (together with any applicable fees) must be received in cleared funds by the deadline set out in the relevant Supplement.

If the Subscription Agreement and subscription monies are received after the relevant deadline, the subscription will (unless otherwise determined by the Fund Manager) be treated as a request for subscription on the next Dealing Day.

The Fund Manager reserves the right to reject or accept subscriptions in whole or in part in its absolute discretion and without assigning any reason therefore, in which event subscription monies shall be refunded, without interest.

Subscriptions may only be made in US\$, the relevant currency of the applicable Class of Units or, in the absolute discretion of the Fund Manager, in another currency and/or in kind.

Subscriptions in-kind shall be subject to (i) the prior approval of the Authority, and (ii) the Fund Manager otherwise satisfying the requirements of the Resolution.

Subscription Agreements will be irrevocable (save as otherwise determined by the Fund Manager) and must be sent (together with any information and document requested under the Subscription Agreement) by email or courier to the Administrator at its address set out in the Subscription Agreement, with a copy to the Fund Manager. None of the Fund, the Fund Manager and the Administrator shall be responsible for any mis-delivery or non-receipt of any email. Emails sent to the Administrator shall only be effective when actually received by the Administrator.

The Administrator will acknowledge receipt of any subscription request on behalf of the Fund, and in the event no acknowledgement is received from the Administrator within five (5) days of submitting the request, the applicant should assume that the subscription request has not been received and they should contact the Administrator via email or telephone.

Fractions of Units will be issued up to three (3) decimal places where the balance of the subscription monies for Units represents less than the Subscription Price.

Confirmations will be sent to applicants on approval of their application as soon as practicable after the relevant Dealing Day, setting out details of the Units they have been allotted.

Units will be issued only in registered form.

### **3.8 Classes of Units**

A separate Class (or Classes) of Units will be issued in respect of each Sub-Fund as set out in the relevant Supplement.

Each Sub-Fund may establish and maintain, with respect to Units of any Class, a separate account to record the allocation of the assets and liabilities of the relevant Sub-Fund to the holders of Units of any such Class. The holders of Units of a Class shall have no recourse to the assets or separate account of any other Class.

### **3.9 Suspension of Subscriptions**

Please refer to Section entitled "*Suspension of NAV Calculation*".

## **4. UNIT REDEMPTION**

### **4.1 Redemptions**

Subject to any restrictions or suspension set out in this Prospectus and/or a Supplement, a Unitholder may redeem some or all of his or her Units on each Redemption Day, provided that, a redemption instruction in the form required by the Fund Manager (the “**Redemption Instruction**”) is received by the Administrator by 1:00pm UAE time on the Business Day immediately preceding the proposed Redemption Day, or at such other shorter period as the Fund Manager may determine from time to time and except in the circumstances set out in this Section 4.

### **4.2 Redemption Price**

Units shall be redeemed at a price (the “**Redemption Price**”) equal to the Unit NAV of the relevant Class calculated as at the relevant Redemption Day, or if such day is not a Valuation Day, as at the immediately preceding Valuation Day after adjustment for:

- (a) any accrual of Management Fee and Performance Fee due; and
- (b) any other applicable fee as set out in this Prospectus and the relevant Supplement.

### **4.3 Redemption Procedure**

Redemption Instructions will (save as determined by the Fund Manager) be irrevocable and must be sent by email or other electronic method required by the Fund Manager to the Administrator at its address set out in the Redemption Instruction, with a copy to the Fund Manager.

No redemption proceeds will be paid to the redeeming Unitholders until the Administrator has received a duly completed Redemption Instruction. Neither the Fund nor the Administrator will be responsible for any mis-delivery or non-receipt of any Redemption Instruction. Redemption Instructions sent to the Administrator shall only be effective when actually received by the Administrator. The Administrator will acknowledge receipt of any Redemption Instruction on behalf of the Fund, and in the event no acknowledgement is received from the Administrator within five (5) days of submission, the Unitholder should assume that the Redemption Instruction has not been received and should contact the Administrator via email or telephone to confirm the status of their request.

If the Redemption Instruction is received after the deadline for receipt of requests for redemption for any particular Redemption Day, it shall (unless otherwise determined by the Fund Manager but in any event no later than the relevant Valuation Day) be treated as a request for redemption on the next Redemption Day.

In the event that a Unitholder has a redemption of Units, a redemption by such Unitholder will be made on a “first-in, first-out” basis (such that Units will be redeemed in the order in which they were subscribed for), unless otherwise agreed by the Fund Manager.

Partial redemptions may be declined, in the sole discretion of the Fund Manager, if they would cause a Unitholder to have an interest of less than the Minimum Holding.

### **4.4 Redemption Restrictions**

If Redemption Instructions (including the redemption portion of conversion applications) exceed 10% of the Units in issue or Fund NAV of the relevant Sub-Fund on any Dealing Day, the Fund Manager may in its absolute discretion defer some or all of such applications for such period of time (which shall not exceed two Valuation Days) that the Fund Manager considers to be in the best interest of that Sub-

Fund, provided that, on the first Valuation Day following this period, such deferred redemption and conversion applications will be given priority and settled ahead of newer Redemption Instructions received after this period.

#### **4.5 Redemption Fees**

No redemption fees shall be payable, unless otherwise set out in the relevant Supplement.

#### **4.6 Redemption Proceeds**

The Fund, with respect to each Sub-Fund, will generally pay a redeeming Unitholder the redemption proceeds within ten (10) Business Days after the relevant Redemption Day.

Cash payments will be remitted by wire transfer to the account designated by the Unitholder in the Redemption Instruction.

No interest will accrue on the redemption proceeds pending payment.

#### **4.7 Suspension of Redemptions**

Please refer to Section entitled “*Suspension of NAV Calculation*”.

The Authority may also suspend redemptions of Units if it determines that such a suspension would be in the interests of the public.

#### **4.8 Compulsory Redemptions**

If:

- (a) the Fund Manager considers ownership of Units by any person to be contrary to the interests of the Fund or the relevant Sub-Fund;
- (b) the value at the Unit NAV as at the last Valuation Day of all the Units held by a Unitholder is less than the Minimum Holding;
- (c) any of the representations given by a Unitholder in its Subscription Agreement were not true or have ceased to be true;
- (d) such ownership is in violation of Luxembourg, UAE or other law; or
- (e) such ownership would subject the Fund or the relevant Sub-Fund to any tax or other financial disadvantage that it would not otherwise incur,

the Fund Manager may instruct such a Unitholder (a “**Restricted Person**”) in writing to sell all its Units within thirty (30) calendar days of the Restricted Person receiving such written notice. If the Restricted Person does not comply with the notice, the Fund Manager may compulsorily redeem all Units held by such Restricted Person(s) in accordance with the following procedure:

- (1) The Fund Manager will issue a second notice (the “**Purchase Notice**”) to the relevant Unitholder, which sets out (i) the Unitholder’s name, (ii) the Units to be redeemed, and (iii) the procedure under which the Redemption Price is calculated. The Purchase Notice will be sent by registered post to the address listed in the register of Unitholders.

- (2) The Restricted Person's ownership of the designated Units shall end upon close of business on the date designated in the Purchase Notice, and such Unitholder shall have no further claim in relation to the Units or any part thereof, or against the Fund, the Fund Manager or the assets of the relevant Sub-Fund(s) related to the Units except for the right to repayment of the purchase price of the Units (the "**Purchase Price**") without interest. For registered Units, the name of the Unitholder shall be removed from the register of Unitholder.
- (3) The Purchase Price shall correspond to an amount determined based on the Unit NAV of the corresponding Class of Units on a Valuation Day, as determined by the Fund Manager, less any Redemption Fees. The Purchase Price is (less any Redemption Fees), the lower of (i) the Unit NAV calculated before the date of the Purchase Notice and (ii) the Unit NAV calculated on the day immediately following the relevant Valuation Day by reference to which the Redemption Price is calculated.
- (4) The Purchase Price will be paid in the same currency as the relevant Class of Units of the relevant Sub-Fund and will be deposited in the relevant Unitholder's bank account as stated in the subscription form upon subscription. After the Purchase Notice has been provided and in accordance with the procedure outlined above, the previous owner has no further claim to the Units or any part thereof, and the previous owner no longer has any claim against the Fund, the Fund Manager or the assets of the relevant Sub-Fund(s) related to these Units.

#### **4.9 In-Kind Redemptions**

Redemption payments will be made in US\$ (or such other currency as set out in the relevant Supplement), provided that the Fund Manager shall not permit an in kind, or partly in cash and partly in kind redemption unless there is an approval issued by the Authority.

## **5. FUND MANAGER**

### **5.1 General**

The Fund has appointed Daman Investments P.S.C. (the “**Fund Manager**”) as the fund manager of the Fund pursuant to a fund management agreement (the “**Fund Management Agreement**”). The Fund Manager is a private joint stock company incorporated in the UAE and licensed by the Authority to carry on the following financial services as defined in the Authority rules: (i) Portfolio Management, (ii) Promotion; and (iii) Establishing and Managing Funds.

The issued and paid-up share capital of the Fund Manager is AED 268,823,500.

The Fund Manager is one of the leading financial institutions in the UAE. Based in Dubai and regulated by the Authority, the Fund Manager provides a broad range of investment and financial services to institutional clients, corporates, SMEs and high-net worth individuals. The Fund Manager has four main business lines: asset management, wealth management, securities brokerage and investment banking.

### **5.2 Role and Duties**

The Fund Manager will manage the Fund and the Fund’s assets in accordance with the Fund Management Agreement, this Prospectus and laws and regulations of the UAE (including the Resolution). The Fund Manager will not outsource its function to an external party; however, the Fund Manager has appointed the Administrator, Custodian and Auditor as set out in this Prospectus.

The Fund Manager shall exercise the skill and judgement of a prudent person in the management of the Fund’s monies and in a manner to be expected from a specialist having significant experience in fund management.

The Fund Manager shall comply with the following:

- undertaking the tasks of establishing the Fund and its Sub-funds, managing the Sub-funds’ investments, and all the necessary supervisory, control and operational tasks in accordance with its offering document and in compliance with the legislations in force;
- constituting an investment committee by a decision of the authorized director or the board of directors - if any – and the committee shall undertake planning for implementing the investment strategy for managing funds’ investments, following up on the actual performance and monitoring it, and periodically reviewing the controls and procedures necessary to conduct the activity and the committee shall submit a report on the performance and activity of the fund to the issuer of its constitution decision every three (3) months;
- contracting on behalf of the Fund with all fund service providers licensed by the Authority or the concerned authorities in the state, coordinating and cooperating with them, and providing them with all data related to the performance of their duties towards the Fund effectively;
- ensuring that the Sub-Fund’s assets are kept separate from each other assets and from the assets of any other fund it manages or the investment portfolios it manages if it is licensed to do so;
- studying the financial position of the companies and the assets in which it invests the Sub-Fund’s money in;
- refraining from investing the Sub-Fund’s money in any manner not in accordance with its investment policy as outlined in the relevant supplement;

- refraining from investing the Sub-Fund money in any assets assuming the Sub-Fund any responsibility or guarantee of any obligation or indebtedness toward any person, whether direct, indirect or conditional, with the exception of the obligations and indebtedness arising from the Sub-Fund's normal investment operations;
- refraining from using the Sub-Fund money to purchase an asset that leads to the Sub-Fund having unlimited liabilities;
- refraining from investing the funds of the investment portfolios it manages in the investment funds it manages - if they are licensed to portfolios management - except with a prior consent of the investment portfolio owner;
- applying precautionary policies and procedures to assess and monitor the risks associated with the Fund investments, develop a plan to deal with the same, and conduct an assessment test for the risks associated with the Fund at least once a year;
- applying appropriate policies and procedures to prevent or limit wrong practices that are expected to affect the Fund business and activity;
- managing risks and conflicts of interest between it, investment funds and investment portfolios it manages - if it conducts the activity of managing portfolios - as well as between investment portfolios and investment funds it manages and between each investment fund and another;
- assuming liability toward the unit holders for the losses of the Fund managed by it resulting from its fraud or willful default;
- refraining from collecting subscription or redemption fees for the units of the investment fund it establishes if most of the fund investments are linked to other investment funds established thereby;
- refraining from receiving any fees or commissions for outsourcing any financial services to others;
- paying outsourcing fees and expenses from its own resources;
- paying any costs associated with the promotion of investment units from its own resources;
- employees' salaries should not be linked to the performance of the investment fund, with the exception of incentives and bonuses;
- the fees of managing investment of the investment fund shall be in proportion to the investment fund nature, operations and the proceeds expected from the same and shall be determined and revised in accordance with its procedures, provided that they are specified, clear and disclosed in the offering document;
- disclosing all the charges and fees it receives and any financial services it provides, and the details and percentages of expenses, charges and annual fees to the fund average net asset value within the Fund reports;
- disclosing to Unitholders all investment fund information and immediate disclosure, within periodic reports, in a complete, clear, correct and non-misleading manner of information or material changes that would affect the investment fund in accordance with the method stipulated in the Prospectus;

- notifying the Authority immediately in the event of any violation of any investment restrictions arising from any actions related to its duties or the duties of any of the service providers, or arising from any circumstances beyond its control, explaining the effects of this on the Fund assets and the rights of Unitholders, and developing a plan for corrective measures to be implemented at the earliest opportunity with an indication of their effects;
- providing the Authority with an annual report on the complaints and observations received from unit holders and fund service providers, including actions taken to resolve such complaints and avoid their recurrence in the future;
- avoiding any act which may lead to a conflict of interests when investing the assets of the Fund;
- not obtaining for itself, any of its board member, its managers or employees any gain or privilege from the investments made by the Fund;
- not having any interest in any type of companies in which the Fund invests; and
- adhering to all restrictions set forth in the laws and regulations in force in the UAE and in particular those related to mutual funds.

### **5.3 Investment Committee of the Fund Manager**

The Fund Manager has established an investment committee comprised of at least four (4) members who will be officers or employees of the Fund Manager or outside advisers (the “**Investment Committee**”) which will review decisions in respect of the Fund. The Fund Manager may replace, appoint and/or remove any member of the Investment Committee in its sole discretion, subject to requirements of the SCA Rulebook. In particular, the Investment Committee will include (i) each of the category officer, the Fund’s investment manager, and the compliance officer, and (ii) at least one member that is an officer or employee of the Advisor.

The Investment Committee shall also undertake planning for implementing the investment strategy for managing funds’ investments, following up on the actual performance and monitoring it, and periodically reviewing the controls and procedures necessary to conduct the activity and the Investment Committee shall submit a report on the performance and activity of the Fund every three (3) months.

### **5.4 Fees and Expenses**

Under the Fund Management Agreement, the Fund Manager may receive a Management Fee and/or a Performance Fee, as set out in the relevant Supplement. The Fund Manager will be responsible for all of its own overhead costs including the salaries and other remuneration benefits of its directors, employees and agents and rent, utilities and office supplies. Each Sub-Fund shall reimburse the Fund Manager for any Establishment Expenses, Sub-Fund Expenses and Fund Expenses (allocated to such Sub-Fund) incurred by the Fund Manager, at such time(s) as determined by the Fund Manager. Please see Section 8 in this Prospectus entitled “*Fees and Expenses*” for details of fees and expenses.

### **5.5 Termination**

The Fund may remove the Fund Manager by Special Resolution by the general assembly of Unitholders and the prior approval of the Authority in accordance with Article 34 of the Resolution.

The Authority may remove the Fund Manager as the fund manager of the Fund by issuance of a resolution by the Authority if it deems that the Fund Manager has committed a material and significant violation of its obligations, duties and the provisions stated in the Resolution and the relevant

resolutions, or if the Authority sees – for important reasons – that this is for the sake of the interests of the Unitholders in accordance with public interest.

The Fund Manager may also resign as fund manager of the Fund in accordance with Article 35 of the Resolution, provided that the Fund Manager has (i) notified the Unitholders at least sixty (60) Business Days prior to such resignation, (ii) obtained the prior approval of the Authority, and (iii) ensured that an alternative fund manager is appointed to act as the fund manager of the Fund pursuant to the terms of a fund management agreement with terms and conditions at least the same as those set out in the Fund Management Agreement.

In accordance with Article 38 of the Resolution, the removal or resignation of the Fund Manager shall not lead to the dissolution or termination of the Fund.

## 6. FUND SERVICE PROVIDERS

### 6.1 Advisor

Allianz Global Investors GmbH has been appointed by the Fund Manager to act as its advisor in respect of the Fund and each Sub-Fund (the “**Advisor**”) pursuant to the terms of an agreement between the Fund Manager and the Advisor.

The Fund Manager shall be responsible for paying the Advisor any fees, which shall be paid out of the Management Fee.

### 6.2 Custodian

Standard Chartered Bank UAE (the “**Custodian**”) has been appointed by each Sub-Fund to act as the custodian to each Sub-Fund with responsibility for custody of certain of the Fund’s assets. The Custodian provides custody services to the Fund and each Sub-Fund under the terms and conditions of a custodian agreement between each Sub-Fund and the Custodian (each, a “**Custodian Agreement**”). The issued and paid-up share capital of the Custodian is AED 4,162,012,000, and the Custodian is licensed by the Authority to provide custody services.

Under each Custodian Agreement, the Custodian may, at the expense of the relevant Sub-Fund, appoint such sub-custodians, agents, and delegates, as it thinks fit, and may delegate its duties, obligations and powers to such parties. The Custodian must exercise reasonable care and appropriate diligence in the selection and monitoring of these parties, maintain what the Custodian considers an appropriate level of supervision over these parties, and make what the Custodian considers appropriate periodic inquiries to confirm that these parties are competently discharging their obligations. The Custodian will not (except as provided in the Custodian Agreement) be responsible for any loss suffered by the relevant Sub-Fund by reason of liquidation, bankruptcy or insolvency of any agent, sub-custodian, or delegate but will use reasonable endeavours to recover any property held by such person, and recover any losses or damages suffered by the relevant Sub-Fund as a direct consequence.

Each Sub-Fund’s cash is not segregated from the Custodian’s own cash and may be used by the Custodian in the course of its business. Each Sub-Fund ranks as one of the Custodian’s general creditors for the cash balance. The Custodian will not be responsible for any cash, securities and/or other assets of a Sub-Fund which are not deposited with or held to the Custodian’s order. In particular, the Custodian will not be responsible for (i) any cash, securities and/or other assets placed with other co-custodians, brokers, or any other party outside the Custodian’s global custodian network; or (ii) any cash placed with any bank or financial institution which is not a member of the Standard Chartered group. In addition, the Custodian will not be liable for any loss occasioned by reason of the liquidator, bankruptcy or insolvency of such co-custodian, broker or other intermediary.

The Custodian’s obligations and liabilities are only to each Sub-Fund and only as provided in the relevant Custodian Agreement. Under each Custodian Agreement (i) the relevant Custodian Agreement may be terminated at any time by either party upon not less than ninety (90) days’ prior written notice, (ii) the Custodian shall not be liable to the relevant Sub-Fund, any investor or any other person unless it has been negligent, has willfully defaulted or committed a fraud, (iii) each Sub-Fund fully indemnifies the Custodian, its agents, delegates, affiliates, sub-custodians and their respective directors, officers, employees, agents and nominees, on demand against any losses claims expenses of any kind (including legal and professional expenses), actions or proceedings of any nature which may be incurred by the Custodian arising out of or in connection with the services provided by the Custodian, any agent, sub-custodian, affiliate, or delegate of the Custodian (other than those resulting from the fraud, negligence or willful default on the part of the Custodian, agent, sub-custodian, affiliate, or delegate) and (iv) the Custodian shall have a general lien over the securities held by the Custodian pursuant to the relevant

Custodian Agreement until the satisfaction of all the liabilities and obligations of the relevant Sub-Fund under the relevant Custodian Agreement.

Each Sub-Fund (and not the Custodian) is responsible for ensuring that the relevant Sub-Fund's assets are delivered to the Custodian as custodian. The Custodian is not responsible for monitoring the any Sub-Fund's compliance with this obligation.

The Custodian has no fiduciary responsibility to either the Fund, any Sub-Fund or the Investors. The Custodian does not provide any investment management or advisory services to any Sub-Fund and, therefore, is not in any way responsible for any Sub-Fund's performance or the repayment of capital to the Unitholders, the monitoring of investments or the relevant Sub-Fund's compliance with its investment objectives or restrictions, borrowing restrictions or operating guidelines. The Custodian was not involved in preparing, and accepts no responsibility for any information contained in, this Prospectus or any Supplement. None of the Custodian or their employees or agents are directly involved in the business affairs, organization, sponsorship or management of the Fund or any Sub-Fund. The Custodian will not participate in transactions or activities or make any payments denominated in US dollars, which if carried out by a US person, would be subject to sanctions of the Office of Foreign Assets Control.

### **6.3 Administrator**

Standard Chartered Bank UAE (the "**Administrator**") has been appointed by each Sub-Fund as administrator to the relevant Sub-Fund pursuant to the terms of an administration agreement (each, an "**Administration Agreement**"). The issued and paid-up share capital of the Administrator is AED 4,162,012,000. The Administrator is licensed by the Authority to carry on fund administration services.

Under the supervision of the Fund Manager, the Administrator will be responsible for providing certain fund administration services to each Sub-Fund in accordance with the provisions of the Administration Agreement. These include the calculation of the Fund NAV and the Unit NAV and transfer agency services in connection with the subscription and redemption of Units in each Sub-Fund.

In calculating the Fund NAV and the Unit NAV, the Administrator shall use prices ascribed to each Sub-Fund's underlying assets that the Administrator has, in its capacity as the Administrator, collected or received from (a) an independent financial market data provider available to and used by the Administrator in its capacity as a fund administrator or (b) the Fund Manager or other agents/parties appointed or nominated by the Fund Manager in respect of each Sub-Fund ((a) and (b) together the "**Pricing Sources**"). The Administrator shall not be liable to any Sub-Fund, any Investor or any other person in respect of any loss suffered from the use of, or reliance by, the Administrator on information provided by Pricing Sources in its calculations. Where a price for an underlying asset is available from more than one Pricing Source, the Administrator may, if so directed by the Fund, compare the various prices it has collected or received with respect to the same underlying asset (a "**Price Comparison**") and if directed or requested by the Fund Manager, report such Price Comparison to the Fund Manager. With the exception of performing and reporting Price Comparisons, the Administrator is not responsible or liable for: (a) verifying any price ascribed by the Pricing Sources to any of any Sub-Fund's underlying assets, including any illiquid and/or hard-to-value assets; or (b) the accuracy, correctness, completeness, reliability or current state of any price ascribed by a Pricing Source to any of a Sub-Fund's underlying assets.

The Administrator's obligations and liabilities are only to the relevant Sub-Fund and only as provided in the relevant Administration Agreement. Under each Administration Agreement (i) the relevant Administration Agreement may be terminated at any time by either party upon not less than ninety (90) days' prior written notice, (ii) the Administrator shall not be liable to any Sub-Fund or any other party unless it has been negligent, has willfully defaulted or committed a fraud and (iii) the relevant Sub-

Fund fully indemnifies the Administrator, its affiliates, and their respective directors, officers, employees, agents and nominees, on demand against any losses, claims, expenses of any kind (including legal and professional expenses), actions or proceedings of any nature which may be incurred by the Administrator arising out of or in connection with the services provided by the Administrator, other than by reason of the Administrator's own negligence, willful default or fraud in connection with the provision of such services.

The Administrator has no regulatory or fiduciary responsibility to any of the Fund, any Sub-Fund or the Unitholders. The Administrator does not provide any investment management or advisory services to any Sub-Fund and, therefore, is not in any way responsible for the relevant Sub-Fund's performance, the repayment of capital to the Unitholders, the monitoring of the investments or any Sub-Fund's compliance with its investment objectives or restrictions, borrowing restrictions or operating guidelines. The Administrator will not participate in transactions or activities or make any payments denominated in US dollars, which, if carried out by a US person, would be subject to sanctions of the Office of Foreign Assets Control. The Administrator was not involved in preparing, and accepts no responsibility for any information contained in, this Prospectus or any Supplement.

#### **6.4 Legal Advisor**

White & Case LLP (the "**Legal Advisor**") acts as counsel to the Fund and the Fund Manager. In connection with the offering of Units and ongoing advice to the Fund and the Fund Manager, White & Case LLP will not be representing Unitholders. No independent counsel has been retained to represent the Unitholders.

In preparing this Prospectus, White & Case LLP has relied upon information furnished to them by the Fund Manager and did not investigate or verify the accuracy or completeness of the information set forth herein concerning the Fund or the Fund Manager.

#### **6.5 Auditor**

PricewaterhouseCoopers Limited, Dubai Branch has been appointed to act as the auditor of the Fund (the "**Auditor**") pursuant to the terms of an agreement between the Fund, the Fund Manager and the Auditor.

The Fund will pay the Auditor an auditor fee in an amount equal to US\$20,200 per Sub-Fund per annum (reduced to US\$17,776 per Sub-Fund per annum following the first (1<sup>st</sup>) anniversary of the Initial Closing Date of each Sub-Fund), excluding taxes and out-of-pocket expenses.

## **7. RISKS AND CONFLICT OF INTERESTS**

Unless otherwise stated in a Supplement, the following risk factors shall apply to each Sub-Fund. Please also refer to the Sub-Fund-specific risk factors, as set out in each Supplement.

Potential investors should be aware that an investment in a Sub-Fund involves a high degree of risk and is suitable only for investors who fully understand and who can bear the risks of such an investment for an indefinite period and who can afford a total loss of their investment. In addition, potential investors should be aware that there will be occasions when the Fund Manager and/or its Affiliates may encounter potential conflicts of interest in connection with the Fund. Potential investors should carefully evaluate the following considerations and other risks before making an investment in the Fund.

### **7.1 Certain Risk Factors**

Any reference in this Section 7.1 to the “Fund” shall be deemed to be a reference to the Sub-Funds, unless the context otherwise requires. Therefore, any risk factors relating to the Fund shall be applicable to each Sub-Fund.

#### **Master-Feeder Structure**

Each Sub-Fund shall invest through a “master-feeder” structure. A master-feeder fund structure – in particular the existence of multiple feeder funds investing in the same master fund – presents certain unique risks to investors. Smaller feeder funds investing in a master fund may be materially affected by the actions of larger feeder funds investing in a master fund. For example, if a larger feeder fund redeems from a Master Sub-Fund, the remaining feeder funds, including the relevant Sub-Fund, may experience higher *pro rata* operating expenses, thereby producing lower returns. A Master Sub-Fund’s portfolio may become less diverse due to liquidations of positions needed to fund a redemption by a larger feeder fund, resulting in increased portfolio risk. Each Master Sub-Fund is a single entity and creditors of the relevant Master Sub-Fund may enforce claims against all assets of relevant Master Sub-Fund. In addition, since a Sub-Fund’s assets are generally expected to be substantially invested indirectly in the relevant Master Sub-Fund, certain conflicts of interest in determining whether to hold or dispose of an asset may exist due to different tax considerations applicable to the Sub-Fund and any other feeder funds or investors. Furthermore, certain feeder funds may, for legal and/or regulatory reasons, be managed by a third-party regulated manager and advised by the Fund Manager, the Advisor and/or their respective affiliates.

#### **Effect of feeding lag on existing investors**

In the event that a substantial subscription or redemption in the Fund coincides with a significant movement in the Net Asset Value (NAV) of the Master Sub-Fund, existing investors in the Fund may experience a positive or negative impact on their performance versus that of the Master Sub-Fund, which is expected to normalize over subsequent trading sessions.

This outcome arises as an incidental effect of the inherent feeding lag within the operational structure between the Fund and the Master Sub-Fund.

#### **Effect of feeding lag on subscriptions**

In the event that a substantial subscription or redemption in the Fund coincides with a significant movement in the Net Asset Value (NAV) of the Master Sub-Fund, new investors subscribing to the Fund immediately following such subscription or redemption may pay a NAV (and a corresponding subscription amount) that is proportionately higher or lower than what they would otherwise have paid for units in the Fund.

This outcome arises as an incidental effect of the inherent feeding lag within the operational structure between the Fund and the Master Sub-Fund.

### **Effect of feeding lag on redemptions**

In the event that a substantial subscription or redemption in the Fund coincides with a significant movement in the Net Asset Value (NAV) of the Master Sub-Fund, investors redeeming from the Fund immediately following such subscription or redemption may receive a NAV (and corresponding redemption proceeds) that is proportionately higher or lower than what they would otherwise have received from the Fund.

This outcome arises as an incidental effect of the inherent feeding lag within the operational structure between the Fund and the Master Sub-Fund.

### **No Guarantee**

There can be no guarantee that the Fund will achieve its investment objective or that investors will receive a return of their capital. There can be no guarantee that implementation of the investment objective and strategy of the Fund will not result in losses to the investors.

### **Absence of Operating History**

The Fund is a newly formed entity and does not have an operating history upon which investors may base an evaluation of its likely performance. The past performance of any professionals engaged by the Fund, or the Fund Manager, cannot be construed as an indication of the future results of an investment in the Fund.

### **Non-Voting Interests**

Investors will have no right to vote (except in respect of any matters specifically reserved for the approval of the Unitholders under the Resolution) or participate in the management of the Fund. Accordingly, no person should purchase any Units unless he is willing to entrust all aspects of management of the Fund to the Fund Manager.

### **Distributions in Kind**

Although under normal circumstances, the Fund intends to make distributions in cash, it is possible that under certain circumstances (including the termination of the Fund or where investments are or become illiquid) distributions may be made in kind, with the prior consent of the Authority, and could consist of securities or other investments for which there is no readily available public market.

### **Illiquid Assets**

The Fund may invest in illiquid assets and there can be no assurance that the Fund will be able to realise positive returns on such investments in a timely manner, if at all. The investments, which are not traded on any organised exchange and for which no liquid market exists, may not be able to be sold or otherwise disposed of or, if sold, may not be able to be disposed of at a price perceived by the Fund to represent fair value or in the timeframe desired by the Fund or may result in distributions in kind to the Unitholders with the prior consent of the Authority. If the Fund attempts to sell or otherwise dispose of any such investment, such transaction may require additional time and other selling expenses than the sale of marketable securities and may be subject to contractual or other selling restrictions that further adversely affect sales price. Accordingly, the Fund may never realize any return on such investments.

### **Limited Diversification**

If the Fund's investment portfolio is concentrated in a small number of investments, the portfolio may be subject to a greater level of volatility. Also, the use of a single Fund Manager applying generally similar trading programs could mean lack of diversification and, consequentially, higher risk.

### **Investment Restrictions**

Although the investment restrictions set out in this Prospectus provide certain restrictions in terms of the Fund's investments, there may be situations where the relevant restrictions are not complied with. This will not be considered as a breach; however, the Fund Manager will use its best endeavors to reduce the exposure to the limits stated in the investment restrictions set out in this Prospectus.

### **Reliance on Fund Manager and its Key Personnel**

All decisions relating to the investment of the Fund's assets will be made by the Fund Manager, who will therefore have total trading authority over the Fund. The Fund's expertise in trading is therefore largely dependent on the continuation of an agreement with the Fund Manager and the services and skills of its officers and employees. The loss of the Fund Manager's services (or that of one of its key personnel) could materially and negatively impact the value of the Fund as it may lead to the loss of the use of any proprietary investment methodology developed by the Fund Manager.

### **Limitation of Liability of the Fund Manager**

This Prospectus and the Fund Management Agreement will limit the circumstances under which the Fund Manager and its Affiliates, including its officers, directors, employees, shareholders and agents, can be held liable to the Fund. As a result, Unitholders may have a more limited right of action in certain cases than they would have in the absence of such a limitation.

### **Forward-Looking Statements**

This Prospectus may contain forward-looking statements relating to future events or the future performance of the Fund. In some cases, forward-looking statements can be identified by terminology such as "anticipate," "believe," "continue," "estimate," "expect," "intend," "may," "plans," "projects," "should," "will," the negative of such terms or other comparable terminology. These statements are only predictions. Actual events or results may differ materially. In evaluating these statements, prospective investors should specifically consider various factors, including the risks outlined in this Section. These factors may cause actual events or results to differ materially from any forward-looking statement.

Although the Fund Manager believes that the expectations reflected in the forward-looking statements are reasonable, future results, levels of activity, performance or achievements cannot be guaranteed. Moreover, none of the Fund, the Fund Manager, or any of its Affiliates assumes responsibility for the accuracy and completeness of the forward-looking statements. The Fund, the Fund Manager and their respective Affiliates are under no duty to update any of the forward-looking statements after the date of this Prospectus to conform such statements to actual results or to changes in expectations.

The projections contained in this Prospectus are based upon a number of estimates and assumptions that are inherently subject to significant uncertainties and contingencies. These projections were not prepared with a view toward compliance with generally accepted accounting principles. No independent accountants have expressed an opinion or any other form of assurance on these projections. Projections are necessarily speculative in nature, and it can be expected that one or more of the estimates on which the projections are based will not materialize or will vary significantly from actual results, and such variances will likely increase over time. Accordingly, actual results during the periods covered will vary from the financial projections, and those variations may be material and adverse.

## **Currency**

Units will typically be issued and redeemed in the currency of subscription. Certain of the Fund's assets may, however, be invested in investments and other investments denominated in other currencies. The value of such investments may be affected unfavourably by fluctuations in exchange currencies, notwithstanding any efforts made to hedge such fluctuations. In addition, prospective investors whose assets and liabilities are primarily denominated in currencies other than the currency of investment should take into account the potential risk of loss arising from fluctuations in the rate of exchange between the currency of investment and such other currency. Additionally, investments may be made in underlying securities that are initially pegged to the USD. There can be no certainty that this peg to the USD will continue and any cessation of such pay may cause losses.

## **Counterparty Default**

The Fund (or a Sub-Fund) may, in certain circumstances, be subject to the default of a third-party service provider or other relevant counterparties.

## **Effect of Redemptions**

If significant redemptions of Units in the Fund are requested, it may not be possible to liquidate the Fund's investments at the time such redemptions are requested or to do so at prices that reflect the true value of such investments. In addition, although it is expected that on winding up, the Fund would liquidate all of its investments and distribute cash to its Unitholders, there can be no assurance that this will occur.

## **Restrictions on Transfers and Redemptions**

There is currently no public market for the Units, and it is very unlikely that any active secondary market for any of the Units will develop. Unitholders might be able to dispose of their Units only by means of redemptions on the relevant Redemption Day at the Redemption Price, in the absence of an active secondary market. The risk of any decline in the Fund NAV during the period from the date of notice of redemption until the Redemption Day will be borne by the Unitholder(s) requesting redemption. In addition, the Fund Manager has the power to suspend and limit redemptions and the payment of redemption proceeds. There are also restrictions on transferring Units. The Fund has the right to compulsorily redeem Units. The Authority may also suspend redemptions of Units if it determines that such a suspension would be in the interests of the public.

## **Fund and Expenses**

Whether or not the Fund is profitable, it is required to meet certain fixed costs, including start-up and organizational expenses, on-going administrative and operating expenses and management fees.

## **Dividends and other distributions**

The declaration and payment of dividends or other distributions by the Fund is, in all cases, subject to the discretion of the Fund Manager.

In determining whether to declare and pay any dividends or other distributions, the Fund Manager shall have regard to applicable law and to the Fund's existing and anticipated future cash flow needs at the relevant time.

## **Market Risk**

Any investment made in a specific group of securities is exposed to the universal risks of the securities market. However, there can be no guarantee that losses equivalent to or greater than the overall market will not be incurred as a result of investing in such securities.

### **Economic Conditions**

Changes in economic conditions, including, for example, interest rates (as a benchmark), inflation rates, employment conditions, competition, technological developments, political and diplomatic events and trends, and tax laws can affect substantially and adversely the business and prospects of the Fund. None of these conditions is within the control of the Fund or the Fund Manager and no assurances can be given that the Fund or the Fund Manager will anticipate these developments.

### **Emerging Markets**

Transactions on emerging markets expose the investor to considerable additional risks, as the regulation of these markets does not provide for the same guarantees as far as protection of investors is concerned. The risks linked to the political-economic situation of the issuer's country of origin must be considered too.

In some countries there is a risk of asset expropriation, confiscation tax, political or social instability or diplomatic developments which could affect investments in those countries. Information on certain securities, instruments and investments may be less accessible to the public and entities may not be subject to requirements concerning auditing of accounts, accounting or recording comparable to those some investors are used to.

While generally increasing in volume, emerging financial markets have, for the most part, substantially less volume than most developed markets and securities of many companies are less liquid, and their prices are more volatile than securities of comparable companies in largest markets. In many of these countries, there are also very different levels of supervision and regulation of markets, financial institutions and issuers, in comparison to developed countries. In addition, requirements and limitations imposed in some countries to investments by foreigners may affect the performance of the Fund. Any change in laws or currency control measures subsequent to an investment can make the repatriation of funds more difficult. Risk of loss due to lack of adequate systems for the transfer, pricing, accounting and custody of securities may also occur. The risk of fraud related to corruption and organised crime is significant.

Systems to settle transactions in emerging markets may be less well organised than in developed countries. There is a risk that the settlement of transactions be delayed, and that liquid assets or securities of the Fund are jeopardised because of the failure of such systems. In particular, market practice may require that payment be made before receipt of the securities purchased or that a security be delivered before the price is received. In such cases, default of a broker or bank through which the transaction was to be made will result in a loss for the Fund that invests in emerging countries securities.

The economics of many emerging or frontier market countries can be heavily dependent on international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, managed adjustments on relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade and international economic developments generally.

### **Risks of custody**

The assets of the Fund are held by the Custodian and the Fund is exposed to the risk of loss of assets held as a result of insolvency, negligence or fraudulent transaction by the Custodian.

## **Operational risks**

The operations of the Fund (including investment management) are carried out by the service providers mentioned in this Prospectus. In the event of bankruptcy or insolvency of a service provider, investors may experience delays (for example, delays in the processing of subscriptions, conversions and redemption of Units) or other disruptions.

## **Legal and Regulatory Risks**

Legal and regulatory changes could occur that may adversely affect the Fund. None of these conditions is within the control of the Fund or the Fund Manager and no assurances can be given that the Fund or the Fund Manager will anticipate these developments.

Companies in the UAE are generally not subject to regulations comparable to those in more developed countries with respect to such matters as transactions with Affiliates, insider trading rules, tender offer regulation, shareholder proxy requirements and the timely disclosure of material information. In the UAE, minority shareholders are afforded limited protection and management or controlling shareholders may be able to take actions against the interests of minority shareholders, which would result in share dilution and may be detrimental for the Fund. Further, local market participants may have access to more information than is available to the Fund. In addition, existing laws and regulations are sometimes inconsistently and unreliably applied and enforced in the UAE.

## **Third-Party Litigation**

The Fund's investment activities subject it to the risks of becoming involved in litigation by third parties. The expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments would be borne by the Fund, would reduce net assets and could require investors to return to the Fund distributed capital and earnings. The Fund Manager and others are entitled to be indemnified by the Fund in connection with such litigation, subject to certain limitations.

## **Restructuring of Investments**

Investments held by the Fund may be subject to restructurings upon terms that are unfavourable to the Fund.

Such restructurings may occur at the instigation of other holders, at the instigation of third parties or at the instigation of the underlying borrower or issuer.

## **Force Majeure Events**

An investment in the Fund may be adversely affected by global, regional or similar occurrences or conditions outside of the ordinary control of the Fund, including economic, natural or human crises, such as recession, pandemics, drought, fire, storm, earthquake, disease, war or terrorism.

## **Fraud**

In making certain investments, the Fund may rely upon the accuracy and completeness of representations made by the issuer of such investment but cannot guarantee the accuracy or completeness of such representations.

The issuer of an investment may make a material misrepresentation or omission. Such inaccuracy or incompleteness may adversely affect the Fund or the valuation of any investment.

Instances of fraud and other deceptive practices committed by senior management of certain companies in which the Fund may invest may undermine the ability of the Fund to conduct effective due diligence on, or successfully exit investments made in, such companies.

In addition, financial fraud may contribute to overall market volatility, which can negatively impact the Fund's investment programs. Under certain circumstances, payments to the Fund could be reclaimed if they are later determined to have been made with an intent to defraud creditors or make a preferential payment.

### **Cyber Security**

The Fund and its service providers may be subject to operational and information security risks resulting from cyberattacks. Cyberattacks include, among other things, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorised release of confidential information and various other forms of cybersecurity breaches. Cyberattacks affecting the Fund and its service providers may adversely impact the Fund. For instance, cyberattacks may interfere with the processing of investor transactions, impact the ability to calculate the net asset value, cause the release of private investor information or other confidential information, impede trading, subject the Fund and its service providers to regulatory fines and/or financial losses and cause reputational damage. Similar types of cybersecurity risks are also present for other market participants, which may have material adverse consequences for the Fund, and may cause the Fund's investments to lose value. The Fund and its service providers may incur additional costs relating to cybersecurity preparations, and there can be no guarantee that such preparations, though taken in good faith and reasonably designed to safeguard the Fund's, the Fund Manager's and others' informational systems, would be successful at preventing such attacks. Cyberattacks are viewed as an emerging risk and the scope of the risk and related mitigation techniques are not yet fully understood and are subject to continuing change.

### **Handling of mail**

Mail addressed to the Fund and received at its registered office will be forwarded unopened to the forwarding address supplied by the Fund Manager to be dealt with.

None of the Fund, the Fund Manager, advisors or service providers will bear any responsibility for any delay howsoever caused in mail reaching the forwarding address.

## **7.2 General Risk Factors applicable to All Master Sub-Funds unless otherwise stated**

Any reference in this Section 7.2 to a "Sub-Fund" shall be deemed to be a reference to the relevant "Master Sub-Fund", unless the context otherwise requires. Therefore, any risk factors relating to a "Sub-Fund" shall be applicable to each "Master Sub-Fund". Capitalised terms used in this Section 7.2 shall have the meanings ascribed to such terms in the Master Fund Prospectus, unless the context otherwise requires.

### *ABS and MBS Risk*

The income, performance and/or capital repayment amounts of ABS and MBS are linked to the income, performance, liquidity and credit rating of the underlying or covering pool of reference assets (e.g., receivables, securities and/or credit derivatives), as well as the individual assets included in the pool or their issuers. If the performance of the assets in the pool is unfavourable for investors, depending on the form of the ABS or MBS, those investors may suffer losses up to and including total loss of invested capital.

ABS and MBS may be issued with or without the use of a special-purpose vehicle (“SPV”). Such SPVs normally do not engage in any other business aside from issuing ABS or MBS. The pool underlying the ABS or MBS, which also often consists of non-fungible assets, normally represents the only assets of the SPV or the only assets from which the ABS and MBS are to be serviced. If ABS or MBS are issued without the use of a SPV, there is the risk that the liability of the issuer will be limited to the assets included in the pool. The principal risks in respect of the assets included in the pool are concentration risk, liquidity risk, interest-rate risk, creditworthiness risk, company-specific risk, general market risk, risk of default and counterparty risk as well as the general risks of investing in bonds and derivatives, in particular interest-rate risk, creditworthiness risk, company-specific risk, general market risk, risk of default, counterparty risk and liquidity risk.

As a result, ABS and MBS may be highly illiquid and prone to substantial price volatility. These instruments may therefore be subject to greater credit, liquidity and interest-rate risks compared to other debt securities. They are often exposed to extension and prepayment risks and risks that the payment obligations relating to the underlying assets are not met, which may adversely impact the returns of the securities, the net asset value of the relevant Sub-Fund or investors.

#### *Active Currency Positions Risk*

A Sub-Fund may implement active currency derivative positions that may not be correlated with the underlying securities positions held by the Sub-Fund. Therefore, such Sub-Fund may suffer a significant or total loss even if there is no loss of the value of the underlying securities positions (eg., equities, debt securities) held by the Sub-Fund.

#### *Asset Allocation Risk*

The performance of the Sub-Fund is partially dependent on the success of the asset allocation strategy employed by that Sub-Fund. There is no assurance that the strategy employed by the Sub-Fund will be successful and therefore the investment objective of the Sub-Fund may not be achieved. The investments of the Sub-Fund may be periodically rebalanced and therefore that Sub-Fund may incur greater transaction costs than a Sub-Fund with static allocation strategy.

#### *Capital Risk*

There is a risk that capital of a Sub-Fund or the capital that can be allocated to a Class will decrease. Excessive redemptions of a Sub-Fund’s Shares or distributions exceeding realised capital gains and other income of returns on investments could have the same effect. Distribution Share applying the Fixed Percentage Policy have a relatively high risk of distributions exceeding realised capital gains and other income. A reduction in the capital of a Sub-Fund or the capital that can be allocated to a Class could make the management of the Company, a Sub-Fund or a Class unprofitable, which could lead to the liquidation of the Company, a Sub-Fund or a Class and to investor losses.

#### *Certificate Investments Risk*

A certificate vests the right, subject to the terms and conditions of the certificate, for the certificate holder to demand payment of a specific amount of money or delivery of certain assets on the settlement date. Whether the certificate holder has a corresponding claim on performance and, if so, to what extent, depends on certain criteria, such as the performance of the underlying asset during the term of the certificate or its price on certain days. As an investment vehicle, certificates are subject to the following risks in relation to the issuer of the certificate: creditworthiness risk, company-specific risk, settlement default risk and counterparty risk. Other risks that should be emphasised are general market risk, liquidity risk and, if applicable, currency risk. Certificates are not hedged through other assets or

through third-party guarantees. This applies likewise to any permissible position held through another instrument based on the law of obligations.

#### *Changes in Underlying Conditions Risk*

Over time, the underlying conditions (e.g., economic, legal or tax) within which an investment is made may change. This could have a negative effect on the investment and on the treatment of the investment by the investor.

#### *Changes to the Company and/or a Sub-Fund Risk*

The Articles, investment policy and other basic aspects of a Sub-Fund may be changed whenever permitted. In particular, a change to the investment policy within the permitted range may change the risk profile associated with such Sub-Fund. Such changes may have a negative impact on the performance of the Sub-Fund.

#### **Closed-End Fund Risk**

When investing in closed-end funds, the income, performance and/or capital repayment will depend on the income, performance and credit rating of the underlying investments of the closed-end funds. If the performance of the assets of the closed-end-funds are unfavourable for its investors, depending on the form of the closed-end-funds, investors of the relevant Sub-Fund can suffer partial, or even total loss.

Redemptions of investments in closed-end funds may not be possible. Since such funds commonly have a fixed term which makes continuous liquidation/termination of such investments in closed-end funds prior to maturity impossible. In the case of a closed- end fund which maturity is not already determined, the liquidity risk may be even higher. Eventually, investments in closed-end funds might be sold on a secondary market, if any, with the risk of significant bid/offer spreads. Investments in closed-end funds may also be fully or partially repaid prior to maturity, which could lead to a less attractive total investment in the respective close- end fund as well as to a less attractive reinvestment. In addition, the corporate governance mechanisms, the transferability as well as the possibility to rate, to receive adequate information about and to evaluate investments in closed-end-funds may deteriorate before maturity.

The principal risks for investments in closed-end funds are general market risk, concentration risk, liquidity risk, the risk of interest rate changes, creditworthiness risk, company-specific risk, settlement default risk and counterparty risk. Specific risks vary depending on the particular type of closed-end fund.

When investing in closed-end funds, costs are regularly incurred both at the level of the funds themselves particularly in respect of service provider fees, as well as at the level of the portfolio making the investment. These may result in increased charges to the investors in the portfolio making the investment in the closed-end fund.

#### **Company-Specific Risk**

The value of a Sub-Fund's assets (in particular of securities and money-market instruments directly or indirectly held by such Sub-Fund) may be affected by company-specific factors (e.g., the issuer's business situation). If a company-specific factor deteriorates, the price of the respective asset may drop significantly and for an extended period of time, possibly without regard to an otherwise generally positive market trend. This may have an adverse impact on the Sub-Fund and/or the investor.

#### **Concentration Risk**

If a Sub-Fund focuses its investments on certain markets, types of investments, particular countries, regions, or industries, this may reduce risk diversifications. Consequently, such Sub-Fund may be particularly dependent on the development of these investments, markets or related markets, individual or interdependent countries or regions, industries or industries that influence each other or companies of such markets, countries, regions or industries. As such, the Sub-Fund is likely to be more volatile than a fund that has a more diversified investment strategy. It may be more susceptible to fluctuations in value resulting from a limited number of holdings or the impact of adverse conditions on a particular investment or market. This may have an adverse impact on the performance of the Sub-Fund and consequently adversely affect an investor's investment in the Sub-Fund.

### **Contingent Convertible Bonds Investment Risk**

Investing in contingent convertible bonds (“CoCos”) is associated with the following specific risks as issued in the statement ESMA/2014/944 (“**Potential Risks Associated with Investing in Contingent Convertible Instruments**”) issued by the ESMA which include, but are not limited to (i) Trigger level risk: trigger levels differ; they determine exposure to conversion risk depending on the distance between the price of the equity security and the trigger level; (ii) Coupon cancellation risk: coupon payments may be cancelled by the issuer at any point and for any length of time; (iii) Capital structure inversion risk: contrary to classic capital hierarchy, CoCo investors may suffer a loss of capital when equity shareholders do not; (iv) Call extension risk: CoCos are issued as perpetual instruments, callable at predetermined levels only with the approval of the competent authority; (v) Unknown risk: the structure of the instruments is innovative yet untested; (vi) Yield/valuation risk: investors are drawn to CoCos as a result of their frequently attractive yield, which may, however, also represent a premium to their price in light of the complexity of how they are structured.

### **Convertible Bonds Investments Risk**

Investing in convertible bonds are normally associated with increased creditworthiness risk, risk of default, risk of interest rate changes, prepayment risk, general market risk, and liquidity risk (for example, the asset cannot be sold or can only be sold at a significant discount to the purchase price), all of which may adversely impact the net asset value of the relevant Sub-Fund.

The value of convertible bonds may be affected by the price movement of the underlying securities (i.e., equities), among other things. Convertible bonds may also have call provisions and other features which may give rise to the risk of a call. All these factors may adversely impact the net asset value of the relevant Sub-Fund.

### **Counterparty Risk**

Transactions not handled through a stock exchange or a Regulated Market (e.g., OTC trades) are exposed to the risk that a counterparty may default or not completely fulfil its obligations in addition to the general risk of settlement default. This is particularly true of OTC financial derivative instruments and other transactions based on techniques and instruments. Default by a counterparty may result in losses for a Sub-Fund. However, such risk can be significantly reduced, especially with respect to OTC derivative transactions, by receipt of collateral from the counterparty in accordance with the Company's collateral management policy as described in Appendix 1 of the Master Fund Prospectus.

### **Country and Region Risk**

If a Sub-Fund focuses its investments on particular countries or regions, this may increase the concentration risk. Consequently, such Sub-Fund is particularly susceptible to the adverse development and risks of individual or interdependent countries and regions, or of companies based and/or operating in those countries or regions. Any adverse economic, political, policy, foreign exchange, liquidity, tax,

legal or regulatory event or development in such countries, regions or companies may adversely impact the performance of the Sub-Fund and/or the value of Shares held by investors. Economic or political instability in certain countries in which a Sub-Fund is invested may lead to a situation in which such Sub-Fund does not receive part, or all of the monies owed to it in spite of the solvency of the issuer of the relevant assets. Currency or transfer restrictions or other legal changes may have a significant effect. In addition, Sub-Funds which focus on certain countries or regions, have a limited investment universe which results in limited risk diversification compared to broadly investing funds. The smaller the respective country or region is the more limited the investment universe and the more limited the risk diversification of the respective Sub-Fund might be. A limited risk diversification can increase the impact of the development of individual securities acquired for the respective Sub-Fund.

### **Credit Rating Risk**

Credit ratings of Investment Grade debt securities assigned by rating agencies (e.g., Fitch, Moody's and/or Standard & Poor's) are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.

### **Creditworthiness and Downgrading Risk**

The creditworthiness (ability to pay) of the issuer of an asset (in particular, of a security or money-market instrument directly or indirectly held by the Sub-Fund) may fall. This usually leads to a decrease in the price of the asset greater than that caused by general market fluctuations. Further, there is a risk that the credit rating of certain debt securities, or the issuers of debt securities, may be downgraded due to adverse market conditions. The Sub-Fund may or may not be able to dispose of the Debt Securities that are being downgraded. This may lead to a fall in the NAV of the Sub-Fund and the performance of the Sub-Fund will be adversely affected.

### **Currency Risk**

If a Sub-Fund directly or indirectly (via derivatives) holds assets denominated in currencies other than its Base Currency or if a class of shares of the Sub-Fund is designated in a currency other than the Base Currency of the Sub-Fund (each a "**foreign currency**"), it is exposed to a currency risk that if foreign currency positions have not been hedged or if there is any change in the relevant exchange control regulations, the NAV of the Sub-Fund or that class of shares may be affected unfavorably. Any devaluation of the foreign currency against the Base Currency of the Sub-Fund would cause the value of the assets denominated in the foreign currency to fall, and as a result may have an adverse impact on the Sub-Fund and/or the investors.

### **Custodial Risk**

Sub-custodians may be appointed in local markets for purpose of safekeeping assets in those markets. Where a Sub-Fund invests in markets where custodial and/or settlement systems are not fully developed, the assets of such Sub-Fund may be exposed to custodial risk. A Sub-Fund may be denied access, in whole or in part, to investments held in custody in the event of bankruptcy, negligence, wilful misconduct or fraudulent activity on the part of the Depository or sub-custodian. In such circumstances, a Sub-Fund may take a longer time or may even be unable to recover some of its assets (in extreme circumstances such as the retroactive application of legislation and fraud or improper registration of title), which may lead to significant losses for the Sub-Fund and consequently adversely affect an investor's investment in the Sub-Fund. The Custodial Risk may apply to assets as well as to collateral.

### **Dilution and Swing Pricing Risk**

The actual cost of purchasing or selling the underlying assets of a Sub-Fund may be different from the booking value of these assets in the Sub-Fund's valuation. The difference may arise due to dealing and other costs (such as taxes) and/or any spread between the buying and selling prices of the underlying assets. These dilution costs can have an adverse effect on the overall value of a Sub-Fund and thus the NAV per Share may be adjusted in order to avoid disadvantaging the value of investments for existing Shareholders. The size of the adjustment impact is determined by factors such as the volume of transactions, the purchase or sale prices of the underlying assets and the valuation method adopted to calculate the value of such underlying assets of the Sub-Fund.

### **Distribution out of Capital Risk**

The Company may launch Classes whose distribution policy deviates from the regular distribution policy, and which may provide for distributions out of capital in accordance with Article 31 of the Law. The payment of distributions out of capital represents a return or withdrawal of part of the amount which the investors originally invested and/or capital gains attributable to the original investment. Investors should be aware that any distributions involving payment of distributions out of a Sub-Fund's capital may result in an immediate decrease in the net asset value per Share and may reduce the capital available for such Sub-Fund for future investment and capital growth. As a result, such investors' investment in the Sub-Fund will be adversely affected. The distribution amount and NAV of any hedged share classes of the Sub-Fund may be adversely affected by differences in the interest rates of the reference currency of the hedged share classes and the base currency of the Sub-Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-hedged share classes. Distribution Share applying the Fixed Percentage Policy have a relatively high risk of distributions exceeding realised capital gains and other income. This may result in an immediate decrease in the net asset value per Share and may reduce relatively larger portion of capital available for such Sub-Fund for future investment and capital growth, potentially eroding the capital more quickly.

### **Early Liquidation Risk**

As may be determined by the Board, a Sub-Fund may be liquidated under certain circumstances as set out under "Liquidation and Merger" of the HK Prospectus. In the event of a Sub-Fund's liquidation, the Sub-Fund would have to distribute to Shareholders their *pro rata* interest in the assets of the Sub-Fund. It is possible that at the time of a sale or distribution, certain assets held by the relevant Sub-Fund may be worth less than their initial cost, resulting in a loss to shareholders.

### **European Country Risk**

In light of the fiscal conditions and concerns regarding the sovereign debt of certain European countries, investments of a Sub-Fund in Europe may be subject to a number of risks arising from a potential crisis in Europe. The economic and financial difficulties in Europe may continue to get worse or spread within and outside Europe and may lead to one or several countries exiting the Eurozone and/or exiting the EU or default of a sovereign within the Eurozone and/or within the EU, potentially resulting in the breakup of the EU, the Eurozone and the Euro.

While the governments of many European countries (including the EU Member States), the European Commission, the European Central Bank, the International Monetary Fund and other authorities are taking measures (such as undertaking economic reforms and imposing austerity measures on citizens) to address the current fiscal conditions and concerns, these measures may not have their desired effect, and the future stability and growth of Europe is therefore uncertain. The impact of such events on the Sub-Funds which are denominated in Euro, or which invest in instruments predominantly tied to Europe may be significant and the NAV of such Sub-Funds may be adversely affected by the increased risks (such as increased volatility, liquidity and currency risks associated with investments in Europe).

## **Emerging Markets Risk**

A Sub-Fund's investments in Emerging Markets are subject to greater liquidity risk, currency risk and general market risk. Increased risks may arise in connection with the settlement of securities transactions in Emerging Markets, especially as it may not be possible to deliver securities directly when payment is made. In addition, the legal, taxation and regulatory environment, as well as the accounting, auditing, and reporting standards in Emerging Markets may deviate substantially to the detriment of the investors from the levels and standards that are considered standard international practice. Increased custodial risk in Emerging Markets may also arise, which may result from differing disposal methods for acquired assets. Such increased risks may have an adverse impact on the relevant Sub-Fund and/or the investors.

## **General Market Risk**

To the extent that a Sub-Fund invests directly or indirectly in securities or other assets, it is exposed to various general trends and tendencies in the economic and political situation as well as securities markets and investment sentiment, which are partially attributable to irrational factors. Such factors could lead to substantial and longer-lasting drops in securities prices affecting the entire market and the value of a Sub-Fund's investments may be negatively affected.

## **Index-based Investment Risk**

With respect to index-based investments, the composition of an index and the weighting of individual components may change during the time a position is held. Further, index levels are neither current nor based on current data. These factors can have negative effects on such investments.

## **Inflation Risk**

Inflation risk is the risk that assets will lose value because of a decrease in the value of money. Inflation can reduce the purchasing power of income made on an investment in a Sub-Fund as well as the intrinsic value of the investment. This could have a negative effect on an investor's investment. Different currencies are subject to different levels of inflation risk.

## **Instruments with Loss-absorption Features Risk**

A Sub-Fund may invest in instruments with loss-absorption features which are subject to greater risks when compared to traditional debt instruments as such instruments typically include terms and conditions specifying that the instrument is subject to being partly or wholly written off, written down, or converted to ordinary shares of the issuer upon the occurrence of a pre-defined trigger event. Trigger events are likely to be outside of the issuer's control and commonly include a reduction in the issuer's capital ratio below a specified level or upon specific government or regulatory action being taken as a result of the issuer's ongoing financial viability. Trigger events are complex and difficult to predict and can result in a significant or total reduction in the value of such instruments, giving rise to consequential loss of a Sub-Fund. Contingent convertible bonds are typical instruments with loss-absorption features, please also refer to the risk factor "**Contingent Convertible Bonds Investment Risk**".

## **Interest Rate Risks**

To the extent that a Sub-Fund invests directly or indirectly in Debt Securities, it is exposed to interest-rate risk. If market interest rates rise, the value of the interest-bearing assets held by the Sub-Fund may decline substantially and negatively affect the performance of such Sub-Fund. This applies to an even greater degree if such Sub-Fund also holds Debt Securities with a longer time to maturity and a lower nominal interest rate.

### **Issuer Default Risk**

The issuer of a security directly or indirectly held by a Sub-Fund or the debtor of a claim belonging to a Sub-Fund may become insolvent causing its inability to fulfil his payment obligations in a full and timely manner. Risks of losses arising from the issuer's default and causing such issued assets (see Defaulted Securities Risk) to become economically worthless.

### **Key Personnel Risk**

Sub-Funds that achieve very positive results in a certain period of time may owe this success to the aptitude of the traders and the correct decisions of their management. If staffing at a fund changes, new decision makers may have less success in managing the Sub-Fund's assets, which may have a negative impact on the performance of such Sub-Fund.

### **Legal Risk**

Legal risks can bear the risk of loss because of the unexpected application of a law or regulation or because a contract cannot be enforced. In case of collateralized transactions, there is the risk that the relevant insolvency law may impose a stay that prevents the collateral taker from liquidating the collateral, even if the collateral arrangement has been set up correctly.

### **Liquidity Risk**

Investments in securities in certain developing markets may be subject to higher volatility and lower liquidity compared to more developed markets. Even relatively small orders of illiquid securities can lead to significant price changes. If an asset is illiquid, there is the risk that the asset cannot be sold or can only be sold at a significant discount to the purchase price, or, conversely, its purchase price may increase significantly. Such price changes may adversely impact the NAV of a Sub-Fund.

### **Local Tax Risk**

As a result of local regulations, a Sub-Fund's assets may, from time to time, be subject to taxes, fees, charges and other retentions. This applies in particular to revenues or gains from the sale, redemption or restructuring of the Sub-Fund's assets, cash flow-free restructuring of such assets, and/or changes related to settlement and dividends, interest and other income received by the Sub-Fund. Certain taxes or charges (e.g., all charges collected under FATCA), may be collected in the form of withholding tax or a retention when paying out or forwarding payments. Although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the FATCA withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as a result of the FATCA regime, the value of the Shares held by Shareholders may suffer material losses.

### **Negative Interest on Cash Accounts Risk**

The Company invests the liquid asset of the Sub-Funds at the Depository or other banks for account of the Sub-Funds. Depending on the market development, in particular the development of the interest policy of the European Central Bank, short-, medium- and long-term bank deposits may have negative interest rates which will be charged to the Sub-Funds. Such interest charges may adversely impact the net asset value of the Sub-Funds.

### **New Sub-Fund Launch, Merger or Liquidation Risk**

Certain investment restrictions applicable to a Sub-Fund need not be adhered to during the period following the launch of a Sub-Fund or before a Sub-Fund undergoes a merger or liquidation (for further details, please refer to Appendix 1 Part A). The performance of a Sub-Fund in the above period(s) may be different from what it would otherwise be had the relevant investment restrictions been strictly adhered to by that Sub-Fund during such periods.

### **Non-investment Grade Sovereign Debt Securities Risk**

The Sub-Fund may invest in Debt Securities issued or guaranteed by a non-investment grade sovereign issuer and is therefore subject to higher credit/default risk and concentration risk as well as greater volatility and higher risk profile. In addition, there are no bankruptcy proceedings for such securities on which money to pay the obligations of the securities may be collected in whole or in part. Shareholders may be requested to participate in the rescheduling of such securities and to extend further loans to the issuers. In the event of default of the sovereign issuer, the Sub-Fund may suffer significant losses.

### **Operational Risk**

The Company may be exposed to a risk of loss which can arise, for example, from inadequate internal processes and from human error or system failure at the Company, at the Management Company, at the Investment Manager, at the Custodian or at external third parties. These risks can affect the performance of a Sub-Fund, can thus also adversely affect the net asset value per share and the capital invested by the shareholder.

### **Performance Risk**

It cannot be guaranteed that the investment objective of a Sub-Fund or the investment performance desired by the investors will be achieved. The net asset value per Share may fluctuate and may fall, causing investors to incur losses. Investors assume the risk of potentially receiving back a lesser amount of principal than they originally invested. No guarantees are issued by the Company or any third party of any outcome for an investment in any of the Sub-Funds.

### **Restricted Flexibility Risk**

The redemption of Shares may be subject to restrictions. If the redemption of Shares is suspended or delayed, investors will not be able to redeem their Shares and will be compelled to remain invested in the Sub-Fund for a longer period of time than originally intended or desired and their investments continue to be subject to the risks inherent to such Sub-Fund. If a Sub-Fund or Class is dissolved, or if the Company exercises the right to compulsorily redeem Shares, investors will no longer be so invested. The same applies if a Sub-Fund or Class held by the investors merges with another fund, Sub-Fund or Class, in which case the investors shall automatically become holders of shares in such other fund, or Shares in another Sub-Fund or Class. The sales charge levied when Shares are acquired could reduce or even eliminate any gains on an investment, particularly if the investment is held for only a short period of time. If Shares are redeemed in order to invest the proceeds in another type of investment, investors may, in addition to the costs already incurred (e.g., sales charge), incur other costs such as a redemption fee and/or a disinvestment fee for the Sub-Fund held or extra sales charges for the purchase of other shares. These events and circumstances could result in losses to the investor.

### **Risk Associated with the Receipt of Collateral**

The Company may receive collateral e.g., for OTC derivatives. Derivatives may increase in value. Therefore, collateral received may no longer be sufficient to fully cover the Company's claim for delivery or redemption of collateral against a counterparty. The Company may deposit cash collateral in blocked accounts or invest it in high quality government bonds or in money market funds with a

short-term maturity structure. Though, the credit institution that safe keeps the deposits may default; the performance of government bonds and money market funds may be negative. Upon completion of the transaction, the collateral deposited or invested may no longer be available to the full extent, although the Company is obligated to redeem the collateral at the amount initially granted. Therefore, the Company may be obliged to increase the collateral to the amount granted and thus compensate the losses incurred by the deposit or investment of collateral.

### **Risk Associated with Collateral Management**

Collateral management requires the use of systems and certain process definitions. Failure of processes as well as human or system errors at the level of the Company, the Management Company or third parties in relation to collateral management could entail the risk that assets, serving as collateral, lose value and are no longer sufficient to fully cover the Company's claim for delivery or transfer back of collateral against a counterparty.

### **Settlement Risk**

There is a risk for investments in unlisted securities that the settlement will not be executed as expected by a transfer system owing to a delayed payment or delivery or payment not being made in accordance with the agreement. This may lead to a fall in the NAV of a Sub-Fund.

### **Share Class Liability Risk**

Classes of a Sub-Fund are not separate legal entities. In relation to third parties, the assets allocated to a certain Class are not liable for just the debts and liabilities that can be allocated to that Class. If the assets of a Class are insufficient to cover the liabilities that can be allocated to such Class, those liabilities may have the effect of reducing the NAV of other Classes of the same Sub-Fund. Any reduction in NAV will have a negative impact on the relevant investor's investment.

### **Share Movements Risk**

The issue of Shares may lead to the investment of the cash inflow. Redemptions of Shares may lead to the disposal of investments to achieve liquidity. Such transactions can give rise to costs that could have a substantial negative effect on the performance of a Sub-Fund if Shares issued and redeemed on a single day do not approximately offset one another.

### **Small capitalisation / Mid capitalisation Companies Risk**

The Equities of small capitalisation/mid capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalization companies in general.

### **Sovereign Debt Risk**

Debt Securities issued or guaranteed by governments, or their agencies (“**Sovereign Debt Securities**”) may be exposed to political, social and economic risks. There is a risk that even governments or their agencies may default or not be able or willing to repay the principal and/or interest. In addition, there are no bankruptcy proceedings for Sovereign Debt Securities on which money to pay the obligations of Sovereign Debt Securities may be collected in whole or in part. Holders of Sovereign Debt Securities may therefore be requested to participate in the rescheduling of Sovereign Debt Securities and to extend further loans to the issuers of Sovereign Debt Securities. The Sub-Fund may suffer significant losses when there is a default of the Issuers of Sovereign Debt Securities. A Sub-Fund may invest all, or a

significant part, of its assets, in Sovereign Debt Securities issued guaranteed by a single government or from agencies of the same government.

### **Sustainability Risk**

“Sustainability Risk” means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. There is systematic research evidence that sustainability risks may materialize as issuer specific extreme loss-risks. Such issuer specific sustainability risk events typically happen with low frequency and probability but may have high financial impact and may lead to significant financial loss. Sustainability Risks may have the potential to influence the investment performance of portfolios negatively. The Fund Manager considers Sustainability Risks to be potential drivers of financial risk factors in investments such as market price risk, credit risk, liquidity risk and operational risk.

### **Target Funds Risk**

If a Sub-Fund uses other funds (“**target funds**”) as an investment vehicle for its assets by acquiring shares in such target funds, it assumes, in addition to the risks generally associated with investment policies of the target funds, the risks that result from the structure of the “fund” vehicle. As a result, it is itself subject to the capital risk, the settlement risk, the risk of restricted flexibility, the risk of changes to underlying conditions, the risk of changes to terms and conditions, the investment policy and other basic aspects of a fund, the key personnel risk, the risk of transaction costs at the fund level arising from share movements and, in general, performance risk. If the investment policy of a target fund makes use of investment strategies that are oriented toward rising markets, the corresponding positions should generally have a positive effect on target fund assets when markets are rising and a negative effect when markets are falling. If the investment policy of a target fund makes use of investment strategies that are oriented toward falling markets, the corresponding positions should generally have a positive effect on target fund assets when markets are falling and a negative effect when markets are rising.

The target fund managers of different funds operate independently of one another. This may lead to several target funds assuming opportunities and risks in the same or related markets or assets, which concentrates the opportunities and risks of the Sub-Fund holding these target funds on the same or related markets or assets. It could also have the effect of cancelling out the economic opportunities and risks assumed by the different target funds.

If a Sub-Fund invests in target funds, costs are regularly incurred both at the level of the Sub-Fund making the investment and at the level of the target funds, in particular, all-in-fees, management fees (fixed and/or performance related), depositary fees and other costs. These may result in increased charges to the investors in the Sub-Fund making the investment.

### **Use of Derivatives Risk**

A Sub-Fund may use derivatives – such as futures, options and swaps – for efficient portfolio management (including hedging) purposes. This may lead to correspondingly lower opportunities and risks in the general Sub-Fund profile. Hedging can be used in particular to reflect the different currency-hedged Share Classes and thus to mark the profile of the respective Share Class.

A Sub-Fund may also employ derivatives in a speculative sense in order to increase returns in pursuing the investment objective, in particular, to represent the general Sub-Fund’s profile and to increase the level of investment above the level of investment of a fund that is fully invested in securities. In reflecting the general Sub-Fund’s profile through derivatives, the general Sub-Fund’s profile will be implemented through the replacement of direct investments in securities, for example, by investments in derivatives or also, in shaping the general Sub-Fund’s profile, specific components of the individual

investment objectives and restrictions may be derivative based, for example reflecting currency positions through investments in derivatives, which normally will not have a substantial effect on the general Sub-Fund's profile. In particular, if the individual investment objectives and restrictions states that, with the objective of achieving additional returns, the Investment Managers may also assume separate foreign currency risks with regard to certain currencies and/or separate risks with regard to Equities, Debt Securities and/or commodity futures indices and/or precious metals indices and/or commodity indices these components of the individual investment objectives and restrictions are predominantly derivative based.

If a Sub-Fund employs derivatives to increase the level of investment (investment purposes), it does so in order to achieve a medium to long-term risk profile that offers potentially much greater market risk than that of a fund with a similar profile that does not invest in derivatives. However, to this end the Investment Manager may employ derivatives as it sees fit, including very high levels of derivatives, which – relative to a fund that does not invest in derivatives with a similar profile – could result in very high additional opportunities and very high risks during certain phases. A Sub-Funds Investment Manager follows a risk- controlled approach in the use of derivatives.

### **Valuation Risk**

Valuation of a Sub-Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the NAV calculation of the Sub-Fund.

## **7.3 Certain Tax Considerations**

### **General**

Applicable taxation laws, treaties, rules or regulations or the interpretation thereof may always change, possibly with retrospective effect. Changes in the tax treatment of investments and special purpose vehicles and unanticipated withholding taxes or other taxes may affect anticipated cash flows. The Fund may use a variety of investment structures to obtain exposure to the underlying assets on a case-by-case basis. Whilst the Fund will seek to enhance the tax efficiency of such investment structures in their jurisdictions of incorporation, the tax laws, however, may change or be subject to differing interpretations. Accordingly, the tax consequences of a particular investment or structure may change after the investment has been made or the structure has been established with the result that the Fund could become subject to taxation (including by way of withholding tax) in respect of its investments and the income, profit and gains derived therefrom in a manner or to an extent that is not currently anticipated. Any such change may have an adverse effect on the Fund NAV and their interests.

### **VAT**

VAT in the UAE generally applies to all goods and services (including most financial services) at a standard rate of 5% with certain exemptions for a limited range of goods and services.

Under the VAT laws applicable in the UAE, VAT should not be payable in respect of the acquisition of Units. However, Unitholders should seek advice in relation to the impact of VAT in relation to their acquisition of Units. Further, the Fund Manager is expected to have VAT costs in relation to its ongoing activities (e.g. operating costs and VAT compliance costs). It is currently expected that VAT will be payable in respect of fees charged by service providers domiciled in UAE. Payments for the provision of services by the Fund Manager and other service providers to the Fund may be grossed up for VAT pursuant to the terms of the relevant engagements. VAT included in the price of supplies related to the Fund may not be fully recoverable and any VAT costs may be borne by the Fund (and thus indirectly by Unitholders).

## Tax Reporting and Withholding

Certain countries have adopted tax laws which require reporting and/or withholding in certain circumstances in connection with an investor's acquisition, holding and/or disposal of an investment in the Fund. Depending on the nature of the requirements, these tax laws impose (or may impose in the future) reporting and/or withholding obligations. To the extent that the Fund determines to incur the costs of compliance with tax or other laws, the Fund Manager may require that investors whose acquisition, holding or disposal triggers the compliance requirements to share *pro rata* the cost to the Fund of doing so with other such investors.

## FATCA

The Foreign Account Tax Compliance provisions of the U.S. Internal Revenue Code ("**FATCA**") generally impose a reporting and 30% withholding tax regime with respect to (i) certain U.S. source income (including interest and dividends) ("**withholdable payments**") and (ii) "**passthru payments**" (generally, certain payments that are attributable to withholdable payments, but not prior to two years following the date that final regulations defining such term are published) made by foreign financial institutions ("**FFIs**"). As a general matter, FATCA is designed to require U.S. Persons' direct and indirect ownership of certain non-U.S. accounts and non-U.S. entities to be reported to the U.S. Internal Revenue Service, ("**IRS**").

The U.S. is implementing an intergovernmental approach to FATCA based on bilateral agreements with other countries. Under the Model 1 intergovernmental approach, an FFI that satisfies the conditions imposed under a bilateral agreement and any applicable implementing legislation generally will report FATCA information to its local governmental authorities rather than the IRS. The local governmental authorities will then report such information to the IRS in compliance with the bilateral exchange of information agreement. Under the intergovernmental approach, however, the FFI generally will not be subject to the regular FATCA reporting and withholding obligations. The United Arab Emirates has in force a Model 1 intergovernmental agreement with the U.S.

Each Unitholder is urged to consult its tax advisors regarding the effect of FATCA in its particular circumstances.

## CRS

Drawing extensively on the intergovernmental approach to implementing FATCA, the Organisation for Economic Co-operation and Development ("**OECD**") developed the Common Reporting Standard ("**CRS**") to address the issue of offshore tax evasion on a global basis. Aimed at maximizing efficiency and reducing cost for financial institutions, the CRS provides a common standard for due diligence, reporting and exchange of financial account information. Pursuant to the CRS, participating jurisdictions will obtain from reporting financial institutions, and automatically exchange with exchange partners on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence and reporting procedures. The UAE signed the Convention on Mutual Administrative Assistance in Tax Matters ("**MAC**"), the Declaration of Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information ("**MCAA**") and the Unilateral Declaration in April 2017. Both agreements are legal instruments for the implementation of the international OECD standard of Automatic Exchange of Information (AEOI) - CRS for tax purposes. The first reporting due date for the CRS in the UAE was 30 June 2018 (covering the first reporting period ending on 31 December 2017). As a result, the Fund will be required to comply with the CRS due diligence and reporting requirements, as adopted by the UAE government. Unitholders may be required to provide additional information to the Fund to enable the Fund to satisfy its obligations under the CRS. Failure to provide requested information may

subject such Unitholders to liability for any resulting penalties or other charges and/or compulsory redemption of its Units.

#### **7.4 Data Protection**

Prospective investors should note that personal data must be supplied in order for an investment in the Fund to be made and for that investment in the Fund to continue. Certain personal data must be supplied to enable the investment to be redeemed. If the required personal data is not provided, a prospective investor will not be able to invest or continue to invest in the Fund.

Under the Federal Decree-Law No. 45 of 2021 on the Protection of Personal Data Protection and other applicable laws and regulations of the UAE (the “**Data Protection Legislation**”), individual data subjects have rights and the Fund as data controller has obligations with respect to the processing of personal data by the Fund and its Affiliates and delegates, including but not limited to the Administrator. Breach of the Data Protection Legislation by the Fund could lead to enforcement action. The Fund's privacy notice provides information on the Fund's use of personal data under the Data Protection Legislation. The Fund's privacy notice is contained in the Subscription Agreement and is made available to existing investors via routine investor communications.

If you are an individual prospective investor, the processing of personal data by and on behalf of the Fund is directly relevant to you. If you are an institutional investor that provides personal data on individuals connected to you for any reason in relation to your investment with us (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents), this will be relevant for those individuals, and you should transmit the privacy notice to such individuals or otherwise advise them of its content.

#### **7.5 Conflicts of Interest**

##### **General Conflict of Interest**

There may be occasions when the Fund Manager and/or its respective Affiliates may encounter potential or actual conflicts of interest in connection with the Fund. The Fund can give no assurance that conflicts of interest will be resolved in favour of the Unitholders. Whenever an actual conflict of interest exists or arises the Fund Manager will endeavour to ensure that it is resolved fairly and may take such actions as may be necessary or appropriate to diminish or avoid the conflict. By acquiring Units, each Unitholder will be deemed to have acknowledged the existence of such actual and potential conflicts of interest, to have consented thereto, and to have waived any claim in respect of the existence of any such conflict of interest.

In accordance with Section 3 (*Business Practice*), Chapter Four (*General Obligations*), Article (2) (*Conflict of Interest Management Arrangements*) of the SCA Rulebook, the Fund Manager shall:

- (a) identify current and potential conflicts of interest between it and its clients, and between any client and another, and work to limit and manage such potential conflicts in a way that does not negatively affect the interests of the relevant client while ensuring that all clients are treated fairly and without bias as a result of the conflict of interest;
- (b) disclose the relevant client's conflict of interest in writing, either in general or in relation to a specific transaction;

- (c) refrain from any action that may lead to a conflict of interest when providing or implementing a financial service to any client in the event that it is unable to limit current or potential conflicts of interest;
- (d) not allow its partners to exploit the Fund Manager’s funds in any way, whether by withdrawing, financing, transferring, or other actions that are not related to the activity of the Fund Manager; and
- (e) establish arrangements to limit conflicts of interest cases by taking the following measures:
  - (i) ensure spatial separation between departments or divisions that engage in different financial activities, and securing entrances to each of them by appropriate means of insurance to prevent the access of unauthorized people or their knowledge with any data or information;
  - (ii) ensure organizational separation to ensure that none of the employees of the Fund Manager in a specific financial activity perform another job in any department or section that engages in a different financial activity subject to the Authority’s control, with the exception of jobs whose work for other departments or divisions does not constitute a conflict of interest; and
  - (iii) setting and applying technical precautions to ensure that employees in a specific financial activity do not enter the technical systems used to carry out other financial activities for which the Fund Manager is licensed, except in cases of inquiry or the issuance of specific reports, so that viewing their content does not lead to a conflict of interests or tasks.

### **Related Party Transactions**

In accordance with Article (28) (*Related Party Transactions of the Public Fund*) of the Resolution, and as further expressly permitted or contemplated under this Prospectus:

- (f) the Fund Manager, any of its Affiliates and/or any Daman Fund (the “**Related Parties**” and each, a “**Related Party**”) may invest for its own account in the Units, provided that (i) the rights or conditions attaching to such Units shall not be preferential to the rights or conditions of the Units of the applicable Class, and (ii) each Related Party shall refrain from voting such Units in respect of matters in which they are interested;
- (g) each Related Party shall disclose to the Fund Manager that it is a Related Party prior to conducting any transaction with the Fund (and disclosing any direct or indirect interest with respect to the Fund);
- (h) the Fund Manager shall, prior to conducting any transaction with the Fund, investigate the transaction parties and whether any of them is a Related Party;
- (i) if a transaction is conducted with a Related Party, the Fund Manager shall comply with the following:

- (i) the Fund Manager shall obtain the approval of the Investment Committee, *provided that* the vote of the relevant Related Party shall be excluded for the purposes of obtaining any such consent;
- (ii) when obtaining such consent, the approval request shall include:
  - (A) a summary of the main commercial and legal conditions of the applicable transaction;
  - (B) details of all the counterparties to the transaction;
  - (C) details of the feasibility of the transaction;
  - (D) any other important and material information related to the transaction;
  - (E) confirmation that the transaction is fully independent between its parties, with the absence of any bias in assessment of the transaction (i.e. that the transaction is being conducted on an arms-length basis), including a demonstrated detailed basis on which the conclusion of independence of the transaction is based; and
  - (F) proof that the transaction is in the best interests of the Unitholders;
- (iii) if the total value of all transactions related to the purchase or sale of assets or properties or securities with Related Parties in a Fiscal Year exceeds ten percent (10%) of the Fund NAV, the Fund Manager shall obtain the consent of an Ordinary Resolution at a Meeting of Unitholders, *provided that* the vote of the relevant Related Parties shall be excluded for the purposes of obtaining any such consent;
- (iv) the Fund Manager shall, prior to:
  - (A) any transaction(s) with Related Parties; or
  - (B) any transaction(s) with other parties that were counterparties of such Related Parties in the preceding two (2) year period,

disclose to the Unitholders the details of any such transaction(s) and details of the relevant Related Parties. If the Fund Manager fails to disclose such details to the Unitholders, the Fund Manager shall notify the Authority (providing justification of such failure to disclose), and the Authority shall either (i) approve of such non-disclosure, or (ii) obligate the Fund Manager to disclose such details to Unitholders; and
- (v) the Fund Manager, when disclosing details of Related Party transactions to the Unitholders, shall:
  - (A) include details of the procedures and precautions taken for ensuring that those transactions are completed on an arms-length basis; and

- (B) ensure that such disclosure is communicated to the Unitholders in the manner otherwise set out in this Prospectus.

### **Other Activities of Management**

The Fund Manager and its respective shareholders, directors, officers, employees, agents and Affiliates (“**Interested Parties**” and each an “**Interested Party**”) may be involved in other financial, investment or other professional activities which may on occasion cause conflicts of interest with the Fund. Except as expressly provided in this Prospectus, an Interested Party may engage, and shall not be restricted from engaging in, any activity whatsoever permitted by applicable law including but not limited to (i) establishing, managing and/or advising other investment funds including those having investment objectives similar to those of the Fund; (ii) serving as directors, officers or agents of other investment funds; (iii) alone or in conjunction with others, acting as manager or adviser of any company in which the Fund has a legal or beneficial interest on such terms as it deems appropriate; (iv) buying, holding and dealing in any investments for its own account notwithstanding that similar investments may be held by the Fund; (v) investing in the Fund; (vi) contracting or entering into any financial or other transaction with any investor in the Fund or with any entity any of whose securities are held by or for the account of the Fund; and (vii) receiving commissions and benefits which it may negotiate in relation to any sale or purchase of any investments of the Fund affected by it for the account of the Fund and which may or may not be for the benefit of the Fund.

### **Diverse Investor Group**

Units may have conflicting investment, tax or other interests with respect to their investments in the Fund. The conflicting interests of individual Unitholders may relate to or arise from, among other things, the nature of Investments made by the Fund, the structuring or the acquisition of investments, the timing of disposition of investments, and the tax status of each of the Unitholders. As a consequence, conflicts of interest may arise in connection with decisions made by the Fund Manager, including with respect to the nature or structuring of Investments, which may be more beneficial for one Unitholder than for another Unitholder. In selecting and structuring investments appropriate for the Fund, the Fund Manager will consider the investment and tax objectives of the Unitholders as a whole, and not the investment, tax, or other objectives of any Unitholder individually.

### **Legal Advisor**

White & Case LLP acts as counsel to the Fund and the Fund Manager. In connection with the offering of Units and ongoing advice to the Fund and the Fund Manager, White & Case LLP will not be representing Unitholders. No independent counsel has been retained to represent the Unitholders.

In preparing this Prospectus, White & Case LLP has relied upon information furnished to them by the Fund Manager and did not investigate or verify the accuracy or completeness of the information set forth herein concerning the Fund or the Fund Manager.

**THE FOREGOING RISK FACTORS DO NOT PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS INVOLVED IN THIS OFFERING. POTENTIAL INVESTORS MUST READ THE ENTIRE PROSPECTUS INCLUDING ALL ATTACHMENTS AND MUST CONSULT THEIR OWN PROFESSIONAL ADVISORS, BEFORE DECIDING TO INVEST IN THE FUND.**

## **8. FEES AND EXPENSES**

### **8.1 Management Fee**

Each Sub-Fund will pay the Fund Manager a management fee as stated in the relevant Supplement (the “**Management Fee**”). The Management Fee is exclusive of any value added tax.

The Management Fee will be calculated and accrued on each Valuation Day and paid monthly in arrears, as further set out in the Fund Management Agreement.

The Fund Manager shall be responsible for paying the Advisor any fees out of its Management Fee.

### **8.2 Performance Fee**

A Sub-Fund will not pay the Fund Manager a performance fee, unless otherwise set out in the relevant Supplement.

### **8.3 Expenses**

The expenses of offering and promoting the Units and the expenses of preparation of this Prospectus and each Supplement, along with any other documents associated therewith and required by the Authority shall be borne by the Fund Manager, except for the costs and expenses of the Legal Advisor and any upfront expenses of any other service provider (including the Administrator, the Custodian and the Auditor).

All other costs and expenses associated with the establishment and launch of each Sub-Fund will be paid by (or accrued in respect of) the relevant Sub-Fund, including the costs and expenses of the Legal Advisor and any upfront expenses of any other service provider (including the Administrator, the Custodian and the Auditor) (the “**Establishment Expenses**”). Establishment Expenses in respect of a Sub-Fund shall also include the amount of the Fund Establishment Expenses (as defined below) allocated to such Sub-Fund in accordance with this Prospectus and the relevant Supplement.

The Fund Manager and the Administrator are responsible for providing and paying for all office personnel, office space and office facilities required for the performance of their respective services to the Fund with respect to the relevant Sub-Fund.

Each Sub-Fund shall bear all expenses incidental to its operations and business, including, all transactional costs including brokerage, banking, sales and purchase commissions and charges and exchange fees, fees and charges of custodians and clearing agencies, interest and commitment fees on loans and debit balances, income taxes, withholding taxes, transfer taxes and other governmental charges and duties, any costs incurred in respect of meetings, if any, of Unitholders, fees of the Sub-Fund’s legal advisers and the Administrator’s, Auditor’s and Custodian’s fees and expenses, the costs of registration as a fund with the Authority, the costs of printing and distributing any reports and notices to unitholders, brokers’ fees and expenses, research fees and expenses and the costs of winding down and liquidating the Sub-Fund (the “**Sub-Fund Expenses**”).

The operating and administrative costs of the Fund (the “**Fund Expenses**”), and the costs of establishing the Fund (the “**Fund Establishment Expenses**”), which are not directly related to or attributable to a specific Sub-Fund, shall be allocated amongst the Sub-Funds by the Fund Manager in its sole discretion. Fund Expenses and Fund Establishment Expenses will generally be allocated amongst the Sub-Funds on a *pro rata* basis.

Each Sub-Fund shall reimburse the Fund Manager for any Establishment Expenses, Sub-Fund Expenses and Fund Expenses (allocated to such Sub-Fund) incurred by the Fund Manager, at such time(s) as determined by the Fund Manager.

## **8.4 Master Fund Fees**

### **8.4.1 All-in-Fee**

The Master Fund pays all costs to be borne by a Master Sub-Fund from its assets. The Master Fund pays an all-in-fee (the “**All-in-Fee**”) to the Master Fund Manager from the assets of the respective Master Sub-Funds, unless this fee is charged directly to a shareholder under the terms of a particular Master Fund Share Class.

The fees of the investment managers appointed by the Master Fund Manager are paid by the Master Fund Manager from its All-in-Fee and, if necessary, from its performance fee.

Provided that it is not charged directly to a shareholder under the terms of a particular Master Fund Share Class, the All-in-Fee is accrued daily and charged monthly on the average daily net asset value of the respective Master Fund Share Class.

### **8.4.2 taxe d’abonnement**

The Master Fund is liable in Luxembourg for an annual subscription tax (“**taxe d’abonnement**”) which is payable quarterly on the basis of the value of the net assets of the Master Fund at the end of the relevant calendar quarter (with method and timing being defined by applicable law).

The taxe d’abonnement per annum for each Master Fund Share Class is set out in the relevant Supplement.

### **8.4.3 Ongoing Charges**

The costs incurred by the Master Sub-Funds (or the respective Master Fund Share Classes) during the preceding financial year (excluding transaction costs) are disclosed in the annual report of the Master Fund and are also expressed as a ratio of the average volume of the Master Sub-Funds (or of the average volume of the respective Master Fund Share Classes) (“**Ongoing Charges**”).

In addition to the All-in-Fee as well as the taxe d’abonnement, all other costs are considered except for the incurred transaction costs, the costs the use of securities lending programmes and securities lending brokers and compensation for arranging, preparing, and executing securities lending and/or repurchase/reverse repurchase transactions by the Master Fund Manager.

If a Master Sub-Fund invests more than 20% of its assets in other UCITS or UCI that publish their ongoing charges, these ongoing charges are taken into consideration when calculating the Ongoing Charges for the Master Sub-Fund.

## **8.5 Subscription and Other Fees**

Subscription fees, conversion fees and/or any other similar fees payable by Unitholders, if any, will be set out in the relevant Supplement.

**APPENDIX 1**  
**SUBSCRIPTION AGREEMENT**

**APPENDIX 2**  
**REDEMPTION FORM**

## **APPENDIX 3**

### **Undertakings**

#### **1. FUND MANAGER UNDERTAKING**