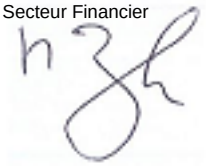
VISA 2022/169691-1831-0-PC
L'apposition du visa ne peut en aucun cas servir d'argument de publicité
Luxembourg, le 2022-07-13
Commission de Surveillance du Secteur Financier



PROSPECTUS

relating to an offer of Shares in

Lancelot Ector

SICAV

investment company with variable capital

July 2022

TABLE OF CONTENTS

DEFINITIONS

Articles	The Articles of Incorporation of the Company as may be supplemented or amended from time to time.
Bank Business Day	Any day on which banks in Luxembourg are open for business.
Board of Directors	The board of directors of the Company.
Class of Shares	Shares of each Sub-Fund which may differ, inter alia, in respect of their charging structures, types of targeted investors or other specific features.
Company	Lancelot Ector, which term shall include any Sub-Fund thereof.
Directive 2014/65/EU	The Directive 2014/65/EU of the European Parliament and of the Council of 15th May 2014 on markets in financial instruments, as amended from time to time.
Directive 2009/65/EC	The Directive 2009/65/EC of the European Parliament and of the Council as regards organisational requirements, conflicts of interest, conduct of business, risk management and content of the agreement between a depositary and a management company, as amended from time to time.
Director(s)	One or several members of the Board of Directors of the Company.
EU	European Union.
EUR	The official single European currency adopted by a number of Member States of the European Union.
FATCA	U.S. Foreign Account Tax Compliance Act.
Group of Companies	Companies belonging to a same entity which must draw-up consolidated accounts in accordance and according to recognized international accounting rules.
KIID	The Key Investor Information Document according to Directive 2009/65/EC of the European Parliament and of the Council of 13th July 2009 and Commission Regulation (EU) No 583/2010 of 1st July 2010, as amended from time to time.
Law of 2010	The Luxembourg law of 17th December 2010 on undertakings for collective investment, as amended from time to time.
Luxembourg Supervisory Authority	The Luxembourg authority in charge of the supervision of the undertakings for collective investment in the Grand Duchy of Luxembourg.
Member State	A member state of the European Union.
Mémorial	The *Mémorial C, Recueil des Sociétés et Associations*, official gazette of the Grand-Duchy of Luxembourg.

Money Market Instruments	Instruments normally dealt in on the money market which are liquid and have a value which can be accurately determined at any time.
Other (Another) Regulated Market	Market which is regulated, operates regularly and is recognized and open for the public, namely a market (i) that meets the following cumulative criteria: liquidity, multilateral order matching (general matching of bid and ask prices in order to establish a single price), transparency (the circulation of complete information in order to give clients the possibility of tracking trades, thereby ensuring that their orders are executed on current conditions); (ii) on which securities are dealt in at a certain fixed frequency, (iii) which is recognized by a State or by a public authority which has been delegated by that State or by another entity which is recognized by that State or by that public authority such as a professional association and (iv) on which the securities dealt are accessible to the public.
Other (Another) State	Any State which is *not* a Member of the European Union.
Reference Currency	Currency of denomination of a Sub-Fund.
Regulated Market	A market functioning regularly, which is regulated, recognized and open to the public, as defined in item 21 of article 4 (1) of the Directive 2014/65/EU, namely a market which appears on the list of regulated markets drawn by each Member State, which functions regularly, is characterized by the fact that regulations issued or approved by the competent authorities define the conditions for the operation of the market, the conditions for access to the market and the conditions that must be satisfied by a financial instrument before it can effectively be dealt in on the market, requiring compliance with all the reporting and transparency requirements laid down by the Directive 2014/65/EU.
RESA	The *Recueil Electronique des Sociétés et Associations*, the electronic central platform of publications.
SEK	Swedish Krona, the legal currency in the Kingdom of Sweden.
SFDR	Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27th November 2019 on sustainability related disclosures in the financial services sector.
Shares	The shares of the Company.
SICAV	A "*Société d'Investissement à Capital Variable*" (investment company with variable capital).
Sub-Fund	Pursuant to article 181 of the Law of 2010, although the Company constitutes a single legal entity with a common management structure, each Sub-Fund is a separate pool of assets which is responsible merely for its own liabilities, with its own shareholders and managed in accordance with the general investment guidelines of the Company and the specific features of each Sub-Fund.

Taxonomy Regulation	Regulation (EU) 2020/852 of the European Parliament and of the Council of 18th June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.
Transferable Securities	- shares and other securities equivalent to shares - bonds and other debt instruments - any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange excluding, however, derivative instruments referred to under the term “techniques and instruments”.
UCI(s)	Undertaking(s) for collective investment
UCITS	An undertaking for collective investment in transferable securities subject to Directive 2009/65/EC.
U.S.	United States of America.
Valuation Day	Every Bank Business Day on which the Net Asset Value is calculated.

INTRODUCTION

Lancelot Ector (the "**Company**") is registered pursuant to Part I of the Law of 2010 and the law of 10th August 1915 on commercial companies, as amended. The registration however does not imply approval by any Luxembourg authority of the content of this Prospectus or the portfolio of securities held by the Company. Any representation to the contrary is unauthorised and unlawful.

The Company is managed by FundRock Management Company S.A. (the "**Management Company**"). The Shares of the Company are not registered under the United States Securities Act of 1933 (the "**1933 Act**") or the Investment Company Act of 1940 (the "**1940 Act**") or any other applicable legislation in the United States. Accordingly, Shares of the Company may not be offered, sold, resold, transferred or delivered directly or indirectly, in the United States, its territories or possessions or any area subject to its jurisdiction (collectively the "**United States**" or the "**U.S.**") or to, or for the account of, or benefit of, any "**U.S. Person**" as defined in the 1933 Act or any applicable United States regulation except to certain qualified purchasers under exemptions from registration requirements of the 1940 Act.

Applicants for the purchase of Shares of the Company will be required to certify that they are not U.S. Persons. Holders of Shares are required to notify Lancelot Ector of any change in their non-U.S. Person status. Prospective investors are advised to consult their legal counsel prior to investing in Shares of Lancelot Ector in order to ascertain their status as non-U.S. Persons.

The Company may refuse to issue Shares to U.S. Persons or to register any transfer of Shares to any U.S. Person. Moreover the Company may at any time forcibly repurchase the Shares held by a U.S. Person.

Any information or statement not contained in this Prospectus or in the documents mentioned herein is to be considered as unauthorised. Neither the delivery of this Prospectus nor the offer, the issue and the sale of Shares in the Company constitute a representation that the information contained in this Prospectus is still current. In order to take into account important changes, comprising the issue of any new Classes of Shares or Sub-Funds, this Prospectus shall be updated from time to time. Consequently it is recommended to potential investors to enquire whether the Company has published a subsequent Prospectus.

The Company may issue Shares of no par value of different Classes (the "**Shares**") which relate to different portfolios of assets (each a "**Sub-Fund**") as further determined under this Prospectus. At present only Shares of the Lancelot Ector - Master Fund are offered for sale.

Subject as above, Shares relating to all Sub-Funds shall be available in registered form and shall be issued as Class B Shares. Shares shall be offered for issue, redemption or conversion on each Valuation Day at a price (the "**Issue Price**") expressed and payable in Swedish Krona in respect of Lancelot Ector - Master Fund. The Issue Price is based on the Net Asset Value for Class B Shares of the Sub-Fund, which shall be different for the respective Dividend Shares and Accumulation Shares of Lancelot Ector - Master Fund due to the effect of either distributing or accumulating results of the Portfolio.

The name of the Sub-Fund "**Lancelot Ector – Master Fund**" is preceded by the full name of the Company, but will also be used herein respectively in the abbreviated form of "**Master Fund**".

Investor Rights

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company, notably the right to participate in general shareholders' meetings, if the investor is registered himself and in his own name in the shareholders' register of the Company. In cases where an investor invests in the Company through an intermediary, investing into the Company in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

Data Protection

Personal data related to identified or identifiable natural persons provided to, collected or otherwise obtained by or on behalf of, the Company and the Management Company (the "**Controllers**") will be processed by the Controllers in accordance with the "**Joint Data Controller Clause**" which is available and can be accessed or obtained online (https://www.fundrock.com/joint-data-controller-clause/). All persons contacting, or otherwise dealing directly or indirectly with any of the Controllers are invited to read and carefully consider the Joint Data Controller Clause, prior to contacting or otherwise so dealing, and in any event prior to providing or causing the provision of any personal data directly or indirectly to the Controllers.

SUMMARY

This Summary Page for Lancelot Ector-Master Fund, should be read in conjunction with the entire text of the Prospectus.

Objective and description:	• Achieve positive inflation-adjusted capital growth over time with a moderate risk profile • A balanced SEK-denominated UCITS fund • Flexible asset allocation between equities and interest bearing debt securities
Investment focus:	• Equity investments primarily in Swedish and international stock market listed shares • Interest bearing instruments with high credit ratings mainly denominated in Swedish Krona • Liquid shares and interest bearing instruments
Investment process:	• Investment decisions are the result of a consistent and structured process, which is based on fundamental analysis • Focus on stock-picking • Over time the equity exposure will vary with the number of attractive equity investments identified. Consequently no Benchmark level of the equity exposure exists • Continuous evaluation and monitoring of positions
Terms and conditions:	• Lancelot Ector is a Luxembourg based SICAV; its portfolio management has been delegated to Lancelot Asset Management AB. Lancelot Asset Management AB is regulated by the Swedish Financial Supervisory Authority (*Finansinspektionen*) • Possibility to invest in Dividend or Accumulation Shares. The dividend policy is described under section “Description of Shares” below • Administration Fee (including the Depositary fee): the maximum percentage of administration fee which will be payable monthly in arrears based on the relevant Sub-Fund’s net assets calculated daily during the relevant month is disclosed in the section “Management Company” as well as the minimum fee • Investment Management Fee: the maximum percentage p.a. received by the Management Company on behalf of the Investment Manager is disclosed in the section “Management Company” • Fee for the Infrastructure: the maximum percentage of infrastructure fee to which the Management Company is entitled is disclosed in the section “Management Company” • Annual performance based fee: the performance fee to which the Investment Manager is entitled is described in the section “Investment Management” • Hurdle: the higher of a) 0 percent and b) the interpolated twelve months' Swedish Government rate of interest as per close of market on the last Swedish banking day of the previous year • Open for subscription/redemption each Valuation Day • Net Asset Value calculated each Bank Business Day

SUMMARY OF ADDRESSES

Registered office of Lancelot Ector

The address of the principal and registered office of the Company is:
33, rue de Gasperich
L-5826 Hesperange, Grand Duchy of Luxembourg.

Board of Directors of Lancelot Ector:

- Mr Tobias Järnblad (Chairman)
  Managing Director
  Lancelot Asset Management AB, Stockholm, Sweden

- Mr Per LJUNGBERG
  Deputy Managing Director
  Lancelot Holding AB, Stockholm, Sweden

- Mr Rikard Lundgren
  Independent Director
  Luxembourg, Grand-Duchy of Luxembourg

Management Company

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

Board of Directors of the Management Company:

Chairman

Mr Michel Marcel Vareika
Independent Non-Executive Director
Luxembourg, Grand-Duchy of Luxembourg

Directors

Mr Romain Denis
Executive Director – Managing Director
FundRock Management Company S.A.
Hesperange, Grand-Duchy of Luxembourg

Mr Thibault Gregoire
Executive Director – Chief Financial Officer
FundRock Management Company S.A.
Hesperange, Grand Duchy of Luxembourg

Mr Xavier Parain
Executive Director – Head of FundRock
FundRock Management Company S.A.
Hesperange, Grand Duchy of Luxembourg

Conducting Officers:

Mr Xavier Parain
Executive Director – Head of FundRock

Mr Romain Denis
Executive Director – Managing Director

Mr Franck Caramelle
Director – Head of Alternative Investments

Mr Emmanuel Nantas
Director – Compliance and AML

Mr Khalil Haddad
Director – Head of Valuation

Administrative Agent, Transfer and Registrar Agent

European Fund Administration S.A.
2, rue d'Alsace
L-1122 Luxembourg

Investment Manager

Lancelot Asset Management AB
Nybrokajen 7, PO Box 16172
SE-10323 Stockholm, Sweden

Sub-Investment Manager[1]

Excalibur Värdepappersfond AB
Birger Jarlsgatan 15, Box 16172
SE-103 23 Stockholm, Sweden

Depositary

Skandinaviska Enskilda Banken AB (publ), Luxembourg Branch
4, rue Peternelchen
L-2370 Howald, Grand-Duchy of Luxembourg

Global Distributor

Lancelot Asset Management AB
Nybrokajen 7, PO Box 16172
S-10323 Stockholm, Sweden

Auditor of Lancelot Ector

PricewaterhouseCoopers, *société coopérative*
2, rue Gerhard Mercator
L-2182 Luxembourg

[1] The sub-investment manager's involvement may vary and change at any time as determined by the Investment Manager.

INVESTMENT OBJECTIVE AND POLICIES

The Company may provide separate portfolios of assets designated as a "**Sub-Fund**" or "**Sub**-**Funds**", actively managed, with the purpose of achieving long term capital growth, within the investment restrictions described in Appendix A.

At the date hereof only Shares of Lancelot Ector - Master Fund are offered for subscription.

Master Fund

The Master Fund seeks to achieve positive inflation-adjusted capital growth (in terms of SEK) over time, with a moderate risk profile, from actively managed and diversified investments in mainly equities, bonds and other transferable debt securities.

The Sub-Fund may vary the proportion of these depending on its assessment of the potential of total return arising from such securities and of their diversification. Income is not a primary consideration of the investment.

Investments in UCITS or UCIs may not exceed 10% of the net assets of the Sub-Fund. Within the limits laid down in article 41 (1) (e) of the Law of 2010, and unless expressly stated otherwise, such other UCITS or UCIs might have different investment strategies or restrictions than those set forth herein, to the extent that such investments do not result in a circumvention of the investment strategies or restrictions of the Sub-Fund.

The Sub-Fund may hold ancillary liquid assets. Its Net Asset Value per Share is expressed in SEK.

The Sub-Fund does not make use of any Efficient Portfolio Management techniques, nor enter into total return swaps or financial derivative instruments with similar characteristics and as such the Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25th November 2015 on transparency of securities financing transactions and of reuse is currently not applicable. The Prospectus will be updated accordingly prior to the use of any such instruments or techniques.

Whilst using their best endeavours to attain the Company's investment objective in the Sub-Fund, the Directors cannot guarantee the extent to which such investment objective will be achieved. Thus the value of the Shares and the investment income therefrom may go up or down.

RISK MANAGEMENT PROCEDURES

In accordance with the Law of 2010 and other applicable regulations, in particular CSSF Circular 11/512 regarding (i) the presentation of the main regulatory changes in risk management following the publication of CSSF Regulation 10-4 and ESMA clarifications, (ii) further clarifications from the CSSF on risk management rules and (iii) definition of the content and format of the risk management process to be communicated to the CSSF, the Management Company on behalf of the Company uses a risk management process which enables it to assess the exposure of each Sub-Fund to market, liquidity and counterparty risks, and to all other risks, including operational risks, which are material for the Company.

In relation to financial derivative instruments the Management Company employs a process for accurate and independent assessment of the value of OTC Derivatives and the Management Company ensures for each of the Company's Sub-Funds that its global exposure relating to financial derivative instruments does not exceed the limits as set out in Appendix A.

The global exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

Each Sub-Fund may invest, according to its investment policy and within the limits laid down in the Appendix A, in financial derivative instruments, provided that the global exposure to the underlying assets does not exceed in aggregate the investment limits laid down in Appendix A.

When a Sub-Fund invests in index-based financial derivative instruments, these investments do not have to be combined to any such limits set out in Appendix A.

When a transferable security or money market instrument embeds a financial derivative instrument, the latter must be taken into account when complying with these requirements set out in Appendix A.

Unless otherwise provided for any Sub-Fund, the commitment approach is used to monitor and measure the global exposure of each Sub-Fund.

This approach measures the global exposure related solely to positions on financial derivative instruments under consideration of netting or hedging.

PROFILE OF THE TYPICAL INVESTOR / INVESTMENT

Master Fund is intended for long-term capital preservation savers.

Investors should consider their long-term investment goals and financial needs when making an investment decision about the Sub-Fund. As a consequence, the Sub-Fund is suitable for investors who can afford to set aside the capital invested for at least from one to three years.

RISK FACTORS

Prospective investors should carefully consider whether such investments are suitable for them in light of their own specific circumstances and financial resources.

Potential investors should consider the following risk factors before investing in the Company. Potential investors should also inform themselves of, and where appropriate consult their professional advisers, as to the tax consequences of subscription for buying, holding, exchanging, redeeming or otherwise disposing of Shares and merger situations under the law of their country of citizenship, residence or domicile.

GENERAL

Prospective investors should be aware that the investments of the Company are subject to market fluctuations and other risks inherent in investing in securities, such as market risk, credit risk, risk of default, liquidity risk, counterparty and settlement risk, as well as risks linked to interest rates and derivatives. There can be no assurance that any appreciation of value of investments will occur. The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in the Company. There is no assurance that the investment objective of the Company will actually be achieved.

The Net Asset Value of the Company and of any Sub-Fund may vary in value as a result of fluctuations in the value of the underlying assets and the income derived therefrom.

Investors are reminded that in certain circumstances their right to redeem Shares may be suspended.

Depending on an investor's currency of reference, currency fluctuations may adversely affect the value of an investment in the Company.

SUSTAINABILITY RISKS

Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the "**SFDR**") requires transparency with regard to the integration of evaluations of environmental, social or governance (the "**ESG**") events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the investments made by a financial product (the "**Sustainability Risks**") and consideration of adverse sustainability impacts of the actions financial products and financial market participants.

More information on the incorporation of Sustainability Risks and opportunities into day-to-day business operations are to be found on : https://www.lancelot.se/

The Company is not considered an ESG financial product since it does not promote and does not maximize portfolio alignment with Sustainability Factors (as defined in SFDR). Due to the nature of its investments, the Company has limited exposure to Sustainability Risks.

The Company is categorized as an Article 6 financial product under SFDR since it does not promote sustainability characteristics nor does it have sustainable investment as its objective.

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

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

LEGAL RISK ASSOCIATED WITH SFDR AND TAXONOMY REGULATION

The Company seeks to comply with all legal obligations applicable to it but notes there may be challenges in meeting all the requirements of SFDR and Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (the "**Taxonomy Regulation**") as they are introduced due to both delays in implementation of the legislation and lack of clarity. The Company may be required to incur costs in order to comply with these new requirements during the initial implementation phase and may also be required to incur further costs as the requirements change and further elements are introduced. If there are adverse political developments or changes in government policies as the implementation phase progresses this increases the likelihood of such changes to the relevant legal measures. These elements could impact on the viability of the Company and its returns.

SPECIFIC RISK FACTORS APPLICABLE TO THE SUB-FUND LANCELOT ECTOR - MASTER FUND

Investment in securities

Investment in securities of issuers from different countries and denominated in different currencies offer potential benefits not available from investments solely in securities of issuers from a single country, but also involve certain significant risks that are not typically associated with investing in the securities of issuers located in a single country. Among the risks involved are fluctuations in currency exchange rates and the possible imposition of exchange control regulations of other laws or restrictions applicable to such investments.

Foreign exchange/currency risk

The Sub-Fund may invest its assets in securities denominated in currencies which will be different from the Sub-Fund's reference currency. The Sub-Fund will be exposed to foreign exchange rate fluctuations with respect to the currencies in which the Sub-Fund's investments are denominated. The Sub-Fund may therefore be exposed to a foreign exchange/currency

risk and it may not be possible or practicable to hedge against the consequent foreign exchange/currency risk exposure.

Use of derivatives

The Sub-Fund may participate in both the on-exchange and OTC derivatives (excluding total return swaps or financial derivative instruments with similar characteristics) to hedge the returns from the underlying assets. Derivatives contracts may involve the Sub-Fund in long term performance or financial commitments, which may be magnified by leverage and changes in the market value of the underlying. Leverage means that the initial consideration for entering the transaction is considerably less than the face value of the subject matter of the contract. If a transaction is leveraged a relatively small market movement will have a proportionately larger impact on the value of the investment to the Sub-Fund, and this can work against the Sub-Fund as well as for it.

There can be no assurance that the objective sought to be obtained from the use of the derivatives will be achieved.

Sustainability risks

Sustainability Risks are integrated into the investment decision making and risk monitoring to the extent that they represent a potential or actual material risks and/or opportunities for maximizing the long-term risk-adjusted returns. The Investment Manager considers sustainability risks as part of its broader analysis of potential investments and the factors considered will vary depending on the security in question, but typically include ownership structure, board structure and membership, capital allocation track record, management incentives, labour relations history, and climate risks.

Due to the nature of the Sub-Fund's investment strategy and types of securities it holds, the Sub-Fund is exposed to varied Sustainability Risks which include, but are not limited to:

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

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

INVESTMENT MANAGEMENT

The Management Company has delegated its function as investment manager to Lancelot Asset Management AB, Stockholm (the "**Investment Manager**") by an agreement dated 25th January 2017 (the "**Investment Management Agreement**").

The Investment Manager was incorporated on 10th October 1998 under the laws of Sweden for an unlimited duration. Its principal offices are at Nybrokajen 7, Stockholm, Sweden.

The Investment Manager will procure and supervise an investment program for the assets of each Sub-Fund consistent with its investment objectives, policies and restrictions.

The responsibility for making decisions to buy, sell or hold a particular security rests with the Investment Manager, subject to the overall responsibility of the Board of Directors of the Company and the Management Company.

In carrying out portfolio transactions for the Company, the Investment Manager will generally seek competitive price rates. Where investment is to be made in securities traded in over-the-counter markets, the Investment Manager will normally arrange for the orders to be executed with securities dealers who make markets in the securities involved, except in those circumstances where better prices and execution are available elsewhere.

The Investment Manager shall be entitled to delegate from time to time, at its sole discretion and responsibility and its own costs, the performance of whole or part of his services to any agent or person affiliated or non-affiliated with the Investment Manager as he thinks fit, provided that such delegations are approved in writing by the Management Company whose approval shall not be unreasonably withheld and by the Luxembourg Supervisory Authority.

In accordance with the powers granted to it under the Investment Management Agreement, and pursuant to a sub-investment management agreement dated 2nd October 2014, the Investment Manager has, with the consent of both the Management Company and the Company sub-delegated to and appointed Excalibur Värdepappersfond AB (the "**Sub-Investment Manager**") to provide investment management services for Lancelot Ector – Master Fund in relation to the portion of assets invested in debt securities and the Sub-Investment Manager has agreed to provide such sub-investment management services to the Lancelot Ector – Master Fund.

Excalibur Värdepappersfond AB is a company incorporated under the laws of the Kingdom of Sweden with its registered office at Box 16172, SE-103 23 Stockholm and registered with the Swedish Companies registration office under number 556677-7396.

The Sub-Investment Manager is subject to the prudential supervision of *Finansinspektionen*.

In consideration for the services provided, the Sub-Investment Manager is entitled to a fee paid by the Investment Manager.

In consideration for its services, the Investment Manager shall be entitled to a fixed fee paid as Investment Management Fee to the Management Company on behalf of the Investment Manager (as described in section "Management Company" below). A twelfth of this rate is being payable at the end of each month in arrears and based on the net assets of each Sub-Fund calculated on a daily basis during the relevant month.

In addition to this fixed fee, the Investment Manager is entitled to a performance fee paid out of the Sub-Fund's assets, calculated daily and payable yearly at the end of the Company's financial year, at the rate of 15% in respect of the Lancelot Ector - Master Fund, of the amount by which the relevant Sub-Fund's total return, based on the High Water Mark (the "**HWM**") model where the Net Asset Value at the beginning and at the end of the relevant financial year of Lancelot Ector – Master Fund (the "**Calculation Period**") and after accrual of the fixed fee, outperforms on a year to year basis the agreed Hurdle.

High Water Mark means the greater of the original issue price of Shares in the relevant Class of Shares and the highest NAV per Share achieved as at the end of any previous Calculation

Period. This means that at a forthcoming Calculation Period with outperformance compared to the HWM, no Performance Fee is paid until the amount of underperformance from previous year (s) is fully recovered.

In the case of the Lancelot Ector - Master Fund, the Hurdle rate is the higher of a) 0 percent and b) the interpolated twelve months Swedish Government rate of interest (since no listed security exists with a maturity of exactly twelve months) as per close of market on the last Swedish banking day of the previous year. An interpolation is made in the Hurdle rate in a non-discretionary manner from the existing listed Swedish Government interest bearing securities (i.e. Swedish Treasury Bills and Swedish Government Benchmark Bonds):

1. The universe of securities that can be used for calculation of the Hurdle consists of:
    a. all outstanding Swedish Treasury Bills issued by the Swedish National Debt Office, and
    b. all outstanding Swedish Government Benchmark Bonds issued by the Swedish National Debt Office.

2. From the universe described above, two securities are selected to interpolate between and these are:
    a. the security with the longest maturity shorter than twelve months, and
    b. the security with the shortest maturity longer than twelve months

3. For the two securities selected, the mid-market yield is applied as per close of market on the last Swedish banking day of the previous year as published in the financial media.

4. If the securities used are Swedish Government Benchmark Bonds, the yield is converted to Swedish Treasury Bill day count standard by multiplying the yield with 360 and dividing it by the actual number of days in the year in question.

5. A linear interpolation between the two yields is done in order to calculate the rate as per the 31st of December of the year in question. This rate is the Hurdle for the year in question.

The Hurdle rate is an interest rate. A pro rata calculation is done during the year and the Hurdle NAV will increase over the year. The Hurdle rate itself will not change as it will be fixed once a year, at the beginning of the year and can only be positive.

The Hurdle NAV will be the HWM adjusted with the rate only in case of a positive rate.

The Hurdle NAV is adjusted only upwards during the year.
In the case of a dividend payment, the HWM and the Hurdle NAV will be adjusted downwards accordingly.

For a calendar year when the Sub-Fund underperforms the agreed Hurdle no performance fee will be paid and the amount of the relative underperformance from that year shall remain relevant for coming years. This means that at a forthcoming year with outperformance compared to the Hurdle, no performance fee is paid until the amount of underperformance from previous year (s) is fully recovered.

The HWM mechanism for the compensation for past negative performance will not be reset. A Performance Fee cannot be accrued or paid more than once for the same level of performance over the whole life of the Company.

The Performance Fee is calculated net of all cost.

Performance Fee calculation simulation for Class B Dividend Shares:

PERIODE	START NAV	END NAV	DIVIDEND	BENCHMARK %	HWM	HURDLE NAV	PERFORMANCE FEE Rate (15%)	NAV AFTER PERFORMANCE
1	100.00	105.00	0.00	0.00%	100.000	100.000	0.750	104.25
2	104.25	101.02	1.00	0.00%	103.250	103.250	0.000	101.02
3	101.02	96.10	3.00	0.00%	100.184	100.184	0.000	96.10
4	96.10	100.90	0.00	1.00%	100.184	101.186	0.000	100.90
5	100.90	102.83	0.00	1.25%	101.186	102.450	0.056	102.77
6	102.77	103.65	2.00	1.50%	100.770	102.282	0.206	103.45
7	103.45	104.59	0.00	2.00%	103.447	105.516	0.000	104.59

Period 1 The NAV increases by 5%. The Hurdle Rate is 0%. The Performance Fee is calculated on the NAV increase above initial launch price.

Period 2 The HWM becomes the NAV after Performance Fee as at end of period 1, adjusted downwards for the corresponding % impact of the dividend. The Hurdle Rate for the period 2 is 0%. The NAV is below the HWM and Hurdle NAV, no Performance Fee is due.

Period 3 The previous HWM is again adjusted downwards for the corresponding percentage impact of the dividend. The Hurdle Rate for the period 3 is 0%. The NAV is below the HWM and Hurdle NAV, no Performance Fee is due.

Period 4 The HWM remains as at end of period 4. The Hurdle Rate for the period 4 is 1%. The Hurdle NAV becomes 101.186, no Performance Fee is due as the NAV is below the Hurdle NAV.

Period 5 The new HWM becomes the Hurdle NAV as at end of period 4 and serves as calculation base for the Hurdle NAV of period 5. A Performance Fee is due at the end of period 5.

Period 6 The HWM and new calculation base for the new Hurdle NAV becomes the NAV after performance as at end of period 5, adjusted downwards for the corresponding percentage impact of the dividend. The Hurdle Rate for the period 6 is 1.5%. A Performance Fee is due at the end of period 6.

Period 7 The HWM and new calculation base for the new Hurdle NAV becomes the NAV after performance as at end of period 6. The Hurdle Rate for the period 7 is 2%. No Performance Fee is due at the end of period.

Performance Fee calculation simulation for Class B Accumulation Shares:

PERIOD	START NAV	END NAV	Hurdle Rate %	HWM	HURDLE NAV	PERFORMANCE FEE Rate (15%)	NAV AFTER PERFORMANCE
1	100.00	105.00	0.00%	100.000	100.000	0.750	104.25
2	104.25	102.00	0.00%	104.250	104.250	0.000	102.00
3	102.00	100.00	0.00%	104.250	104.250	0.000	100.00
4	100.00	105.00	1.00%	104.250	105.293	0.000	105.00
5	105.00	107.00	1.25%	105.293	106.609	0.059	106.94
6	106.94	110.00	1.50%	106.941	108.545	0.218	109.78
7	109.78	111.00	2.00%	109.782	111.977	0.000	111.00

Period 1 The NAV increases by 5%. The Hurdle Rate is 0%. The Performance Fee is calculated on the NAV increase above initial launch price.

Period 2 The HWM becomes the NAV after Performance Fee as at end of period 1. The Hurdle Rate for the period 2 is 0%. The NAV is below the HWM and Hurdle NAV, no Performance Fee is due.

Period 3 The HWM remains as at end of period 1. The Hurdle Rate for the period 3 is 0%. The NAV is below the HWM and Hurdle NAV, no Performance Fee is due.

Period 4 The HWM remains as at end of period 1. The Hurdle Rate for the period 4 is 1%. The Hurdle NAV becomes 105.293, no Performance Fee is due as the NAV is below the Hurdle NAV.

Period 5 The new HWM becomes the Hurdle NAV as at end of period 4 and serves as calculation base for the Hurdle NAV of period 5. A Performance Fee is due at the end of period 5.

Period 6 The HWM and new calculation base for the new Hurdle NAV becomes the NAV after performance as at end of period 5. The Hurdle Rate for the period 6 is 1.5%. A Performance Fee is due at the end of period 6.

Period 7 The HWM and new calculation base for the new Hurdle NAV becomes the NAV after performance as at end of period 6. The Hurdle Rate for the period 7 is 2%. No Performance Fee is due at the end of period.

The above examples are purely for illustrative purposes and are not a representation of the actual performance of Lancelot Ector – Master Fund, or of future returns to shareholders, and has been simplified for the purposes of illustrating the effect of the performance fee in different scenarios. The above simplifications allow the performance fee to be illustrated in a straightforward manner, without producing a material deviation from any actual performance fee calculation that will be carried out for Lancelot Ector – Master Fund.

The attention of shareholders is drawn to the fact that the use of the Benchmark described above by the Company is not subject to Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the Benchmark Regulation).

A summary of the remuneration policy of the Investment Manager is available to investors on request at the registered office of the Company.

THE COMPANY

The Company is organised as a "*Société d'Investissement à Capital Variable*" in the Grand Duchy of Luxembourg under the law of 10th August 1915, as amended (the "**1915 Law**") and qualifies as an Undertaking for Collective Investment in Transferable Securities (the "**UCITS**") under the Law of 2010. It was incorporated on 28th February 1996 for an unlimited period. The minimum share capital of the Company is the equivalent in Swedish Krona of one million two hundred fifty thousand euro (1,250,000 EUR).

The Directors and officers of the Company shall be reimbursed for their out-of-pocket expenses and their remuneration, if any, shall be approved by the shareholders of the Company in a general meeting.

The Company is registered under number B 54.040 at the *Registre de Commerce et des Sociétés* in Luxembourg where its Articles of Incorporation (the "**Articles**") are available for inspection and a copy may be obtained upon request. The Articles were published in the *Mémorial* in Luxembourg on 5th April 1996. Amendments of these Articles, which were decided respectively on 16th November 2006, on 15th May 2009, on 14th March 2012 and on 19th December 2018 were published in the *Mémorial* on 30th November 2006, on 28th May 2009, on 18th May 2012 and were published in the RESA on 10th January 2019.

The Articles may be amended by a resolution passed at an extraordinary shareholders' meeting, subject to the quorum and voting requirements of the laws of Luxembourg.

The Company's capital will at all times be equal to the total of the net assets of the Sub-Funds.

Pursuant to article 181 of the Law of 2010, the Company constitutes a single legal entity and notwithstanding the article 2093 of the Luxembourg civil code, the assets of one Sub-Fund are solely responsible for all debts, engagements and obligations attributable to this Sub-Fund. In this regard, if the Company incurs a liability, which relates to a particular Sub-Fund, the creditor's recourse with respect to such liability shall be limited solely to the assets of the relevant Sub-Fund.

With the consent of shareholders expressed in the manner provided for by Articles 450-1 and 1100-2 of the 1915 Law, the Company may be liquidated and the liquidator authorised to transfer all assets and liabilities of the Company to a UCITS established in Luxembourg or in another Member State in exchange for the issue to shareholders in the Company of Shares of such entity proportionate to their shareholdings in the Company. Otherwise any liquidation of the Company will be carried out in accordance with Luxembourg law and any moneys available for distribution to shareholders in the course of the liquidation that are not claimed by shareholders at the close of liquidation will be deposited at the *Caisse de Consignation* in Luxembourg pursuant to Article 146 of the Law of 2010.

TERMINATION AND MERGER OF SUB-FUNDS OR CLASSES OF SHARES

If for a period of more than 30 consecutive days the respective Net Asset Value of all outstanding Shares shall be less than 25 million SEK or the value of the outstanding Shares of a particular Sub-Fund shall be less than 10 million SEK, or in the case of Shares denominated in a currency other than SEK, the equivalent in that currency, or in case the Board of Directors deems it appropriate because of changes in the economic or political situation affecting the Company or the relevant Sub-Fund, the Board of Directors may, after giving one month's prior notice to all holders of Shares, or to the shareholders of the relevant Sub-Fund, as may be the case, redeem on the next Valuation Day following the expiry of the notice all (but not some) of the Shares or of the Shares of the relevant Sub-Fund, not previously redeemed or converted.

The Company shall serve a notice to the holders of the relevant class or Classes of Shares prior to the effective date for the compulsory redemption, which will indicate the reasons and the procedure for the redemption operations: registered shareholders shall be notified in writing. Unless it is otherwise decided in the interests of, or to keep equal treatment between the shareholders, the shareholders of the Sub-Fund or of the Class of Shares concerned may continue to request redemption or conversion of their Shares free of charge (but taking into account actual realisation prices of investments and realisation expenses) prior to the date effective for the compulsory redemption.

The board of directors may decide to reorganise a Sub-Fund or Class by means of a division into two or more Sub-Funds or Classes.

The board of directors may also decide to consolidate Classes of any Sub-Fund. The board of directors may also submit the question of the consolidation of a Class to a meeting of holders of such Class. Such meeting will resolve on the consolidation with a simple majority of the votes cast.

Notwithstanding the powers conferred to the board of directors by the preceding paragraphs, a general meeting of shareholders of any Sub-Fund (or Class as the case may be) may, upon proposal from the board of directors, (i) decide the liquidation of the relevant Sub-Fund/Class, and/or (ii) decide upon the division of a Sub-Fund or the division, consolidation or amalgamation of Classes in the same Sub-Fund. There shall be no quorum requirements for such general meeting of shareholders at which resolutions shall be adopted by simple majority of the votes cast if such decision does not result in the liquidation of the Company.

The Board of Directors shall have the power, in accordance with the provisions of the Law of 2010, to transfer the assets of a Sub-Fund into another Sub-Fund of the Company or to the assets of another UCITS (whether established in Luxembourg or another Member State and whether such UCITS is incorporated as a company or is a contractual type fund) or to the assets of a sub-fund of another such UCITS and re-qualify the Share(s) of the relevant Sub-Fund as shares of one or several new Sub-Fund(s) (following a split or a consolidation, if necessary, and the payment to shareholders of the full amount of fractional shares).The Company shall send a notice to the shareholders of the relevant Sub-Funds in accordance with applicable laws and regulations. Every shareholder of the relevant Sub-Funds shall have the opportunity of requesting the redemption or the conversion of his own Shares without any charge during a period of at least 30 days before the effective date of the merger, it being understood that the effective date of the merger takes place five business days after the expiry of such notice period.

A merger having as effect that the Company as a whole will cease to exist must be decided by the shareholders of the Company in front of a notary. No quorum is required and the decision shall be taken at a simple majority of the votes cast of the shareholders present or represented at the meeting.

Any amounts unclaimed by the shareholders at the closing of the liquidation of a Sub-Fund will be deposited the *Caisse de Consignation* in Luxembourg on behalf of the persons entitled thereto.

MANAGEMENT COMPANY

Pursuant to a management company agreement dated 1st July 2011, the Board of Directors has appointed FundRock Management Company S.A. as the management company of the Company to be responsible on a day-to-day basis, under supervision of the Directors, for providing investment management, administration and marketing services in respect of all the Sub-Funds.

The Management Company was incorporated for an unlimited period on 10th November 2004 in the form of a "*société anonyme*" in Luxembourg under the name of "RBS (Luxembourg) S.A.". With effect from 31st December 2015, it changed its name to FundRock Management Company S.A. It is authorised and regulated by the CSSF as (i) a management company subject to Chapter 15 of the Law of 2010, and (ii) as alternative investment fund manager regulated under Chapter 2 of the law of 12th July 2013 on alternative investment funds managers, as amended from time to time. It has a subscribed and paid-up capital of EUR 10,000,000.

It has its registered office in Luxembourg at 33, rue de Gasperich, L-5826 Hesperange, Luxembourg. The articles of incorporation of the Management Company were published in the *Mémorial* as of 6th December 2004. The last amendment of the articles of incorporation of the Management Company was published on 31st March 2016.

In respect of all the Sub-Funds, the Management Company has delegated its investment management and advisory functions to Lancelot Asset Management AB, Stockholm.

The Management Company shall also ensure compliance of the Company with the investment restrictions and oversee the implementation of the Company's strategies and investment policy.

The Management Company shall also send reports to the Board of Directors on a periodic basis and inform each board member without delay of any non-compliance of the Company with the investment restrictions.

The Management Company will receive periodic reports from Investment Manager detailing each Sub-Funds' performance and analyzing its investment portfolio. The Management Company will receive similar reports from the Company's other service providers in relation to the services which they provide.

The Management Company has delegated, at its own expense, the duties relating to the administration, registrar and transfer agent function of the Company to European Fund Administration S.A. (hereinafter "**Administrative Agent**").

The Administrative Agent will carry out all administrative duties related to the administration of the Company, including the calculation of the Net Asset Value of the Shares and the provision of accounting services to the Company. Furthermore, it will process all subscriptions, redemptions and transfers of Shares and will register these transactions in the register of the Company.

The Management Company will monitor on a continuing basis the activities of the third parties to which it has delegated functions. The agreements entered into between the Management Company and the relevant third parties provide that the Management Company can give at any time further instruction to such third parties and that it can withdraw their mandate with immediate effect if this is in the interest of the shareholders of the Company. The Management Company's liability towards the Company is not affected by the fact that it has delegated certain functions to third parties.

In consideration of its services to the Company, the Management Company shall be entitled to receive, out of each Sub-Fund's assets, a fee calculated on each Valuation Day and paid out as described below.

Such fee shall include the following:

- Administration fee of maximum 0.13% p.a. (the "**Administration Fee**"), payable monthly in arrears based on the Sub-Fund's net assets calculated daily during the relevant month with a minimum fee of EUR 3,330.00 per month. This fee includes the fee due to the Depositary.

- Infrastructure fee for infrastructure supplies, the Management Company is entitled to receive out of the Sub-Fund's assets a fee of maximum 0.025% p.a. (the "**Infrastructure Fee**"). This fee is payable monthly in arrears based on the Sub-Fund's net assets calculated daily during the relevant month.

- Investment Management fee received by the Management Company on behalf of the Investment Manager of maximum 1% p.a. representing the fixed fee due to the Investment Manager (the "**Investment Management Fee**"). This fee is payable monthly in arrears based on the Sub-Fund's net assets calculated daily during the relevant month.

- Registrar and Transfer Agent fee: The Management Company is furthermore entitled to receive out of the Sub-Fund's assets for the Registrar and Transfer Agent function an annual flat fee per Class of Shares, in accordance with Luxembourg customary banking practice (the "**Registrar and Transfer Agent Fee**").

The accounts of the Management Company are audited by an independent authorised auditor. This task has been entrusted to Deloitte Audit Sàrl.

DEPOSITARY

Depositary and paying agent

Pursuant to a depositary and paying agent services agreement dated 13th October 2016 (the "**Depositary Agreement**"), Skandinaviska Enskilda Banken AB (publ) – Luxembourg Branch has been appointed as depositary of the Company (the "**Depositary**"). The Depositary will also provide paying agent services to the Company.

Skandinaviska Enskilda Banken AB (publ) – Luxembourg Branch registered with the Luxembourg Trade and Companies Register under number B39819, having its place of business at 4, rue Peternelchen, L-2370 Howald, Grand-Duchy of Luxembourg, is a branch of Skandinaviska Ensklilda Banken AB (publ), a credit institution incorporated under and pursuant to the laws of Sweden and registered with the Swedish Companies Registration Office under number 502032-9081 with registered office address at 106 40 Stockholm, Sweden ("**SEB AB**"). SEB AB is subject to the prudential supervision of the Swedish Financial Supervisory Authority, Finansinspektionen. The Depositary is furthermore supervised by the CSSF, in its role as host member state authority.

The Depositary has been appointed for the safe-keeping of the assets of the Company which comprises the custody of financial instruments, the record keeping and verification of ownership of other assets of the Company as well as the effective and proper monitoring of the Company's cash flows in accordance with the provisions of the Law of 2010, as amended from time to time, and the Depositary Agreement.

In addition, the Depositary shall also ensure that (i) the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with Luxembourg law and the Articles; (ii) the value of the Shares is calculated in accordance with Luxembourg law and the Articles; (iii) the instructions of the Management Company or the Company are carried out, unless they conflict with applicable Luxembourg law and/or the Articles; (iv) in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits; and (v) the Company's incomes are applied in accordance with Luxembourg law and the Articles.

In carrying out its functions the Depositary acts honestly, fairly, professionally and independently and solely in the interest of the investors. The Depositary is on an ongoing basis analyzing, based on applicable laws and regulations as well as its conflict of interest policy potential conflicts of interests that may arise while carrying out its functions.

When performing its activities, the Depositary obtains information relating to funds which could theoretically be misused (and thus raise potential conflict of interests issues) in relation to e.g. the interests of other clients of the SEB Group, whether engaging in trading in the same securities or seeking other services, particularly in the area of offering services competing with the interests of other counterparties used by the funds/fund managers, and the interests of the Depositary's employees in personal account dealings.

Consequently, to mitigate the potential conflicts of interest, it has been ensured that the activities of a depositary function are physically, hierarchically and systematically separated from other functions of the Depositary in order to establish information firewalls. Moreover, the depositary function has a mandate and a veto to approve or decline fund clients independent of other functions and has its own committees for escalation of matters connected to its role as a depositary, where other functions with potentially conflicting interests are not represented. For further details on management, monitoring and disclosure of potential conflicts of interest please refer to Instruction for Handling of Conflicts of Interest in Skandinaviska Enskilda Banken AB (publ) – Luxembourg Branch which can be found on the following webpage: https://sebgroup.lu/conflictofinterest

In compliance with the provisions of the Depositary Agreement and the Law of 2010, as amended from time to time, the Depositary may, subject to certain conditions and in order to effectively conduct its duties, delegate part or all of its safe-keeping duties in relation to financial instruments that can be held in custody, duly entrusted to the Depositary for custody purposes, and/or all or part of its duties regarding the record keeping and verification of ownership of other assets of the Company to one or more delegate(s), as they are appointed by the Depositary from time to time.

In order to avoid any potential conflicts of interest, irrespective of whether a given delegate is part of the SEB Group or not, the Depositary exercise the same level of due skill, care and diligence both in relation to the selection and appointment as well as in the on-going monitoring of the relevant delegate. Furthermore, the conditions of any appointment of a delegate that is member of the SEB Group will be negotiated at arm's length in order to ensure the interests of the investors. Should a conflict of interest occur and in case such conflict of interest cannot be neutralized, such conflict of interest as well as the decisions taken will be disclosed to the investors and the Prospectus revised accordingly. An up-to-date list of these delegates can be found on the following webpage:
https://sebgroup.lu/globalcustodynetwork

Where the law of a third country requires that financial instruments are held in custody by a local entity and no local entity satisfies the delegation requirements of article 34bis, paragraph 3, lit. b) i) of the Law of 2010, as amended, the Depositary may delegate its functions to such local entity to the extent required by the law of that third country for as long as there are no local entities satisfying the aforementioned requirements.

In order to ensure that its tasks are only delegated to delegates providing an adequate standard of protection, the Depositary has to exercise all due skill, care and diligence as required by the Law of 2010, as amended, in the selection and the appointment of any delegate to whom it intends to delegate parts of its tasks and has to continue to exercise all due skill, care and diligence in the periodic review and ongoing monitoring of any delegate to which it has delegated parts of its tasks as well as of any arrangements of the delegate in respect of the matters delegated to it. In particular, any delegation is only possible when the delegate at all times during the performance of the tasks delegated to it segregates the assets of the Company from the Depositary's own assets and from assets belonging to the delegate in accordance with the Law of 2010, as amended. The Depositary's liability shall not be affected by any such delegation unless otherwise stipulated in the Law of 2010, as amended and/or the Depositary Agreement.

An up-to-date information regarding the Depositary, its duties and the conflicts of interest that may arise, any safekeeping functions delegated by the Depositary, the list of delegates and any conflicts of interests that may arise from such delegation, is available to the investors upon request at the registered office of the Management Company.

The Depositary is liable to the Company or its investors for the loss of a financial instrument held in custody by the Depositary and/or a delegate. In case of loss of such financial instrument, the Depositary has to return a financial instrument of an identical type or the corresponding amount to the Company without undue delay. In accordance with the provisions of the Law of 2010, as amended, the Depositary will not be liable for the loss of a financial instrument, if such loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depositary shall be liable to the Company and to the investors for all other losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its duties in accordance with applicable law, in particular the Law of 2010, as amended, and/or the Depositary Agreement.

The Company and the Depositary may terminate the Depositary Agreement at any time by giving ninety (90) days' notice in writing. In case of a voluntary withdrawal of the Depositary or of its removal by the Company, the Depositary must be replaced at the latest within two (2) months after the expiry of the aforementioned termination notice by a successor depositary to whom the Company's assets are to be delivered and who will take over the functions and responsibilities of the Depositary. If the Management Company/Company does not name such successor depositary in time the Depositary may notify the CSSF of the situation. The Management Company/Company will take the necessary steps, if any, to initiate the liquidation of the Company, if no successor depositary bank has been appointed within two (2) months after the expiry of the aforementioned termination notice of ninety (90) days.

DESCRIPTION OF SHARES

Shares of Class B of the Company have no par value and are at present issued only in registered form, with like rights and privileges.

The Shares of Class B can be issued and redeemed at the registered offices of the Management Company, or the Administrative Agent, through any other Distributor/ Placement Agents and/or sub-distributor and sub-placement agents.

The applicable fees, if any, for issue, redemption and conversion are laid down in the respective sections hereafter.

The Class B Shares corresponding to the Lancelot Ector - Master Fund may be issued in the form of two categories being Dividend Shares and Accumulation Shares. Shareholders may switch from Accumulation Shares into Dividend Shares or vice-versa into the other without cost on the basis of their respective Net Asset Values.

The annual dividend (as shall be proposed for the Dividend Shares by the Board of Directors in the first quarter of the following corporate year and ratified by the annual general meeting of shareholders of the Company) will be equal to the Hurdle of the previous corporate year. If however the Hurdle is lower than 2%, the Board of Directors may propose a dividend that is higher than the Hurdle. If the total net income and net realized or unrealized gains for a specific year attributable to the dividend class of shares were to be lower than the proposed dividend, the Board of Directors may still declare such a dividend, even if this entails a return of results carried forward or of capital, provided always that the minimum capital of the equivalent in SEK of EUR 1.25 million shall be maintained for the Sub-Fund.

Shares allocated or converted shall be registered Shares with a computerised confirmation of ownership being sent to the record-holder thereof; formal registered Share certificates are issued only upon request. Share confirmations or, if applicable, registered share certificates shall be sent within 30 days of the relevant Valuation Day.

The Company's Articles of Incorporation permit the issue of Shares of different categories or Classes, which relate to different Sub-Funds. Subject as above, each Share of Class B shall carry the right to participate equally in the profits of, and the results of the relevant Sub-Fund's operations. Registered Share ownership is evidenced by entry in the Company's register and is represented by either confirmation(s) of ownership or, if specifically requested, a Share certificate.

Each whole Share entitles the holder thereof at all general meetings of shareholders and at all special meetings of the relevant Class of Shares to one vote which may be cast in person or by proxy. Special Class meetings shall be constituted by all holders present or represented of Shares of Class B relating to the relevant Sub-Fund.

The Shares will have no preferential, preemption, conversion or exchange rights. There are no, nor is it intended that there will be, any outstanding options or special rights relating to any Shares.

The Shares are freely transferable, except that the Board of Directors may, according to the Articles, restrict the ownership of Shares by certain persons (the "**Restricted Persons**") as defined therein. The Directors have decided that no Shares shall be issued, transferred to or held by U.S. Persons.

PURCHASE OF SHARES

Shares are offered for sale and issued on each day, if such day is a Valuation Day. Duly completed and signed subscription forms received by the Administrative Agent at or before 16:00 hours (Central European time) on a Valuation Day will, if accepted, be dealt with on the basis of the relevant Net Asset Value per Share of the relevant Class, calculated on the next Valuation Day. Requests received thereafter will be held over to the second Valuation Day following the receipt of the subscription request, to be executed at the prices ruling on that day. Shares will be issued on the Valuation Day.

At present only Shares of Lancelot Ector - Master Fund are available for subscriptions in a continuous offering based on their Net Asset Value per Share, as described below.

Applications may be sent to the Global Distributor, or any sub-distributors/ sub-placement agents (if any) which shall transmit the substantive content thereof to the Administrative Agent or they may be sent directly to the Company in Luxembourg. An investor should instruct his bank to effect payment by telegraphic or SWIFT transfer of the related amount to the appropriate bank account listed in the applicable Application Form provided by the transfer agent, indicating the proper identity of the subscriber(s) and the Class B and whether these are Accumulation or Dividend Shares in respect of the relevant Sub-Fund(s) in which Shares are subscribed.

Shares of Class B are issued through the Global Distributor and/or the sub-distributors /sub-placement agents (if any) at an Issue Price based on the Net Asset Value per Share on the relevant Valuation Day.

Details of the Issue Price shall be available for inspection at the registered office of the Company.

The full amount payable on subscription must be transferred in SEK, for value three (3) Luxembourg bank business days after the relevant Valuation Day, with indication of the proper identity of the subscriber and the Class of Shares and Sub-Fund in which Shares are subscribed; in case the last such day is not a bank business day in the country of the relevant currency, the transfer may be effected for value the next such day.

The Company reserves the right to reject any application in whole or in part in the light of market conditions prevailing on the financial markets, in which event the application moneys or the balance thereof will be returned to the applicant.

REDEMPTION OF SHARES

All redemption orders are made on the basis of the unknown Net Asset Value per Share. Redemption requests received by the Administrative Agent at or before 16:00 hours (Central European time) on a Valuation Day shall be executed at the Net Asset Value per Share of the relevant Class as calculated on the next Valuation Day. Requests received thereafter will be held over to the second Valuation Day following receipt of the redemption request, to be executed at prices ruling on that day. Shares will be cancelled on the Valuation Day.

Redemption requests must be accompanied, if issued, by the registered Share certificates in respect of the Shares, duly endorsed for redemption. A request duly made shall be irrevocable, except in case of and during any period of suspension or deferral of redemptions.

In case of redemption requests on any Valuation Day in excess of 10% of the Net Asset Value of the relevant Class of Shares or in case redemption requests during a period of three consecutive Valuation Days totalling more than 10% of the Net Asset Value of the relevant Class of Shares, the Company may defer all such redemptions for a period of not more than seven consecutive Valuation Days, but always subject to the foregoing limits (see below). On such Valuation Days, such requests for redemption will be complied with in priority to later requests.

The price to be paid in respect of each Share tendered for redemption (the "**Redemption Price**") will be the Net Asset Value per Share.

The net Redemption Price is based on the Net Asset Value determined as of the next Valuation Day after the receipt by the Company of the redemption request on a Valuation Day at or before 16:00 hours (Central European time) and of the relevant Share certificates, if any. When there is a suspension of the calculation of the Net Asset Value or a deferral of redemptions, Shares to be redeemed on Valuation Days falling during the period of such suspension or deferral will be redeemed at the Net Asset Value per Share of the relevant Class calculated on the next Valuation Day following termination of such suspension and in the case of a deferral at the Net Asset Value per Share of the relevant Valuation Day, unless withdrawn in writing prior thereto.

Payments will ordinarily be made in the reference currency of the relevant Class, within three (3) Luxembourg bank business days after the relevant Valuation Day or on the date the Share certificate(s) (if issued) have been returned to the Company, if later.

The Company may redeem the residual shareholding of any shareholder, if compliance with a redemption or conversion request would result in an aggregate residual holding of less than 5,000 SEK. See also a description of certain compulsory redemption or merger procedures under the header "Termination and Merger of Sub-Funds or Classes of Shares" above.

The value of Shares at the time of their redemption may be more or less than their acquisition cost, depending on the market value of the assets held by the Sub-Fund at the time of acquisition and redemption. Any Shares redeemed shall be cancelled.

The Redemption Price shall be available on demand at the registered office of the Company, the Administrative Agent, the Global Distributor and/or any other sub-distributor/ sub-placement agent (if any).

CONVERSION OF SHARES

Holders of Shares of Class B of a Sub-Fund will be entitled to convert (switch) some or all of their holding into Shares of the same Class corresponding to another Sub-Fund of the Company (if any) on any day which is a Valuation Day for both relevant Sub-Funds, by making application to the Company's Administrative Agent in Luxembourg or through the Global Distributor or the relevant distributor or sub-distributor by facsimile or email, confirmed in writing and which must include the following information: The name of the holder and, if possible, his reference number on any Share confirmation which he may have received earlier, the number and Class of Shares of each Sub-Fund to be converted and the proportion or value of those Shares to be allocated to each new Sub-Fund (if more than one). Furthermore, conversions may be done from Dividend Shares into Accumulation Shares and vice-versa.

It should be noted that conversion of Shares represented by a formal Share certificate cannot be effected until the Company is in receipt of the relevant Share certificate(s) (duly renounced) and that Shares of Class B may be converted only into Shares of the same Class B of another Sub-Fund.

All conversion orders are made on the basis of the unknown Net Asset Value per Share. Conversion requests received by the Administrative Agent at or before 16:00 hours (Central European time) on a Valuation Day shall be executed at the Net Asset Value per Share of the relevant Class as calculated on the next Valuation Day. Requests received thereafter will be held over to the second Valuation Day following the receipt of the conversion request, to be executed at prices ruling on that day.

The basis of conversion is related to the respective Net Asset Values per Share of the Classes concerned. The Administrative Agent will determine the number of Shares into which a shareholder wishes to convert his existing Shares in accordance with the following formula:

$$A = \frac{B \times C}{D}$$

A = the number of Shares (and in the case of registered Shares, a fraction to one hundredth of a Share) in the same Class B of the new Sub-Fund

B = the number of Shares in the original Sub-Fund

C = the Redemption Price per Share in the original Sub-Fund,

D = the Net Asset Value per Share of the new Sub-Fund

The Company will provide an account-confirmation or details of the conversion to the shareholder concerned and issue new Share certificates, if so requested by him.

DISTRIBUTION OF SHARES

The Management Company has by Placement & Distribution Agreement appointed Lancelot Asset Management AB, with registered office at Nybrokajen 7, PO Box 16172, S-10323 Stockholm, Sweden to act as Global Distributor for the Shares. Subject to Lancelot Asset Management AB's approval, further agreements may be concluded by the Global Distributor with other Distributors/ Placement Agents, who will assist in the offer and sale of Shares, in accordance with all applicable laws. These agreements shall all be concluded for an unlimited duration.

MARKET TIMING, LATE TRADING AND OTHER ILLEGAL TRADING PRACTICES

The Company will take measures it deems adequate to prevent unlawful trading practices such as market timing and late trading of Shares of any Sub-Fund. To that effect, deadlines and cut-off times for subscriptions and redemptions mentioned in this Prospectus shall be strictly enforced.

The Company will ensure that each application for Shares in a Sub-Fund is processed in accordance with this Prospectus and traded at the applicable Net Asset Value per Share. The Company may refuse to process applications if there is a suspicion that such applications might be illegal or abusive.

ANTI-MONEY LAUNDERING AND FIGHT AGAINST FINANCING OF TERRORISM

The Company has delegated to the Management Company the administration in respect of all the Sub-Funds. Pursuant to such delegation, the Management Company or its delegates will monitor the anti-money laundering procedures that have been put in place. Pursuant to international rules and Luxembourg laws and regulations and circulars of the supervising authority (comprising, but not limited to, the law of 12th November 2004 on the fight against money laundering and financing of terrorism, as amended) as well as circulars of the supervising authority, obligations have been imposed on all professionals of the financial sector to prevent the use of UCIs for money laundering and financing of terrorism purposes. As a result of such provisions, the registrar agent of a Luxembourg UCI must in principle ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. Accordingly, the Registrar and Transfer Agent may require subscribers to provide acceptable proof of identity and for subscribers, who are corporate or legal entities, an extract from the registrar of companies or articles of incorporation or other official documentation. In any case, the Registrar and Transfer Agent may require, at any time, additional documentation relating to an application for Shares.

Such information shall be collected for compliance reasons only and shall not be disclosed to unauthorised persons.

In case of delay or failure by an applicant to provide the documents required, the application for subscription (or, if applicable for redemption) will not be accepted. Neither the Company nor the Registrar and Transfer Agent have any liability for delays or failure to process deals as a result of the applicant providing no or only incomplete documentation. Shareholders may be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations.

NET ASSET VALUE DETERMINATION

The net asset value of the Company's assets (the "**Net Asset Value**") and the Net Asset Value per Share of each Sub-Fund will be determined in the relevant Reference Currency, at present in SEK for Lancelot Ector - Master Fund, on every Bank Business Day on which the Net Asset Value is calculated (a "**Valuation Day**"), except in case of a suspension as described below.

The Net Asset Value per Share of each Sub-Fund will be calculated in respect of any Valuation Day by valuing the total relevant net assets of the relevant Sub-Fund, being the market value of its assets less its liabilities, divided by the number of the relevant Shares of the Class B and category (Accumulation or Dividend Shares). The Net Asset Value per Share of the same categories of Class B shall be identical in respect of each relevant Sub-Fund, but shall differ for the respective Dividend Shares and Accumulation Shares due to the effect of distributing respectively accumulating net annual results of such Sub-Funds.

The value of the assets of each Class of Shares of each Sub-Fund is determined as follows:

a) Securities or Money Market Instruments admitted to official listing on a stock exchange or which are traded on another regulated market which operates regularly and is recognised and open to the public within the EU or the OECD Member States are valued on the base of the last known sales price. If the same security or Money Market Instrument is quoted on different markets, the quotation of the main market for this security or Money Market Instrument will be used. If there is no relevant quotation or if the quotations are not representative of the fair value, the evaluation will be done in good faith by the Board of Directors or its delegate with a view to establishing the probable sales prices for such securities or Money Market Instruments.

b) Non-listed securities or Money Market Instruments are valued on the base of their probable sales price as determined in good faith by the Board of Directors and its delegate.

c) Liquid assets are valued at their nominal value plus accrued interest.

d) Time deposits may be valued at their yield value if a contract exists between the Company and the Depositary stipulating that these time deposits can be withdrawn at any time and their yield value is equal to the realized value.

e) All assets denominated in a different currency than the respective Sub-Fund's currency are converted into this respective Sub-Fund's currency at the exchange rates used by the Management Company for the respective Valuation Day.

f) Financial instruments which are not traded on the futures exchanges but on a regulated market are valued at their settlement value, as stipulated by the Company's Board of Directors in accordance with generally accepted principles, taking into consideration the principles of proper accounting, the customary practices in line with the market, and the interests of the shareholders, provided that the above-mentioned principles correspond with generally accepted valuation regulations which can be verified by the independent auditors.

g) Units or shares of UCI(TS) are valued at the last available net asset value.

h) In case of extraordinary circumstances, which make the valuation in accordance with the above-mentioned criteria impossible or improper, the Company is authorised to temporarily follow other valuation regulations in good faith and which are according to the verifiable valuation regulations laid down by the independent auditors in order to achieve a proper valuation of the respective Sub-Fund's assets.

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

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

The issue and redemption prices may be obtained at the registered office of the Company and from the Distributors/ Placement Agents and any sub-distributor/ sub-placement agent (the name(s) and address(es) of which may be obtained from the Management Company).

SUSPENSION OF THE CALCULATION OF NET ASSET VALUE AND OF ISSUE, REDEMPTION AND CONVERSION OF SHARES

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

a) during any period (other than ordinary holidays or customary week-end closings) when any market or stock exchange, which is the main market or stock exchange for a significant part of a Sub-Fund's investments, or in which trading thereon is restricted or suspended;

b) during any period when an emergency exists as a result of which it is impossible to dispose of investments which constitute a substantial portion of the assets of a Sub-Fund; or it is impossible to transfer moneys involved in the acquisition or disposition of investments at normal rates of exchange; or it is impossible for the Company to fairly determine the value of any assets in a Sub-Fund; or

c) during any breakdown in the means of communication normally employed in determining the price of any of the relevant Sub-Fund's investments or of current prices on any stock exchange; or

d) when for any reason the prices of any investments owned by the Sub-Fund cannot be reasonably, promptly or accurately ascertained; or

e) during any period when remittances of moneys which will or may be involved in the purchase or sale of any of the Sub-Fund's investments cannot, in the opinion of the Board of Directors, be carried out at normal rates of exchange; or

f) in the event of the publication (i) of the convening notice to a general meeting of shareholders at which a resolution to wind up the Company or a Sub-Fund is to be proposed, or of the decision of the Board of Directors to wind up one or more Sub-Funds, or (ii) to the extent that such a suspension is justified for the protection of the shareholders, of the notice of the general meeting of shareholders at which the merger of the Company or a Class is to be proposed, or of the decision of the Board of Directors to merge one or more Classes; or

g) where in the opinion of the Board of Directors, circumstances which are beyond the control of the Board of Directors make it impracticable or unfair vis-à-vis the shareholders to continue trading the Shares or in any other circumstance or circumstances where a failure to do so might result in the Company or its shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment to which the Company or its shareholders might not otherwise have suffered.

Any suspension of the determination of the Net Asset Value will be notified to the Luxembourg Supervisory Authority and, if the Shares are distributed in other member states of the European Union, to the competent authorities of those member states. Any suspension shall also be notified to the shareholders requesting subscription, redemption or conversion of their Shares during the period of suspension.

CHARGES AND EXPENSES

The Company shall bear the following expenses:

a) All taxes owed on the Company's assets and income;

b) Bank fees, possible registration, brokerage and settlement fees for transactions in assets making up the Company's portfolio, as well as fees on transfers referring to redemptions of Shares;

c) The fees of directors, auditors and legal advisors, the costs of preparing, printing and distributing all Prospectuses; KIID (if applicable), explanatory memoranda, reports and other necessary documents concerning the Company and its Sub-Funds, any fees and expenses involved in registering and maintaining the registration of the Company and its Sub-Funds with any governmental agency and stock exchange (including any information or documentation that may be required for the distribution of the Shares), the costs of publishing prices and the operational expenses, and the cost of holding shareholders' meetings;

d) The cost of extraordinary measures, in particular experts' or counsels' fees or law suits necessary to protect shareholders' interests; and

e) Any additional out-of-pocket expenses.

All fees will be determined in accordance with the applicable market standards in Luxembourg.

Fees which are directly attributable to a particular Sub-Fund will be allocated to that Sub-Fund. Expenses which are not directly attributable to a particular Sub-Fund are allocated among the Sub-Funds concerned, in proportion to the Net Asset Value of each Sub-Fund. Fees applicable to one Class of Shares may differ from the fees applicable to other Classes of Shares.

The following fees and other expenses will be borne by each Sub-Fund as follows:

- the Administration Fee (including the Depositary Fee), as set out in the section “Management Company”;
- the Infrastructure Fee as set out in the section “Management Company”;
- the Investment Management Fee as set out in the section “Management Company”;
- the Registrar and Transfer Agent Fee, as set out in the section “Management Company”.

TAXATION

The following summary is based on the law and practice currently in force in the Grand Duchy of Luxembourg and is subject to changes therein.

(1) **The Company**

a) Luxembourg: The Company is not liable to any Luxembourg income tax nor are dividends paid by the Company liable to any Luxembourg withholding tax. The Company is, however, liable in Luxembourg to a tax of maximum 0.05% per annum of its net assets, payable quarterly on the basis of the value of the net assets of the Company at the end of each quarter provided that such tax shall be waived in respect of assets, if any, of the Company invested in another Luxembourg UCITS and/or UCI. No stamp or other tax is payable in Luxembourg on the issue of Shares.

Under current law and practice, it is anticipated that no Luxembourg capital gains tax will be payable on the realised or unrealised capital appreciation of the assets of the Company.

b) General: Dividends and/or interest received by the Company or its investments may be subject to non-recoverable withholding taxes in the countries of origin.

(2) **Shareholders**

Luxembourg: Shareholders are not subject to any tax on capital gains, income, gift estate, inheritance or other tax in Luxembourg (except for shareholders domiciled, resident or having a permanent establishment in Luxembourg and certain former residents of Luxembourg).

General

The receipt of dividends (if any) by shareholders, the redemption or transfer of Shares and any distribution on a winding-up of the Company may result in a tax liability for the shareholders according to the tax regime applicable in their various countries of residence, citizenship or domicile. Shareholders resident in or citizens of certain countries which have anti-offshore fund legislation may have a current liability to tax on the undistributed income and gains of the Company.

The information set out above is a summary of those tax issues which could arise in the Grand Duchy of Luxembourg and does not purport to be a comprehensive analysis of the tax issues which could affect a prospective subscriber. It is expected that shareholders may be resident for tax purposes in many different countries. Consequently, no attempt is made in this Prospectus to summarise the tax consequences for each prospective investor of subscribing, converting, holding, redeeming or otherwise acquiring or disposing of Shares in the Company. These consequences will vary in accordance with the law and practice currently in force in a shareholder's country of citizenship, residence, domicile or incorporation and with his or her personal circumstances.

Investors should ascertain from their professional advisers the consequences of them acquiring, holding, redeeming, converting, transferring or selling Shares under the laws of the jurisdictions to which they are subject, including the tax consequences and any foreign exchange control requirements.

The Directors, the Company and each of the Company's agents shall have no liability in respect of the individual tax affairs of shareholders.

Common reporting standard

The Company is subject to the Standard for Automatic Exchange of Financial Account Information in Tax matters (the "**Standard**") and its Common Reporting Standard (the "**CRS**") as set out in the Luxembourg law dated 18th December 2015 on the Common Reporting Standard (*loi relative à l'échange automatique de renseignements relatifs aux comptes financiers en matière fiscale*) (the "**CRS Law**").

The CRS Law is based on the European Directive 2014/107/EU of 9th December 2014 amending provisions of Directive 2011/16/EU on administrative cooperation in the field of taxation and the OECD`s multilateral agreements. Consequently, to eliminate the overlap of reporting obligations created between the EU Savings Directive (the "**EUSD**") and the Directive 2014/107/EU, the EUSD directive has been repealed with effect from 31st December 2015 and the last reporting in accordance with the EUSD directive, was effected in 2016 for the calendar year 2015. Further, the first reporting to the Luxembourg tax authority (the "**LTA**") under the CRS Law, was applied in 2017 for the calendar year 2016.

The intention of CRS is to safeguard against tax evasion. Accordingly, under the terms of the CRS Law, the Company is likely to be treated as a Luxembourg Reporting Financial Institution. Consequently, the Company is required to collect personal and financial information as described in Annex I of the CRS Law with effect from 1st January 2016 and without prejudice to other applicable data protection provisions as set out in the Company documentation, the Company is required to annually report this information to the LTA.

The Company's ability to satisfy its reporting obligations under the CRS Law will depend on each investor providing the Company with the Information, along with the required supporting documentary evidence. In this context, the investors are hereby informed that, the Company will process the Information for the purposes as set out in the CRS Law. The investors undertake to inform the Company or the Management Company, if applicable, of the processing of their Information by the Company.

The investors undertake to immediately inform the Company of, and provide the Company with all supporting documentary evidence of any changes related to the Information after occurrence of such changes.

Any investor that fails to comply with the Company's Information or documentation requests may be held liable for penalties imposed on the Company and attributable to such investor's failure to provide the Information or subject to disclosure of the Information by the Company to the LTA.

If you are in doubt, you should consult your tax advisor, stockbroker, bank manager, solicitor, account or other financial advisor regarding the possible implications of CRS on an investment in the Company.

Other Jurisdictions

Interest, dividend and other income realised by the Company on the sale of securities of non-Luxembourg issuers, may be subject to withholding and other taxes levied by the jurisdictions in which the income is sourced. It is impossible to predict the rate of foreign tax the Company will pay since the amount of the assets to be invested in various countries and the ability of the Company to reduce such taxes is not known.

The information set out above is a summary of those tax issues which could arise in the Grand Duchy of Luxembourg and does not purport to be a comprehensive analysis of the tax issues which could affect a prospective subscriber. It is expected that shareholders may be resident for tax purposes in many different countries. Consequently, no attempt is made in this Prospectus to summarise the tax consequences for each prospective investor of subscribing, converting, holding, redeeming or otherwise acquiring or disposing of Shares in the Company. These consequences will vary in accordance with the law and practice currently in force in a shareholder's country of citizenship, residence, domicile or incorporation and with his or her personal circumstances.

Foreign Account Tax Compliance

The Hiring Incentives to Restore Employment Act (the "**Hire Act**") was signed into U.S. law in March 2010. It includes special provisions laid down in the Foreign Account Tax Compliance Act, generally known as "**FATCA**". The intention of FATCA is that details of U.S. investors holding assets outside the U.S. will be reported by financial institutions to the Internal Revenue Service (the "**IRS**"), as a safeguard against U.S. tax evasion.

This regime became effective in phases between 1st July 2014 and 15th March 2018. Based on the Treasury Regulations §1.1471-§1.1474 issued on 17th January 2013 (the "**Treasury Regulations**") the Company is a "**Financial Institution**". As a result of the Hire Act, and to discourage non-U.S. Financial Institutions from staying outside this regime, on or after 1st July 2014, a Financial Institution that does not enter and comply with the regime will be subject to a U.S. withholding tax of 30% on gross proceeds as well as on income from the U.S. and, on or after 1st January 2017, also potentially on non-U.S. investments.

Luxembourg has entered into a Model I Intergovernmental Agreement (the "**IGA**") with the United States. Under the terms of the IGA, the Company will be obliged to comply with the provisions of FATCA under the terms of the IGA and under the terms of Luxembourg legislation implementing the IGA (the "**Luxembourg IGA legislation**"), rather than under the U.S. Treasury Regulations implementing FATCA.

In order to protect shareholders from the effect of any penalty withholding, it is the intention of the Company to be compliant with the requirements of the FATCA regime and hence, qualify as a so-called "**participating financial institution**" as defined in the IGA.

The Company qualifies as a so-called "**sponsored financial institution**" as defined in the IGA. The Administrative Agent qualifies as a so-called "**sponsoring financial institution**". The Sub-Administrative Agent agrees to sponsor the Company for the purpose and within the meaning of the IGA. The Company intends not to register with the IRS and intends to be so-called "**non-reporting sponsored financial institutions**" within the meaning of the IGA. In case the Company would be subject to reporting obligations under the FATCA regulation, the Administrative Agent will register the Company as its sponsoring entity with the IRS and hence, the Administrative Agent will comply as set out in article 2 and 4 as well as Annex II, Chapter IV, section A. 3 of the IGA in due time (i.e. not later than 90 (ninety) days after the reportable event has first been identified) with all due diligence, withholding, registration and reporting obligations on behalf of the Company regarding certain holdings by and payments made to (a) certain U.S. investors, (b) certain U.S. controlled foreign entity investors and (c) non-U.S. financial institution investors that do not comply with the terms of the Luxembourg IGA legislation. Further, the Administrative Agent will perform any requirements that the Company would have been required to perform if it were a reporting Luxembourg financial institution as defined in the IGA. Under the Luxembourg IGA, such information will be onward reported by the Luxembourg tax authorities to the IRS under the general information exchange provisions of the U.S.-Luxembourg Income Tax Treaty. The Administrative Agent is required to monitor its own and the Company's status as being a participating financial institution and a non-reporting entity on an ongoing basis and has to ensure that the Administrative Agent and the Company meet the conditions for such status over the time.

In cases where investors invest in the Company through an intermediary or a distributor, investors are reminded to check whether such intermediary is FATCA compliant and hence, qualifies as a participating financial institution as defined in the IGA. In case any of the Company's distributor should change its status as participating financial institution, such distributor will notify the Management Company within ninety (90) days from the change in status of such change and the Management Company is entitled a) to redeem all Shares held through such distributor, b) to convert such Shares into direct holdings of the Company, or c) to transfer such Shares to another nominee within six (6) months of the change in status. Further, any agreement with a distributor can be terminated in case of such change in status of the distributor within ninety (90) days of notification of the distributor's change in status.

Although the Company and the Management Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the U.S. withholding tax, no assurance can be given that the Company and the Management 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 the shareholders may suffer material losses.

Other jurisdictions currently are in the process of adopting tax legislation concerning the reporting of information. The Company also intends to comply with such other similar tax legislation that may apply to the Company, although the precise requirements are not fully known yet. As a result, the Company may need to seek information about the tax status of investors under the laws of such jurisdictions for disclosure to the relevant governmental authorities.

If you are in any doubt, you should consult your tax advisor, stockbroker, bank manager, solicitor, accountant or other financial adviser regarding the possible implications of FATCA on an investment in the Company.

MEETINGS AND REPORTS AND INFORMATION TO SHAREHOLDERS

The annual general meeting of shareholders of the Company will be held in Luxembourg at a date and time decided by the directors being no later than six months after the end of the Company's previous financial year. Other general meetings or special Class meetings of shareholders may be held at such time and place as are indicated in the notices of such meetings. Notices of general meetings are given in accordance with Luxembourg law, including by post or any other means of communication having been individually accepted by a shareholder allowing the information of the shareholder at least eight (8) days prior to the general meeting and, to the extent legally necessary, by publication in the RESA in Luxembourg, in a Luxembourg newspaper and in such other newspapers as the Directors may determine. Notices will specify the place and time of the meeting, the conditions of admission, the agenda, the quorum and voting requirements.

Other notices shall be given by publication in a Luxembourg newspaper and in such other newspapers as the directors may determine in the relevant countries where Shares are publicly offered for sale.

Matters pertaining to or modifying the rights of one or several Sub-Funds in particular will be submitted to separate Class meetings, which will be convened according to the same rules and submitted to the same quorum and majority requirements as general meetings of shareholders, provided that decisions on a merger among two or more Sub-Funds of the Company or a merger of a Sub-Fund into another UCITS (whether established in Luxembourg or another Member State and whether such UCITS is incorporated as a company or is a contractual type fund) will, in such cases where prior consent by a resolution of the relevant Classes is required, be validly resolved at a Class meeting duly convened which may be held without quorum and resolve the merger at a simple majority of the Shares present or represented (see "Termination and Merger of Sub-Funds or Classes of Shares").

Financial periods will end on 31st December in each year. The annual report containing the audited consolidated financial accounts of the Company in respect of the preceding financial period and the accounts of the Company will be made available at its registered office at least 8 days before the annual general meeting. Unaudited semi-annual reports for the period ending 30th June will be made available within two months of the relevant date. Copies of all financial reports will be available at the registered office of the Company and from the Global Distributor and the Placement and Distribution Agent in Sweden and in Luxembourg.

Those Directors who are not employees of the group of the Management Company may each receive an annual fee out of the assets of the Company, which shall be approved or ratified by the shareholders. The actual fees paid will be disclosed in the semi-annual and annual reports of the Company.

SUSTAINABLE FINANCE DISCLOSURES

In March 2018, the European Commission published an Action Plan on Financing Sustainable Growth (the "**EU Action Plan**") that set out an EU strategy for sustainable finance.

The EU Action Plan identified several legislative initiatives, including SFDR.

SFDR requires transparency with regard to the integration of evaluations of environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the investments made by a financial product, and consideration of adverse sustainability impacts of the actions financial products and financial market participants.

At the date of this Prospectus, it is difficult to predict the full extent of the impact of SFDR and the EU Action Plan on the Company. The Board of Directors reserves the right to adopt such arrangement as it deems necessary or desirable to ensure that the Company complies with any applicable requirements of the SFDR and any other applicable legislation or regulations related to the EU Action Plan. In particular, the Management Company and the Company await the further consultation and/or guidance on the level 2 regulatory technical standards (the "**RTS**"), and the finalization of the RTS.

It is noted that the RTS to be introduced by the EU to specify the details of the content and presentation of the information to be disclosed by financial market participants like the Company pursuant to SFDR have been delayed and have not yet entered into force at the date of this Prospectus. It is noted that the European Commission has recommended that from the effective date of SFDR, financial market participants seek to comply with the specific disclosure obligations in SFDR that are reliant on RTS on a 'high-level, principles-based approach' pending publication of the RTS.

The Company therefore seeks to comply on a best efforts basis with the relevant disclosure obligations and makes this disclosure as a means of achieving this objective.

It is expected that this section of the Prospectus will be reviewed and updated once the relevant RTS come into effect, noting in particular that the regulatory technical standards are expected to contain details on the form and presentation of the information to be disclosed and this could therefore require a revised approach to how the Company seeks to meet the disclosure obligations in the SFDR.

Please refer to section entitled "Risk Factors" and the sub-section entitled "Sustainable Risks" in respect of the risks related to sustainable finance disclosures.

TAXONOMY REGULATION DISCLOSURES

The Taxonomy Regulation is a piece of directly effective EU legislation that is applicable to the Company.

Its purpose is to establish a framework to facilitate sustainable investment. It sets out harmonised criteria for determining whether an economic activity qualifies as environmentally sustainable and outlines a range of disclosure obligations to enhance transparency and to provide for objective comparison of financial products regarding the proportion of their investments that contribute to environmentally sustainable economic activities.

It is notable that the scope of environmentally sustainable economic activities, as prescribed in the Taxonomy Regulation, is narrower than the scope of sustainable investments under SFDR. Therefore, although there are disclosure requirements for both, these two concepts should be considered and assessed separately. This section addresses only the specific disclosure requirements of the Taxonomy Regulation.

Given the investment focus and the asset classes/sectors in which the Company invests, the Investment Manager does not integrate a consideration of environmentally sustainable economic activities (as prescribed by the Taxonomy Regulation) into the investment process for the Company. Therefore, for the purpose of the Taxonomy Regulation, it should be noted that the investments underlying the Company do not take into account the EU criteria for environmentally sustainable economic activities.

It is expected that this section of the Prospectus will be reviewed and updated once the relevant RTS come into effect.

POLICIES

Conflicts of interest

The Board of Directors, the Management Company, the Investment Manager and the other service providers of the Company, and/or their respective affiliates, members, employees or any person connected with them may be subject to various conflicts of interest in their relationships with the Company.

The Board of Directors has adopted and implemented a conflicts of interest policy in accordance with its Code of Conduct.

The Management Company, the Company and the Investment Manager have adopted and implemented a conflicts of interest policy and have made appropriate organisational and administrative arrangements to identify and manage conflicts of interests so as to minimize the risk of the Company's interests being prejudiced, and if they cannot be avoided, ensure that the Company's investors are treated fairly.

In the conduct of its business the Management Company adopted a conflicts of interest policy (the "**Conflicts of Interest Policy**") to identify, manage and where necessary prohibit any action or transaction that may give rise to conflicts entailing a material risk of damage to the interest of the Company or its shareholders. The Management Company strives to manage any conflicts in a manner consistent with the highest standards of integrity and fair dealing. For this purpose, it has implemented procedures that shall ensure that any business activities involving a conflict, which may harm the interests of the Company or its shareholders, are carried out with an appropriate level of independence and that any conflicts are resolved fairly.

Notwithstanding its due care and best effort, there is a risk that the organizational or administrative arrangements made by the Management Company for the management of conflicts of interest are not sufficient to ensure with reasonable confidence, that risks of damage to the interests of the Company or its shareholders will be prevented. In such case where a conflict of interest cannot be avoided and/or requires particular actions, the Management Company or the Board of Directors will report to shareholders by an appropriate durable medium and give reasons for the decision.

A paper version of the Conflicts of Interest Policy is available free of charge at the registered office of the Management Company.

Detailed information regarding the Conflict of Interest Policy can also be found on the following webpage of the Management Company: https://www.fundrock.com/policies-and-compliance/conflict-of-interest/

Preferential treatment of investors

Shareholders are being given a fair treatment by ensuring that they are subject to the same rights and, as the case may be, the same obligations vis-à-vis the Company (as such rights are obligations notably result from the Articles and this Prospectus) as those to which other shareholders, having invested in, and equally or similarly contributed to, the same class of Shares, are subject to. Notwithstanding the foregoing paragraph, it cannot be excluded that a shareholder be given a preferential treatment in the meaning of, and to the widest extent, allowed by, the Articles. Whenever a shareholder obtains preferential treatment or the right to obtain a preferential treatment, a description of that preferential treatment, the type of shareholders who obtained such preferential treatment and, where relevant, their legal or economic links with the Company or the Management Company will be made available at the registered office of the Management Company subject the same limits required by the Law.

Remuneration Policy

The Management Company has established and applies a remuneration policy in accordance with principles laid out under the Directive 2009/65/EC and any related legal and regulatory provisions applicable in Luxembourg.

The remuneration policy is aligned with the business strategy, objectives, values and interests of the Management Company, the Company and of the shareholders of the Company, and which includes, inter alia, measures to avoid conflicts of interest. The remuneration policy is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the Company.

As an independent management company relying on a full-delegation model (i.e. delegation of the collective portfolio management function), the Management Company ensures that its remuneration policy adequately reflects the predominance of its oversight activity within its core activities. As such, it should be noted that the Management Company's employees who are identified as risk-takers under Directive 2009/65/EC are not remunerated based on the performance of the UCITS under management.

An up-to-date version of the remuneration policy (including, but not limited to, the description of how remuneration and benefits are calculated, as well as the identity of the persons responsible for awarding the remuneration and benefits and the composition of the remuneration committee) is available at: https://www.fundrock.com/policies-and-compliance/remuneration-policy A paper version of this remuneration policy is made available free of charge at the Management Company's registered office.

The Management Company's remuneration policy, in a multi-year framework, ensures a balanced regime where remuneration both drives and rewards the performance of its employees in a measured, fair and well-thought-out fashion which relies on the following principles*:

- identification of the persons responsible for awarding remuneration and benefits (under the supervision of the remuneration committee and subject to the control of an independent internal audit committee);
- identification of the functions performed within the Management Company which may impact the performance of the entities under management;
- calculation of remuneration and benefits based on the combination of individual and company's performance assessment;
- determination of a balanced remuneration (fixed and variable);
- implementation of an appropriate retention policy with regards to financial instruments used as variable remuneration;
- deferral of variable remuneration over 3-year periods;
- implementation of control procedures/adequate contractual arrangements on the remuneration guidelines set up by the Management Company's respective portfolio management delegates.

*It should be noted that, upon issuance of final guidelines, this remuneration policy may be subject to certain amendments and/or adjustments.

Other Policies

The Management Company will make the following additional information available at its registered office upon request in accordance with Luxembourg laws and regulations: the procedures relating to complaints handling, the strategy followed for the exercise of voting rights of the Company, the best execution policy and the procedure for the giving and receiving of inducements.

HISTORICAL PERFORMANCE

If available, past performance information will be included in the KIID, which is available free of charge from the registered office of the Company and the Management Company.

DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during usual business hours on any weekday (Saturdays and public holidays excepted) at the registered office of the Company:

1. The Prospectus of Lancelot Ector;

2. The KIIDs of Lancelot Ector;

3. The Articles of Incorporation of the Company a copy of which may be obtained on request;

4. The Management Company Agreement between Lancelot Ector and FundRock Management Company S.A.;

5. The Investment Management Agreement between FundRock Management Company S.A. and Lancelot Asset Management AB;

6. The Sub-Investment Management Agreement between Lancelot Asset Management AB and Excalibur Värdepappersfond AB;

7. The Depositary Agreement between Lancelot Ector, FundRock Management Company S.A. and Skandinaviska Enskilda Banken S.A.;

8. The Placement and Distribution Agreement between FundRock Management Company S.A. and Lancelot Asset Management AB;

9. The latest audited annual financial report and, if more recent, the latest unaudited semi-annual financial report.

The agreements here above may be amended by mutual consent of the parties thereto.

APPENDIX A - INVESTMENT RESTRICTIONS

A) The Investments of each Sub-Fund must consist solely of:

1) Transferable Securities and Money Market Instruments admitted to or dealt on either:

- A Regulated Market,
- Another Regulated Market operated regularly in a Member State meeting conditions listed under the relevant Definitions on page 6,
- admitted to a public listing on a Regulated Market in another state than a Member State (following "**Another State**"),
- Another Regulated Market in Another State,
- recently issued Transferable Securities and Money Market Instruments, provided that the terms of issue include an undertaking that an application will be made for the admission to official listing on a Regulated Market, a stock exchange in Another State or on an Other Regulated Market as described and such admission is due to be secured within one year of issue;

Money Market Instruments other than those dealt in on a Regulated Market or on an Other Regulated Market, to the extent that the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that such instruments are either:

- issued or guaranteed by a central, regional or local authority, a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, an Other State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
- issued by an undertaking any securities of which are dealt on Regulated Markets or on Other Regulated Markets referred to above, or
- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the Luxembourg Supervisory Authority to be at least equivalent to those laid down by EU law, or
- issued by other bodies belonging to the categories approved by the Luxembourg Supervisory Authority provided that investments in such instruments are subject to investor protection equivalent to those specified in the first, the second or the third indent and provided that the issuer is a fund whose capital and reserves amount to at least ten million Euros (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the directive 78/660/EEC, is an entity which, within a Group of Companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

2) Units of UCITS and / or other UCIs within the meaning of Directive 2009/65/EC, whether organized under the jurisdiction of a Member State or Another State, provided that the following cumulative conditions are met:

- such other UCIs are authorized under laws which provide that they are subject to supervision considered by the Luxembourg Supervisory Authority to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured,
- no more than 10% of the UCITS or the other UCI assets, whose acquisition is contemplated, can be invested in aggregate in units of other UCITS or other UCIs,
- the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the Directive 2009/65/EC,
- the other UCIs issue half-yearly and annual reports which contain at least assets and liabilities, income and operations statements for the reporting period.

3) Deposits. Deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve (12) months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in Another State, provided that it is subject to prudential rules considered by the Luxembourg Supervisory Authority as equivalent to those laid down in EU law.

4) Financial derivative instruments, i.e. in particular options, futures, including equivalent cash-settled instruments, dealt in on a Regulated Market or on Another Regulated Market and/or financial derivative instruments traded over-the-counter ("**OTC derivatives**"), provided that the following cumulative conditions are met :

- the underlying (notional) asset of the derivative instrument must be an investment authorized for the relevant Sub-Fund under these guidelines or consist of contracts on stock exchange indices, foreign exchange or interest rates,
- the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg Supervisory Authority,
- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and that the Company can at its own initiative and at any time sell, liquidate or close any outstanding position by an offsetting transaction at current fair market value.

No Sub-Fund will make a use of total return swaps or financial derivative instruments with similar characteristics.

Without prejudice to the limits set forth hereunder the limits set forth in (1) are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body when the aim of the Sub-Fund's investment policy is to replicate the composition of a certain stock or bond index which is recognised by the CSSF, on the following basis:

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

The limit of 20% is raised to 35% where that proves to be justified by exceptional market conditions in particular in Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

B. However, each Sub-Fund may:

1) Invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those referred to above.
2) Hold cash and cash equivalents on an ancillary basis; such restriction may exceptionally and temporarily be exceeded if the Board of Directors considers this to be in the best interest of the shareholders.
3) Borrow up to 10% of its net assets, provided that such borrowings are made only on a temporary basis. Collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed to constitute "borrowings" for the purpose of this restriction.

C. In addition, the Company shall comply in respect of the net assets of each Sub-Fund with the following investment restrictions per single issuer:

RISK DIVERSIFICATION RESTRICTIONS

(A) In accordance with the principle of risk diversification, each Sub-Fund will invest no more than 10% of its net assets in transferable securities or money market instruments issued by the same issuing body. Each Sub-Fund may not invest more than 20% of its net assets in deposits made with the same body.

The risk exposure to a counterparty of each Sub-Fund in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to under A. 4) above, or 5% of its net assets in the other cases.

Moreover, the total value of the transferable securities and money market instruments held by the Sub-Fund in the issuing bodies in each of which it invests more than 5% of its net assets must not exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the limits laid down in the first paragraph hereof, the Sub-Fund may not combine

- investments in transferable securities or money market instruments issued by,
- deposits made with and/or,
- exposures arising from OTC derivatives transactions undertaken with

a single body in excess of 20% of its net assets.

(B) The following exceptions can be made:

a) The aforementioned limit of 10% can be raised to a maximum of 25% for certain debt securities if they are issued by credit institution whose registered office is situated in an EU member state and which is subject, by virtue of law, to particular public supervision for the purpose of protecting the holders of such debt securities. In particular, the amounts resulting from the issue of such debt securities must be invested, pursuant to the law in assets which sufficiently cover, during the whole period of validity of such debt securities, the liabilities arising therefrom and which are assigned to the preferential repayment of capital and accrued interest in the case of default by the issue. If the Sub-Fund invests more than 5% of its net assets in such debt securities as referred to above and issued by the same issuer, the total value of such investments may not exceed 80% of the value of the Sub-Fund's net assets.

b) The aforementioned limit of 10% can be raised to a maximum of 35% for transferable securities or money market instruments issued or guaranteed by an EU member state, by its local authorities, by a non EU member state or by public international bodies of which one or more EU member states are members.

The transferable securities referred to in exceptions (a) and (b) are not included in the calculation of the limit of 40% laid down above.

The limits stated under (A) and (B), above, may not be combined and, accordingly, investments in transferable securities or money market instruments issued by the same body or in deposits or derivatives instruments made with this body in accordance with (A) and (B), may not, in any event, exceed a total of 35% of the Sub-Fund's net assets.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognised international accounting rules are regarded as a single body for the purpose of calculating the limits contained in the present section "Risk Diversification".

The Company may invest in aggregate up to 20% of its net assets in transferable securities and money market instruments with the same group.

(C) Notwithstanding what is provided for under (A) and (B) above, where the Sub-Fund has invested in accordance with the principle of risk spreading in transferable securities and/or money market instruments issued or guaranteed by a Member State of the European Union, by its local authorities, a non-European Union Member State as acceptable by the CSSF, including but not limited to the OECD member states or Singapore or Brazil or by public international bodies of which one or more Member States of the European Union are members, the Sub-Fund is authorised to invest up to 100% of its net assets in such securities and/or money market instruments, provided that the Sub-Fund holds securities and/or money market instruments from at least six different issues and securities and/or money market instruments from one issue do not account for more than 30% of its total net assets.

Bank Deposits

1) A Sub-Fund may not invest more than 20% of its net assets in deposits made with the same body.

Derivative Instruments

1) The risk exposure to a counterparty in an OTC derivative transaction may not exceed 10% of the Sub-Fund's net assets when the counterparty is a credit institution referred to under A (3) above or 5 % of its net assets in other cases.

2) Investment in financial derivate instruments shall only be made provided that the exposure to the underlying assets does not exceed in aggregate the investment limits allowed for such underlying assets. Investments in index-based financial derivative instruments need not be consolidated with any investments in underlying securities for the purpose of complying with restrictions on Transferable Securities and Money Market Instruments listed above.

3) When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account for the purpose of ensuring that the global exposure relating to derivative instruments does not exceed the total Net Asset Value of the Sub-Fund.

The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions.

Units of Open-Ended Funds

1) No Sub-Fund may invest more than its net assets in the units of a single UCITS or another UCI. When the Sub-Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the Management Company or by any other company with which the management of the Company is related by common management or control, or by a substantial direct or indirect holding, such other UCITS and /or other UCIs may not charge subscription or redemption fees on account of the Sub-Fund's investment in the units of such other UCITS and/ or other UCIs. The maximum rates of management fees charged both to the Sub-Fund itself and to the UCITS and/or UCIs in which it invests will be disclosed in the Company's annual report.

Unless otherwise specified at Sub-Fund level investments made in units of UCIs other than UCITS may not in aggregate exceed 30 % of the net assets of a Sub-Fund.

Combined limits

1) Notwithstanding the individual limits laid down in (1), (8) and (9) above, a Sub-Fund may not invest in aggregate more than 20% of its net assets in:

- Transferable Securities or Money Market Instruments issued by and/or
- deposits made with, and/or
- OTC derivative transactions contracted with

the same body. For the purpose of these constraints, each Sub-Fund is a separate entity.

INFLUENCE ON COMPANIES THE COMPANY IS INVESTED IN

1) No Sub-Fund may acquire such amount of voting shares which would allow the Company to exercise a significant influence over the management of the issuer.

2) Neither any Sub-Fund nor the Company as whole may acquire (i) more than 10% of the outstanding non-voting shares of any one issuer; (ii) more than 10% of the outstanding debt securities of any one issuer; (iii) more than 10% of the Money Market Instruments of any one issuer; or (iv) more than 25% of the outstanding shares or

units of any one UCI and/or UCITS. The limits set forth in (ii) to (iv) may be disregarded if, at the time of the acquisition, the amount of outstanding bonds, Money Market Instruments or shares/units in issue is not known. The ceilings set forth do not apply in respect of:

- Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or by its local authorities,
- Transferable Securities and Money Market Instruments issued or guaranteed by any Other State,
- Transferable Securities and Money Market Instruments issued by a public international body of which one or more Member State(s) are member(s),
- shares in a company which is incorporated under or organized pursuant to the laws of an Other State provided that (i) such company invests its assets principally in securities issued by issuers of that State, (ii) pursuant to the laws of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State, and (iii) such company observes in its investments policy the restrictions set forth under C,
- the equity investment in any subsidiary company, the purposes of which are exclusively to manage or advise on investments for the Company's account or to redeem its own shares at the request of shareholders.

D. Finally, the Company shall comply in respect of the assets of each Sub-Fund with the following investment restrictions:

No Sub-Fund may acquire directly physical commodities, precious metals or certificates representative thereof.

No Sub-Fund may invest in real estate (property). Investments in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein are however allowed.

No Sub-Fund may use its assets to underwrite any securities.

No Sub-Fund may issue warrants or other rights to subscribe for Shares in such Sub-Fund.

A Sub-Fund may not grant loans or guarantees in favour of a third party. Such restriction shall however not prevent a Sub-Fund from investing in partly paid Transferable Securities, Money Market Instruments or other financial instruments.

The Company may not enter into uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments.

E. Notwithstanding anything to the contrary herein contained:

The ceilings set forth above may be disregarded by each Sub-Fund when exercising subscription rights a Sub-Fund is entitled to in relation to Transferable Securities held.

If such ceilings are exceeded for reasons beyond the control of a Sub-Fund or as a result of the exercise of subscription rights, such Sub-Fund must adopt as its priority objective in its sale transactions the remedying of such situation, taking due account of the interests of its shareholders.

The Board of Directors has the right to determine additional investment restrictions to the extent that those restrictions are necessary to comply with the laws and regulations of countries where Shares of the Company are offered or sold.

APPENDIX B – INVESTMENT TECHNIQUES AND INSTRUMENTS

The Company will not enter into securities financing transactions within the meaning of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and reuse. Should the Company wish to enter into the securities financing transactions in the future, the Prospectus will be updated accordingly.

COLLATERAL MANAGEMENT

General

In the context of OTC financial derivative transactions the Company may receive collateral with a view to reduce its counterparty risk. This section sets out the collateral policy applied by the Company in such a case. All assets received by the Company in the context of efficient portfolio management techniques shall be considered as collateral for the purpose of this section.

Eligible Collateral

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

1) Liquidity and issuer credit quality – any collateral received other than cash shall be of high quality, highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation.

2) Valuation – collateral received shall be valued on at least a daily basis and assets that exhibit high price volatility shall not be accepted as collateral unless suitably conservative haircuts are in place;

3) Correlation – the collateral received by the Company shall be issued by an entity that is independent from the counterpart and is expected not to display a high correlation with the performance of the counterpart;

4) Collateral diversification (asset concentration) – collateral shall be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Company receives from a counterpart of efficient portfolio management and OTC financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of the respective Sub-Fund's net asset value. When the Company is exposed to different counterparts, the different baskets of collateral shall be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from this sub-paragraph, the Company may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. In such a case, the Company should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the respective Sub-Fund's net asset value. The list of eligible jurisdictions includes, but is not limited to, Canada, Denmark, Finland, France, Germany, the Netherlands, Norway, Sweden, Switzerland, the United Kingdom and the United States of America;

Besides, collateral received shall also comply with the provisions of Article 48(2) of the Law of 2010.

5) it should be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty;

6) Risks linked to the management of collateral, such as operational and legal risks, shall be identified, managed and mitigated by the risk management process;

7) Where there is a title transfer, the collateral received shall be held by the depositary of the Company. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral;

Subject to the abovementioned conditions, collateral received by the Company may consist of the following instruments as accepted by the Commission Delegated Regulation (EU) 2016/2251 of the 4th October 2016 supplementing the Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4th July 2012 (hereafter referred to as "**CDR 2016/2251**"):

1) Cash in an OECD country currency in accordance with Article 4(1) (a) CDR 2016/2251,

2) Debt securities issued or guaranteed by Member States' central governments or central banks in accordance with Article 4(1) (c) of CDR 2016/2251,

3) Debt securities issued by Member States' regional governments or local exposures whose exposures are treated as exposures to the central government of that Member State listed in Article 115(2) of Regulation (EU) 575/2013,

4) Debt securities issued by multilateral banks listed in Article 117(2) of Regulation (EU) of 575/2013,

5) Debt securities issued by international organisations listed in Article 118 of the Regulation (EU) No 575/2013,

6) Corporate bonds,

7) Convertible bonds provided they can be converted only into equities which are included in an index specified pursuant to point (a) of Article 197(8) of Regulation (EU) No 575/2013,

8) Equities included in an index specified pursuant to point (a) of Article 197(8) of Regulation (EU) No 575/2013.

Level of Collateral

The Company will determine the required level of collateral for OTC financial derivatives transactions by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions.

Rules for application of Haircuts

Collateral will be valued on a daily basis using available market prices and the value of collateral will be adjusted by applying relevant haircuts. For this purpose, in accordance with Article 6 of CDR 2016/2251, the Company will rely on the credit quality assessments issued by a recognised External Credit Assessment Institution or the credit quality of (ECAI) of an export credit agency and thus will use standard haircuts to be applied by asset type, maturity and credit quality of the issuer.

The following haircuts will be applied:

1. Cash Collateral
   (i) Cash variation margin shall be subject to a haircut of 0%

   (ii) Cash initial margin shall be subject to a haircut of 8% when the cash initial margin has been posted in a currency other than the currency in which the payments in case of early termination or default have to be made in accordance with the single derivative contract, the relevant exchange of collateral agreement or the relevant credit support annex ('termination currency').

   In case no termination currency has been set out, the above haircut of 8% shall apply to the market value of all the assets posted as collateral.

2. Non-Cash Collateral

   (i) Haircuts applicable to debt securities

Table 1 – Debt securities

<table>
<tr><th colspan="2" rowspan="2">Collateral</th><th rowspan="2">Credit Quality Step</th><th colspan="3">Maturity</th></tr>
<tr><th>≤ 1 year</th><th>>1 ≤ 5 year(s)</th><th>> 5 years</th></tr>
<tr><td>(i)</td><td>Debt securities issued or guaranteed by Member States' central governments or central banks in accordance with Article 4(1) (c) of CDR 2016/2251</td><td rowspan="2">1</td><td rowspan="2">0.5%</td><td rowspan="2">2%</td><td rowspan="2">4%</td></tr>
<tr><td>(ii)</td><td>Debt securities issued by Member States' regional governments or local exposures whose exposures are treated as exposures to the central government of that Member State listed in Article 115(2) of Regulation (EU) 575/2013 and in accordance with CDR 2016/2251.</td></tr>
<tr><td>(iii)</td><td>Debt securities issued by multilateral banks listed in Article 117(2) of Regulation (EU) of 575/2013 and in accordance with CDR 2016/2251.</td><td rowspan="2">2-3</td><td rowspan="2">1%</td><td rowspan="2">3%</td><td rowspan="2">6%</td></tr>
<tr><td>(iv)</td><td>Debt securities issued by international organisations listed in Article 118 of the Regulation (EU) No 575/2013 and in accordance with CDR 2016/2251</td></tr>
<tr><td>(v)</td><td>Convertible bonds provided they can be converted only into equities which are included in an index specified pursuant to point (a) of article 197(8)of Regulation (EU) No 575/2013</td><td>1-3</td><td colspan="3">15%</td></tr>
<tr><td rowspan="2">(vi)</td><td rowspan="2">Corporate bonds in accordance with CDR 2016/2251.</td><td>1</td><td>1%</td><td>4%</td><td>8%</td></tr>
<tr><td>2-3</td><td>2%</td><td>6%</td><td>12%</td></tr>
</table>

To determine the credit quality step, the second best rating from Moody's, S&P and Fitch shall be used and mapped using the table below. For the avoidance of the doubt, no credit quality step 4 is mapped since all debt securities shall be having an issuer rating of investment grade.

Table 2 – Credit Quality step mapping table

Credit Rating Agency	Rating type	Credit Quality Step		
		1	2	3
Fitch Ratings	Long-term Issuer Credit ratings scale	AAA, AA	A	BBB
Moody's Investors Service	Global long-term rating scale	Aaa, Aa	A	Baa
Standard & Poor's ratings Services	Long-term issuer credit ratings scale	AAA, AA	A	BBB

(ii) Equities in main indices and bonds convertible to equities in main indices shall have a haircut of 15 %.

(iii) Non-cash initial margin posted in a currency other than the currency in which the payments in case of early termination or default have to be made in accordance with the single derivative contract, the relevant exchange of collateral agreement or the relevant credit support annex ("termination currency") shall be subject to an additional haircut of 8%.

In case no termination currency has been set out, the above haircut of 8% shall apply to shall apply to the market value of all the assets posted as collateral.

(iv) Non cash variation margin posted in a currency other than those agreed in an individual derivative contract, the relevant governing master netting agreement or the relevant credit support annex shall be subject to an additional haircut of 8%.

The Company reserves the right to review and amend the above haircuts at any time when the market conditions have changed and when and if this is deemed in the best interest of the Company.

Reinvestment of Collateral

Non-Cash Collateral received by the Company may not be sold, re-invested or pledged.

Restrictions on the re-use of Cash Collateral

Cash Collateral received by the Company shall neither be re-invested nor pledged.