

Colchester Emerging Local Currency Bond FCP

Investment fund under Swiss law (of the type "other funds for traditional investments")

January 2024

Prospectus with integrated fund contract

Part I Prospectus

This prospectus with integrated fund contract, the Key Investor Information Document ("KIID") or Basic Information Sheet ("BIS") and the latest annual or semi-annual report (if published after the latest annual report), serve as the basis for all subscriptions of units of this fund. Only the information contained in the prospectus, the KIID or BIS or the fund contract shall be deemed to be valid.

1 Information on the investment fund

1.1 Establishment of the investment fund in Switzerland

The fund contract for Colchester Emerging Local Currency Bond FCP was submitted by UBS Fund Management (Switzerland) AG, Basel, as the fund management company, with the agreement of UBS Switzerland AG, as the custodian bank, to the Swiss Financial Market Supervisory Authority FINMA and approved by the latter on 7 May 2021.

1.2 Tax regulations relevant to the investment fund

The fund has no legal personality in Switzerland. It is not subject to tax on either income or capital.

The Swiss federal withholding tax deducted from the investment fund's domestic income can be reclaimed in full for the investment fund by the fund management company.

Income and capital gains realized outside Switzerland may be subject to the relevant withholding tax deductions imposed by the country of investment. Insofar as is possible, these taxes will be reclaimed by the fund management company on behalf of investors¹ domiciled in Switzerland under the terms of double taxation treaties or other such agreements.

Net income retained and reinvested by the Fund is subject to Swiss federal withholding tax (source tax) at 35%.

Investors domiciled abroad who benefit from the affidavit process will be credited the withholding tax on presentation of the declaration of domicile. To this end, a bank must provide confirmation that the units held by foreign investors are held in safekeeping at the bank and that the income will be credited to their accounts (residence declaration or affidavit). No guarantee can be given that at least 80% of the fund's income originates from foreign sources.

This tax information is based on the current legal situation and practice. It is expressly subject to changes in legislation, the decisions of the courts and the decrees and practices of the tax authorities.

Taxation and other tax implications for investors who hold, buy or sell fund units are defined by the tax laws and regulations in the investor's country of domicile. For information in this regard, investors should contact their tax advisor.

The investment fund has the following tax status:

International automatic exchange of information in tax matters (automatic exchange of information)

For the purposes of the automatic exchange of information in accordance with the Common Standard on Reporting and Due Diligence for Financial Account Information (CRS) of the Organisation for Economic Co-Operation And Development (OECD), the fund qualifies as a non-reporting financial institution.

FATCA

The fund is registered with the US tax authorities as a Registered Deemed-Compliant Financial Institution under a Model 2 IGA pursuant to sections 1471 through 1474 of the U.S. Internal Revenue Code (Foreign Account Tax Compliance Act, including the corresponding rulings, "FATCA").

1.3 Accounting year

The accounting year runs from 1 January – 31 December.

1.4 Audit firm

The audit firm is Ernst & Young AG, Basel.

1.5 Units

In accordance with the fund contract, the fund management company is entitled to create, liquidate or merge different unit classes at any time, subject to the consent of the custodian bank and the approval of the supervisory authority.

The investment fund is divided into the following unit classes.

¹ For ease of reading gender-specific distinctions are avoided. Any terms referring to persons shall denote both male and female persons.

Unit class	Accounting currency	First NAV	Launch period / date	Minimum initial subscription amount	Minimum subsequent subscription amount	Smallest tradeable lot	Asset management fee	Max. fee for the fund manager and custodian	Form of custody	Appropriation of income
IP	USD	10	18.08.2021	1 000 000	none	0.001	0.75%	0.20%	Bearer	Accumulating
I	USD	10	Not yet known	1 000 000	none	0.001	0.75%	0.20%	Bearer	Accumulating
R	USD	10	Not yet known	none	none	0.001	0.85%	0.20%	Bearer	Accumulating

Detailed information on the unit classes is contained in § 6 prov. 4 of the fund contract.

The unit classes do not constitute segmented assets. Accordingly, the possibility cannot be excluded that a unit class may be liable for liabilities of another unit class, even if costs are charged only to the unit class which receives a specific service.

1.6 Listing and trading

The units are not currently listed on an exchange. The fund units are issued and redeemed daily.

1.7 Terms for the issue and redemption of units of the sub-funds

Fund units will be issued and redeemed on every bank working day (Monday to Friday). No issues or redemptions will take place: on Swiss public holidays (Easter, Whitsun, 24 December, Christmas Day, 31 December, New Year's Day and 1 August), on public holidays in the United Kingdom or on days when the exchanges and markets in the fund's main investment countries are closed or when 50% or more of the investments of the fund cannot be appropriately valued, or under the exceptional circumstances defined under § 17.4 of the fund contract. The fund management company and the custodian bank are entitled to refuse subscription orders at their own discretion. The fund management company may also calculate the net asset value of a unit on days on which no units are issued or redeemed ("non-tradeable net asset value"). Such non-tradeable net asset values may be published but may only be used for performance calculations and statistics (in particular for comparison with the benchmark) or for commission calculations and in no case as a basis for subscription and redemption orders.

Subscription and redemption orders received by the custodian bank by 5 p.m. (cut-off time) at the latest on a given bank working day (order day) will be settled on the basis of the net asset value calculated on the bank working day after next (valuation day). For orders placed with distributors in Switzerland and abroad, earlier cut-off times to submit the orders may apply in order to ensure timely forwarding to the custodian bank. These can be obtained from the respective distributor. The net asset value taken as the basis for the settlement of the order is therefore not known when the order is placed (forward pricing). It shall be calculated on the basis of closing prices on the bank working day before the relevant valuation date or, if these do not reflect appropriate market values in the fund management company's view, at the latest available prices at the time of the valuation. The fund management company is entitled to apply other generally recognised and verifiable valuation criteria in order to make an appropriate valuation of the fund's net assets if, due to extraordinary circumstances, a valuation in accordance with the regulations stated above proves to be unfeasible or inaccurate. If, on a valuation day, the sum of subscriptions and redemptions of units in the investment fund results in a net inflow or outflow, the investment fund's net asset value will be increased or reduced accordingly (swinging single pricing).

The maximum adjustment level amounts to 2% of the net asset value. Incorporated into this are the incidental costs (bid/ask spreads, customary brokerage fees, commissions, taxes and duties, etc.), as well as the costs of reviewing and maintaining the quality standards of physical investments arising from the investment of the amount paid in or the sale of a portion of the investments corresponding to the terminated unit.

The adjustment results in an increase in the net asset value, if the net movements lead to an increase in the number of units in the investment fund. The adjustment results in a decrease in the net asset value, if the net movements lead to a reduction in the number of units in the investment fund. These incidental costs are not taken into account if the fund management company permits an inflow or outflow into or out of investments instead of cash according § 18, or when switching between unit classes within the investment fund. The net asset value calculated on the basis of swinging single pricing is thus a modified net asset value as set out in sentence 1 of this provision. Instead of the average incidental costs mentioned above, the fund management company may also take the actual amount of the ancillary costs into account in the adjustment, provided that this appears appropriate in the fund management company's estimation, taking into account the relevant circumstances (e.g. amount, general market situation, specific market situation for the asset class concerned). In such a case, the adjustment may be higher or lower than the average incidental costs.

In the cases mentioned in § 17 prov. 4 and in other extraordinary cases, the maximum value of 2% of the net asset value may also be exceeded if the fund management is of the opinion that this is in the interests of all investors. The fund management company shall immediately inform the external auditors and the supervisory authority of any decision to suspend redemptions. It shall also notify existing and new investors in an appropriate manner.

Incidental costs for the purchase and sale of investments (standard brokerage charges, commissions, fees, etc.) incurred by a investment fund in connection with the investment of the amount paid in or from the sale of a portion of investments corresponding to the redeemed unit(s) on average will be covered by the application of swinging single pricing as described in § 16.7 of the fund contract. Subscriptions and redemptions made the same day that have an evident, direct economic link and that therefore entail no ancillary costs for the purchase and sale of investments are excluded from the application of swinging single pricing. The issue and redemption prices are rounded to USD 0.01. Payment will be made no later than three bank working days after the order day (value date max. three bank working days). Units do not take the form of actual certificates, but exist purely as book entries.

1.8 Appropriation of income

The net income of the accumulating investment fund will be added on an annual basis within four months of the close of the accounting year to the investment fund's assets for reinvestment.

1.9 Investment objective and investment policy of the investment fund

1.9.1 Investment objective

The investment objective of the investment fund is principally to achieve income and growth through a globally diversified portfolio mainly comprised of emerging market government bonds and currencies. It also aims to preserve and increase the investment fund's assets.

1.9.2 Investment policy

This investment fund primarily invests in local emerging market government bonds issued in the local currency, as well as debt securities in the currencies of developed markets or those that are linked to these currencies. In this connection, emerging markets are defined as all countries included in the benchmark J.P. Morgan GBI-EM Global Diversified Index, or countries that are not defined as “developed markets” according to the MSCI All Country World Index. A list of countries that are classified as “developed markets” according to the MSCI All Country World Index is available at <https://www.msci.com/acwi>.

Including derivatives, the fund management company may invest up to a maximum of 20% of the fund assets in securities and money market instruments of the same issuer. The fund management company may invest up to 35% of the fund assets in securities or money market instruments from the same issuer if these are issued or guaranteed by an OECD country, a public-law entity from the OECD, an international public-law organization to which Switzerland or a member state of the European Union belongs, or another issuer or guarantor included in the benchmark.

For the investment fund, the fund management company may invest up to 100% of the fund assets in securities or money market instruments from the same issuer if these are issued or guaranteed by an OECD country, a public-law entity from the OECD, or by an international public-law organization to which Switzerland or a member state of the European Union belongs. In this case, the fund must invest in securities or money market instruments from at least six different issues; no more than 30% of the fund assets may be invested in securities or money market instruments from the same issue.

The following are authorised issuers/guarantors:

the European Union (EU), OECD states, the Council of Europe, the International Bank for Reconstruction and Development (World Bank), the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the Asian Development Bank and Eurofima (European Company for the Financing of Railroad Rolling Stock).

Collateral strategy for securities lending or transactions with derivative financial instruments:

Counterparty risks may occur in connection with securities lending transactions and transactions in derivative financial instruments. These risks are minimised as follows:

Collateralisation is required to the following extent:

All loans under securities lending transactions must be collateralised in full, with the value of the collateral amounting to at least 105% of the market value of the lent securities. Individual items of collateral may also be valued at a discount. This discount is based on the volatility of the markets and the forecast liquidity of the collateral. The collateralisation of derivatives transactions is based on the relevant rules for settling such types of transaction. Derivatives transactions settled centrally are always collateralised. The extent and amount are based on the respective regulations of the central counterparty or clearing house.

For derivatives transactions not settled centrally, the fund management company or its agents may enter into mutual collateral agreements with the counterparties. The value of the collateral exchanged must always be at least equivalent to the replacement value of the derivatives transactions outstanding. Individual items of collateral may also be valued at a discount. This discount is based on the volatility of the markets and the forecast liquidity of the collateral.

The following types of collateral are permitted:

- Equities traded on an exchange or other market open to the public which have a high level of liquidity and are included in a benchmark index.
- Listed ETFs in the form of securities funds, other funds for traditional investments under Swiss law or UCITS are deemed equivalent to equities if they track one of the above indices and replicate it physically. Swap-based, synthetically replicating ETFs are not permitted.
- Bonds traded on an exchange or other market open to the public where the issuer has a first-class credit rating. No rating is required for government bonds issued by the USA, Japan, the UK, Germany or Switzerland (including federal states and cantons).
- Tradeable treasury bills and notes with a government guarantee are deemed equivalent to government bonds if the government or issuer has a first-class rating or they are issued by the USA, Japan, the UK, Germany or Switzerland (including federal states and cantons).
- Money market funds, provided they comply with the SFAMA guideline or the CESR guideline for money market funds, can be redeemed on a daily basis, and the investments are of high quality or are classified as first-class by the fund management company.
- Cash collateral, provided this is in a freely convertible currency.

The collateral margins are defined as follows:

The following minimum discounts (% deduction from market value) apply to the collateralisation of loans under securities lending transactions:

- | | |
|--|----|
| - Listed equities and ETFs | 8% |
| - Government bonds (incl. treasury bills and notes), issued or guaranteed by the USA, the UK, Japan, Germany or Switzerland (including cantons and municipalities) | 0% |
| - Other government bonds (including treasury bills and notes) | 2% |
| - Corporate bonds | 4% |
| - Cash collateral, provided it is not in the fund currency | 3% |
| - Money market funds | 4% |

The following minimum discounts (% deduction from market value) apply to the collateralisation of derivatives not settled centrally, provided a collateralisation agreement has been entered into with the counterparty:

- Cash	0%
- Government bonds with a residual term of up to 1 year	1–3%
- Government bonds with a residual term of 1–5 years	3–5%
- Government bonds with a residual term of 5–10 years	4–6%
- Government bonds with a residual term of more than 10 years	5–7%

Cash collateral may be reinvested as follows and with the following risks:

Sight deposits or deposits with a short notice period, government bonds with a high credit rating, money market instruments with counterparties with a high credit rating and money market funds subject to the SFAMA guideline or the CESR guideline for money market funds. Cash collateral must always be reinvested in the same currency as the collateral is received in.

The fund management company regularly monitors the risks from reinvesting cash collateral. These investments are nevertheless subject to credit risk and the value can be impacted by fluctuations. In addition, a certain level of liquidity risk cannot be excluded.

1.9.3 Use of derivatives

The fund management company may use derivatives. However, even in exceptional market conditions, these may not result in a deviation from the investment objectives or a change in the investment character of the fund. Commitment Approach II is applied to the assessment of risk.

Derivatives form part of the investment strategy and are not used solely to hedge investment positions. In connection with collective investment schemes, derivatives may be used only for currency hedging purposes, with the exception of the hedging of market, interest rate and credit risks in the case of collective investment schemes for which the risks can be determined and measured unequivocally. Both basic types of derivatives and exotic derivatives may be used, the latter to a negligible extent, as described in more detail in the fund contract (cf. § 12), provided the underlying securities are permitted as investments under the investment policy. The derivative transactions may be concluded on either an exchange or other regulated market open to the public, or in OTC (over-the-counter) trading. In addition to market risks, derivatives are also subject to counterparty risk, i.e. the risk that the party to the contract may not be able to meet its obligations and may thus cause a financial loss.

In addition to credit default swaps (CDS), all other types of credit derivatives may be acquired (e.g. total return swaps (TRS), credit spread options (CSO), credit linked notes (CLN)) by which credit risks can be transferred to third parties (risk buyers). The risk buyers receive a premium as compensation. The size of this premium depends, among other things, on the probability of a loss event occurring and the maximum size of the loss; both factors are generally difficult to assess, which increases the risk associated with credit derivatives. The Fund may act as both a risk buyer and a risk seller.

The use of derivatives may have a leverage effect on the fund's assets or may correspond to a short sale. The overall exposure in derivatives may be up to 100% of the net fund assets and the overall exposure of the fund may thus be up to 200% of its net assets.

Detailed information on the investment policy and its restrictions, as well as the permitted investment techniques and instruments (in particular derivative financial instruments and their scope) are contained in the fund contract (cf. Part II, §§ 7-15).

1.10 Net asset value

The net asset value of a unit is determined by the market value of the fund assets, less all the fund liabilities, divided by the number of units in circulation. This is rounded to USD 0.01. The issue price corresponds to the net asset value calculated on the valuation day. The redemption price corresponds to the net asset value calculated on the valuation day.

1.11 Fees and incidental costs

1.11.1 Fees and incidental costs charged to the investor (excerpt from § 18 of the fund contract)

No issue or redemption commission is charged to the investor.

1.11.2 Fees and incidental costs charged to the fund assets (excerpt from § 19 of the fund contract)

For the management and all tasks of the custodian bank, such as the safekeeping of the fund assets, the arrangement of payment transactions and the other tasks set out in § 4, the fund management company will charge the investment fund a flat fee for the fund management company and the custodian bank ("max. fee for the fund management company and the custodian bank"). For the asset management of the investment fund, the fund management company also charges a commission for the asset manager ("asset management commission"). The commission is based on the fund's net assets, is charged on a pro rata temporis basis when the net asset value of the fund assets are calculated and paid out monthly.

a) "IP" unit classes	
- Max. fee for the fund management and the custodian bank	0.20% p.a.
- Asset management fee	0.75% p.a.
b) "I" unit classes	
- Max. fee for the fund management and the custodian bank	0.20% p.a.
- Asset management fee	0.75% p.a.
c) "R" unit classes	
- Max. fee for the fund management and the custodian bank	0.20% p.a.
- Asset management fee	0.85% p.a.

§ 19 of the fund contract shows which fees and incidental costs are not covered by the total fee.

The total fee is the sum of the asset management fee and the maximum fee for the fund management company and the custodian bank per unit class.

1.11.3 Total expense ratio

The coefficient of the total costs charged to the fund assets on an ongoing basis (total expense ratio, TER) was:

2021:

"IP" unit class: 0.86% (annualised)

2022:

"IP" unit class: 0.86% (annualised)

1.11.4 Payment of retrocessions and discounts

The Fund Management Company and its agents may pay retrocessions as remuneration in connection with the distribution activity in respect of fund units in or from Switzerland. This remuneration may be deemed payment for the following services in particular:

- production of advertising material
- training of sales representatives
- any activity aimed at promoting the distribution or transfer of fund units

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

The recipients of the retrocessions must ensure transparent disclosure and inform investors, unsolicited and free of charge, about the amount of remuneration they may receive for distributing.

On request, the recipients of retrocessions must disclose the amounts they actually receive for distributing the collective investment schemes of the investors concerned.

For distribution activities in or from Switzerland, the fund management company and its agents may (according to SFAMA transparency guideline dated 22 May 2014) on request pay rebates directly to investors. The purpose of rebates is to reduce the fees or costs incurred by the investors in question. Rebates are permitted provided that:

- they are paid from fees charged by the fund management Company and therefore do not represent an additional charge to the fund assets;
- they are granted on the basis of objective criteria;
- are granted at the same time and on equal terms to all investors who meet the objective criteria and request discounts.

The objective criteria for the granting of rebates by the Fund Management Company are as follows:

- the volume subscribed by the investor or the total volume they hold in the collective investment scheme or, where applicable, in the product range of Colchester Global Investors Limited;
- the amount of the fees generated by the investor;
- the investment behaviour shown by the investor (e.g. expected investment period);
- the investor's willingness to provide support in the launch phase of a collective investment scheme.

At the request of the investor, the fund management company must disclose the amounts of such rebates free of charge.

1.11.5 Commission sharing agreements and soft commissions

The fund management company has not concluded commission sharing agreements.

The fund management company has not concluded agreements in respect of soft commissions.

1.12 Viewing the reports

The prospectus with integrated fund contract, the KIID / BIS, and the annual or semi-annual reports may be obtained free of charge from the fund management company, the custodian bank and all distributors.

1.13 Legal form of the fund

The investment fund is an investment fund under Swiss law of the "securities fund" type in accordance with the Swiss Federal Act on Collective Investment Schemes of 23 June 2006.

The fund is based upon a collective investment agreement (fund contract), under which the fund management company undertakes to provide the investor with a stake in the investment fund in proportion to the fund units acquired by the said investor, and to manage this fund at its own discretion and for its own account in accordance with the provisions of the law and the fund contract. The custodian bank is party to the fund contract in accordance with the tasks conferred upon it by the law and the fund contract.

1.14 Material risks

The material risks associated with the fund include potential fluctuations of both the net asset value and the income from the investment fund, depending on the development of interest rates and the change in the credit rating of the investments, as well as currency risks. There is no guarantee that the investor will achieve a certain interest rate and will be able to return the units to the fund management company at a certain price. Investments in emerging markets are also subject to the following risks: Political and economic risks, limited or difficult market access for foreign investors, high price volatility, liquidity bottlenecks.

1.15 Liquidity risk management/information on the liquidity management process

The fund management company ensures liquidity is managed appropriately. In order to be able to guarantee the right of the investor to redeem its units at any time (Art. 78(2) CISA), the fund management company regularly monitors the liquidity risks of the individual investments with regard to their saleability on the one hand and of the fund with regard to the servicing of redemptions on the other. The fund management company assesses the liquidity of the sub-funds on a monthly basis using various scenarios, and documents these. To this end, the fund management company has defined and implemented processes that make it possible to identify, monitor and report these liquidity risks. To identify the liquidity risks of the investments and to calculate individual liquidity thresholds at fund level, the fund management company relies on models that have been tested in the market and verified by UBS Group specialists. The liquidity thresholds are used to monitor stress reduction scenarios at fund level.

2 Information on the fund management company

2.1 General information on the fund management company

The fund management company, UBS Fund Management (Switzerland) AG, is domiciled in Basel and has been active in the fund business since its formation as a limited company in 1959.

2.2 Further information on the fund management company

As at 31 December 2022, the fund management company managed a total of 407 securities funds and 8 real estate funds in Switzerland with assets totalling CHF 302 081 million.

Furthermore, the fund management company provides the following specific services:

- representation of foreign collective investment schemes;
- administration services for collective investment schemes.

UBS Fund Management (Switzerland) AG, Aeschenvorstadt 1, 4051 Basel, <https://www.ubs.com/ch/de.html>

2.3 Board of Directors and other decision-making bodies

Michael Kehl, Chair of the Board of Directors

Managing Director, UBS Asset Management Switzerland AG, Zurich

Dr. Daniel Brüllmann, Vice Chair

Managing Director, UBS Asset Management Switzerland AG, Zurich

Francesca Prym

Managing Director, UBS Fund Management (Luxembourg) S.A., Luxembourg

Dr. Michèle Sennhauser

Executive Director, UBS Asset Management Switzerland AG, Zurich

Franz Gysin, independent member

Werner Strebel, independent member

Executive Board

Eugène Del Cioppo, CEO

Georg Pfister, Deputy CEO and Operating Office, Finance, HR

Urs Fäs, Real Estate Funds

Christel Müller, Business Risk Management

Thomas Reisser, Compliance & Operational Risk Control

Matthias Börlin, Admin, Custody & Tax Oversight

Daniel Diaz, Delegation & Investment Risk Management

Melanie Gut, Corporate & Regulatory Governance

Patric Schläpfer, Corporate Services

Hubert Zeller, White Labelling Solutions Switzerland

2.4 Subscribed and paid-up capital

The subscribed share capital of the fund management company amounts to CHF 1 million. The share capital is divided into registered shares and is fully paid up.

UBS Fund Management (Switzerland) AG is a wholly owned subsidiary of UBS Group AG.

2.5 Exercising membership and creditors' rights

The fund management company exercises the membership and creditors' rights associated with the investments of the managed funds independently and exclusively in the interests of investors. Upon request, the fund management company shall provide investors with details concerning the exercise of membership and creditors' rights.

Regarding existing routine business, it is up to the fund management company whether to exercise the membership and creditors' rights itself or whether to delegate them to the custodian bank or a third party, as well as choosing not to exercise the membership and creditors' rights.

For all other matters that could affect the long-term interests of investors, for example when exercising membership and creditors' rights accruing to the fund management company as shareholder or creditor, the custodian bank or any other related legal entity, the fund management company shall exercise the voting right itself or give clear instructions. It may use information received from the custodian bank, the asset manager, the company, voting rights advisors or other third parties, or information that has appeared in the press.

3 Information on the custodian bank

3.1 General information on the custodian bank

UBS Switzerland AG is the custodian bank. The bank was founded in 2014 as a stock corporation with its registered office in Zurich and took over UBS AG's private and corporate banking business and wealth management business booked in Switzerland on 14 June 2015.

UBS Switzerland AG is a subsidiary of UBS Group AG. With consolidated total assets of USD 1,104,364 million and published capital and reserves of USD 57 218 million as at 31 December 2022, UBS Group AG is financially one of the strongest banks in the world. It employs 72 597 staff worldwide and has an extensive network of offices.

3.2 Further information on the custodian bank

The custodian bank may delegate the safekeeping of the fund's assets to third-party or central depositaries in Switzerland and abroad, provided this is in the interest of proper safekeeping. The custodian bank may transfer financial instruments only to third-party or central depositaries subject to regulatory supervision. This does not apply to compulsory custody in a place where it is not possible to transfer the financial instruments to a regulated third-party or central depositary, notably due to binding legal constraints or the particularities of the investment product. This is accompanied by the following risks: Third-party and central depositaries mean that the fund management

company no longer has sole ownership of deposited securities, but only co-ownership.

Moreover, if the third-party and central depositaries are not supervised, they are unlikely to meet the organisational requirements placed on Swiss banks. The custodian bank shall be liable for any losses caused by the agent unless the bank is able to prove that due care was exercised in the selection, instruction and supervision of the agent.

As a universal bank, UBS Switzerland AG offers a wide range of banking services.

The custodian bank was registered with the US tax authorities as a Reporting Financial Institution under a Model 2 IGA pursuant to sections 1471 through 1474 of the U.S. Internal Revenue Code (Foreign Account Tax Compliance Act, including the corresponding rulings, "FATCA").

4 Information on third parties

4.1 Paying agents

The paying agents are UBS Switzerland AG, Bahnhofstrasse 45, 8001 Zurich, and its branches in Switzerland.

4.2 Delegation of administration

The administration of the investment fund, particularly accounting, the calculation of net asset values, tax statements, the operation of IT systems and the drafting of performance reports, has been delegated to Northern Trust Global Services SE, Leudelange, Luxembourg, Basel branch office.

The precise duties involved are set out in an agreement between the parties.

All other fund management duties and the monitoring of other delegated duties are carried out in Switzerland.

4.3 Distributor

Colchester Global Investors Limited is responsible for the distribution of the fund.

4.4 Delegation of investment decisions and other specific tasks

The investment decisions of the investment fund have been delegated to Colchester Global Investors Limited ("Colchester"), and partially subdelegated to Colchester Global Investors (Singapore) Pte. Ltd.

Colchester is an asset manager based in London and is subject to the approval and supervision of the Financial Conduct Authority.

Colchester is focused solely on government bonds and currency management.

It manages assets worldwide for institutions, such as private and public retirement benefit plans, foundations, insurance companies and government institutions.

The consistent application of the "real yield" investment approach is what distinguishes Colchester's success.

Colchester was founded in 1999 and is based in London, with further offices in New York, Singapore, Sydney and Dubai.

The precise duties involved are set out in an asset management agreement between UBS Fund Management (Switzerland) AG and Colchester.

5 Further information

5.1 Key data

Unit class	Securities no.	ISIN
IP	111142863	CH1111428632
I	n/a	n/a
R	n/a	n/a

Listing none; units of the fund are issued and redeemed daily

Accounting year 1 January to 31 December

Term to maturity unlimited

Accounting currency US Dollars (USD)

Units bearer units, units do not take the form of actual certificates, but exist purely as intermediated securities.

Appropriation accumulating

of income

5.2 Publication of official notices by the investment fund

Further information on the fund may be found in the latest annual or semi-annual report. Up-to-date information is also available on the Internet at <http://www.colchesterglobal.com>.

The prospectus with integrated fund contract, the KIID / BIS and the annual and semi-annual reports may be obtained free of charge from the fund management company, custodian bank and all distributors.

Amendment to the fund contract, a change in fund management company or custodian bank or the liquidation of the fund will be announced by the fund management company on the website of Swiss Fund Data AG (www.swissfunddata.ch).

Prices are published for all unit classes for each day on which fund units are issued and redeemed (daily) on the website of Swiss Fund Data AG and in other electronic media.

5.3 Sales restrictions

Units of this fund may not be offered, sold or delivered within the United States.

Investors who are US persons must not be offered, sold or supplied with any units of this investment fund. A US person is someone who:

- (i) is a United States person within the meaning of paragraph 7701(a)(30) of the US Internal Revenue Code of 1986 (as amended) and the Treasury Regulations enacted in the Code;
- (ii) is a US person within the meaning of regulation S in the US Securities Act of 1933 (17 CFR § 230.902(k));
- (iii) is not a non-US person within the meaning of rule 4.7 of the US Commodity Futures Trading Commission Regulations (17 CFR § 4.7(a)(1)(iv));

- (iv) resides in the United States of America within the meaning of rule 202(a)(30)-1 of the US Investment Advisers Act of 1940 (as amended); or
- (v) is a trust, a legal entity or another structure founded for the purpose of allowing US persons to invest in this investment fund.

6. Further investment information

6.1 Profile of the typical investor

The fund is suitable for investors with a medium- to long-term investment horizon who are primarily seeking a steady income. Investors are able to accept temporary fluctuations in the net asset value of the fund units and may not be able to realise their investment by a particular date.

7. Detailed regulations

Further information on the fund, such as the valuation of the fund's assets, a list of all remuneration and incidental costs charged to investors and the fund and the appropriation of net income, is set out in detail in the fund contract.

Part II Fund Contract

I. Basic principles

§ 1 Name of the fund; name and domicile of the fund management company, custodian bank and asset manager

1. A contractual investment fund of the type "Other Funds for Traditional Investments" (the "fund") has been established under the name of Colchester Emerging Local Currency Bond FCP in accordance with Art. 25 et seq. in conjunction with Art. 68 et seq. of the Swiss Collective Investment Schemes Act of 23 June 2006 (CISA).
2. UBS Fund Management (Switzerland) AG, Basel, is the fund management company.
3. UBS Switzerland AG, Zurich, is the custodian bank.
4. The asset manager is Colchester Global Investors Limited, London with partial sub-delegation to Colchester Global Investors (Singapore) Pte. Ltd., Singapore.

II. Rights and obligations of the parties to the agreement

§ 2 Fund contract

The legal relationship between the investors on the one hand and the fund management company and the custodian bank on the other hand shall be governed by this fund contract and the applicable provisions of Swiss legislation on collective investment schemes.

§ 3 Fund management company

1. The fund management company manages the fund at its own discretion and in its own name, but for the account of the investors. In particular, it shall make all decisions relating to the issuing of units, the investments and their valuation. It calculates the net asset value, sets the issue and redemption prices of units. The fund management company shall exercise all rights associated with the fund.
2. The fund management company and its agents shall act in good faith and have a duty to exercise due diligence and provide information. They shall act independently and exclusively in the interests of investors. They shall take any organisational steps that may be required to ensure the proper conduct of business. They shall report on the collective investment schemes they manage and provide information on these investment funds. They shall provide information on all fees and costs charged directly or indirectly to the investors and on compensation received from third parties, in particular commissions, rebates or other monetary benefits.
3. The fund management company may delegate investment decisions as well as specific tasks to third parties, provided that it is in the interests of efficient management. It shall only delegate responsibilities to individuals who have the necessary skills, knowledge and experience for this activity and the required authorisation. It must carefully instruct and supervise the third parties it uses. Investment decisions may only be delegated to asset managers who have the necessary authorisation. The fund management company shall be liable for the actions of its agents as if they were its own actions.
4. The fund management company may, subject to the consent of the custodian bank, submit amendments to this fund contract to the supervisory authority (cf. § 27).
5. The fund management company can merge the investment fund with other investment funds pursuant to the provisions set down under § 24, convert it to another legal form of collective investment scheme pursuant to the provisions set down under § 25, or liquidate it pursuant to the provisions set down under § 26.
6. The fund management company is entitled to receive the remuneration stipulated in §§ 18 and 19. It is further entitled to be released from any liabilities assumed in the proper performance of its duties, and to be reimbursed for expenses incurred in connection with such liabilities.

§ 4 Custodian bank

1. The custodian bank shall be responsible for the safekeeping of the fund's assets. The custodian bank shall be responsible for the issue and redemption of fund units as well as payments on behalf of the fund.
2. The custodian bank and its agents shall act in good faith and have a duty to exercise due diligence and provide information. They shall act independently and exclusively in the interests of investors. They shall take any organisational steps that may be required to ensure the proper conduct of business. They shall report on the collective investment schemes they hold and provide adequate information on this investment fund. They shall provide information on all fees and costs charged directly or indirectly to the investors and on compensation received from third parties, in particular commissions, rebates or other monetary benefits.
3. The custodian bank shall be responsible for the fund's account and custody account maintenance, but may not independently access its assets.
4. In the case of transactions which relate to the fund assets, the custodian bank shall ensure that the countervalue is transferred within the customary periods. It shall inform the fund management company if the countervalue is not provided within the customary period and request that the counterparty provides compensation for the fund assets concerned where this is possible.
5. The custodian bank shall manage the required records and accounts in such a way that it can differentiate between the assets of the individual funds held in safekeeping at all times. Where assets cannot be held in safekeeping, the custodian bank shall check the ownership of the fund management company and maintain corresponding records.
6. The custodian bank may delegate the safekeeping of the fund's assets to third-party or central depositories in Switzerland or abroad, provided that this is in the interests of efficient management. It shall check and monitor whether the third-party or central depository to which it has delegated the safekeeping of the fund's assets:
 - a) has an appropriate business organisation, financial guarantees and the specialist qualifications required for the type and complexity of the assets with which it has been entrusted;
 - b) is subject to a regular external audit which ensures that the financial instruments are in its possession;
 - c) keeps the assets received from the custodian bank in safekeeping in such a way that they can be clearly identified at all times as belonging to the fund assets by means of regular reconciliation of holdings by the custodian bank;
 - d) adheres to the regulations applicable to the custodian bank as regards the performance of the tasks delegated to it and the avoidance of conflicts of interest.The custodian bank shall be liable for losses/damage caused by its agents where it cannot be demonstrated that it exercised due care and diligence in selecting, instructing and monitoring the agent in question. Information on the risks associated with the

transfer of the safekeeping of assets to third-party and central depositories is set out in the prospectus.

In respect of financial instruments, the delegation of safekeeping in the sense of the previous paragraph may be made only to regulated third-party or central depositories. This does not apply to compulsory custody in a place where it is not possible to transfer the financial instruments to a regulated third-party or central depository, notably due to binding legal constraints or the particularities of the investment product. Investors shall be informed in the prospectus about the safekeeping of assets by third-party or central depositories which are not subject to supervision.

7. The custodian bank shall ensure that the fund management company complies with the law and the fund contract. It shall check whether the calculation of net asset value, issue and redemption prices of units and investment decisions are being carried out in accordance with the law and the fund contract, and whether the net income is appropriated as stipulated in the fund contract. The custodian bank shall not be responsible for any investment selection made by the fund management company within the scope of the investment guidelines.
8. The custodian bank shall be entitled to receive the remuneration stipulated in §§ 18 and 19. It is further entitled to be released from any liabilities assumed in the proper performance of its duties and to be reimbursed for expenses incurred in connection with such liabilities.

§ 5 The investors

1. There are no restrictions as regards investors. Restrictions for individual classes are possible in accordance with § 6 prov. 4. The fund management company and custodian bank shall ensure that investors satisfy the requirements relating to the type of investor.
2. Upon execution of the agreement and remittance of a cash payment, investors shall acquire a claim against the fund management company for an interest in the fund's assets and income. This claim is evidenced in the form of units.
3. Investors are only obliged to remit payment for the units of the fund subscribed by them. Investors shall not be held personally liable in respect of the liabilities of the fund.
4. Investors may at any time request that the fund management company supply them with information regarding the basis on which the net asset value per unit is calculated. The fund management company shall also supply further information regarding specific transactions carried out by the fund management company such as the exercise of membership and creditors' rights to any investor claiming an interest in such matters at any time. Investors shall be entitled to submit an application to the court having jurisdiction in the domicile of the fund management company for the external auditors, or another entity with appropriate expertise, to investigate and report on any facts or circumstances for which disclosure is required.
5. Investors shall be entitled to terminate the fund contract at any time and request payment in respect of units held in the fund in cash.
6. Upon request, the investors are obliged to provide the fund management company and/or the custodian bank and its agents with documentary proof that they meet/continue to meet the legal and contractual requirements necessary to be able to participate in the investment fund. In addition, they are obliged to immediately notify the custodian bank, the fund management company and its agents if they no longer meet these requirements.
7. The investment fund or a unit class may be subject to a "soft closing", whereby investors may not subscribe to units if the fund management company believes the soft closing is necessary to protect the interests of existing investors. In reference to this investment fund or unit class, the soft closing shall apply to new subscriptions or switches into the investment fund or unit class, but not to redemptions, transfers or switches out of the investment fund or unit class. The investment fund or unit class may be subject to a soft closing without notifying the investors.
8. An investor's units must be compulsorily redeemed at the prevailing redemption price by the fund management company in collaboration with the custodian bank if:
 - a) this is required to safeguard the reputation of the financial centre, notably in relation to combating money laundering;
 - b) the investor no longer meets the legal or contractual requirements to participate in this fund.
9. In addition, an investor's units may be compulsorily redeemed at the prevailing redemption price by the fund management company in collaboration with the custodian bank if:
 - a) the investor's participation in the fund may materially affect the economic interests of the other investors, particularly if their participation may result in tax disadvantages for the fund in Switzerland or abroad;
 - b) investors have acquired or hold units in breach of the provisions of domestic or foreign legislation or provisions of this fund contract or prospectus applicable to them;
 - c) the economic interests of investors are affected, particularly in cases in which individual investors attempt to acquire benefits for their portfolio by systematically subscribing and immediately thereafter redeeming units, exploiting time differences between the setting of closing prices and the valuation of the fund's assets (market timing).

§ 6 Units and unit classes

1. The fund management company may, subject to the approval of the custodian bank and the supervisory authority, create different unit classes, or merge or liquidate unit classes. All unit classes shall be entitled to a share in the undivided assets of the fund, which are not segmented. This share may vary due to class-specific costs charged or distributions or on account of class-specific income, and the net asset value per unit may therefore vary from class to class. Any class-specific costs charged shall be met by the aggregate assets of the fund.
2. The creation, liquidation or merger of unit classes shall be announced in the official publication specified for the fund. Only mergers of unit classes shall be deemed to constitute an amendment to the fund contract pursuant to § 27.
3. The various unit classes may, in particular, differ in terms of cost structure, reference currency, currency hedging, distribution or reinvestment of income, minimum investments and investor group.
Remuneration and costs shall only be charged to unit classes that benefit from the services they cover. Remuneration and costs which cannot be unequivocally attributed to a particular unit class shall be charged to the individual unit classes in proportion to their share of the fund's assets.
4. The fund is subdivided into unit classes "IP", "I" and "R". Unit classes may differ in the level of the Total Fee, first NAV, minimum initial subscription amount, minimum subsequent subscription amount, smallest tradable lot, form of custody and appropriation of income.
The unit classes are defined as follows:
"IP": Class "IP" units are exclusively available to tax-exempt Swiss occupational and tax-qualified pension institutions, vested benefits institutions, social security and compensation offices and Swiss public life insurance companies or such under Swiss federal

supervision. For this unit class a notification procedure applies instead of paying withholding tax, which is why investors of unit class «IP» are obliged to disclose their respective investment to the custodian bank, the fund management company and its agents, irrespective of whether the units are held in safekeeping by the custodian bank or a third-party custodian. In case of safekeeping by a third-party custodian, the investor is obliged to hold its units in safekeeping in segregated form and in its own name by the custodian bank of the fund.

In terms of the notification procedure the investors entirely and irrevocably discharge their banks, the fund management company and the custodian bank from their respective confidentiality obligations. The investors specifically consent to a complete disclosure of their investment in this unit class to the Swiss Federal Tax Administration and/or the Swiss Federal Statistical Office.

The first NAV and the minimum initial subscription amount are stated in the prospectus. Neither a minimum subsequent subscription amount nor a minimum holding applies. Class "IP" units are only issued in the form of bearer shares.

"I": Class "I" units are exclusively available to qualified investors within the meaning of (a) Art. 10 para. 3 CISA in conjunction with Art. 4 para. 3-5 and Art. 5 para. 1 and 4 of the Swiss Financial Services Act of 15 June 2018 (FinSA) and (b) Art. 10 para. 3ter CISA.

The first NAV and the minimum initial subscription amount are stated in the prospectus. Neither a minimum subsequent subscription amount nor a minimum holding applies. Class "I" units are only issued in the form of bearer shares.

"R": Class "R" units are offered to all investors. The first NAV is stated in the prospectus. Neither a minimum initial subscription amount nor a minimum subsequent subscription amount nor a minimum holding applies. Class "R" units are only issued in the form of bearer shares.

5. Units shall not take the form of actual certificates but shall exist purely as intermediated securities. The investor may not request the issue of a unit certificate in their name or made out to the bearer.

III. Investment policy guidelines

A Investment principles

§ 7 Compliance with investment guidelines

1. In selecting individual investments the fund management company must adhere to the principle of balanced risk diversification and must observe the percentage limits defined below. These relate to fund assets at market values and are to be observed at all times. The fund must comply with the investment restrictions within six months after the expiry of the subscription period (launch).
2. If the limits are exceeded due to changes in the market, the investments must be restored to the permitted level within a reasonable period of time, taking due account of the investors' interests. If limits in connection with derivatives pursuant to § 12 below are exceeded through a change in the delta, the permitted levels must be restored within three bank business days at the latest, taking due account of the investors' interests.

§ 8 Investment policy

1. The fund management company may invest the assets of this fund in the following investments. The risks associated with these investments shall be disclosed in the prospectus.
 - a) Securities, i.e. securities issued on a large scale and in uncertificated rights with a similar function (uncertified stock) which are listed on a stock exchange or traded on another regulated market open to the public and which embody an equity or a debt security right or the right to acquire such securities and rights via subscription or exchange, such as warrants; Investments in securities from new issues shall only be permitted if they are intended for admission to a stock exchange or other regulated market open to the public under the terms of issue.
 - b) Derivatives if (i) they are based on underlying financial instruments in the form of securities as specified in a), derivatives as specified in b), money market instruments under c) or financial indices, interest rates, exchange rates, loans, currencies or similar and (ii) the underlying securities are permitted investments under the fund contract. Derivatives shall be traded either on a stock exchange or another regulated market open to the public, or OTC.
OTC transactions shall only be permitted if (i) the counterparty is a financial intermediary specialising in this type of transaction which is subject to supervision, and (ii) the OTC derivatives are tradable daily or may be submitted to the issuers for redemption at any time. In addition, the valuations of such instruments must be reliable and transparent. The use of derivatives shall be subject to the provisions of § 12.
 - c) Money market instruments which are fungible and marketable at any time and which are traded on a stock exchange or other regulated market open to the public; money market instruments which are not traded on a stock exchange or other regulated market open to the public may only be acquired provided that the issue or issuer is subject to the provisions governing creditor and investor protection and the money market instruments are issued or guaranteed by issuers pursuant to Art. 74 para. 2 of the Swiss Collective Investment Schemes Ordinance.
 - d) Sight or time deposits with a maturity not exceeding twelve months with banks domiciled in Switzerland or in a member state of the European Union or in another country provided that the bank in such country is subject to supervision equivalent to the supervision in Switzerland.
 - e) debt paper that do not meet the requirements of a) above, in that they are not listed on a stock exchange or other regulated markets open to the public.
 - f) Investments other than the investments specified in a) to d) above not exceeding 10% of the fund's assets in aggregate. The following are not permitted: direct investments in precious metals, precious metal certificates, commodities and commodity certificates and short-selling of investments of all kinds.
2. a) After deducting liquid assets, the fund management company shall invest at least two-thirds of the fund assets in:
 - aa) sovereign local market debt of emerging markets that are issued in the local currency of the issuer and also debt securities denominated in or exposed to developed market currencies. Emerging markets are defined for these purposes as all countries included in the J.P.Morgan GBI-EM Global Diversified Index (Benchmark), or countries that are not defined as "developed markets" by MSCI All Country World Index. A list of countries classified as "developed markets" by MSCI All Country World Index is available on <https://www.msci.com/acwi>.
 - ab) derivatives (including warrants) on the investments mentioned above.
- b) Following the deduction of liquid assets, the fund management company may also invest up to one-third of the fund's assets in:
 - debt paper and rights issued by domestic and foreign issuers that do not meet the requirements as stated in aa) above.
 - money market instruments issued by domestic and foreign borrowers in freely convertible currencies.
 - derivatives (including warrants) on the investments mentioned above.

- debt paper in accordance with prov. 1 e) above.
 - c) In addition, the fund management company must comply with the investment restrictions below, which relate to the fund assets following the deduction of liquid assets:
 - no more than 30 percentage points bonds and notes as well as other fixed-income or floating-rate debt paper and rights of private, public-law and public/private issuers worldwide above the exposure of the J.P.Morgan GBI-EM Global Diversified Index (benchmark) with a rating below BBB- from S&P or Fitch or Baa3 from Moody's or equivalent (non-investment grade) rating, however no more than 50%. For the purposes of determining the BBB-/ Baa3, when there is a split rating between Standard & Poor's, Fitch, or Moody's the middle of the three ratings will apply. When the security is rated by only two of the three agencies, the lower of the two ratings shall apply. When it is rated by only one agency, that rating shall apply.
 - debt paper pursuant to prov. 1 e) above up to 30%.
3. The fund management company ensures liquidity is managed appropriately. Detailed information is contained in the prospectus.

§ 9 Liquid assets

The fund management company may also hold liquid assets in an appropriate amount in the fund's accounting currency and in any other currency in which investments are permitted. Liquid assets comprise bank deposits and claims from securities repurchase agreements at sight or on demand with maturities of up to twelve months.

B Investment techniques and instruments

§ 10 Securities lending

The fund management company does not conduct any securities lending transactions.

§ 11 Securities repurchase agreements

1. The fund management company may enter into securities repurchase agreements ("repos") for the fund's account. Securities repurchase agreements can be concluded as either repos or reverse repos.

A repo is a legal transaction in which one party (the borrower or repo seller) temporarily transfers ownership of specific securities to another party (the lender or repo buyer) against remuneration, while the lender undertakes to return to the borrower securities of the same type, quantity and quality at the end of the repo term, together with any income earned during such term. The borrower bears the price risk of the securities throughout the course of the repurchase agreement.

From the perspective of the counterparty (lender), a repo is a reverse repo. Reverse repos are an instrument used by the fund management company to invest cash, whereby it buys securities and at the same time agrees to reimburse securities of the same type, amount and quality as well any income accrued throughout the course of the repurchase agreement.
2. The fund management company may conclude repo transactions with a counterparty in its own name and for its own account ("principal transaction") or may instruct an intermediary to conclude repo transactions with a counterparty either indirectly in a fiduciary capacity ("agent transaction") or directly ("finder transaction").
3. The fund management company conducts repurchase agreements exclusively with supervised, first-class counterparties or intermediaries specialising in transactions of this type, such as banks, brokers and insurance companies, as well as approved and recognised central counterparties and securities clearing organisations, which guarantee the execution of the repurchase agreements in a due and proper manner.
4. The custodian bank shall ensure that the repo transactions are conducted in a secure manner and that the contractual terms are complied with. It ensures on a daily basis that fluctuations in the value of the securities used in repo transactions are compensated for in cash or securities (marked to market). In addition, during the term of the repurchase transaction it carries out the administrative duties assigned to it under the safe-custody regulations, and asserts all rights associated with the securities used in the repo transaction, unless such duties have been ceded under the standardised framework agreement.
5. The fund management company may use all types of securities which are listed on an exchange or are traded on another regulated market open to the public. However, securities that were taken over as part of a reverse repo transaction may not be used for repos.
6. If the fund management company must observe a period of notice (which may not exceed ten bank business days) before it may again legally repossess the securities used in the repo transaction, it may not lend for repos more than 50% of its holdings of a particular security eligible for lending. However, if the counterparty or the intermediary provides the fund management company with a contractual assurance that the latter may legally repossess the securities used in the repo transaction on the same or the next bank business day, the fund management company may use its entire holdings of a particular security eligible for repo transactions.
7. Engaging in repo transactions is deemed to be taking up a loan pursuant to § 13, unless the money received is used to acquire securities of the same type, quality, credit rating and maturity in conjunction with the conclusion of a reverse repo.
8. As part of a reverse repo, the fund management company may acquire only collateral that meets the requirements set down in Art. 51 of the FINMA Collective Investment Schemes Ordinance of 27 August 2014 (CISO-FINMA). The collateral issuer must have a high credit rating and the collateral may not be issued by the counterparty or by any company belonging to or dependent on the corporate group of the counterparty. The collateral must be highly liquid, it must be traded at a transparent price on an exchange or other regulated market open to the public, and it must be subject to valuation at least on each trading day. In managing the collateral, the fund management company and its agents must satisfy the obligations and requirements listed under Art. 52 CISO-FINMA. In particular, they must adequately diversify collateral in terms of countries, markets and issuers, with the adequate diversification of issuers meaning that the collateral held from any one issuer may not exceed 20% of the net asset value. This does not affect exceptions for assets that are publicly guaranteed or issued in accordance with Art. 83 of the Swiss Collective Investment Schemes Ordinance (CISO) of 22 November 2006 (CISO). In addition, in the event of default by the counterparty, the fund management company and its agents must be able to obtain the power and authority of disposal over the furnished collateral at all times and without the counterparty's involvement or consent. The furnished collateral is to be held in safekeeping by the custodian bank. The furnished collateral may be held in safekeeping on behalf of the fund management company by a supervised third-party custodian, provided ownership of the collateral is not transferred and the third-party custodian is independent of the counterparty.
9. Claims arising from reverse repos are deemed to be liquid assets pursuant to § 9 and not extending a loan pursuant to § 13.
10. The prospectus has further details on the collateral strategy.

§ 12 Derivatives

1. The fund management company may make use of derivatives. It shall ensure that the economic effect of using derivatives does not

result in a deviation from the investment objectives as stated in this fund contract and in the prospectus or alter the investment profile of the investment fund, even in exceptional market circumstances. In addition, the securities underlying the derivatives must be permitted investments under this fund contract.

In connection with collective investment schemes, derivatives may be used only for currency hedging purposes, with the exception of the hedging of market, interest rate and credit risks in the case of collective investment schemes for which the risks can be determined and measured unequivocally.

2. Commitment approach II is used to measure risk. The aggregate derivatives-related investments of this fund may not exceed 100% of its net assets and the total investments may not exceed 200% of its net assets. Given the possibility of temporary borrowing not exceeding 25% of the fund's net assets, as described in § 13 para. 2, the fund's total investments may amount to a maximum of 225% of its net assets. The overall exposure is calculated on the basis of Art. 35 CISO-FINMA.
3. The fund management company may in particular use basic forms of derivatives such as call or put options where the value on expiration has a linear dependence on the positive or negative difference between the market value of the underlying and the strike price and is zero if the difference has the opposite sign, credit default swaps (CDS), swaps with non-path dependent payoffs which have a linear dependence on the value of the underlying or an absolute value and futures and forwards whose value has a linear dependence on the underlying. The fund management company may also use combinations of basic forms of derivatives and derivatives whose effect cannot be equated with one of the basic forms or a combination of basic forms (exotic derivatives).
4.
 - a) Offsetting transactions in derivatives with the same underlying and in investments in this security may be netted, irrespective of the expiry of the derivatives ("netting"), if the derivatives transaction was concluded solely for the purpose of eliminating the risks associated with the derivatives or investments acquired. The main risks may not be disregarded and the eligible amount of the derivatives pursuant to Art. 35 CISO-FINMA must be calculated.
 - b) If the derivatives in hedging transactions do not relate to the same underlying as the asset to be hedged, in addition to the rules under a), the requirement that the derivative transactions may not be based on an investment strategy that serves the purpose of the appropriation of income must also be fulfilled. The derivative must also lead to a proven reduction in the risk, the risks associated with the derivative must be offset, the derivatives, underlying instruments or assets to be offset must relate to the same category of financial instruments and the hedging policy must also be effective even under extraordinary market conditions.
 - c) If mainly interest rate derivatives are used, the amount of the total investment to be offset by derivative positions can be calculated using internationally recognised duration netting rules, provided the rules lead to the correct determination of the investment fund's risk profile, the main risks are taken into consideration, the application of these rules does not lead to an unjustified leverage effect, no interest arbitration strategies are pursued and the leverage effect of the fund is increased neither by the application of these rules nor by investments in short-term positions.
 - d) Derivatives that are used purely to hedge foreign currency risks and do not lead to a leverage effect or involve additional market risks can be offset without the requirements under b) in the calculation of the total derivatives exposure.
 - e) Payment obligations arising from derivatives must be covered at all times with cash or cash equivalents, debt securities and rights, or equities, which are traded on a stock exchange or other regulated market open to the public in accordance with the legislation concerning collective investment schemes.
 - f) If the fund management company enters into physical delivery obligations relating to an underlying instrument arising from derivatives, they must be covered by equivalent underlyings, or by other investments, if the investments and underlyings are highly liquid and may be bought or sold at any time if delivery is required. The fund management company must have unrestricted access to these underlying securities or assets at all times.
5. The fund management company may use both standardised and non-standardised derivatives. It may engage in derivatives transactions on a stock exchange or other regulated market open to the public or in OTC (over-the-counter) trading.
6.
 - a) The fund management company may only engage in OTC transactions with financial intermediaries subject to supervision, which specialise in these transactions and can ensure proper execution. If the counterparty is not the custodian bank, the counterparty or its guarantor must have a high credit rating.
 - b) An OTC derivative financial instrument must be subject to reliable and verifiable valuation on a daily basis and it must be possible to sell, liquidate or close out the derivative with an opposite transaction at market value at any time.
 - c) If no market price is available for an OTC derivative, it must be possible to determine the price at any time based on the market value of the underlyings, using appropriate valuation models that are recognised in practice. Moreover, before the conclusion of such transactions, specific offers must be obtained from at least two potential counterparties and the most favourable offer in terms of price must be accepted. Deviations from this rule shall be permitted in order to diversify risk or if other contractual components, such as credit quality or the service offering of the counterparty, make the overall offer of the counterparty appear better to the investor. In addition, the requirement to obtain offers from at least two potential counterparties may be waived in exceptional cases if this is in the best interests of the investors. The reasons for this as well as the conclusion of the contract and the setting of the prices must be clearly documented.
 - d) In the context of OTC transactions, the fund management company and its agents may only accept collateral that satisfies the requirements under Art. 51 CISO-FINMA. The collateral issuer must have a high credit rating and the collateral may not be issued by the counterparty or by any company belonging to or dependent on the corporate group of the counterparty. The collateral must be highly liquid, it must be traded at a transparent price on an exchange or other regulated market open to the public, and it must be subject to valuation at least on each trading day. In managing the collateral, the fund management company and its agents must satisfy the obligations and requirements listed under Art. 52 CISO-FINMA. In particular, they must adequately diversify collateral in terms of countries, markets and issuers, with the adequate diversification of issuers meaning that the collateral held from any one issuer may not exceed 20% of the net asset value. This does not affect exceptions for assets that are publicly guaranteed or issued in accordance with Art. 83 CISO. In addition, in the event of default by the counterparty, the fund management company and its agents must be able to obtain the power and authority of disposal over the furnished collateral at all times and without the counterparty's involvement or consent. The furnished collateral is to be held in safekeeping by the custodian bank. The furnished collateral may be held in safekeeping on behalf of the fund management company by a supervised third-party custodian, provided ownership of the collateral is not transferred and the third-party custodian is independent of the counterparty.
7. Due account must be taken of the derivatives prescribed in the legislation concerning collective investment schemes when complying with statutory and contractual investment restrictions (maximum and minimum limits).
8. The prospectus has further details on:
 - the implications of derivatives within the investment strategy;

- the effect of using derivatives on the fund's risk profile;
- the counterparty risks associated with derivatives;
- the higher volatility arising from the use of derivatives and the increased total investment (leverage);
- credit derivatives;
- the collateral strategy.

§ 13 Taking up and granting loans

1. The fund management company may not grant loans for the fund's account. Securities lending transactions according to § 10 and repurchase agreements as reverse repos according to § 11 are not deemed to be credit extensions within the meaning of this paragraph.
2. The fund management company may temporarily take up credits for an amount of up to 25% of net fund assets. Repurchase agreements as repos according to § 11 are deemed to be credit extensions within the meaning of this paragraph, unless the money received is used as part of an arbitrage transaction to acquire securities of the same type, quality, rating and maturity in conjunction with the conclusion of a reverse repo.

§ 14 Encumbrance of the fund's assets

1. The fund management company may not pledge or transfer by way of security more than 60% of net fund assets with respect to the fund.
2. The fund's assets may not be encumbered with guarantees. An exposure-increasing credit derivative is not deemed to be a guarantee within the meaning of this paragraph.

C Investment restrictions

§ 15 Risk diversification

1. The following are to be included in the risk diversification provisions:
 - a) investments pursuant to § 8 with the exception of index-based derivatives as long as the index is sufficiently diversified, representative of the market which it covers and published in an appropriate manner;
 - b) liquid assets pursuant to § 9;
 - c) claims against counterparties from OTC transactions.
2. Companies that make up a group according to international accounting standards are viewed as a single issuer.
3. The fund management company may invest – including derivatives – no more than 20% of the fund's assets in securities or money market instruments issued by one and the same issuer. The total value of the securities and money market instruments of issuers in whose instruments more than 10% of fund assets are invested, may not exceed 60% of the fund assets subject to the provisions of prov. 4 and 5.
4. The fund management company may not invest more than 20% of the fund assets in sight or time deposits at one and the same bank. This restriction includes both liquid assets pursuant to § 9 and investments in bank assets pursuant to § 8.
5. The fund management company may not invest more than 5% of fund assets in OTC transactions of one and the same counterparty. Should the counterparty be a bank with its headquarters in Switzerland or in a member state of the European Union or in another country in which it is subject to supervision equivalent to the supervision in Switzerland, this restriction is increased to 10% of fund assets. If claims from OTC transactions are covered by collateral in the form of liquid assets in accordance with Art. 50 to 55 CISO-FINMA, the claims shall be excluded from the calculation of counterparty risk.
6. Investments, deposits and claims pursuant to the above prov. 3 to 5 of the same issuer or borrower may not exceed 20% of fund assets. Such investments are subject to the higher restrictions pursuant to prov. 10 and 11 below.
7. Investments according to prov. 3 above from the same group of companies may in total not exceed 20% of the fund assets. Such investments are subject to the higher restrictions pursuant to prov. 10 and 11 below.
8. The fund management company may not acquire for the fund's assets more than 10% of debt and/or money market instruments of a single issuer. These restrictions do not apply if at the time of acquisition the gross amount of debt, money market instruments or the units of other collective investments cannot be calculated.
9. The limits stipulated in prov. 8 do not apply if the securities and money market instruments are issued or guaranteed by a state or OECD public-law institution or by international organisations with public-law character to which Switzerland or a member state of the European Union belongs.
10. The limit of 20% stipulated in prov. 3 rises to 35% if the securities or money market instruments are issued or guaranteed by a state or public-law institution from the OECD, by international organisations with public-law character to which Switzerland or a European Union member state belongs or any other permitted issuer or guarantor included in the Benchmark described in §8 prov. 2 aa) above. The limit of 60% as stipulated in prov. 3 does not apply to the securities or money market instruments mentioned above. The individual limits of prov. 3 and 5 may, however, not be accumulated with the existing limit of 35%.
11. The limit of 20% stipulated in prov. 3 rises to 100% if the securities or money market instruments are issued or guaranteed by a state or public-law institution from the OECD or by international organisations with public-law character to which Switzerland or a European Union member state belongs. In this case, the fund must hold securities or money market instruments consisting of at least six different issues, and no more than 30% of fund assets may be invested in securities or money market instruments of the same issue. The limit of 60% as stipulated in prov. 3 does not apply to the securities or money market instruments mentioned above.

The permitted issuers/guarantors above are:

The European Union (EU), OECD states, the Council of Europe, the International Bank for Reconstruction and Development (World Bank), the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the Asian Development Bank and Eurofima (European Company for the Financing of Railroad Rolling Stock).

IV. Calculation of net asset value as well as issue and redemption of units

§ 16 Calculation of net asset value and application of swinging single pricing

1. The fund's net asset value shall be calculated in US Dollars (USD) at market value as of the close of the financial year and for each day on which units are issued or redeemed. The fund's assets will not be valued on days when the stock exchanges of the main investment countries of the fund are closed (e.g. bank or stock market holidays). However, the fund management company may

also calculate the net asset value of a unit ("non-tradable net asset value") on days on which no units are issued or redeemed (e.g. if the last calendar day of a month equals a day according to para 5.2 of the prospectus). Such non-tradable net asset values may be published but may only be used for performance calculations and statistics (e.g. to be compared against the benchmark) or for commission calculations and in no case as a basis for subscription and redemption orders.

- Investments listed on a stock exchange or traded on another regulated market open to the public shall be valued at the current prices paid on the main market. Other investments or investments for which no current market price is available shall be valued at the price likely to be obtained if a sale were conducted with proper care at the time of the valuation. In such cases the fund management company shall use appropriate and recognised valuation models and principles to determine the market value.
- Open-end collective investments are valued using their redemption price or net asset value. If they are listed on a stock exchange or traded on another regulated market open to the public, the fund management company may value them pursuant to prov. 2.
- The value of money market instruments which are not listed on a stock exchange or traded on another regulated market open to the public is calculated as follows: The valuation price of such investments is based on the respective interest rate curve. The valuation based on the interest curve comprises an interest rate component and a spread component. The following principles shall be applied: For each money market instrument, the closest rates of interest to the residual term shall be interpolated. The rate of interest thus established shall be converted into a market rate, adding a spread which reflects the creditworthiness of the underlying borrower. This spread is adjusted in the event of a significant change in the borrower's credit rating.
- Bank deposits shall be valued using their exposure amount plus accrued interest. In the event of significant changes in market conditions or the credit rating, the valuation basis for bank deposits on demand shall be adjusted in line with the new conditions.
- The net asset value of a unit shall be based on the market value of the fund's assets, less any liabilities of the fund and divided by the number of units in circulation. It will be rounded to USD 0.01.
- If, on any one order day, the sum of subscriptions and redemptions of units in the fund result in a net inflow or outflow, the fund's valuation net asset value will be increased or reduced accordingly (swinging single pricing). The maximum adjustment level amounts to 2% of the valuation net asset value. Incorporated into this are the incidental costs (bid/ask spread, brokerage at standard market rates, commissions, duties, etc.) that are incurred on average from the investment of a net inflow or from the sale of a portion of investments corresponding to the net outflow. The adjustment results in an increase of the valuation net asset value if net movements lead to an increase in the number of units in the fund. Conversely, the adjustment results in a reduction of the valuation net asset value if net movements lead to a reduction in the number of units. The net asset value calculated on the basis of swinging single pricing is thus a modified, or "swung", net asset value as set out in the first sentence of this paragraph. Subscriptions and redemptions made the same day that have an evident, direct economic link and that therefore entail no ancillary costs for the purchase and sale of investments are excluded from the application of swinging single pricing.

§ 17 Issue and redemption of units

- Subscription or redemption orders for units will be accepted on the order day up to a specific time mentioned in the prospectus. The price used for the issue and redemption of units is determined at the earliest on the bank business day (valuation day) following the order day (forward pricing). The prospectus governs the details.
- The issue and redemption prices of units shall be based on the net asset value per unit as defined in § 16 calculated on the valuation date in conjunction with the closing prices of the previous day. In the case of unit issues, an issuing commission may be added to the net asset value pursuant to § 18. In the case of unit redemptions, a redemption commission may be deducted from the net asset value pursuant to § 18.
Incidental costs relating to the purchase and sale of investments (in particular, brokerage fees at standard market rates, commissions, taxes and duties) and incurred by the fund in connection with the investment of the amount paid in or with a sale of the redeemed portion of the assets corresponding to the units redeemed will be covered by the application of swinging single pricing as outlined in § 16 prov. 7 of the fund contract.
- The fund management company can suspend the issue of units at any time and can also reject applications for unit subscriptions or conversions.
- The fund management company may temporarily and by way of exception suspend the redemption of fund units in the interest of all investors:
 - a market which is the basis for the valuation of a significant proportion of the fund's assets is closed, or if trading on such a market is limited or suspended;
 - a political, economic, military, monetary or other emergency occurs;
 - owing to exchange controls or restrictions on other asset transfers, the fund is no longer able to transact its business;
 - large-scale unit redemptions take place that could significantly affect the interests of the remaining investors.
- The fund management company shall immediately apprise the external auditors and the supervisory authority of any decision to suspend redemptions. It shall also notify the investors in an appropriate manner.
- No units shall be issued as long as the redemption of units is suspended for the reasons stipulated under 4 a) to c).

V. Remuneration and incidental costs

§ 18 Remuneration and incidental costs to be borne by investors

The investor shall not incur any issuing or redemption commission when units are issued or redeemed.

§ 19 Remuneration and incidental costs charged to the fund's assets

- For the management and for all tasks of the custodian bank such as the safekeeping of the fund assets, the arrangement of payment transactions and the other duties assigned to it as described in § 4, the fund management company charges the fund a fee for the fund management company and the custody bank collectively ("Maximum ManCo and Custody Fee"). For the asset management of the investment fund the fund management company also charges a fee for the asset manager ("Management Fee"). The remuneration refers to the net assets, is charged to the fund's assets pro rata temporis each time the fund's net asset value is calculated and paid monthly.
 - Unit class «IP»
 - Maximum ManCo and Custody Fee 0.20% p.a.
 - Management Fee 0.75% p.a.
 - Unit class «I»

- Maximum ManCo and Custody Fee	0.20% p.a.
- Management Fee	0.75% p.a.
c) Unit class «R»	
- Maximum ManCo and Custody Fee	0.20% p.a.
- Management Fee	0.85% p.a.

The actual rate applying to the Total Fee is stated in the annual and semi-annual reports. "Total Fee" means the aggregation of the Management Fee and the Maximum ManCo and Custody Fee per unit class.

2. The Total Fee does not include the following remuneration and incidental costs of the fund management company and the custodian bank, which are charged separately to the fund assets:
 - a) costs for the purchase and sale of the investments, specifically standard brokerage fees, commissions, taxes, and duties;
 - b) fees paid to the supervisory authority for the foundation, amendment, liquidation or merger of the investment fund;
 - c) annual fee paid to the supervisory authority;
 - d) fees paid to external auditors for annual audits and for certificates in connection with the foundation, amendment, liquidation or merger of the investment fund;
 - e) fees paid to legal and tax advisors in connection with the foundation, amendment, liquidation or merger of the fund and for the general representation of the interests of the fund and its investors;
 - f) the costs of publishing the net asset value of the fund and all costs associated with notifications to the investors, including translation costs, where such costs were not necessitated by misconduct on the part of the fund management company;
 - g) the costs of printing and translating legal documents as well as the semi-annual and annual reports of the fund;
 - h) costs in connection with the exercising of voting and creditors' rights by the fund, including fees for external advisors;
 - i) costs and fees associated with intellectual property registered in the name of the fund or rights of use by the fund;
 - j) all costs which arise from the performance of extraordinary measures to protect the interests of the investor by the fund management company, the asset managers of collective investments or the custodian bank;
3. The costs under prov. 2 letter a are directly added to the cost value or deducted from the sales value.
4. The fund management company and its agents may, pursuant to the provisions in the prospectus, pay retrocessions as remuneration for distribution activity in respect of the fund, and offer discounts to reduce the fees and costs incurred by investors and charged to the fund.

VI. Financial statements and audits

§ 20 Financial statements

1. The fund's accounting currency is the US Dollars (USD).
2. The financial year shall run from 1 January to 31 December.
3. The fund management company shall publish an audited annual report for the fund within four months of the closing of the financial year.
4. The fund management company shall publish a semi-annual report for the fund within two months of the close of the first half of the financial year.
5. The foregoing shall be subject to the investor's right to obtain information in accordance with § 5 prov 4.

§ 21 Audits

The external auditors shall examine whether the fund management company and the custodian bank have acted in compliance with the statutory and contractual provisions as well as, where applicable, with the code of professional ethics of the Swiss Funds & Asset Management Association (SFAMA). The annual report shall contain a short report by the external auditors on the published annual financial statements.

VII. Appropriation of net income

§ 22

1. Each year, the net income of the fund is reinvested in the assets of the fund within four months of the end of the financial year. The fund management company may also decide to reinvest the fund's income at other intervals. The foregoing is subject to any taxes and duties chargeable on reinvestment.
2. Capital gains realised on the sale of assets and rights can be distributed by the fund management company or retained for the purpose of reinvestment.

VIII. Publications of official notices

§ 23

1. Official notices regarding the fund shall be published in the print or electronic medium specified in the prospectus. A change in the official publication must be published in the official publication.
2. The official publications for the fund shall in particular include notices regarding any material amendments to the fund contract in summary form, indicating the locations where the full wording of such amendments may be obtained free of charge, any change of fund management company and/or custodian bank, the creation, liquidation or merger of unit classes and the dissolution of the fund. Any amendments required by law, which do not affect the interests of investors, or only concern matters of form, may be exempted from the duty of disclosure subject to the approval of the supervisory authority.
3. The fund management company publishes in the print medium or on the electronic platform shown in the prospectus the issue and redemption prices and net asset value (a modified net asset value due to the application of swinging single pricing in accordance with § 16 prov. 7) with the note "excluding fees" on every issue and redemption of units. The prices shall be published on every day units are issued and redeemed according to para 5.2 of the prospectus. The weeks and weekdays on which such prices shall be published shall be specified in the prospectus.
4. The prospectus including the fund contract, the KIID/basic information sheet and the current annual and semi-annual reports may be obtained free of charge from the fund management company, the custodian bank and from all distributors.

IX. Restructuring and dissolution

§ 24 Merger

1. Subject to the agreement of the custodian bank, the fund management company may merge funds by transferring the assets and liabilities of the fund(s) being acquired to the acquiring fund. The investors of the fund being acquired shall receive the corresponding number of units in the acquiring fund. The fund being acquired shall be dissolved without liquidation when the merger takes place, and the fund contract of the acquiring fund shall also apply to the fund being acquired.
2. Funds may only be merged if:
 - a) the applicable fund contracts provide for such merger;
 - b) they are managed by the same fund management company;
 - c) the following provisions of the applicable fund contracts are essentially identical with regard to:
 - the investment policy, investment techniques, risk diversification and the risks associated with the investment
 - the appropriation of net income and capital gains from the sale of assets and rights
 - the type, value and method of calculating any remuneration, issue and redemption commission and incidental costs relating to the purchase and sale of investments (brokerage, fees, duties) which may be charged to the fund's assets or the investors
 - the conditions of redemption
 - the duration of the agreement and requirements for dissolution;
 - d) the valuation of the affected funds' assets, the calculation of the exchange ratio and the transfer of assets and liabilities must take place on the same day;
 - e) no costs may be incurred by the fund or the investors. The aforementioned shall be subject to the provisions pursuant to § 19 prov. 2 concerning mergers.
3. If it is anticipated that the merger shall take more than one day, the supervisory authority may authorise a temporary suspension of unit redemptions for the funds concerned.
4. The fund management company must submit the proposed merger together with the merger schedule and plan to the supervisory authority for review at least one month before the planned publication of the intended changes to the fund contract. The merger schedule must contain information on the reasons for the merger, the investment policies of the funds involved and any differences between the acquiring fund and the fund being acquired, the calculation of the exchange ratio, any differences with regard to remuneration and any tax implications for the funds, as well as a statement from the statutory external auditors under the applicable collective investment legislation.
5. The fund management company shall publish a notice of the proposed amendments to the fund contract in accordance with § 23 prov. 2 and the proposed merger together with the merger schedule at least two months before the planned date of merger in the official publication of the funds in question. Such notice shall advise investors that they may lodge an objection to the proposed amendments to the fund contract with the supervisory authority within 30 days of the last notice, or request redemption of their units in cash.
6. The external auditors must check immediately that the merger is being carried out correctly, and shall submit a report containing their comments in this regard to the fund management company and the supervisory authority.
7. The fund management company shall notify the supervisory authority that the merger has been completed and publish a notice to this effect, together with a statement from the external auditors confirming that the merger was executed correctly and the exchange ratio without delay in the official publication of the funds involved.
8. The fund management company must make reference to the merger in the next annual report of the acquiring fund and in its semi-annual report if published prior to the annual report. Unless the merger falls on the final day of the normal financial year, an audited closing statement must be produced for the fund being acquired.

§ 25 Conversion into another legal form

1. The fund management company may, with the consent of the custodian bank and the investors, convert investment funds into sub-funds of a SICAV under Swiss law, whereby the assets and liabilities of the converted investment fund(s) are transferred to the investor sub-fund of a SICAV at the time of conversion. The investors of the converted investment fund will receive units of the investor sub-fund of the SICAV with a corresponding value. On the day of conversion, the converted investment fund will be dissolved without liquidation, and the investment regulations of the SICAV will apply to the investors of the converted investment fund who will become investors of the SICAV's investor sub-fund.
2. The investment fund may only be converted into a sub-fund of a SICAV if:
 - a) The fund contract provides for this, and this is explicitly stated in the SICAV's investment regulations;
 - b) The investment fund and the sub-fund are managed by the same fund management company;
 - c) The fund contract and the investment regulations of the SICAV are consistent with respect to the following provisions:
 - the investment policy (including liquidity), the investment techniques (securities lending, repurchase and reverse repurchase agreements and financial derivatives), borrowing and lending, pledging of collective investment assets, risk distribution and investment risks, the type of collective investment scheme, the investor base, the unit/share classes and the calculation of the net asset value,
 - the use of net proceeds and gains on disposal from the sale of items and rights,
 - the appropriation of net income and reporting,
 - the nature, amount and calculation of all remuneration, issue and redemption discounts and incidental costs for the acquisition and disposal of investments (brokerage fees, duties and taxes) that may be charged to the fund assets or to the SICAV, the investors or the shareholders, subject to incidental costs specific to the legal form of the SICAV,
 - the issuing and redemption conditions,
 - the term of the contract or the SICAV,
 - the publication medium;
 - d) The valuation of the assets of the collective investment schemes involved, the calculation of the exchange ratio, and the transfer of the assets and liabilities must take place on the same day;
 - e) No costs may be incurred by the investment fund or the SICAV or by the investors or shareholders.
3. FINMA may approve the suspension of the redemption for a certain period of time if it is foreseeable that the conversion will take longer than one day.
4. The fund management company must submit to FINMA for review the planned amendments to the fund contract and the planned

conversion, together with the conversion plan, prior to the planned publication.

The conversion plan must contain information on the reasons for the conversion, the investment policy of the collective investment schemes concerned, any differences between the converted fund and the SICAV's sub-fund, the calculation of the conversion ratio, any differences with regard to remuneration, any tax implications for the collective investment schemes, and an opinion from the external auditor of the investment fund.

5. The fund management company will publish any amendments to the fund contract pursuant to § 24 point 1 and 2 and the planned conversion and the planned date in connection with the conversion plan at least two months before the date specified by it in the publication of the converted investment fund. In this notice, the fund management company must inform the investors that they may lodge objections to the proposed changes to the fund contract with the supervisory authority, or request redemption of their units in cash, within 30 days of publication or notice.
6. The external auditor of the investment fund or the SICAV (if different) shall immediately verify the proper execution of the conversion and report thereon to the fund management company, the SICAV and FINMA.
7. The fund management company will immediately notify FINMA of the completion of the conversion and forward to FINMA the auditor's confirmation regarding the proper execution of the transaction and the conversion report in the publication medium of the investment funds involved.
8. The fund management company or the SICAV shall mention the conversion in the next annual report of the investment fund or the SICAV, and in any semi-annual report published before this date.

§ 26 Life of the investment fund and dissolution

1. The fund has been established for an indefinite period.
2. The fund management company or custodian bank may dissolve the fund by terminating the fund contract, without regard for any notice period.
3. The fund may be dissolved by order of the supervisory authority, for example if the fund does not have assets of at least five million Swiss francs (or the equivalent) no later than one year after its launch, or a longer period specified by the supervisory authority at the request of the custodian bank and the fund management company.
4. The fund management company shall notify the supervisory authority of such dissolution immediately and publish a notice to this effect in the official publication for the fund.
5. Upon termination of the fund contract, the fund management company may liquidate the fund forthwith. If the supervisory authority ordered the dissolution of the fund, the fund must be liquidated immediately. The custodian bank is responsible for payment of liquidation proceeds to the investors. If the liquidation proceedings are protracted, payment may be made in instalments. Prior to the final payment, the fund management company must obtain authorisation from the supervisory authority.

X. Amendment to the fund contract

§ 27

If any amendments are made to this fund contract, or in the event of a change of fund management company or custodian bank, the investors may lodge objections with the supervisory authority within 30 days after the most recent notice published. In the publication, the fund management company shall inform investors of the fund contract changes concerned by the examination and ascertainment of legal conformity by FINMA. In the event of any amendment to the fund contract, investors may also request redemption of their units in cash within the period stipulated in this agreement. The foregoing shall be subject to the amendments described in § 23 prov. 2 which are exempted from the duty of disclosure subject to the approval of the supervisory authority.

XI. Applicable law and place of jurisdiction

§ 28

1. The fund shall be governed by Swiss law and in particular CISA, CISO and CISO-FINMA.
The place of jurisdiction shall be the domicile of the fund management company.
2. In approving the fund contract, FINMA shall exclusively examine the provisions in accordance with Art. 35a para. 1 a) to g) CISO and ascertain their legal conformity. The German version shall be binding for the interpretation of the fund contract.
3. This fund contract enters into force on 25 July 2022.
4. This fund contract replaces the fund contract dated 7 May 2021.

The fund management company:

UBS Fund Management (Switzerland) AG, Basel

The custodian bank: UBS Switzerland AG, Zurich