responsAbility Fair Agriculture Fund

Contractual Investment Fund under Swiss Law in the Category «Other Funds for Alternative Investments» Involving Special Risks

An investment fund established on behalf of **responsAbility Investments AG, Zurich**, by Credit Suisse Funds AG, Zurich, as fund management company and Credit Suisse (Switzerland) Ltd., Zurich, as custodian bank.

responsAbility Fair Agriculture Fund is a contractual investment fund in the category «Other Funds for Alternative Investments» involving special risks. The Fund invests in investments with which actors along the agriculture value chain in less developed countries are directly or indirectly financed and/or refinanced. The risks inherent in the Fund cannot be compared with those of securities funds. Therefore, investors are expressly made aware of the risks described in the Prospectus and Fund Contract as well as of the lower liquidity and greater difficulty in determining the value of the Fund's investments (which are generally unlisted and not traded). Investors must assume that up to 75% of the Fund's assets may be invested directly or indirectly in the commodity of coffee, and that up to 40% of the Fund's assets may be invested in an individual country and up to 100% in an individual continent (e.g. South America). In particular, investors must be willing and able to accept capital losses including the entire loss of their investment. Units in the responsAbility Fair Agriculture Fund should therefore account for only a small portion of an investor's portfolio and be held as part of a diversified portfolio.

Prospectus with Integrated Fund Contract
November 2018
Distribution in Switzerland

Part 1: Prospectus

This Prospectus with integrated Fund Contract, and also the latest annual or semi-annual report (if this was published after the latest annual report), serves as the basis for all subscriptions of units in the responsAbility Fair Agriculture Fund (hereinafter referred to as the «Fund»). Only the information contained in the Prospectus or the Fund Contract will be deemed to be valid. Responsibility for distribution lies with the custodian bank or other distributors appointed by the fund management company.

The Fund has been approved in Switzerland by the supervisory authority, the Swiss Financial Market Supervisory Authority (FINMA), and may be distributed in Switzerland without restriction in accordance with the statutory provisions. The Fund is not currently admitted for sale in any other country.

Distribution of this Prospectus and the offering and sale of units of the Fund may be subject to restrictions in certain jurisdictions. Any person gaining possession of this Prospectus with integrated Fund Contract should inform themselves as to the legal framework (including the provisions of tax law) that applies in the relevant jurisdiction, i.e. that of their country of residence or origin.

The fund management company, the custodian bank and the other distributors appointed by them may reject subscriptions, in particular if they believe they come from persons who upon the sale of the subscription would be in violation of the laws of a relevant jurisdiction.

1 Information on the Fund

1.1 General Information on the Fund

The responsAbility Fair Agriculture Fund is a contractual investment fund under Swiss law in the category «Other Funds for Alternative Investments» involving special risks and established under the Swiss Collective Investment Schemes Act (CISA) of June 23, 2006.

The Fund Contract was drawn up by Credit Suisse Funds AG, Zurich, as fund management company, and with the agreement of Credit Suisse AG, Zurich, as custodian bank, submitted to the Swiss Financial Market Supervisory Authority («FINMA»). The Fund Contract was first approved by FINMA on December 13, 2011.

As of November 20, 2016, Credit Suisse (Switzerland) Ltd. acquired the majority of the business of Credit Suisse AG belonging to the Swiss Universal Bank division. In this connection, Credit Suisse (Switzerland) Ltd. – with the approval of FINMA – took over the custodian bank function for the investment fund.

The Fund is based upon a collective investment agreement under which the fund management company is obliged to provide the investor with a stake in the Fund in proportion to the units acquired by said investor, and to manage this Fund in accordance with the provisions of the Fund Contract and the law. The custodian bank is party to the Fund Contract in accordance with the tasks conferred upon it by the law and the Fund Contract.

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

The following classes of units are currently issued:

– **Class B1**, which has the Swiss franc as its accounting currency, is a capital growth class and is open to the public at large. This class is currency-hedged against the Fund's reference currency (US dollar);
– **Class B1V**, which differs from class B1 only in that it is exclusively reserved for investors who subscribe units of this class via a distributor domiciled in the United Kingdom or the Netherlands, or who have concluded a written agreement with a distributor that explicitly provides for the acquisition of trailer fee-free classes.
– **Class B2**, which has the euro as its accounting currency, is a capital growth class and is open to the public at large. This class is currency-hedged against the Fund's reference currency (US dollar);
– **Class B2V**, which differs from class B2 only in that it is exclusively reserved for investors who subscribe units of this class via a distributor domiciled in the United Kingdom or the Netherlands, or who have concluded a written agreement with a distributor that explicitly provides for the acquisition of trailer fee-free classes.
– **Class B3**, which has the US dollar as its accounting currency, is a capital growth class and is open to the public at large.
– **Class B3V**, which differs from class B3 only in that it is exclusively reserved for investors who subscribe units of this class via a distributor domiciled in the United Kingdom or the Netherlands, or who have concluded a written agreement with a distributor that explicitly provides for the acquisition of trailer fee-free classes.
– **Class I1**, which has the Swiss franc as its accounting currency, is a capital growth class and is exclusively open to qualified investors in accordance with § 5 prov. 1 of the Fund Contract. This class is currency-hedged against the Fund's reference currency (US dollar). With regard to cost structure, it differs from the other unit classes in terms of the maximum rates for management fees set out in § 19 prov. 1 (Fees and Incidental Costs Charged to the Fund's Assets). The minimum initial investment for class I1 units (minimum investment) and the minimum number of class I1 units that must be held by the investor at any given time (minimum holding) are stated in the table at the end of the Prospectus. If the value of the units held falls below this minimum holding figure, the fund management company may take steps to switch the investment into units of another class for which the investor is eligible. Should unit holdings fall below the minimum figure for market or performance-related reasons, switching into another unit class is not mandatory; such a switch is, however, mandatory if the minimum holding figure is undershot due to a redemption by the investor. The units must in principle be booked to and held in safekeeping at the custodian bank. If the units are not booked to and held in safekeeping at the custodian bank, the institutions responsible for the safekeeping of the units must confirm to the custodian bank in writing that their clients are exclusively qualified investors within the meaning of § 5 prov. 1 of the Fund Contract, comply with any further restrictions pursuant to § 6 prov. 4 of the Fund Contract and the table at the end of the Prospectus, and that changes in this regard are reported;
– **Class I2**, which has the euro as its accounting currency, is a capital growth class and is exclusively open to qualified investors as defined in § 5 prov. 1 of the Fund Contract. This class is currency-hedged against the Fund's reference currency (US dollar). With regard to cost structure, it differs from the other unit classes in terms of the maximum rates for management fees set out in § 19 prov. 1 (Fees and Incidental Costs Charged to the Fund's Assets). The minimum initial investment for class I2 units (minimum investment) and the minimum number of Class I2 units that must be held by the investor at any given time (minimum holding) are stated in the table at the end of the Prospectus. If the value of the units held falls below this minimum holding figure, the fund management company may take steps to switch the investment into units of another class for which the investor is eligible. Should unit holdings fall below the minimum figure for market or performance-related reasons, switching into another unit class is not mandatory; such a switch is, however, mandatory if the minimum holding figure is undershot due to redemption by the investor. The units must in principle be booked to and held in safekeeping at the custodian bank. If the units are not booked to and held in safekeeping at the custodian bank, the institutions responsible for the safekeeping of the units must confirm to the custodian bank in writing that their clients are exclusively qualified investors within the meaning of § 5 prov. 1 of the Fund Contract, comply with any further restrictions pursuant to § 6 prov. 4 of the Fund Contract and the table at the end of the Prospectus, and that changes in this regard are reported;
– **Class I3**, which has the US dollar as its accounting currency, is a capital-growth class and is exclusively open to qualified investors in accordance with § 5 prov. 1 of the Fund Contract. With regard to cost structure, it differs from the other unit classes in terms of the maximum rates for management fees set out in § 19 prov. 1 (Fees and Incidental Costs Charged to the Fund's Assets). The minimum initial investment for class I3 units (minimum investment) and the minimum number of class I3 units that must be held by the investor at any given time (minimum holding) are stated in the table at the end of the Prospectus. If the value of the units held falls below this minimum holding figure, the fund management company may take steps to switch the investment into units of another class for which

the investor is eligible. Should unit holdings fall below the minimum figure for market or performance-related reasons, switching into another unit class is not mandatory; such a switch is, however, mandatory if the minimum holding figure is undershot due to redemption by the investor. The units must in principle be booked to and held in safekeeping at the custodian bank. If the units are not booked to and held in safekeeping at the custodian bank, the institutions responsible for the safekeeping of the units must confirm to the custodian bank in writing that their clients are exclusively qualified investors within the meaning of § 5 prov. 1 of the Fund Contract, comply with any further restrictions pursuant to § 6 prov. 4 of the Fund Contract and the table at the end of the Prospectus, and that changes in this regard are reported;

Qualified investors specifically include:

a) regulated financial intermediaries such as banks, securities dealers, fund management companies and asset managers of collective investment schemes, and central banks;
b) regulated insurance institutions;
c) public corporations and pension institutions with a professional treasury unit;
d) companies with a professional treasury unit;
e) qualified investors pursuant to Art. 10 prov. 3 ^{bis} CISA; these are high-net-worth individuals who fulfill the conditions therein as well as in Art. 6 and 6a CISO;
f) qualified investors pursuant to Art. 10 prov. 3 ^{ter} CISA; these are investors who have signed a written asset management agreement as defined therein.

A company or public corporation or pension institution has a professional treasury unit if it entrusts at least one qualified person with experience in the financial sector with managing the financial resources on a permanent basis.

The individual unit classes do not constitute segregated pools of assets. Although costs are in principle charged only to the unit class for which the service in question was rendered, the possibility of a unit class being held liable for the liabilities of another unit class therefore cannot be ruled out.

This participation in a unit class of the Fund may differ due to class-specific costs or distributions or due to class-specific earnings and the various unit classes may therefore have different net asset values per unit.

1.2 Investment Objective and Investment Policy/Instruments, Investment Techniques, Investment Restrictions and Use of Derivatives

Detailed information on the investment policy and its restrictions, as well as the permitted investment techniques and instruments, are contained in the Fund Contract (cf. § 8 et seq.).

Investment Objective

The investment objective of the Fund is principally to achieve an appropriate return in the accounting currency by investing in the instruments listed below. Due account shall be taken of the principle of risk diversification, security of the capital invested and liquidity of the Fund's assets. To achieve a tax-efficient structure or for investments in markets that are difficult for foreign investors to access, the fund management company may hold the investments, depending on the particular characteristics of the country concerned, either directly or indirectly via one or more subsidiary companies. Accordingly, all investment shall be conducted directly or indirectly by the fund management company or its agents for the Fund's account.

The amounts entrusted to the Fund aim at achieving a real increase in value over the long term; at the same time, they seek to make a contribution to the sustainable development of local agriculture value chain actors (AVCAs) in developing and transition countries – those that can directly or indirectly contribute to socioeconomic and ecological development in rural regions. For this purpose, the Fund primarily invests its money indirectly and directly in local, successful or promising AVCAs.

The agriculture value chain consists of a series of interconnected actors, including suppliers, producers, trading companies and retailers, technical and commercial service-sector companies as well as financial service providers.

The fund management company cannot guarantee that the Fund's investment objective will be met. Past performance is no guarantee as to the future performance of the Fund.

Fair, sustainable agriculture

Description of sustainable agriculture

The aim of sustainable agriculture is to cultivate agricultural products in a manner that is efficient and productive and simultaneously safeguards the environment and local community as well as improves the social and economic conditions of farmers, their workers, and the local population. Attention is also paid to the health and well-being of all livestock.

Description of Fair Trade

Fair trade (FT) a trade partnership that is founded on dialogue, transparency and respect, and seeks to achieve greater justice in international trade. Fair trade contributes to sustainable development by creating better trade conditions for agricultural producers and workers, particularly in developing and emerging economies.

In overall terms, the objective is to increase and stabilize incomes and in particular secure a subsistence-level, basic income. FT is especially important to producers of agricultural products that are destined for export and are consequently affected by the possibility of sharp fluctuations in world market prices.

FT standards are set by various certification organizations. Actors and organizations along the agriculture value chain are subject to an assessment and, depending on the result, receive certification. Various standards apply across a range of areas such as trade conditions, rights and incomes for farmers and workers, as well as sustainable agriculture. However, not all products or value chains are covered by such FT certification.

Fairtrade Labelling Organizations International (FLO) is the largest and best-known fair trade organization.

A key element of fair trade certification consists of guaranteed minimum prices (the individual commodities are nonetheless subject to market-related price fluctuations), by means of which the subsistence-level, basic income for small-scale farmers is to be achieved.

Besides the price paid for the product, an additional amount known as the «Fairtrade premium» is charged. Farmers receive this premium for the Fairtrade products they sell. The money flows into a community fund for farmers and workers and is used to improve social, economic and ecological conditions for the farmers and workers. As members of the producer organizations, the farmers and workers' committees on the plantations decide on a democratic basis how to the use this additional income. The premium is typically invested in education, healthcare and the optimization of agricultural businesses in order to enhance the quality and yield of agricultural produce. Projects financed from the premiums often go to benefit the rural population outside of the producer organizations.

Fairtrade terms are issued and coordinated by FLO-Cert, and regularly monitored through a certification process. Only those that meet these strict criteria receive the Fairtrade label.

Investment Strategy

The Fund's investment strategy is primarily to invest worldwide, both indirectly and directly, in carefully selected actors along the agriculture value chain that aim at improving the economic position of the rural population in developing and emerging economies. For this purpose, the Fund invests primarily in established AVCAs with many years of experience. It invests mainly in fixed- and variable-interest instruments. The investments – typically used to finance the harvest and sales cycles of agricultural products as well as to finance operating capital and/or capital investment by AVCAs – typically exhibit a relatively short term of less than two years. To a limited extent, the Fund may also invest directly in suitable AVCAs. The Fund diversifies mainly by way of products and regions. Coffee and Latin America have above-average significance owing to the demand and production situation.

The Fund may also invest (directly or indirectly) in trade finance assets, typically a form of short-term finance available to importers or exporters for the simplification of international trade. The term «trade finance» covers a series of different activities associated with risk management in relation to international business activities. Exporters frequently require importers to make an advance payment for the delivery of goods, while importers frequently require exporters to document the shipping of the goods.

Investment Concept

Particular attention is paid to the maturity and heterogeneity of the market when identifying and monitoring suitable AVCA investments for the Fund. Well-developed, long-standing contacts, a strong local presence as well as expertise and an overview of local, specific conditions and circumstances play a major role. The Fund therefore has investments in developing and transition countries made by or through partner organizations which have specific knowledge of the local AVCAs. The long-term goal is an increase in the value of the investment as well as ecological and socioeconomic benefits.

Investment Process
The investment process includes the following steps:

1. Definition of the investment universe
Organizations such as FLO, the Rainforest Alliance, UTZ, IMO and organic certification bodies serve as the primary source for defining the investment universe. Robust and strict social and ecological guidelines apply to investments in non-certified actors. AVCAs considered for investment must in principle have the following minimum requirements, defined on the basis of an analysis by the Asset Manager:
– They must be domiciled in a country whose legal and tax structure is acceptable for the fund management company.
– The company must offer acceptable legal protection for investors.
– The company's objective must be geared to the professional manufacturing of products or provision of services, and to appropriate earnings and growth expectations

2. Pre-selection
A pre-selection of AVCAs is based on a number of environmental, social and governance (ESG) compliance in the framework of qualitative and quantitative factors.

3. Detailed analysis
The detailed analysis of the AVCAs is part of a quantitative rating system that evaluates the following criteria:
– the strategy pursued by the AVCAs;
– management, governance and internal systems of the AVCAs;
– financial and operating performance of the AVCAs;
– ability of the AVCAs to contribute to socioeconomic and ecological development in rural regions.

The decision as to whether an AVCA is suitable for the Fund portfolio is taken on the basis of the detailed analysis results.
If a partner organization of the Asset Manager takes on the tasks of pre-selection and detailed analysis, a due diligence procedure is used to ensure that the partner organization has the necessary processes, systems and skills to carry out these tasks in accordance with the Fund's investment objective and investment policy.
The Asset Manager continuously monitors the quality of the partner organization's work and ensures that it meets the Asset Manager's strict quality criteria. Pre-selection and detailed analysis of the AVCAs are carried out by the Asset Manager if this has not been done by partner organizations.

4. Investment decision
When making a decision, additional factors are considered with regard to the amount and timing of investments:
– investment conditions (duration of investment, additional collateral that can, for example, take the form of purchase agreements between the AVCA and its customers, etc.);
– the Fund's liquidity;
– compatibility with the investment criteria;
– permissibility or acceptance of possible investment instruments;
– other requirements defined by the fund management company and Asset Manager.

5. Ongoing monitoring
Investments are monitored continuously. Regular reporting in the financial and operating fields aims at achieving continuous monitoring of the results. The Asset Manager and the partner organizations appointed by the Asset Manager are contractually obliged to continuously monitor the political and economic situation in the investment countries as well as the financial position and creditworthiness of the AVCAs. They shall notify the fund management company and the custodian bank immediately in the event of an occurrence of «critical situation"» that might influence the AVCAs' ability to pay in relation to the Fund and that may be relevant from a valuation perspective. Such critical situations would include political unrest, which might lead to a moratorium on payments to foreign investors, the rapidly deteriorating financial situation or credit portfolio quality of an AVCA, or the involvement of the AVCA in serious legal irregularities.

6. Measures to be taken in the event of a default
A default occurs when a claim on the part of the Fund cannot be settled within two weeks following the agreed payment date.
In such cases, the Asset Manager or the partner organizations which it has entrusted with continuous monitoring shall be contractually obliged immediately to implement measures in relation to the safeguarding of investors' interests.

Investment Policy/Instruments
The Fund may use the following investment instruments, either directly or indirectly. The investments/investment instruments in some cases have limited marketability and are relatively difficult to value.
– variable and/or fixed-interest senior and/or subordinated debt securities;
– variable and/or fixed-interest senior and/or subordinated secured or unsecured loans or sub-participations in such loans;
– shareholdings;
– liquidity/money market.

The issuing institutions and borrowers (AVCAs, local commercial banks) are usually domiciled in developing and transition countries, primarily in the following regions:
– Central and Eastern Europe;
– Asia;
– Latin America;
– Africa and Middle East.

The Fund's investments are usually in US dollars or euros. To a limited extent, investments may also be made in freely convertible local currencies of the target countries:
1. The fund management company shall invest at least 70% of the Fund's assets in:
   a) **Fixed- or variable-interest senior or subordinated debt securities** and **fixed- or variable-interest senior or subordinated loans** or **sub-participations in such loans** of different types which may be issued by different issuers and granted to different borrowers (loan recipients). Such investments in debt securities, loans or sub-participations typically exhibit a relatively short term of less than two years. The average term of loans or sub-participations may not exceed 18 months; no more than 30% of the loans or sub-participations may have a term of more than 24 months:

Investment instrument	Description
Debt securities (including bonds with or without conversion rights, notes, promissory notes, bills and other fixed- or variable-rate securities or rights) of AVCAs	Debt securities issued by AVCAs; primarily promissory notes. Promissory notes are transferable fixed-or variable-interest debt securities that are widely used in the development investment market among others. In the case of AVCAs, they are used to pre-finance/finance exports of agricultural products as well as to finance operating capital and/or capital investment by AVCAs.
Special-purpose debt securities of AVCAs (including bonds with or without conversion rights, notes, promissory notes, bills and other fixed- or variable-rate securities or rights)	Special-purpose debt securities issued to finance AVCAs that were established in some cases partly by the AVCAs themselves or whose establishment is supported by the AVCAs and/or in which the AVCAs have a shareholding.
Special-purpose debt securities of local commercial banks (including bonds with or without conversion rights, notes, promissory notes, bills and other fixed- or variable-rate securities or rights)	Special-purpose debt securities issued by local commercial banks to finance AVCAs.
Loans or sub-participations in loans to AVCAs and local	Loans are widely used in the development investment

commercial banks with a fixed or variable rate	market. In the case of AVCAs, they are used to pre-finance/finance exports of agricultural products as well as financing operating capital and/or capital investment by AVCAs. Banks use loans to finance AVCAs. Loans may be issued directly to a borrower or together with other lenders as part of a syndicate. These loans may be secured or unsecured. Alternatively, sub-participations may be acquired in bilateral or syndicated loans.

b) **Other fixed- and variable-interest debt securities** (maximum of 50% of the Fund's assets) as listed below:
Money market instruments, provided these are liquid, can be readily valued and are traded on an exchange or other regulated market open to the public; money market instruments which are not traded on an exchange or other regulated market open to the public may only be acquired if the issue or the issuer is subject to provisions regarding creditor or investor protection and if the money market instruments are issued or guaranteed by issuers pursuant to Art. 74 para. 2 CISO.
Bonds and money market instruments issued by public international bodies which are active in the development sector or by local commercial banks in addition to **government securities**. Bonds and money market instruments issued by the above private and public issuers must exhibit a rating of at least Ba3 (Moody's) or BB– (Standard & Poor's).

2. The fund management company shall also in total invest a maximum of 30% in
   a) **Listed shares** of companies which make a contribution to the development of developing and transition countries by virtue of their economic activities in the field of financial services or agriculture. The fund management company may invest up to 5% of the Fund in listed shares of companies which invest in other sectors. The fund management company may invest a maximum of 10% of the Fund's assets in listed shares.
   b) **Unlisted shares and other equity securities and rights** (shares, dividend-right certificates, participation certificates, etc.) of AVCAs worldwide which carry out the bulk of their economic activities in developing and transition countries and operate in the development-related fields of financial services and agriculture. The fund management company may invest up to 5% of the Fund in companies in other sectors. This type of investment is usually extremely illiquid and often pays no ongoing income/dividends from the outset. Capital is tied up for a very long time. The fund management company may invest a maximum of 10% of the Fund's assets in the aforementioned investments.
   c) **Units in other collective investment schemes («target funds»)** which according to their documents pursue an investment policy which is broadly in line with that of the Fund and which in terms of the issuing and redemption of the units are subject to provisions equivalent to those pertaining to the Fund. The fund management company may invest a maximum of 20% of the Fund's assets in units of target funds.
   Subject to § 19 prov. 5 of the Fund Contract, the fund management company may acquire units of other collective investment schemes that are managed directly or indirectly by the fund management company itself or by a company with which it is related by virtue of common management or control or by way of a significant direct or indirect stake («related target funds»).
   d) **Other indirect investments** (such as investment companies, participation companies or other closed-end undertakings whose purpose is to invest in markets that are difficult for foreign investors to access, or «special-purpose vehicles») whose investment policy is broadly in line with that of the Fund and where the investor benefits in terms of diversification, access to markets or liquidity. The fund management company may invest a maximum of 10% of the Fund's assets in other indirect investments. Where the investments are held via subsidiaries of the fund management company, a majority of the members of each board of directors must be members of the board of directors of the fund management company unless national regulations in the target investment country require a different composition for the board of directors. Such subsidiary companies must be at least 95%-owned by the Fund and the residual share of capital and voting rights must be in the possession of companies connected to the fund management company. The subsidiary companies hold investments exclusively for the Fund's account and the provisions in this Fund Contract with respect to the Fund's investment policy apply equally to all investments of the subsidiary companies. For accounting purposes, the investments of the subsidiary companies shall be consolidated with the investments of the Fund itself.
   e) **Sight or time deposits** with a term to 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 is subject to supervision in this country which is equivalent to the supervision in Switzerland.
   f) **Derivatives**, especially options and futures (i) whose underlying securities are the investments specified in provs. 1 and 2 above and (ii) the underlying securities are permitted as investments under the Fund Contract and (iii) they are either traded on an exchange or other regulated market open to the public or OTC. Investments in OTC transactions are only permitted if (i) the counterparty is a regulated financial intermediary specializing in such transactions, and (ii) the OTC products can be traded daily or a return to the issuer is possible at any time. In addition, it must be possible for them to be valued in a reliable and transparent manner. Derivatives may be used pursuant to § 12.
3. The Fund may also be actively hedged against interest rate and currency risks. Currency risks due to investment in local currencies can also be hedged. However, most of the investment instruments are likely to be issued in the Fund's currency (US dollar). In the euro and Swiss franc unit classes, the currency risk is as a rule hedged against the Fund's currency (US dollar). Corresponding instruments to hedge risks relating to investments in local currencies of target countries are regarded as expensive, not sufficiently in line with needs, or illiquid. This is why the corresponding risks cannot always be hedged. Risk can be contained by limiting investments in local currencies and by diversifying these currencies as broadly as possible.
4. The fund management company must also comply with the following investment restrictions:
   – The fund management company may not invest more than 20% of the Fund in local currencies (of the target countries) which are not hedged against the reference currency.
   – Total investments in (i) unlisted shares and other equity securities and rights and (ii) other indirect investments, may not exceed 15% of the Fund's assets;
   – The fund management company may invest a maximum of 50% of the Fund's assets in money market instruments and sight deposits (cumulative).

Investment Restrictions
The investment restrictions are set out in detail in the Fund Contract (cf. § 15). Specifically, the following restrictions (reproduced in part) apply:
1. The Fund must be invested in five different countries at all times. The biggest exposure to a single country must never exceed 40% and the two biggest country exposures must not together account for more than 60% of the Fund assets.
2. Investments in the agriculture sector have exposure to agricultural products, and may therefore be partly exposed to volatility in the price of such products. Therefore, the fund management company must not have a direct or indirect exposure of more than 50% in a single commodity. **As coffee is by far the most important product in the agriculture sector, the fund management company may have a direct or indirect exposure of up to 75% in this commodity.**

3. The fund management company may not acquire equity rights representing more than 10% of the total voting rights in a company. This limit is raised to 30% in the case of investments in unlisted shares and other equity securities and rights. This restriction does not apply to the purchase of equity rights in subsidiaries of the fund management company (pursuant to § 8 prov. 3).
4. The fund management company may acquire for the Fund's assets no more than 10% of the non-voting equity instruments, debt instruments. Money market instruments and/or loans of the same issuer/borrower. The promissory notes and loans pursuant to §8 prov. 2 of the Fund Contract are excluded from this restriction. In addition, the fund management company may not acquire more than 25% of the units in other collective investment schemes. The latter restriction does not apply to the purchase of equity rights in subsidiaries of the fund management company (pursuant to § 8 prov. 3).
   Nor do these restrictions apply if the gross amount of the debt instruments, money market instruments, loans or units of other collective investment schemes cannot be calculated at the time of acquisition.
5. The fund management company may invest a maximum of 20% of the Fund's assets in units of the same target fund.

Use of Derivatives by the Fund

The fund management company may use derivatives to hedge currency and interest rate risks. However, even under extreme market circumstances, the use of derivatives may not result in a deviation from the investment objectives or a change in the investment character of the Fund. With regard to the portion of the Fund assets not invested in target funds, derivatives can be used not only for hedging but also for other purposes. With regard to the portion of the Fund assets invested in target funds, derivatives can be used to hedge currency risk as well as to hedge market, credit and interest rate risks, provided such risks are measurable and identifiable. Based on its envisaged use of derivatives, the Fund qualifies as a «simple fund». The Commitment I approach (simplified process) will be applied for the assessment of risk. Derivatives form part of the investment strategy and are used solely to hedge investment positions.
Basic forms of derivatives may be used, i.e. call or put options, credit default swaps (CDS), swaps and futures and forward transactions, as described in more detail in the Fund Contract (cf. § 12), provided the underlying securities are permitted as investments under the Fund Contract. The derivative transactions may be concluded on an exchange or other regulated market open to the public, or in OTC (over-the-counter) trading. In addition to the market risks, derivatives are also subject to counterparty risk, i.e. the risk that the party to the contract will not meet its obligations and may thus cause a financial loss.
With a CDS, the default risk of a credit position is transferred from the risk seller to the risk buyer. The latter receives 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 the CDS. The Fund may act as both a risk buyer and a risk seller.
Even under extraordinary market circumstances, the use of these instruments may not result in the Fund's assets being leveraged; neither may they correspond to a short sale.

Collateral Strategy

1. In connection with OTC transactions, the level of counterparty risk assumed may be reduced by the fund management company's acceptance of collateral as per the CISO-FINMA.
   The fund management company currently considers the following types of assets as permissible collateral:
   – Cash in Swiss francs, euros, US dollars, or a reference currency of the investment fund;
   – Fixed- or variable-interest debt instruments or rights issued or guaranteed by an OECD state or a public-law entity in the OECD or by an international organization with public-law characteristics to which Switzerland or a member state of the European Union belongs;
   – Fixed- or variable-interest debt instruments or rights of an issuer domiciled in an OECD member state;
   – Equities, insofar as these are ordinary shares traded on an exchange or other regulated market open to the public in Switzerland, an EU member state, an OECD member state, or the United States of America (US), as well as equities represented in a widely diversified benchmark index.

Fixed- or variable-interest debt instruments or rights must generally hold a minimum long-term rating of «A-» or the equivalent and a minimum short-term rating of «A-2» or the equivalent.
If an issuer or security is the subject of different ratings from Standard and Poor's, Moody's or Fitch, the lowest of these ratings shall apply.
The fund management company is entitled to issue restrictions with respect to certain OECD countries and equity indices and limit their acceptance onto the list of permissible countries or benchmark indices, as well as exclude them from the list altogether, or, at a more general level, impose further restrictions on permissible collateral vis-à-vis counterparties and intermediaries.
The fund management company shall determine the necessary scope of collateralization on the basis of the applicable risk diversification and guidelines, taking into account the nature and characteristics of the corresponding transactions, the creditworthiness of the respective counterparties, and prevailing market conditions.
Received collateral is valued at least once a day on all trading days. For all types of assets accepted as collateral, the fund management company employs a haircut strategy. A haircut (security margin) is a discount applied to the value of an asset accepted as collateral, in order to take account of the fact that the valuation or liquidity profile of this asset may deteriorate from time to time. The haircut strategy takes into account the characteristics of each asset, particularly the type and creditworthiness of the issuer of the collateral, as well as its price volatility. In the corresponding agreement with the relevant counterparty, which may stipulate minimum transfer amounts, the fund management company seeks to ensure that all collateral received is assigned an adjusted value in keeping with the haircut strategy.
On the basis of its haircut strategy, the fund management company generally applies the following discounts:

Types of collateral	Discount
Cash in Swiss francs, euros, US dollars, or a reference currency of the investment fund	0%
Fixed- or variable-interest debt instruments or rights issued or guaranteed by an OECD state or a public-law entity in the OECD or by an international organization with public-law characteristics to which Switzerland or a member state of the European Union belongs	0.5–5%
Fixed- or variable-interest debt instruments or rights of an issuer domiciled in an OECD member state	1–8%
Equities, insofar as these are ordinary shares traded on an exchange or other regulated market open to the public in Switzerland, an EU member state, an OECD member state, or the United States of America (US), as well as equities represented in a widely diversified benchmark index	5–15%

The fund management company reserves the right, particularly in the event of unusual market volatility, to increase, vis-à-vis counterparties and intermediaries, the discounts that apply to collateral with a view to ensuring that the investment fund has greater collateral protection, thereby reducing the level of counterparty risk.
When managing the collateral, the fund management company and its agents must fulfill the obligations and requirements set out under Art. 52 CISO-FINMA. In particular, the fund management company shall ensure appropriate diversification of collateral by country, market, and issuer. With respect to issuer cluster risks, these will be deemed to be appropriately diversified if the collateral accounted for by a single issuer does not exceed 20% of the net asset value. Exceptions for publicly guaranteed or publicly issued investments pursuant to Art. 83 CISO remain reserved.
With respect to cash collateral received, the fund management company may only invest this in the corresponding currency in the form of liquid assets, government bonds of high quality, and directly or indirectly in money market instruments with short terms, or use these instruments as reverse repos.
The investment fund may suffer a loss from the reinvestment of received cash collateral, particularly if the investment made with this cash collateral depreciates. As a result of the reduction in value of such an investment, the amount available for transfer back to the counterparty will also be reduced. Any resulting difference in value of the received cash collateral

must be made good by the investment fund, which is why the latter will incur a loss.
Collateral other than liquid assets may not be lent out, repledged, sold, reinvested, or used for repo transactions or to cover the liabilities of derivative financial instruments.
Collateral received must be held in safekeeping with the custodian bank. The collateral received may be held by a supervised third-party depositary on the fund management company's behalf, provided the collateral's ownership is not transferred to the fund management company and the depositary is independent of the counterparty.

2. In the case of investments in promissory notes, or the granting of loans or sub-participations in loans, the fund management company may request collateral. Such collateral includes standard market collateral; depending on the market, this may include rights to real estate and assets (such as mortgages and inventories), pledged equity securities or bank accounts, or the assignment of receivables. In addition, the fund management company may demand that third parties provide guarantees for the hedging of counterparty risk in relation to promissory notes, loans or sub-participations. The fund management company decides at its own discretion whether to demand collateral or guarantees. The fund management company makes the provision of collateral or guarantees conditional on whether marketable assets can be collateralized; whether solvent guarantors are available and willing to issue guarantees; the cost of providing the collateral or guarantees; the cost of managing the collateral; the difficulty of liquidating the collateral and cost of enforcing the guarantees; whether the collateral or guarantees and the use of any amounts recovered are limited under contract, company or tax law; the tax and other cost implications, etc.

1.3 Profile of the Typical Investor

The Fund is suitable for investors with a longer-term horizon who are primarily seeking a regular income/growth in the capital invested. The Fund invests primarily in alternative investments (direct and/or indirect) which exhibit a low level of liquidity and are difficult to value and whose risks cannot be compared with those of securities funds. Investors must be willing to accept temporary fluctuations in the net asset value of Fund units and not be reliant on realizing their investment at a specific date. In particular, they must be prepared to accept considerable price losses, through to a total loss of their overall original commitment.

1.4 Tax Regulations Relevant for the Fund

The Fund has no legal personality in Switzerland. It is not subject to tax on income or capital.
The Swiss federal withholding tax deducted from the Fund's domestic income can be reclaimed in full for the 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 investors resident 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 in Switzerland may reclaim the deducted withholding tax via their tax returns or by submitting a separate refund application.
Investors domiciled abroad who benefit from the affidavit process will be paid the withholding tax on presentation of the declaration of domicile. This is subject to presentation of confirmation from a bank stating that the units in question are held at the bank in the custody account of an investor domiciled outside Switzerland, and that the distributions of income are credited to this investor's account (bank declaration/affidavit). No guarantee can be given that at least 80% of the Fund's income will stem from foreign sources.
Furthermore, both earnings and capital gains, whether distributed or reinvested and, depending on the person who holds the units either directly or indirectly, may be subject wholly or in part to a so-called paying agency tax (e.g. Foreign Account Tax Compliance Act).
This tax information is based on the current legal situation and practice in Switzerland. It is 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. Investors should consult their tax advisor for information on these matters.
The Fund has the following tax status regarding:
FATCA:
The Fund is registered with the US tax authorities as a «qualified collective investment vehicle (QCIV)» under the Agreement between the United States of America and Switzerland for Cooperation to Facilitate the Implementation of FATCA (Foreign Account Tax Compliance Act) «IGA Switzerland/USA» and Section 1471–1474 of the U.S. Internal Revenue Code including the related regulations.
International automatic exchange of information on tax matters:
This umbrella fund and the subfunds qualify as a Non-reporting Financial Institution for the purposes of the automatic exchange of information pursuant to the Common Reporting and Due Diligence Standard (CRS) of the Organisation for Economic Co-operation and Development (OECD) relating to information on financial accounts.

1.5 Information on Selected Risk Factors

Investments in this Fund are associated with high risk, including that of a total loss of the assets invested. The net asset value of the Fund may be subject to sharp fluctuations. Achievement of the Fund's investment objectives can in no way be guaranteed.
The risk factors listed below do not constitute a conclusive list of the risks associated with investing in units of this Fund. Investors should read this Fund Contract carefully and in full and consult their specialist advisors prior to subscribing or purchasing units in the Fund in order to inform themselves as to the consequences of an investment in the Fund – in particular from a tax perspective – taking into account their individual situation.
Potential investors should consider the following risk factors before investing in Fund units:

1) General investment risks: The value of the investments is governed by the market value at any given time. Depending on the prevailing stock market trend and the performance of the listed securities held in the Fund, the net asset value can fluctuate considerably. There is no guarantee that the Fund's investment objective will be achieved, or that investors will recover all of the capital they invest, achieve a specific return or be able to return their shares to the fund management company at a specific price. Past performance does not provide a basis for inferring future investment results.
2) Equity investments: Share prices may be affected by many factors on the level of the company in question, as well as by general economic and political developments, including trends in economic growth, inflation and interest rates and reports concerning company profits, demographic trends and disasters. The risks associated with investments in equity and equity-type securities include significant fluctuations in market prices, negative issuer or market information and the subordinate status of equity in relation to debt paper of the same issuer.
3) Credit risk: Fixed-income securities are subject to the risk that the issuer or a guarantor may be unable to make capital and/or interest payments for its liabilities. Issuers or guarantors with a higher credit risk typically offer higher yields for this added risk. Changes in the financial position of an issuer or guarantor, changes in economic and political circumstances in general, or changes in economic and political circumstances impacting a specific issuer or guarantor, are factors that can have negative repercussions on the creditworthiness of an issuer or guarantor.
4) Interest rate risk: The value of the fixed-income securities held by the Fund on an exchange or other regulated market open to the public will change according to changes in interest rates. The value of fixed-income securities generally increases when interest rates fall and falls when interest rates rise. Fixed-income securities with a higher interest rate sensitivity and longer maturities are generally subject to greater fluctuations in value as a result of interest rate changes.
5) Concentration risks: The Fund's strategy of investing in a limited number of factors, markets, sectors or assets may increase the volatility of its investment performance in comparison with funds investing in a larger number of factors, markets, sectors or assets. If factors, markets, sectors, or assets in which the Fund invests develop poorly, the Fund could incur greater losses than if it had invested in a larger number of factors, markets, sectors or assets.

6) The Fund invests in countries classed as threshold, transition or developing countries. These investments entail considerable risks. Subscriptions to the Fund are thus suitable only to investors who are fully aware of, and able to bear, the risks related to this type of investment. An investment in the Fund should be seen as a long-term commitment.

7) Moreover, the Fund invests a large portion of its assets in securities that are usually not listed or traded on a stock exchange or regulated market. The issue of such securities is not usually monitored by an authority. There is also no secondary market monitored by the authorities for such instruments and the liquidity of these instruments is accordingly low. As these debt instruments are issued by issuers who are new to the market or were only recently established, the selection of investments is not based on detailed historical analyses of the issuer's activities. Consequently the risks and default risks for such investments are much greater than for conventional securities.
The Fund portfolio will therefore be exposed to risks that usually apply to investments in new projects. The Fund's investments are much more speculative and entail a greater risk than would normally be the case when investing in securities.

8) The Fund may issue loans to a borrower directly or as part of a syndicate with other lenders; such loans are typically not securitized. Alternatively, sub-participations may be acquired in bilateral or syndicated loans. Where the Fund grants a loan as part of a syndicate, it may as a rule only enforce its rights under the loan agreement with the consent of the other syndicate members. The enforcement of rights may require unanimity on the part of all syndicate members. If the Fund acquires a sub-participation in a bilateral or syndicated loan, it only has a claim against the lender granting the sub-participation; it does not have a direct claim against the loan recipient. A common characteristic of bilateral/syndicated loans and sub-participations is that there is no regulated secondary market for this type of investment and the transfer of a participation in a loan may require the consent of the borrower, or the transfer of a sub-participation is only possible with the consent of the lender who granted the sub-participation.

9) The Fund will invest in countries whose stage of development cannot be compared with that of industrialized countries. In relation to each other and in terms of growth of GDP or GNP, inflation (which may be much higher in threshold, transition and developing countries than in other countries), capital reinvestment, self-sufficiency and balance of payments, the economies of the individual countries may be performing well or less well. Issuers of securities are usually subject, to differing degrees, to regulations regarding insider trading, market manipulation, issuing of voting proxy and the timely publication of information. Furthermore, the binding standards on reporting, balance sheet preparation and auditing of financial statements in the individual countries may vary considerably in various key points; investors and in some countries may have access to less information than is the case in other countries. Nationalization, expropriation or taxation that is equivalent to expropriation, exchange rate controls, political changes, government provisions, political or social unrest or unfavorable diplomatic developments may impact negatively on the economy of a country or the portfolio's investment in this country. Expropriations, nationalization or other confiscation could affect companies and organizations operating in the agriculture field, and the Fund could lose its entire investment in the country concerned. Furthermore, the laws of the countries involved that govern company, bankruptcy and insolvency law could offer securities holders less protection.

10) The agriculture sector is sometimes subject to factors such as weather, climate, pests, natural disasters, etc. with the corresponding consequences for investments in this field.

11) Fluctuations in the price of the commodities concerned can pose risks for AVCAs and these may also affect the Fund's investments.

12) The monies available to the Fund serve to finance AVCAs in threshold, transition and developing countries whose financial situation is by no means comparable with that of companies in industrialized countries. These institutions are largely dependent on rural economic problems and therefore be beset by problems typical of the agricultural sector in the countries concerned, including natural disasters and price slumps for local agricultural products. The risk of loss can, in unfavorable periods, be much higher than in developed countries.

13) In these countries, foreign investments are often subject to restrictions and controls of varying degrees. The restrictions and controls affecting the Fund may sometimes rule out investments and increase the costs of investments. Many countries demand government approval before a foreign national can invest in a certain company or may limit investments of foreign nationals to a certain percentage of the securities in circulation of a given issuer; or they may restrict the investment options for foreign nationals to a single class of securities of a company, to which less favorable conditions (including the price) are attached than to securities of the company available to nationals of that country. In addition, the repayment of investment income, capital or revenues from the sale of securities is governed by law in many countries, including in some cases a requirement of prior notification to state authorities or official approval. If a country's balance of payments deteriorates it is also possible that the country will issue temporary restrictions on the export of capital.

14) The deferral or denial of official authorization that may be required for the repatriation of capital, or other restrictions applicable to the Fund's investments, can adversely affect the value of the Fund portfolio. The liquidity of investments in countries where such factors affect the portfolio may suffer as a result. The limited liquidity of certain markets must be taken into account when evaluating investments; this may impair the Fund's ability to sell securities, loans, sub-participations and other investment instruments in order to meet redemption requests at the desired price and time. Transaction costs, including broker's fees, may also be higher than in industrialized countries, and redemption applications may in some circumstances be capped on a pro-rata basis in accordance with §17 prov. 7 of the Fund Contract. This may result in delays in the redemption of units as well as in the payment of redemption proceeds.

15) Investments in companies that are still in the infant stages of development entail greater risks than is the case with securities of established companies. The securities of these companies are difficult to sell and are more susceptible to sudden, unstable market fluctuations than the securities of more mature companies or broadly diversified market indices. Accordingly, it is more difficult to determine the market value of this paper, which may have negative repercussions on the Fund and unitholders if large amounts have been spent or when units are redeemed.

16) Investments in a local currency entail the risk that the value of this currency may change in relation to one or several other currencies or that the currency's convertibility may be suspended. Factors that help to determine the value of a currency include the balance of trade, the level of short-term interest rates, differences in relative values of comparable assets in different currencies, long-term prospects for investments and capital growth as well as political developments. Conversion problems have rendered the repayment of claims to foreign nationals impossible for long periods in various countries. The fund management company can take such risks into account or engage in hedging transactions to protect against risk. These transactions are in turn fraught with considerable risk; the markets in question – notably these countries' foreign exchange markets – may be subject to very large fluctuations. No assurance can be given that these investment strategies will be successful.

17) There can be no guarantee that the calculated net asset value will correspond to the immediate, actually realizable selling price of the investments; this even applies when a sale takes place immediately after a valuation day. If the sales proceeds for an investment are lower than anticipated, the remaining unitholders will have to accept a reduction in the Fund's net asset value. It may not be easy to establish the market value of certain securities, loans, sub-participations and other investment instruments in which the Fund invests.

18) The Fund may actively hedge interest rate risks. Currency risks due to investment in local currencies can also be hedged. However, most of the investment instruments are likely to be issued in US dollars. In the euro and Swiss franc unit classes, the currency risk is as a rule also hedged in relation to the Fund's currency (US dollar). Corresponding instruments to hedge risks relating to investments in local currencies of target countries are regarded as expensive, not

sufficiently in line with needs, or illiquid. This is why the corresponding risks cannot always be hedged. Risk can be contained by limiting investments in local currencies and by diversifying these currencies as broadly as possible.

19) Market risk: Market risk is a general risk associated with all investments. A deterioration in market conditions or general uncertainty in relation to the economic markets may lead to a decline in the market value of existing or potential investments or to increased illiquidity of investments. Such declines or illiquidity could lead to losses and reduced investment opportunities for the Fund, prevent the Fund from successfully achieving its investment objective, or make it necessary to sell investments at a loss under unfavorable market conditions. Market risks may arise in particular from political uncertainties, currency export restrictions, changes in legislation and fiscal framework conditions.

20) Operational risks: The Asset Manager's activities rely on the availability of data flow and communications systems used by it and by the other parties involved in the investment process. Should these systems temporarily fail or break down completely, or if trading in investments held by the Fund is suspended or canceled due to technical or political problems, there is a danger that it will not be possible to fully implement the risk management and investment process or even that it may break down completely. As a result, the Fund may be exposed to substantial risks and losses that cannot be identified in advance.

The fund management company and the Asset Manager will seek to reduce these risks through their selection of investments and appropriate risk management. However, there can be no guarantee that the investment objective will be met.

2 Information on the Fund Management Company

2.1 General Information on the Fund Management Company

The fund management company is Credit Suisse Asset Funds AG, Zurich. It has been exclusively active in the fund business since its formation as a limited company in 1984.

The subscribed share capital of the fund management company, which is fully paid up, has stood at CHF 7 million since June 30, 1994. The share capital is divided into registered shares.

Credit Suisse Funds AG is a wholly owned subsidiary of Credit Suisse AG, Zurich.

Board of Directors

– **Dr. Thomas Schmuckli**, Chairman
  Relevant activities outside of the fund management company: Member of the Board of Directors of MultiConcept Fund Management S.A., Luxembourg; Chair of the Board of Directors of Bossard Holding AG, Zug; Member of the Board of Directors of Patria Genossenschaft, Basel; Member of the Board of Directors of Hans Oetiker Holding AG, Horgen
– **Luca Diener**, Vice-Chairman
  Relevant activities outside of the fund management company: Member of the Board of Directors of Credit Suisse Fund Management S.A., Luxembourg
– **Ruth Bültmann**, member
  Relevant activities outside of the fund management company: Member of the Board of Directors of MultiConcept Fund Management S.A., Luxembourg; Member of the Board of Directors of BLI – Banque de Luxembourg Investments S.A., Luxembourg; Chair of the Board of Directors of Eric Sturdza Management Company S.A., Luxembourg; Chair of the Board of Directors of Conventum Asset Management S.A., Luxembourg; Member of the Board of Directors of Cigogne Management S.A., Luxembourg; Member of the Board of Directors of Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A., Luxembourg; Member of the Board of Directors of Luxembourg Institute of Directors – ILA, Luxembourg
– **Gebhard Giselbrecht**, member
  Relevant activities outside of the fund management company: Member of the Executive Board of Credit Suisse Asset Management (Switzerland) Ltd., Zurich; Chair of the Board of Directors of Credit Suisse Asset Management International Holding Ltd, Zurich; Chair of the Board of Directors of Credit Suisse Fund Management S.A., Luxembourg; Member of the Board of Trustees of the Credit Suisse Investment Foundation, Zurich; Member of the Board of Trustees of the Credit Suisse Investment Foundation Pillar 2, Zurich; Member of the Board of Directors of Aventicum Capital Management Holding AG, Zurich
– **Jürg Roth**, member
  Relevant activities outside of the fund management company: Managing Director of Credit Suisse (Switzerland) Ltd., Zurich; Member of the Board of Trustees of Credit Suisse Investment Foundation, Zurich; Member of the Board of Directors of AXA Pension Solutions AG, Winterthur
– **Christian Schärer**, member
  Relevant activities outside of the fund management company: Managing Director of Credit Suisse (Switzerland) Ltd., Zurich; Member of the Board of Directors of Credit Suisse Fund Services (Luxembourg) S.A., Luxembourg
– **Dr. Christoph Zaborowski**, member
  Relevant activities outside of the fund management company: Chair of the Board of Directors of REFL Invest AG, Zurich; Chair of the Board of Directors of Deal Estate AG, Lucerne; Chair of the Board of Directors of BS2 AG, Schlieren; Vice Chair of the Investment Committee of the Steiner Investment Foundation, Zurich; Member of the Investment Committee of FG Wohninvest Germany S.C.S. SICAV-SIF, Luxembourg; Member of the Real Estate Committee of the Pension Fund of Lonza, Basel
– **Patrick Marti**, member
  Relevant activities outside of the fund management company: Managing Director, Credit Suisse (Switzerland) Ltd.

Management Board

– **Thomas Schärer**, CEO
  No relevant activities outside of the fund management company
– **Patrick Tschumper**, Deputy CEO and Head Fund Solutions
  Relevant activities outside of the fund management company: Member of the Board of Directors of Credit Suisse Asset Management (Switzerland) Ltd., Zurich; Member of the Board of Directors of MultiConcept Fund Management S.A., Luxembourg
– **Thomas Federer**, member, Performance & Risk Management
  No relevant activities outside of the fund management company
– **Tim Gutzmer**, member, Fund Services
  No relevant activities outside of the fund management company
– **Hans Christoph Nickl**, member, COO
  No relevant activities outside of the fund management company
– **Thomas Vonaesch**, member, Real Estate Fund Management
  Relevant activities outside of the fund management company: Fund Manager of the real estate fund Credit Suisse 1a Immo PK, Credit Suisse Asset Management (Switzerland) Ltd., Zurich
– **Gabriele Wyss**, member, Compliance
  No relevant activities outside of the fund management company
– **Gilbert Eyb**, member, Legal
  No relevant activities outside of the fund management company

All information concerning the relevant activities of the Board of Directors and members of the Executive Board outside the fund management company refers to the date of the prospectus.

On December 29, 2017, the fund management company managed a total of 246 collective investment schemes in Switzerland (including subfunds); it had assets under management totaling CHF 219,794 million.

The fund management company Credit Suisse Funds AG is registered with the US tax authorities as a «registered deemed compliant FFI» under the Agreement between the United States of America and Switzerland for Cooperation to Facilitate the Implementation of FATCA (Foreign Account Tax Compliance Act) «IGA Switzerland/USA».

Address:
Credit Suisse Funds AG
Uetlibergstrasse 231
8045 Zurich

Senior executives with special professional qualifications

Mr. **Thomas Federer**, member of the Management Board, Director, Head of Fund Controlling. In this role, Mr. Federer is responsible for risk management in relation to the fund management company funds which are admitted for public distribution in Switzerland. In functional terms, besides his risk management duties on behalf of the fund management company, Mr. Federer is responsible for fund controlling in relation to the funds administered on the fund platform in Luxembourg. In this role, he and his team perform various tasks in relation to microfinance products, some of which already invest in the fair trade sector. Prior to taking up his current position, Mr. Federer held various risk management functions in the field of derivatives and proprietary trading at Credit Suisse AG. Before that, he was a financial analyst focusing on credit research and derivatives. Mr. Federer has 22 years' experience in the finance industry. He holds a degree in finance from the University of St. Gallen.

Mr. **Marcel Rüttimann**, employee, works in fund controlling for the fund management company. As Senior Risk Manager, he is responsible for the risk management of funds, implementation of regulatory requirements as well as performance analysis. In functional terms, Mr. Rüttimann is part of the team led by Thomas Federer. His role also includes various fund controlling duties in relation to the microfinance products which Credit Suisse develops and administers jointly with its client responsAbility Investments AG, Zurich. He previously worked in portfolio management in the field of active equity management and indexed portfolios. Mr. Rüttimann has a total of 18 years' experience of the finance industry. He holds a masters in international relations from the Institut de Hautes Etudes Internationales and University of Geneva, and is a Chartered Financial Analyst (CFA) and Financial Risk Manager (FRM).

2.2 Delegation of Investment Decisions

The Fund's investment decisions have been delegated to responsAbility Investments AG, Zurich (hereinafter «responsibility»), which operates as Asset Manager on behalf of the Fund. If a partner organization of the Asset Manager takes on the tasks of pre-selection and detailed analysis, a due diligence procedure is used to ensure that the partner organization has the necessary processes, systems and skills to carry out these tasks in accordance with the Fund's investment objective and investment policy.

responsAbility was established on April 29, 2003 under the name responsAbility Social Investment Services AG (the company's name was changed to responsAbility Social Investments AG on August 22, 2008, and to responsAbility Investments AG on May 30, 2013) as a Swiss joint stock company for an indefinite period with share capital of CHF 751,000 and entered in the Commercial Register of the Canton of Zurich on May 13, 2003 under no. CH-020.3.026.720-6.

responsAbility is an approved, regulated asset manager for collective investment schemes under the Swiss Federal Act on Collective Investment Schemes. responsAbility's purpose is to provide financial and advisory services in the field of investments, especially with regard to development investment. responsAbility is a world-leading, independent asset manager with a focus on development-relevant sectors in emerging economies.

responsAbility Investments AG arranges debt- and equity-based financing of unlisted companies with business models geared to people at the lower end of the income spectrum, aiming in this way to drive economic growth and social progress. responsAbility Investments AG offers professionally managed investment solutions for institutional and private investors alike. In addition to its own professional expertise, responsAbility Investments AG draws on a broad-based network of specialists in the areas of development cooperation, finance, economics, research and science, politics and ethics.

The Board of Directors of responsAbility consists of the initiators and partner banks. The members of the Board of Directors have experience in the fields of financial sector development, agriculture, asset management and development cooperation.

The Executive Management Team of responsAbility Investments AG, consisting of Rochus Mommartz (CEO), Karin Schoch, and Roland Pfeuti, has many years of experience and is especially qualified in microfinance, financial sector development, sustainable investment, private equity, rating, screening, investment funds and asset management).

– **Rochus Mommartz**, CEO of responsAbility Investments AG, is responsible for defining and implementing strategic objectives as well as for all activities concerning legal & compliance, finance, corporate development, risk management, sales, product management, marketing and communication, and business technology. Rochus Mommartz studied economics and mathematics in Frankfurt and Berlin and has more than 10 years' experience in the financial industry, in particular financial sector development and microfinance. He played a pivotal role in the expansion of ProCredit Holding's business activities in Latin America and has been a member of the supervisory boards of various microfinance institutions for 10 years.
- **Karin Schoch** is responsible for Regions & Operations, which includes the investment regions of Africa, Asia-Pacific, EECCA/MENA (Eastern Europe, Caucasus, Central Asia, Middle East and North Africa) and Latin America, as well as HR, ICT and Corporate Services.
  As Chief Human Resources Officer, she is responsible for modern, sustainable and values-based human capital management that reflects the business philosophy and strong growth of responsAbility.
  Karin Schoch studied applied linguistics and strategic human resources management, and has more than 15 years' experience in strategic and operational management – with a focus on human capital management – in the investment management, consulting and financial services areas.Swiss Exchange.
- **Roland Pfeuti**, Chief Investment Officer, is responsible for defining the investment strategy, including credit analysis, portfolio management, fund operations. Roland Pfeuti studied business administration and economics at the University of Basel and has more than 30 years' experience in project finance, investment banking and private equity, including through various leadership roles with Asia Climate Partners, RobecoSAM, Julius Baer and Credit Suisse/Credit Suisse First Boston. He led the creation of the Mid-Market Growth Private Equity fund in the environment sector in Asia and initiated innovative studies such as «CleanTech – From Venture to Growth», «Sustainable Forestry» and «Sustainable Infrastructure Investing».

2.3 Delegation of Other Specific Tasks

The fund management company has delegated certain fund administration duties to the following group companies of Credit Suisse Group AG:

– Credit Suisse AG, Switzerland: Duties include providing legal and compliance advice, facility management, and the Management Information System (MIS).
– Credit Suisse (Switzerland) Ltd., Switzerland: Specific tasks in relation to the provision of compliance advice, human resources, collateral management, IT services, and first line of defense support (FLDS).
– Credit Suisse Asset Management (Switzerland) Ltd., Switzerland: Real estate administration (including fund and real estate accounting, and estate management).
– Credit Suisse Services Ltd., Switzerland: Specific tasks in relation to the provision of compliance advice, managing the fund management company's finances and tax advice.
– Credit Suisse Fund Services (Luxembourg) S.A., Luxembourg: Specific tasks in relation to fund accounting, and support with monitoring the investment regulations.
– Credit Suisse (Poland) Sp.z.o.o., Poland: Specific tasks in relation to fund accounting, information management (including product master data, price publications, fact sheet production, KIID production and report preparation), and other support tasks.

Precise details of how the remit is to be fulfilled are laid down in an agreement between the fund management company and the aforementioned group companies. Further specific tasks may be delegated to the aforementioned group companies.

2.4 Exercising of Membership and Creditors' Rights

The fund management company exercises the membership and creditors' rights associated with the investments of the Fund it manages independently and exclusively in the interests of the investors. The fund management company will, upon request, provide the investors with information on exercising of membership and creditors' rights. In the case of scheduled routine transactions, the fund management company is free to exercise membership and creditors' rights itself or to delegate their exercise to the custodian bank or a third party. In the case of all other events that might have a lasting impact on the interests of the investors, in particular the exercising of membership and creditors' rights the fund management company holds as a shareholder or creditor of the custodian bank or another related legal entity, the fund management company will exercise the voting rights itself or issue explicit instructions. In such cases, it may base its actions on information it receives from the custodian bank, the Portfolio Manager, the Company or from proxy advisors and other third parties, or on information it learns from the press. The fund management company is free to waive the exercising of membership and creditors' rights.

3 Information on the Custodian Bank

Credit Suisse (Switzerland) Ltd., Paradeplatz 8, 8001 Zurich, is the custodian bank. The bank was incorporated in April 2015 with the legal form of a joint-stock company. In the fourth quarter of 2016, Credit Suisse (Switzerland) Ltd. acquired the majority of the business of Credit Suisse AG belonging to the Swiss Universal Bank division. Credit Suisse (Switzerland) Ltd. is a wholly owned subsidiary of Credit Suisse AG, Zurich.
Credit Suisse (Switzerland) Ltd. offers a comprehensive range of banking services and products for private, business and institutional clients domiciled in Switzerland and for certain international clients.
The custodian bank may delegate the safekeeping of the Fund's assets to third-party custodians and collective securities depositaries in Switzerland or abroad, provided this is in the interests of efficient management. In relation to financial instruments, the safekeeping of the Fund's assets may only be entrusted to regulated third-party custodians and collective securities depositaries. This does not include mandatory safekeeping at a location where the transfer to a regulated third-party custodian or collective securities depositary is not possible, in particular due to mandatory legal provisions. The use of third-party custodians and collective securities depositaries means that deposited securities are no longer owned solely by the fund management company, which instead becomes only a co-owner. Moreover, if the third-party custodians and collective securities depositaries are not regulated, they may not in organizational terms meet the requirements placed on Swiss banks. The tasks of the Custodian Bank regarding the delegation of safekeeping to an agent shall comply with § 4 prov. 6 of the Fund Contract. The custodian bank is responsible for the losses caused by a third-party custodian or collective depositary unless it can prove that it applied the degree of due diligence with regard to the selection, instruction and monitoring required in the given circumstances.
The custodian bank is registered with the US tax authorities as a «participating foreign financial institution (pFFI)» under the Agreement between the United States of America and Switzerland for Cooperation to. Facilitate the Implementation of FATCA (Foreign Account Tax Compliance Act) «IGA Switzerland/USA» and Section 1471–1474 of the U.S. Internal Revenue Code including the related regulations.

4 Information on Third Parties

4.1 Paying Agents

The Paying Agent is the following bank:
– Credit Suisse (Switzerland) Ltd., Paradeplatz 8, 8001 Zurich, and all its branches in Switzerland.

4.2 Distributors

The following institution has been appointed as distributor for the Fund:
– Credit Suisse AG, Paradeplatz 8, 8001 Zurich, and all its branches in Switzerland

The fund management company is entitled to appoint additional distributors within the meaning of the Collective Investment Schemes Act of June 23, 2006.

4.3 Auditors

The auditor is KPMG AG, Zurich.

5 Further Information

5.1 Key Data

Swiss sec. no.:	cf. table at the end of the Prospectus
ISIN number:	cf. table at the end of the Prospectus
Listing:	none
Accounting year:	April 1 – March 31
Term:	Unlimited
Accounting currency:	cf. table at the end of the Sales Prospectus
Units:	book-entry form
Appropriation of income:	reinvestment

5.2 Terms for the Issue and Redemption of Fund Units

Subscription and redemption orders for units of the Fund are accepted at the end of each month up to a time specified in the table at the end of the Prospectus. The fund management company and the custodian bank are entitled to refuse subscription applications at their own discretion.
Subject to two months' prior notice, the fund management company redeems units of the Fund as of the end of each month at the latest by the time specified in the table at the end of the Prospectus. Payment is usually made within two bank working days after the valuation day, unless – due to statutory provisions such as foreign exchange restrictions or other circumstances beyond the control of the fund management company – it is not possible to transfer the redemption amount.
The issue and redemption day is the last bank working day (order day «D») of each month. The issue and redemption price is determined at the earliest on the bank working day following the day the order is placed (valuation day). This is referred to as «forward pricing». The net asset value calculated on the latter date shall be taken as the basis for settlement of the units on the corresponding bank working day (value date) as mentioned in the Annex. Subscription and redemption orders not received by the stated time will be settled on the following valuation day. No issues or redemptions will take place on Swiss public holidays (Easter, Whitsun, Christmas [incl. Dec. 24], New Year [incl. Dec. 31], August 1, etc.), or on days when the stock exchanges and markets in the Fund's main investment countries are closed, or under the exceptional circumstances defined under § 17 prov. 5 of the Fund Contract.
The net asset value taken as the basis for the settlement of the order is not known when the order is placed. It is calculated on the valuation day on the basis of the closing prices or valuation prices on the bank working day preceding the valuation day (forward pricing). The net asset value of a unit of a given class of the Fund is determined by the proportion of the Fund's assets as valued at the market value attributable to the given unit class, minus any of the Fund's liabilities that are attributed to the given unit class, divided by the number of units of the given class in circulation. In each case it is rounded up or down to the next smallest unit of the Fund's accounting currency.
The issue price of the units of a particular class corresponds to the net asset value calculated on the valuation day, plus the issuing commission. With regard to the valuation, please refer to §16 of the Fund Contract. The issuing commission rates are set out in the table at the end of the Prospectus. The redemption price of the units of a particular class corresponds to the net asset value calculated on the valuation day, minus the redemption commission. The redemption commission rates are set out in the table at the end of the Prospectus.
The incidental costs on the purchase and sale of investments (such as standard brokerage charges, commission, taxes and duties), as well as the cost of verifying and maintaining quality standards in relation to physical assets, incurred by the Fund in connection with the investment of the amount paid in or with the sale of that portion of investments corresponding to the redeemed unit(s), will be charged to the Fund's assets.
The issue and redemption prices are rounded up or down to the next smallest unit of the accounting currency.
Units will not take the form of actual certificates but will exist purely as book entries. The investors are not entitled to demand delivery of a unit certificate in registered or bearer form.
The fund management company and the custodian bank may, within the scope of their sales activities, refuse purchase applications and may suspend or limit the sale, distribution or transfer of units to individuals or corporate bodies in particular countries or areas.

5.3 Fees and Incidental Costs

Details on the fees and incidental costs for the Fund are set out in the table at the end of the Prospectus. Furthermore, the fees and incidental costs listed under § 19 of the Fund Contract may also be charged to the Fund. Information on the rates actually charged can be found in the annual and semi-annual reports.
The fund management company and its agents may pay trailer fees to cover the distribution of fund units in Switzerland or from Switzerland. These fees may be used to pay for the following services in particular:
– Providing marketing and legal documents and keeping a stock of such documents;
– Forwarding or making available the legally prescribed publications and other publications;

- Performing due-diligence tasks in areas such as the clarification of client requirements and sales restrictions;
- Investigating and responding to investors' specific inquiries relating to the investment product or the provider;
- Servicing existing investors;
- Training sales force staff;
- Appointing and monitoring sub-distributors;
- Entrusting a firm of auditors with the task of verifying compliance with certain obligations of the distributor;
- etc.

Retrocessions are not deemed a discount, even if they are ultimately passed on to investors in whole or in part.
The recipients of retrocessions ensure transparent disclosure and automatically notify the investor free of charge of the level of compensation they may receive for the distribution.
On request, the recipients of retrocessions disclose the amounts actually received for the distribution of these investors' collective investment schemes.
The fund management company and its agents do not pay discounts to the investors for distribution in Switzerland or from Switzerland in order to reduce the fees and costs charged to the Fund.
The asset manager may at its own discretion pass on its asset management fee in whole or in part to investors and other recipients.

Total Expense Ratio
The coefficient of the total costs charged to the Fund's assets on an ongoing basis (total expense ratio, TER) is disclosed in the table at the end of the Prospectus.

Investments in Related Collective Investment Schemes
Subject to § 19 prov. 5, the fund management company may acquire units of other collective investment schemes that are managed directly or indirectly by the fund management company itself or by a company with which it is related by virtue of common management or control or by way of a significant direct or indirect stake («related target funds»).

Fee-Sharing Agreements and Non-Pecuniary Benefits («Commission Sharing Agreements and Soft Commissions»)
The fund management company has not concluded any fee splitting agreements or agreements concerning trailer fees taking the form of so-called soft commissions.

5.4 Publication of Official Notices by the Fund

Further information on the Fund may be found in the latest annual or semi-annual report.
The Prospectus with integrated Fund Contract and the latest annual or semi-annual reports may be obtained free of charge from the fund management company, the custodian bank and all distributors.
In the event of a change to the Fund Contract, a change in the fund management company or the custodian bank or the dissolution of the Fund, the corresponding notice will be published by the fund management company on the electronic Swiss Fund Data platform (www.swissfunddata.ch).
Prices are published for each unit class of the Fund for each day on which units are issued or redeemed, but at least once a month, on the electronic platform, plus other Swiss and international newspapers and in electronic media.

5.5 Information Regarding Distribution Abroad

The Fund is not currently admitted for sale in any other country.

5.6 Sales Restrictions

The issue or redemption of units of this collective investment scheme abroad will be subject to the laws regarding investment funds and taxes applicable in the country concerned.
Units of this collective investment scheme may not be offered, sold or delivered within the United States or any of its territories. Units of this collective investment scheme may not be offered, sold or delivered to US citizens or persons resident or incorporated in the US and/or other natural or legal persons whose income and/or returns, regardless of origin, are subject to US income tax, as well as persons who are considered to be US persons pursuant to Regulation S of the U.S. Securities Act of 1933 and/or the U.S. Commodity Exchange Act, in each case as amended from time to time.

5.7 Detailed Regulations

All further information on the Fund, such as the valuation of the Fund's assets (cf. §16), a list of all fees and incidental costs charged to the investor and the Fund, and the appropriation of net income, can be found in detail in the Fund Contract.

5.9 Glossary

General

Agriculture value chain	The agriculture value chain includes all activities, organizations, actors, technologies, information, resources and services involved in the manufacture of agricultural produce for consumer markets. The agriculture value chain actors include suppliers of seeds, fertilizers and equipment for transportation, packaging, marketing, distribution and the production and processing of harvests. The agriculture value chain consists of a series of interconnected actors, including suppliers, producers, trading companies and retailers, technical and commercial service-sector companies as well as financial service providers.
Agriculture value chain actors (AVCAs)	Agriculture value chain actors include suppliers of seeds, fertilizers and equipment for transportation, packaging, marketing, distribution and the production and processing of harvests. The agriculture value chain consists of a series of interconnected actors, including suppliers, producers, trading companies and retailers, technical and commercial service-sector companies as well as financial service providers.
Capital growth	Income such as interest and dividends is not distributed and is instead reinvested directly in the fund assets.
CISA	Swiss Federal Collective Investment Schemes Act (CISA) of June 23, 2006
CISO	Collective Investment Schemes Ordinance (CISO) of November 22, 2006
Credit rating	Assessment of a borrower or counterparty with regard to its ability to pay
Custodian bank	Bank which is responsible for the safekeeping of assets on behalf of Swiss investment funds, for issues and redemptions, and for the investment fund's payment transactions. The custodian bank also monitors whether the investment fund is complying with the investment guidelines specified by law and in the Fund Contract.
Derivatives or derivative financial instruments	Financial contracts whose price or value depends on that of an underlying. Underlyings may be equities, bonds, currencies, commodities, other derivative financial instruments, reference rates (e.g. interest rates, currencies) and indices. Derivatives themselves may be options, futures, forward contracts and swaps.
Development investments	Mobilization of capital for return-oriented investment in developing and emerging economies. Through a focus on development-related sectors with a traditionally strong presence on the part of the public sector, private funds help enable scaling and the provision of basic needs to broader sections of the population.
Distributors	Management company, custodian bank and other parties authorized to sell a fund and in possession of the requisite approvals.
Diversification	The spreading of an investment across various currencies, countries, industrial sectors, investment vehicles, securities, etc.
Environmental, social and governance (ESG) compliance criteria	All investees and borrowers (loan recipients) must meet responsAbility's environmental, social and governance (ESG) compliance criteria.All investment recipients must meet the responsAbility environmental, social and governance (ESG) compliance criteria. Analysis of ESG factors is an integral part of general due diligence investment and decision-making processes and is focused on applicable laws and regulations as well as on ensuring that the principles of the individual labor exploitation and discrimination, weapons, ammunition, tobacco, products that are illegal under local and international laws, as well as the clearing of primary forests. Counterparties and debtors (borrowers) that do not meet these ESG-criteria are not considered for responsAbility financing
Fair trade (FT)	Fair trade (FT) a trade partnership that is founded on dialogue, transparency and respect, and seeks to achieve greater justice in international trade. Fair trade contributes to sustainable development by creating better trade conditions for agricultural producers and workers, particularly in developing and emerging economies.
Fair trade Labeling Organizations International (FLO)	Umbrella organization for fair trade. The international Fairtrade organization (FLO) is an association of three producer networks, 25 Fairtrade organizations (such as Max Havelaar France), Fairtrade International (head office in Bonn, defines Fairtrade standards) and FLO-CERT (independent certification body of the global Fairtrade system).
FINMA	Swiss Financial Market Supervisory Authority. This is the Swiss supervisory authority for banks, insurance companies, markets and securities dealers, as well as other financial intermediaries.
Fund management company	Manages the fund for the account of the investors, independently and in its own name (cf. Art. 30 CISA).
Fund unit	Claim against the fund management company for a share of the Fund's assets and income.
Futures	Standardized future contracts traded on the exchange. A distinction is made between commodity futures and financial futures depending on the underlying.
Indirect investments	Investments in other open-end or closed collective investment schemes or investment companies of any legal form whose investment policy is broadly in line with that of the fund.
Leverage	Effect produced by borrowing in conjunction with long/short positions or the use of derivative financial instruments.
Net asset value	Total value of all assets of the fund on a cut-off date less all liabilities and costs.
Option	The right (but not the obligation) to buy (call) or sell (put) a fixed number of a particular underlying at a predefined price within a certain predefined period.
OTC	Over-the-counter. Trading between banks, brokers or other professional market participants in securities or derivative financial instruments which are not traded on an exchange or other regulated market.
Partner organizations	Organizations and intermediaries which are specialized in agricultural investment, exhibit a high degree of independence and professionalism, and evaluate institutions on behalf of the asset manager, propose investments to the asset manager, and following completed investments monitor the agriculture organizations and provide reports for the asset manager or fund management company.
Price volatility	Benchmark or measure of the price fluctuation of an investment over a specified period of time.
Rating	Measure of the creditworthiness of an issuer, determined by rating agencies on the basis of set criteria. The individual rating levels predict how high the likelihood is that the borrower can and will service capital and interest payments. The credit rating is given in combinations of letters, the highest being «AAA». For the investor, a low rating signals a

	correspondingly higher risk.
Securities	Bulk issues of instruments and rights that are traded on an exchange or other regulated market open to the public.
SMEs	Small and medium-sized enterprises
Target fund	Other collective investment schemes in which the fund invests.
Underlying	A security or reference rate underlying a derivative financial instrument
Unit class	Sub-division of the Fund into various unit classes with different features (reference currency, investor characteristics, distribution or reinvestment of income, etc.)

Investment Instruments

Interest-bearing debt instruments	
Bonds	Debt instruments of public institutions or private companies. Maturities, interest rates and repayment details are set in advance. Used as collateral and traded on an exchange or other regulated market open to the public.
Convertible bonds	The convertible bond differs from the bond described above in that it can be converted into equity at a specified time in place of repayment (optional) on predefined terms.
Notes	Debt instruments in the sense of the aforementioned bonds and convertible bonds which are not traded on an exchange or other regulated market open to the public.
Promissory notes	Promissory notes are fungible, certificated IOUs where the issuer makes an unconditional promise to pay the payee.
Other fixed-or variable-interest securities	Financial instruments other than the aforementioned which exhibit equity characteristics, a fixed term and an interest-bearing nature

Equity instruments	
Listed shares	Securities which embody a share in the capital of a joint-stock company and comprise membership and proprietary rights and which are traded on an exchange or other regulated market open to the public.
Unlisted shares	Securities which embody a share in the capital of a joint-stock company and comprise membership and proprietary rights and which are not traded on an exchange or other regulated market open to the public.
Other forms of investment in companies	Investments in companies which are not structured on a joint-stock basis, e.g. capital contributions in limited-liability companies (GmbH), shares in cooperatives, etc.
Units in other collective investment schemes	Units in domestic or foreign collective investment schemes (target funds) whose investment policy is broadly in line with that of the fund.
Other indirect investments	Investments in investment or holding companies in the form of joint-stock companies or other legal forms not governed by the CISA

Other investment instruments	
Loans	Contractually agreed loans directly with individual borrowers. The term, interest rate and repayment conditions are laid down in the loan agreement. These loans may be secured or unsecured. Loans may be concluded with a borrower on a direct basis, or issued as part of a syndicate with various lenders.
Sub-participations in loans	In the case of sub-participations in loans granted on a bilateral or syndicated basis, the sub-participant, in exchange for a fee, acquires the right to receive the income from the loan agreement/obligation to settle losses arising from the loan agreement.
Money market instruments	Financial instruments in the sense of short-term financing sources (money market), i.e. with maturities generally < 1 year.
Derivatives	Synthetic financial products which are linked to one or more underlying instrument such as shares, bonds, indices, etc.

<table>
<tr><th rowspan="2">Fund</th><th rowspan="2">Unit classes</th><th rowspan="2">Swiss securit no.</th><th rowspan="2">ISIN no.</th><th rowspan="2">Accounting currency</th><th rowspan="2">Max. issuing / redemption commission charged to investors[1]</th><th rowspan="2">Max. manage-ment fee charged to Fund[2]</th><th rowspan="2">Max. custodian bank fee charged to Fund</th><th rowspan="2">Subscrip-tions (order day D)</th><th rowspan="2">Redemptions (order day D)</th><th rowspan="2">Deadline for subscriptions and redemptions of Fund units[4] (CET)</th><th rowspan="2">Valuation day after order day D</th><th rowspan="2">Value date after order day D</th><th rowspan="2">Min. investment/ min. holding</th><th rowspan="2">Delegation of investment decisions for the Fund</th><th colspan="3">Total expense ratio (TER) at end of accounting year</th></tr>
<tr><th>30.09.2015</th><th>31.03.2017[8]</th><th>31.03.2018</th></tr>
<tr><td rowspan="9">responsAbility Agriculture Fund</td><td>B1</td><td>14258736</td><td>CH0142587366</td><td>CHF</td><td rowspan="9">5,0% / 2,0%</td><td>3,60%</td><td rowspan="9">0,20%</td><td rowspan="9">Monatlich3)</td><td rowspan="9">Monatlich mit zweimonatlicher Kündigungsfrist</td><td rowspan="9">15:00 Uhr</td><td rowspan="9">T+1</td><td rowspan="9">T+3</td><td>–</td><td rowspan="9">responsAbility Investments AG, Zürich</td><td>3.59%</td><td>3.59%</td><td>3.47%</td></tr>
<tr><td>B1V</td><td>24418700</td><td>CH0244187008</td><td>CHF</td><td>3,60%</td><td>–</td><td>3.25%</td><td>3.28%</td><td>3.14%</td></tr>
<tr><td>B2</td><td>14258737</td><td>CH0142587374</td><td>EUR</td><td>3,60%</td><td>–</td><td>3.61%</td><td>3.62%</td><td>3.49%</td></tr>
<tr><td>B2V</td><td>29797430</td><td>CH0297974302</td><td>EUR</td><td>3,60%</td><td>–</td><td>–</td><td>3.28%</td><td>3.15%</td></tr>
<tr><td>B3</td><td>14258738</td><td>CH0142587382</td><td>USD</td><td>3,60%</td><td>–</td><td>3.62%</td><td>3.59%</td><td>3.47%</td></tr>
<tr><td>B3V</td><td>29797434</td><td>CH0297974344</td><td>USD</td><td>3,60%</td><td>–</td><td>–</td><td>3.27%</td><td>3.11%</td></tr>
<tr><td>I1</td><td>14258739</td><td>CH0142587390</td><td>CHF</td><td>3,00%</td><td>5)</td><td>3.00%</td><td>3.01%</td><td>2.90%</td></tr>
<tr><td>I2</td><td>14258740</td><td>CH0142587408</td><td>EUR</td><td>3,00%</td><td>6)</td><td>–</td><td>3.05%</td><td>2.94%</td></tr>
<tr><td>I3</td><td>29797435</td><td>CH0297974351</td><td>USD</td><td>3,00%</td><td>7)</td><td>2.98%</td><td>3.00%</td><td>2.87%</td></tr>
</table>

1) Fees and incidental costs charged to the investor (excerpt from § 18 of the Fund Contract): issuing commission accruing to the fund management company, custodian bank and/or distributors in Switzerland and abroad. Redemption commission accruing to the fund management company, custodian bank and/or distributors in Switzerland and abroad.

2) Fees and incidental costs charged to the Fund's assets (excerpt from § 19 of the Fund Contract): management commission payable to the fund management company for the management, administration and sale of the Fund. The costs and commissions set out in § 19 of the Fund Contract may additionally be charged to the Fund.

3) The issuing and redemption day (order day «D») is the last bank working day of each month.

4) Received by the custodian bank on order day D.

5) Minimum initial investment per investor for class I1 units: CHF 1,000,000 / minimum holding of class I1 units which must be held by the investor: CHF 1,000,000

6) Minimum initial investment per investor for class I2 units: EUR 1,000,000 / minimum holding of class I2 units which must be held by the investors: EUR 1,000,000.

7) Minimum initial investment per investor for class I3 units: USD 1,000,000 / minimum holding of class I3 units which must be held by the investors: USD 1,000,000.

8) Extended accounting year from October 1, 2015 to March 31, 2017

Part 2: Fund Contract

I. Background

§ 1 Name of the Fund; Name and Registered Office of the Fund Management Company, the Custodian Bank and the Asset Manager

1. A contractual investment fund of the category «Other Funds for Alternative Investments» involving special risks has been established under the name «*responsAbility Fair Agriculture Fund*» (the «Fund») in accordance with Art. 25 et seq. in conjunction with Art. 71 of the Collective Investment Schemes Act (CISA) of June 23, 2006.
2. The fund management company is Credit Suisse Funds AG, Zurich.
3. The custodian bank is Credit Suisse (Switzerland) Ltd., Zurich.
4. The asset manager is responsAbility Investments AG, Zurich.

II. Rights and Obligations of the Contracting Parties

§ 2 The Fund Contract

The legal relationship between the investor on the one hand and the fund management company and the custodian bank on the other shall be governed by the present Fund Contract and the applicable provisions of the legislation on collective investment schemes.

§ 3 The 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. It decides in particular on the issue of units, the assets and their valuation. It calculates the net asset value and determines the issue and redemption prices of units as well as distributions of income or reinvestment. It exercises all rights associated with the Fund.
2. The fund management company and its agents are subject to the duties of loyalty, due diligence and disclosure. They act independently and exclusively in the interests of the investors. They implement the organizational measures that are necessary for proper management. They ensure the provision of transparent financial statements and provide appropriate information about the Fund. They disclose all fees and expenses charged directly or indirectly to the investors and their use; they provide the investors with full, truthful and comprehensible information about compensation for the distribution of collective investment schemes in the form of commission, brokerage fees, and other pecuniary benefits.
3. The fund management company can delegate investment decisions as well as specific tasks, provided this is in the interests of efficient management. It shall commission only persons who are qualified to execute the task properly, and shall ensure the provision of instructions as well as monitoring and controlling in respect of the tasks. The investment decisions may only be delegated to asset managers subject to a recognized supervisory body. Where foreign laws require an agreement on cooperation and the exchange of information with the foreign supervisory bodies, the fund management company may only delegate the investment decisions to an asset manager abroad if such agreement exists between FINMA and the relevant foreign supervisory authorities in relation to the investment decisions concerned. 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 with the consent of the custodian bank submit a change to the present Fund Contract to the supervisory authority for approval (cf. § 26).
5. The fund management company can merge the Fund with other investment funds pursuant to the provisions set down under § 24 and can dissolve the Fund pursuant to the provisions set down under § 25.
6. The fund management company is entitled to receive the fees stipulated in §§ 18 and 19. It is further entitled to be released from the liabilities assumed in the proper execution of its tasks, and to be reimbursed for expenses incurred in connection with such liabilities.

§ 4 The Custodian Bank

1. The custodian bank is responsible for the safekeeping of the Fund's assets. It handles the issue and redemption of Fund units as well as payments on behalf of the Fund.
2. The custodian bank and its agents are subject to the duties of loyalty, due diligence and disclosure. They act independently and exclusively in the interests of the investors. They implement the organizational measures that are necessary for proper management. They ensure the provision of transparent financial statements and provide appropriate information about the Fund. They disclose all fees and expenses charged directly or indirectly to the investors and their use; they provide the investors with full, truthful and comprehensible information about compensation for the distribution of collective investment schemes in the form of commission, brokerage fees, and other pecuniary benefits.
3. The custodian bank is responsible for account and safekeeping account management on behalf of the Fund, but does not have independent access to their assets.
4. The custodian bank ensures that in the case of transactions relating to the assets of the Fund the counter-value is transferred thereto within the usual time limit. It notifies the fund management company if the counter-value is not refunded within the usual time limit and where possible requests reimbursement for the asset item concerned from the counterparty.
5. The custodian bank keeps the required records and accounts in such a manner that it is at all times able to distinguish between the assets held in safe custody of the individual funds. In relation to assets that cannot be placed in safe custody, the custodian bank verifies ownership of the fund management company and keeps a record thereof.
6. The custodian bank may delegate the safekeeping of the assets of the Fund to third-party custodians and collective securities depositaries in Switzerland or abroad, provided this is in the interests of efficient management. It shall verify and monitor whether the third-party custodian and collective securities depositary it has commissioned:
   a) an appropriate organizational structure, financial guarantees and the specialist qualifications required given the nature and complexity of the assets entrusted to it;
   b) is subject to regular external audits, thereby ensuring that it possesses the financial instruments;
   c) assets received from the custodian bank are kept in safe custody in such a manner that by means of regular portfolio comparisons they can at all times be clearly identified as belonging to the subfunds' assets;
   d) complies with the provisions applicable to the custodian bank with respect to the performance of the tasks delegated to it and the avoidance of conflicts of interest.

   The custodian bank is liable for damage caused by the agent if it cannot prove that it applied the degree of due diligence with regard to the selection, instruction and monitoring required in the given circumstances. The Prospectus contains information about the risks associated with the transfer of safekeeping to third-party custodians and collective securities depositaries.

   In relation to financial instruments, any transfer as referred to in this provision may only be to regulated third-party custodians or collective securities depositaries. This does not apply to mandatory safekeeping at a location where the transfer to regulated third-party custodians and collective securities depositories is not possible, in particular due to mandatory legal provisions or to the investment product's modalities. Investors must be informed in the prospectus of safekeeping by non-regulated third-party custodians or collective securities depositaries.
7. The custodian bank ensures that the fund management company complies with the law and the Fund Contract. It checks whether the calculation of the net asset value and of the issue and redemption prices of the units as well as the investment decisions are in compliance with the law and the Fund Contract, and whether the income is appropriated in accordance with the Fund Contract. The custodian bank is not responsible for the choice of investments made by the fund management company in accordance with the investment regulations.
8. The custodian bank is entitled to receive the fees stipulated in §§ 18 and 19. It is further entitled to be released from the liabilities assumed in the proper execution of its tasks, and to be reimbursed for expenses incurred in connection with such liabilities.

9. The custodian bank is not responsible for the safekeeping of the assets of the target funds in which this Fund invests, unless this task has been delegated to it.

§ 5 The Investor

1. The circle of eligible investors in unit classes I1 and I2 is confined to qualified investors within the meaning of Art. 10 prov. 3 and 4 CISA in conjunction with Art. 6 and 6a CISO. Qualified investors within the meaning of Art. 10 prov. 3 CISA are in particular regulated financial intermediaries such as banks, securities traders, fund management companies and asset managers of collective investment schemes as well as central banks, regulated insurance institutions, public corporations and pension institutions with a professional treasury unit, and companies with a professional treasury unit. High-net-worth individuals are considered qualified investors within the meaning of Art. 10 prov. 3 bis CISA if they also meet the conditions set out in Art. 6 and 6a CISO. Investors who have signed a written asset management agreement are considered qualified investors within the meaning of Art. 10 prov. 3 ter CISA. A company or public corporation or pension institution has a professional treasury unit if it entrusts at least one qualified person with experience in the financial sector with managing the financial resources on a permanent basis.
   Investor eligibility may be restricted further for individual unit classes (cf. § 6 prov. 4 and description in table at end of the Prospectus).
   The fund management company together with the custodian bank shall ensure that investors fulfill the conditions with regard to investor eligibility.
2. On concluding the contract and making a payment in cash, the investor acquires a claim against the fund management company in respect of a participation in the Fund's assets and income. The investor's claim is evidenced in the form of units.
3. The investors are only obliged to remit payment for the units of the Fund they subscribe. They shall not be held personally liable for 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. If investors express an interest in more detailed information on specific business transactions effected by the fund management company, such as the exercising of membership and creditors' rights, or on risk management, they must be given such information by the fund management company at any time. The investor may request at the courts of the registered office of the fund management company that the auditors or another expert investigate the matter requiring clarification and furnish the investors with a report.
5. Subject to two months' prior notice pursuant to §17 prov. 1, the investors may terminate the Fund Contract at the end of any month and demand that their share in the Fund be paid out in cash.
6. If requested, the investors are obliged to provide the fund management company, the custodian bank and their agents with proof that they comply with or continue to comply with the provisions laid down in the law or the Fund Contract in respect of participation in the Fund or in a unit class. Furthermore, they are obliged to inform the fund management company, the custodian bank and their agents immediately once they no longer meet these prerequisites.
7. The fund management company in conjunction with the custodian bank must make an enforced redemption of the units of an investor at the current redemption price if:
   a) this is necessary to safeguard the reputation of the financial market, specifically to combat money laundering;
   b) the investor no longer meets the statutory or contractual requirements for participation in the Fund.
8. The fund management company in conjunction with the custodian bank can also make an enforced redemption of the units of an investor at the current redemption price if:
   a) the participation of the investor in the Fund is such that it could have a significant detrimental impact on the economic interests of the other investors, in particular if the participation could result in tax disadvantages for the Fund in Switzerland or abroad;
   b) investors have acquired or hold their units in violation of provisions of a law to which they are subject either in Switzerland or abroad, of the present Fund Contract or the Prospectus;
   c) there is a detrimental impact on the economic interests of the investors, in particular in cases where individual investors seek by way of systematic subscriptions and immediate redemptions to achieve a pecuniary gain by exploiting the time differences between the setting of the closing prices and the valuation of the Fund's assets (market timing).
9. If a fraction of a unit has arisen in the overall portfolio of an investor as a result of a split or merger performed in the interest of the investors, it may subsequently be redeemed by the fund management company on a cut-off date to be determined, in the form of a pro-rata amount of the net asset value. Redemption must be exclusive of commission and fees. If the fund management company intends to make use of this right, investors must be informed of such a decision at least one week prior to redemption by means of a single notice in the publication medium designated by the Fund, while the supervisory authorities and auditor must be notified in advance.

§ 6 Units and Unit Classes

1. With the approval of the custodian bank and the consent of the supervisory authority, the fund management company may at any time establish, cancel or merge various unit classes for the Fund. All unit classes entitle unitholders to participate in the entire assets of the Fund, which is not segmented. This share may differ due to class-specific costs or distributions or class-specific income and the various classes may therefore have different net asset values per unit. Class-specific costs are covered by the assets of the Fund as a whole.
2. Notification of the establishment, dissolution or merger of unit classes shall be published in the medium of publication. Only mergers shall be deemed a change to the Fund Contract pursuant to § 26.
3. The various unit classes may differ from one another in terms of their cost structure, reference currency, currency hedging, policy with regard to distribution or reinvestment of income, the minimum investment required and investor eligibility.
   Fees and costs are only charged to the unit class for which the respective service is performed. Fees and costs that cannot be unequivocally allocated to one unit class shall be charged to the unit classes on a pro rata basis in relation to the assets of the Fund.
4. The following unit classes are currently issued:
   – **Class B1**, which has the Swiss franc as its accounting currency, is a capital growth class and is open to the public at large. This class is currency-hedged against the Fund's reference currency (US dollar);
   – **Class B1V**, which differs from class B1 only in that it is exclusively reserved for investors who subscribe units of this class via a distributor domiciled in the United Kingdom or the Netherlands, or who have concluded a written agreement with a distributor that explicitly provides for the acquisition of trailer fee-free classes.
   – **Class B2**, which has the euro as its accounting currency, is a capital growth class and is open to the public at large. This class is currency-hedged against the Fund's reference currency (US dollar);
   – **Class B2V**, which differs from class B2 only in that it is exclusively reserved for investors who subscribe units of this class via a distributor domiciled in the United Kingdom or the Netherlands, or who have concluded a written agreement with a distributor that explicitly provides for the acquisition of trailer fee-free classes.
   – **Class B3**, which has the US dollar as its accounting currency, is a capital growth class and is open to the public at large.
   – **Class B3V**, which differs from class B3 only in that it is exclusively reserved for investors who subscribe units of this class via a distributor domiciled in the United Kingdom or the Netherlands, or who have concluded a written agreement with a distributor that explicitly provides for the acquisition of trailer fee-free classes.
   – **Class I1**, which has the Swiss franc as its accounting currency, is a capital growth class and is exclusively open to qualified investors as defined in § 5 prov. 1. This class is

currency-hedged against the Fund's reference currency (US dollar). With regard to cost structure, it differs from the other unit classes in terms of the maximum rates for management fees set out in § 19 prov. 1 (Fees and Incidental Costs Charged to the Fund's Assets). The minimum initial investment for class I1 units (minimum investment) and the minimum number of class I1 units that must be held by the investor at any given time (minimum holding) are stated in the table at the end of the Prospectus. If the value of the units held falls below this minimum holding figure, the fund management company may take steps to switch the investment into units of another class for which the investor is eligible. Should unit holdings fall below the minimum figure for market or performance-related reasons, switching into another unit class is not mandatory; such a switch is, however, mandatory if the minimum holding figure is undershot due to a redemption by the investor. The units must in principle be booked to and held in safekeeping at the custodian bank. If the units are not booked to and held in safekeeping at the custodian bank, the institutions responsible for the safekeeping of the units must confirm to the custodian bank in writing that their clients are exclusively qualified investors as defined in § 5 prov. 1, that any further restrictions pursuant to § 6 prov. 4 and the table at the end of the Prospectus are observed, and that changes in this regard are reported;

– **Class I2**, which has the euro as its accounting currency, is a capital growth class and is exclusively open to qualified investors in accordance with § 5 prov. 1. This class is currency-hedged against the Fund's reference currency (US dollar). With regard to cost structure, it differs from the other unit classes in terms of the maximum rates for management fees set out in § 19 prov. 1 (Fees and Incidental Costs Charged to the Fund's Assets). The minimum initial investment for class I2 units (minimum investment) and the minimum number of Class I2 units that must be held by the investor at any given time (minimum holding) are stated in the table at the end of the Prospectus. If the value of the units held falls below this minimum holding figure, the fund management company may take steps to switch the investment into units of another class for which the investor is eligible. Should unit holdings fall below the minimum figure for market or performance-related reasons, switching into another unit class is not mandatory; such a switch is, however, mandatory if the minimum holding figure is undershot due to redemption by the investor. The units must in principle be booked to and held in safekeeping at the custodian bank. If the units are not booked to and held in safekeeping at the custodian bank, the institutions responsible for the safekeeping of the units must confirm to the custodian bank in writing that their clients are exclusively qualified investors as defined in § 5 prov. 1, that any further restrictions pursuant to § 6 prov. 4 and the table at the end of the Prospectus are observed, and that changes in this regard are reported;
– **Class I3**, which has the US dollar as its accounting currency, is a capital-growth class and is exclusively open to qualified investors as defined in § 5 prov. 1 of the Fund Contract. With regard to cost structure, it differs from the other unit classes in terms of the maximum rates for management fees set out in § 19 prov. 1 (Fees and Incidental Costs Charged to the Fund's Assets). The minimum initial investment for class I3 units (minimum investment) and the minimum number of class I3 units that must be held by the investor at any given time (minimum holding) are stated in the table at the end of the Prospectus. If the value of the units held falls below this minimum holding figure, the fund management company may take steps to switch the investment into units of another class for which the investor is eligible. Should unit holdings fall below the minimum figure for market or performance-related reasons, switching into another unit class is not mandatory; such a switch is, however, mandatory if the minimum holding figure is undershot due to redemption by the investor. The units must in principle be booked to and held in safekeeping at the custodian bank. If the units are not booked to and held in safekeeping at the custodian bank, the institutions responsible for the safekeeping of the units must confirm to the custodian bank in writing that their clients are exclusively qualified investors within the meaning of § 5 prov. 1 of the Fund Contract, comply with any further restrictions pursuant to § 6 prov. 4 of the Fund Contract and the table at the end of the Prospectus, and that changes in this regard are reported.

5. Units will not take the form of actual certificates but will exist as book entries. The investors are not entitled to demand delivery of a unit certificate in bearer or registered form.
6. The fund management company and the custodian bank are obliged to instruct investors who no longer meet the prerequisites for holding a unit class to ensure within 30 calendar days that their units are redeemed pursuant to § 17 or switched into units of another unit class whose prerequisites they do meet. If an investor fails to comply with this demand, the fund management company must, in cooperation with the custodian bank, make an enforced switch into another unit class of this Fund or, should this not be possible, enforce the redemption of the units in question pursuant to § 5 prov. 7.

III. Investment Policy Guidelines

A Investment Principles

§ 7 Compliance with the Investment Limits

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 percentages relate to the Fund's assets at market value, and compliance with them is required at all times. The Fund must have fulfilled the terms of the investment restrictions no later than twelve months after the expiry of the subscription period (launch).
2. If the limits are exceeded as a result of market-related changes, the investments must be restored to the permitted level within a reasonable period, taking due account of the investors' interests. If the limits relating to derivatives pursuant to § 12 below are exceeded due to a change in the delta, this is to be rectified within three bank working days at the latest, taking due account of the investors' interests.

§ 8 Investment Policy

1. The investment objective of the Fund is principally to achieve an appropriate return in the accounting currency by investing in the instruments listed below. Due account shall be taken of the principle of risk diversification, security of the capital invested and liquidity of the Fund's assets. The amounts entrusted to the Fund aim at achieving a real increase in value over the long term; at the same time, they seek to make a contribution to the sustainable development of local actors along the agriculture value chain (AVCAs) – those that can directly or indirectly contribute to socioeconomic and ecological development in rural regions. For this purpose, the Fund primarily invests its money indirectly and directly in local, successful or promising AVCAs. The agriculture value chain includes all activities, organizations, actors, technologies, information, resources and services involved in the manufacture of agricultural produce for consumer markets. The agriculture value chain actors include suppliers of seeds, fertilizers and equipment for transportation, packaging, marketing, distribution and the production and processing of harvests. The agriculture value chain consists of a series of interconnected actors, including suppliers, producers, trading companies and retailers, technical and commercial service-sector companies as well as financial service providers.
2. The fund invests mainly in the form of fixed- or variable-interest instruments. The investments, which are aimed primarily at financing the harvest and sales cycles of agricultural products as well as the financing of operating capital and/or capital investment by AVCAs, typically exhibit a relatively short term of less than two years.
   The fund management company cannot guarantee that the Fund's investment objective will be met. Past performance is no guarantee as to the future performance of the Fund. The risks inherent in the Fund cannot be compared with those of securities funds. For that reason, the Fund belongs to the «Other Funds for Alternative Investments» category. The Fund differs from securities funds

primarily in that the requirements for risk diversification are lower. Investments may also

- have limited marketability;
- be subject to high price fluctuations;
- be relatively difficult to value.

The Fund may invest directly and indirectly in the following investments. The investments in some cases have limited marketability and are relatively difficult to value.

- Variable and/or fixed-interest debt securities;
- Variable and/or fixed-interest secured or unsecured loans or sub-participations in such loans;
- Shareholdings;
- Liquidity/money market.

The issuing institutions or borrowers (AVCAs, local commercial banks) are usually domiciled in developing and transition countries, primarily in the following regions:

- – Central and Eastern Europe;
- – Asia;
- – Latin America;
- – Africa and Middle East.

The Fund's investments are usually in US dollars or euros. To a limited extent, investments may be made in freely convertible local currencies of the target countries.

3. The fund management company shall invest at least 70% of the Fund's assets in:

a) **Fixed- or variable-interest senior or subordinated debt securities** and **fixed- or variable-interest senior or subordinated loans** or **sub-participations in such loans** of different types which may be issued by different issuers and granted to different borrowers (loan recipients). Such investments in debt securities, loans or sub-participations typically exhibit a relatively short term of less than two years. The average term of loans or sub-participations may not exceed 18 months; no more than 30% of the loans or sub-participations may have a term of more than 24 months:

Investment instrument	**Description**
Debt securities (including bonds with or without conversion rights, notes, promissory notes, bills, and other fixed- or variable-rate securities or rights) of AVCAs	Debt securities issued by AVCAs; primarily promissory notes. Promissory notes are transferable fixed-or variable-interest debt securities that are widely used in the development investment market among others. In the case of AVCAs, they are used to pre-finance/finance exports of agricultural products as well as to finance operating capital and/or capital investment by AVCAs.
Special-purpose debt securities of AVCAs (including bonds with or without conversion rights, notes, promissory notes, bills, and other fixed- or variable-rate securities)	Special-purpose debt securities issued to finance AVCAs that were established in some cases partly by the AVCAs themselves or whose establishment is supported by the AVCAs and/or in which AVCAs have a shareholding.
Special-purpose debt securities of local commercial banks (including bonds with or without conversion rights, notes, promissory notes, bills, and other fixed- or variable-rate securities or rights)	Special-purpose debt securities issued by local commercial banks to finance AVCAs.
Loans or sub-participations in loans to AVCAs and local commercial banks with a fixed or variable rate	Loans are widely used in the development investment market. In the case of AVCAs, they are used to pre-finance/finance exports of agricultural products as well as to finance operating capital and/or capital investment by AVCAs. Banks use loans to finance AVCAs. Loans may be issued directly to a borrower or together with other lenders as part of a syndicate. These loans may be secured or unsecured. Alternatively, sub-participations may be acquired in bilateral or syndicated loans.

b) **Other fixed-or variable-interest debt securities** (maximum of 50% of the Fund's assets) as listed below:

– **Money market instruments**, provided these are liquid, can be readily valued and are traded on an exchange or other regulated market open to the public; money market instruments which are not traded on an exchange or other regulated market open to the public may only be acquired if the issue or the issuer is subject to provisions regarding creditor or investor protection and if the money market instruments are issued or guaranteed by issuers pursuant to Art. 74 para. 2 CISO.

– **Bonds and money market instruments**, provided these are liquid, can be readily valued and are traded on an exchange or other regulated market open to the public; money market instruments and bonds which are not traded on an exchange or other regulated market open to the public may only be acquired if the issue or the issuer is subject to provisions regarding creditor or investor protection. Bonds and money market instruments issued by public international bodies which are active in the development sector or by local commercial banks, in addition to government securities. Bonds and money market instruments issued by the above private and public issuers must exhibit a rating of at least Ba3 (Moody's) or BB- (Standard & Poor's).

4. The fund management company may also invest up to 30% of the Fund's total assets in:

– **Listed shares** of companies which make a contribution to the development of developing and transition countries by virtue of their economic activities in the field of financial services or agriculture. The fund management company may invest up to 5% of the Fund in listed shares of companies which invest in other sectors. The fund management company may invest a maximum of 10% of the Fund's assets in listed shares.

– **Unlisted shares and other equity securities and rights** (shares, dividend-right certificates, participation certificates, etc.) of AVCAs worldwide which carry out the bulk of their economic activities in developing and transition countries and operate in the development-related fields of financial services and agriculture. The fund management company may invest up to 5% of the Fund in companies in other sectors. This type of investment is usually extremely illiquid and often pays no ongoing income/dividends from the outset. Capital is tied up for a very long time. The fund management company may invest a maximum of 10% of the Fund's assets in the aforementioned investments.

– **Units in other collective investment schemes («target funds»)** which according to their documents pursue an investment policy which is broadly in line with that of the Fund and which in terms of the issuing and redemption of the units are subject to provisions equivalent to those pertaining to the

Fund. The fund management company may invest a maximum of 20% of the Fund's assets in units of target funds.
Subject to § 19 prov. 5, the fund management company may acquire units of other collective investment schemes which are managed directly or indirectly by the fund management company itself or by a company with which it is related by virtue of common management or control or by way of a direct or indirect stake («related target funds»).

- **Other indirect investments** (such as investment companies, participation companies or other closed-end undertakings whose purpose is to invest in markets which are difficult for foreign investors to access, or «special-purpose vehicles») whose investment policy is broadly in line with that of the Fund and where the investor benefits in terms of diversification, access to markets or liquidity. The fund management company may invest a maximum of 10% of the Fund's assets in other indirect investments. Where the investments are held via subsidiaries of the fund management company, a majority of the members of each board of directors must be members of the board of directors of the fund management company unless national regulations in the target investment country require a different composition for the board of directors. Such subsidiary companies must be at least 95%-owned by the Fund, and the residual share of capital and voting rights must be in the possession of companies connected to the fund management company. The subsidiary companies hold investments exclusively for the Fund's account, and the provisions in this Fund Contract with respect to the Fund's investment policy apply equally to all investments of the subsidiary companies. For accounting purposes, the investments of the subsidiary companies shall be consolidated with the investments of the Fund itself.
- **Sight or time deposits** with a term to 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 is subject to supervision in this country which is equivalent to the supervision in Switzerland.
- **Derivatives**, specifically options and futures (i) whose underlying securities are investments specified in provs. 2 and 3 above and (ii) the underlying securities are permitted as investments under the Fund Contract and (iii) they are either traded on an exchange or other regulated market open to the public, or OTC.
  OTC transactions are only permitted if (i) the counterparty is a regulated financial intermediary specializing in such transactions, and (ii) the OTC products can be traded daily or a return to the issuer is possible at any time. In addition, it must be possible for them to be valued in a reliable and transparent manner. Derivatives may be used pursuant to § 12.

5. The Fund may also be actively hedged against interest rate and currency risks. Currency risks due to investment in local currencies can also be hedged. However, most of the investment instruments are likely to be issued in the Fund's currency (US dollar). In the euro and Swiss franc unit classes, the currency risk is as a rule hedged against the Fund's currency (US dollar). Corresponding instruments to hedge risks relating to investments in local currencies of target countries are regarded as expensive, not sufficiently in line with needs, or illiquid. This is why the corresponding risks cannot always be hedged. Risk can be contained by limiting investments in local currencies and by diversifying these currencies as broadly as possible.
6. The fund management company must also comply with the following investment restrictions:
   - The fund management company may not invest more than 20% of the Fund in local currencies (of the target countries) which are not hedged against the reference currency.
   - Total investments in (i) unlisted shares and other equity securities and rights; and (ii) other indirect investments, may not exceed 15% of the Fund's assets.
   - The fund management company may invest a maximum of 50% of the Fund's assets in money market instruments and sight deposits (cumulative).

§ 9 Liquid Assets
The fund management company may also hold liquid assets in an appropriate amount in the Fund's unit of account and in any other currency in which investments are permitted. Liquid assets comprise bank credit balances 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 engage in securities lending transactions.

§ 11 Repurchase Agreements
The fund management company does not enter into securities repurchase agreements.

§ 12 Derivatives
1. The fund management company may use derivatives. It shall ensure that, even under extreme market circumstances, the financial effect of the use of derivatives does not result in a deviation from the investment objectives set out in this Fund Contract and the Prospectus and that it does not change the investment character of the Fund. Furthermore, the underlyings of the derivatives must be permitted as investments according to the present Fund Contract.
   In connection with collective investment schemes, derivatives can only be used to hedge currency risks. Derivative instruments are permitted for the hedging of market, interest rate and credit risks in relation to collective investment schemes, provided the risks are clearly identifiable and measurable.
2. The Commitment Approach I is applied for the risk assessment. Taking into account the collateral required in the present section, the use of derivatives must neither result in a leverage effect on the Fund's assets nor may it correspond to short selling.
3. Only basic forms of derivatives may be used. These comprise:
   a) Call or put options whose value at expiration is linearly dependent on the positive or negative difference between the market value of the underlying and the strike price and is zero if the difference is preceded by the opposite algebraic sign;
   b) Credit default swaps (CDS);
   c) Swaps whose related payments are dependent on the value of the underlying or on an absolute amount in both a linear and a path-independent manner;
   d) Future and forward transactions whose value is linearly dependent on the value of the underlying.
4. In its financial effect, the use of derivatives is similar to either the sale (exposure-reducing derivative) or purchase (exposure-increasing derivative) of an underlying.
5. a) In the case of exposure-reducing derivatives, the arising obligations subject to sections b) and d) must be covered at all times by the underlyings of the derivative.
   b) Cover with investments other than the underlyings shall be permitted in the case of exposure-reducing derivatives on an index that is:
      - calculated by an independent external office;
      - representative of the investments serving as cover;
      - sufficiently well correlated with these investments.
   c) The fund management company must at all times be able to dispose of these underlyings or investments without restriction. Underlyings or investments may be used to cover several exposure-reducing derivatives at the same time if they are subject to a market risk, credit risk or currency risk and are based on the same underlyings.
   d) An exposure-reducing derivative can be weighted by the delta in the calculation of the corresponding underlyings.
6. In the case of exposure-increasing derivatives, the underlying equivalents must at all times be covered by near-money assets in accordance with Art. 34 para. 5 CISO-FINMA . The equivalent of the underlying for futures, options, swaps and forwards is calculated in accordance with Annex 1 to CISO-FINMA. Near-money assets can be used to cover several exposure-increasing derivatives at the same time if they are subject to a market risk or credit risk and are based on the same underlyings.

7. The fund management company must take into account the following rules when netting derivative positions:
   a) Opposite positions in derivatives relating to the same underlying as well as opposite positions in derivatives and investments relating to the same underlying may be netted, irrespective of the maturity date of the derivatives, provided that the derivative transaction was concluded with the sole purpose of eliminating the risks associated with the derivatives or investments acquired, no material risks are disregarded in the process, and the eligible amount of the derivatives is determined pursuant to Art. 35 CISO-FINMA.
   b) If the derivatives in hedging transactions do not relate to the same underlying as the asset that is to be hedged, any netting must not only comply with lit. a above but must also fulfill the prerequisites for hedging, i.e. derivatives transactions may not be based on an investment strategy designed to generate a profit. In addition, the derivative must lead to a demonstrable reduction of risk, the risks of the derivative must be balanced out, derivatives, underlyings or assets that are to be netted must relate to the same class of financial instruments, and the hedging strategy must be effective even under extraordinary market conditions.
   c) Derivatives that are used purely to hedge foreign currency risks and do not involve any leverage effect or additional market risks may be netted when calculating overall derivatives exposure without being subject to the requirements of b).
   d) Covered hedging transactions involving interest rate derivatives are permissible. Convertible bonds need not be taken into account when calculating the overall exposure to derivatives.
8. The fund management company may use both standardized and non-standardized derivatives. It may conclude transactions in derivative financial instruments on an exchange or other regulated market open to the public or in OTC (over-the-counter) trading.
9. a) The fund management company may conclude OTC transactions only with regulated financial intermediaries specialized in such types of transactions that ensure proper execution of the contract. If the counterparty is not the custodian bank, the former or its guarantor must be highly creditworthy.
   b) It must be possible to reliably and verifiably value an OTC derivative on a daily basis and to sell, liquidate or close out the derivative at market value at any time.
   c) If no market price is available for an OTC-traded derivative, it must be possible to determine the price at any time using an appropriate valuation model that is recognized in practice, based on the market value of the underlyings. Before concluding a contract for such a derivative, specific offers should in principle be obtained from at least two potential counterparties, following which the contract should be concluded with the counterparty providing the most favorable offer in terms of price. Deviations from this principle are permissible for reasons of risk diversification or if other aspects of the contract such as the credit rating or range of services offered by the counterparty make another offer appear more advantageous for investors overall. Moreover, in exceptional situations the requirement to obtain offers from at least two potential counterparties may be waived if this is deemed to be in the best interests of investors. The reasons for this and the conclusion of the contract and its pricing shall be clearly documented.
   d) The fund management company and its agents may only accept collateral in the context of an OTC transaction if it meets the requirements set out under Art. 51 CISO-FINMA. The issuer of the collateral must have a high credit rating, and must not be the counterparty itself or a company belonging to, or otherwise dependent on, the corporate group of the counterparty. The collateral must be highly liquid, must be traded at a transparent price on an exchange or other regulated market open to the public, and must be valued at least once a day on all trading days. When managing the collateral, the fund management company and its agents must fulfill the obligations and requirements set out under Art. 52 CISO-FINMA. In particular, they must ensure appropriate diversification of the collateral by country, market, and issuer; appropriate issuer diversification is deemed to have been achieved as long as the collateral of a single issuer does not correspond to more than 20% of the net asset value. Exceptions for publicly guaranteed or publicly issued investments pursuant to Art. 83 CISO remain reserved. Furthermore, the fund management company and its agents must be able – at any time and without the counterparty's involvement or approval – to demand right and power of disposal with respect to the collateral received in the event of the counterparty's default. The collateral received must be held in safekeeping with the custodian bank. The collateral received may be held by a supervised third-party depositary on the fund management company's behalf, provided the collateral's ownership is not transferred to the fund management company and the depositary is independent of the counterparty.
10. In monitoring the derivatives' compliance with legal and contractual investment restrictions (upper and lower limits), the legislation on collective investment schemes must be taken into account.
11. Derivative instruments also carry the risk that a loss may be sustained by the Subfunds as a result of the failure of another party to a derivative (usually a counterparty) to comply with the terms of the contract.
12. The Prospectus contains further information on:
   – the importance of derivatives as part of the investment strategy;
   – the effect of the use of derivatives on the Fund's risk profile;
   – the counterparty risks of derivatives;
   – the credit derivatives;
   – the collateral strategy.

§ 13 Taking Up and Extending Loans

1. The fund management company may grant loans for the Fund's account within the framework of the loans and sub-participations in loans permitted in § 8 provs. 2 and 3. 2.
2. On behalf of the Fund, the fund management company may borrow the equivalent of up to 25% of net assets on a temporary basis.

§ 14 Encumbrance of the Fund's Assets

1. No more than 60% of the Fund's net assets may be pledged or ownership thereof transferred as collateral by the fund management company at the expense of the Fund.
2. The Fund's assets may not be encumbered with guarantees. An exposure-increasing credit derivative does not constitute a guarantee as defined by this paragraph.

C Investment Restrictions

§ 15 Risk Diversification

1. The regulations on risk diversification shall include the following:
   a) investments pursuant to § 8, with the exception of index-based derivatives, provided the index is sufficiently diversified, is representative of the market it relates to and is published in an appropriate manner;
   b) liquid assets pursuant to § 9;
   c) claims against counterparties arising from OTC transactions.
2. Companies which are classified as a group under international accounting rules shall be regarded as one issuer.
3. Including derivatives, the fund management company may in total invest a maximum of 8% of the Fund's assets in securities and/or money market instruments of the same issuer or in loans and sub-participations in loans with the same borrower. The total value of the securities of issuers and borrowers in which more than 5% of the assets of the Fund are invested may not exceed 40% of the Fund's assets. This is subject to provs. 4 and 5.
4. The fund management company may invest up to 20% of the Fund's assets in sight and term deposits with the same bank. The liquidity as per § 9 and the credit balances on bank accounts as per § 8 are included in this limit.
5. The fund management company may invest up to 5% of the Fund's assets in OTC transactions with the same counterparty. If the counterparty is a bank whose registered office is in Switzerland or a member state of the European Union or in another state in which it is subject to oversight equivalent to that in Switzerland, this limit

rises to 10% of the Fund's assets. Where claims arising from OTC transactions are hedged through collateral in the form of liquid assets in accordance with Art. 50–55 CISO-FINMA, these claims are not taken into account in the calculation of the counterparty risk.

6. Investments, deposits and claims as per provs. 3 to 5 above and issued by the same issuer/borrower must not in overall terms exceed 20% of the assets of the Fund.
7. Investments pursuant to prov. 3 above of the same group of companies may not in total exceed 20% of the Fund's assets.
8. The fund management company may not acquire equity rights representing more than 10% of the total voting rights in a company. This limit is raised to 30% in the case of investments in unlisted shares and other equity securities and rights. This restriction does not apply to the purchase of equity rights in subsidiaries of the fund management company (pursuant to § 8 prov. 3).
9. The fund management company may invest a maximum of 20% of the Fund's assets in units of the same target fund.
10. The fund management company may acquire for the Fund's assets no more than 10% of the non-voting equity instruments, debt instruments, money market instruments and/or loans of the same issuer or borrower. The promissory notes and loans pursuant to §8 prov. 2 are excluded from this restriction. In addition, the fund management company may not acquire more than 25% of the units in other collective investment schemes. The latter restriction does not apply to the purchase of equity rights in subsidiaries of the fund management company (pursuant to § 8 prov. 3).
    Nor do these restrictions apply if the gross amount of the debt instruments, the money market instruments or the units of other collective investment schemes cannot be calculated at the time of acquisition.
11. The Fund must be invested in five different countries at all times. The biggest exposure to a single country must never exceed 40% of the investment volume and the two biggest country exposures must not together account for more than 60%.
12. The agriculture sector is to some extent subject to factors such as weather, climate, pests, natural disasters, etc. with the corresponding possible consequences for investments in this field. Investments in the agriculture sector have exposure to agricultural products and may therefore be partly exposed to volatility in the price of such products. Therefore, the fund management company must not have a direct or indirect exposure of more than 50% in a single commodity. As coffee is by far the most important product in the FT sector, the fund management company may have a direct or indirect exposure of up to 75% in this commodity.

IV. Calculation of the Net Asset Value and Issue and Redemption of Units

§ 16 Calculation of the Net Asset Value

1. The net asset value of the Fund and the share of assets attributable to the individual classes are calculated in the Fund's accounting currency at the market value as of the end of the accounting year and for each day on which units are issued or redeemed but at least once a month. The value of the Fund's assets will not be calculated on days when the stock exchanges/markets in the fund's main investment countries are closed (e.g. bank and stock exchange holidays). Furthermore, the net asset value will not be calculated where the issue and redemption of units has been postponed pursuant to §17 prov. 5.
2. Debt instruments and promissory notes in particular, as well as loans and sub-participations in loans, shall be valued at their nominal value plus accrued interest. This valuation will be adapted, in the event of major fluctuations in interest rates in the relevant markets or in the event of other material market developments, if such circumstances affect the value of the investments. In the event of default or another critical situation that could lead to default, or in the case of the elimination or improvement of such a situation, the fund management company shall decide on the basis of the information available to the Asset Manager as to whether and to what extent an adjustment should be made to the valuation of debt instruments.
3. Securities traded on an exchange or other 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 value is available shall be valued at the price which would probably be obtained in a diligent sale at the time of the valuation. In such cases, the fund management company shall use appropriate and recognized valuation models and principles, as well as the principles specified below, to determine the market value.
4. Unlisted shares or other forms of investment in companies are valued at the latest selling price available. If no such price is available, the fund management company shall value the securities in accordance with other criteria to be established by the fund management company, generally recognized methods and on the basis of the probable sales price, which shall be estimated with due care and in good faith.
5. Units in other collective investment schemes («target funds») pursuant to § 8 prov. 3 above and other indirect investments will be valued at their last calculated net asset value. Other generally recognized valuation methods may be used to adjust the price of these units if, in the opinion of the fund management company, there have been changes in the value since the net asset value was last calculated.
6. The value of money market instruments that are not traded on an exchange or other regulated market open to the public is determined as follows: the valuation price of such investments is successively adjusted in line with the repayment price, taking the net purchase price as the basis and ensuring that the investment returns calculated in this manner are kept constant. If there are significant changes in market conditions, the valuation principles for the individual investments will be adjusted in line with the new market returns. Where no current market price is available, the valuation price is normally based on the valuation of money market instruments having the same characteristics (issuer quality and domicile, issue currency, maturity).
7. Bank deposits are valued on the basis of the amount due plus accrued interest. If there are significant changes in market conditions and credit ratings, the valuation principles for time deposits at banks will be adjusted in line with the new conditions.
8. The net asset value of a unit of a given class of the Fund is determined by the proportion of the Fund's assets as valued at the market value attributable to the given unit class, minus any of the Fund's liabilities that are attributed to the given unit class, divided by the number of units of the given class in circulation. In each case it is rounded up or down to the next smallest unit of account.
9. The amounts resulting from such valuations shall be converted into US dollars at the prevailing mid-market rate. Foreign exchange transactions made for the purpose of hedging currency risks shall be taken into consideration when carrying out this conversion. If a valuation in accordance with the above rules is rendered impossible or incorrect owing to special or changed circumstances, the fund management company shall be entitled to use generally recognized valuation principles in order to value the assets.
10. The proportions of the market value of the net assets of the Fund (total assets of the Fund less liabilities) which should be assigned to the respective unit classes are determined initially when multiple unit classes are first issued (if they are issued simultaneously), or on first issuance of an additional unit class on the basis of the payment values accruing to the Fund for each unit class. The share is recalculated when one of the following events occurs:
    a) when units are issued and redeemed;
    b) on the pertinent date for distributions, provided that (i) such distributions are only made for individual unit classes (distribution classes) or provided that (ii) the distributions of the various unit classes differ when expressed as a percentage of the respective net asset values, or provided that (iii) different commission or costs are charged on the distributions of the various unit classes when expressed as a percentage of the distribution;
    c) when the net asset value is calculated, as part of the allocation of liabilities (including due or accrued costs and commissions) to the various unit classes, provided that the liabilities of the various unit classes are different when expressed as a percentage of the respective net asset value, especially if (i) different commission rates are applied for the various unit classes or if (ii) class-specific costs are charged;

d) when the net asset value is calculated, as part of the allocation of income or capital gains to the various unit classes, provided the income or capital gains stem from transactions made solely in the interests of one unit class or in the interests of several unit classes but disproportionately to their share of the net assets of the Fund.

§ 17 Issue and Redemption of Units

1. Subscription and redemption orders for units of the Fund are accepted at the end of each month up to a time specified in the table at the end of the Prospectus.
   Subject to two months' prior notice, the fund management company redeems units of the Fund as of the end of each month at the latest by the time specified in the table at the end of the Prospectus. Payment is usually made within two bank working days after the valuation day, unless – due to statutory provisions such as foreign exchange restrictions or other circumstances beyond the control of the fund management company – it is not possible to transfer the redemption amount. The issue and redemption day is the last bank working day (order day «D») of each month. Subscription and redemption orders not received by the stated time will be settled on the following valuation day.
   The issue price is determined at the earliest on the bank working day following the day the order is placed (valuation day). This is referred to as «forward pricing». The redemption price is calculated on the last bank working day two months after the redemption day. The net asset value calculated on the latter date shall be taken as the basis for settlement of the units on the corresponding bank working day (value date) as mentioned in the Annex.
2. The issue and redemption price of units is based on the net asset value per unit on the valuation day calculated on the basis of the closing prices pursuant to § 16. In the case of unit issues, an issuing commission may be added to the net asset value pursuant to § 18 and, in the case of unit redemptions, a redemption commission may be deducted from the net asset value pursuant to § 18. The incidental costs on the purchase and sale of investments (such as standard brokerage charges, commission, taxes and duties), as well as the cost of verifying and maintaining quality standards in relation to physical assets, incurred by the Fund in connection with the investment of the amount paid in, or with the sale of that portion of investments corresponding to the redeemed unit(s), will be charged to the Fund's assets.
3. The fund management company may halt or defer the issue of units at any time, and may reject applications for the subscription or switching of units.
4. The fund management company may temporarily and by way of exception defer repayment in respect of Fund units in the interests of all investors:
   a) if a market which is the basis for the valuation of a significant proportion of the assets of the Fund is closed, or if trading on such a market is restricted or suspended;
   b) in the event of a political, economic, military, monetary or other emergency;
   c) if, owing to exchange controls or restrictions on other asset transfers, the Fund can no longer transact its business;
   d) in the event of large-scale redemptions of units that could significantly affect the interests of the remaining investors.
5. The fund management company shall immediately apprise the auditors and the supervisory authority of any decision to suspend redemptions, and must also inform the investors in a suitable manner.
6. The issue of units shall be suspended for as long as the redemption of the Fund's units is delayed on the grounds referred to under prov. 5 a) to d).
7. Where the total redemption applications for a specific valuation day exceed 10% of the Fund's assets (threshold level) and the fund management company for liquidity reasons is not in a position to meet the redemption applications, it may take the following measures on an exceptional basis: the redeeming investors shall receive a share of the total available redemption amount corresponding to the ratio between the threshold and all redemption applications for the valuation day concerned. Assuming total redemption applications for a specific valuation day constitute 14%, individual applicants will be paid 10/14ths of their redemption application. The corresponding parts of the redemption applications are considered to be redemption applications for the next valuation day and treated in accordance with the applicable provisions for the next valuation day. No interest shall be payable for the remainder of the redemption applications. This may result in delays in the redemption of units as well as in the payment of redemption proceeds.

V. Fees and Incidental Costs

§ 18 Fees and Incidental Costs Charged to the Investors

1. When units are issued, investors may be charged an issuing commission payable to the fund management company, the custodian bank and/or distributors within Switzerland or abroad. This commission may not in total exceed 5% of the net asset value. The currently applicable maximum rate is shown in the Prospectus.
2. When units are redeemed, investors may be charged a redemption commission payable to the fund management company, the custodian bank and/or distributors within Switzerland or abroad. This commission may not in total exceed 2% of the net asset value. The currently applicable maximum rate is shown in the Prospectus.
3. No issuing and redemption commission is charged for switches between different unit classes.
4. For the distribution of liquidation proceeds in the event of the Fund's dissolution, investors may be charged a commission of 0.5% of the net asset value of their units.

§ 19 Fees and Incidental Costs Charged to the Fund's Assets

1. For the administration, asset management and distribution of the Fund, the fund management company shall charge the Fund a commission not exceeding 3.60% p.a. of the Fund's net asset value, to be charged to the Fund's assets on a pro rata basis every time the net asset value is calculated and paid out at the beginning of each month on the basis of the average Fund's net assets in the preceding month (management fee).
   The management fee may be charged at different rates for the individual unit classes (cf. table in the Prospectus). The rate of the management fee actually charged shall be stated in the annual and semi-annual reports.
2. For the safekeeping of the assets of the Fund, the handling of the Fund's payment transactions and performance of the other tasks of the custodian bank listed under § 4, the custodian bank shall charge the Fund an annual commission not exceeding 0.20% of the net asset value of the Fund, to be charged to the assets of the respective Fund on a pro rata basis every time the net asset value is calculated. This custodian bank fee shall be charged to the Fund at the beginning of each month on the basis of the Fund's average net assets in the preceding month. The rate of the custodian bank fee actually charged to the Fund is stated in the annual and semi-annual reports.
3. For the payment of the annual income in favor of the investors, the custodian bank may charge the Fund a commission of max. 0.5% of the distribution's gross amount.
4. Furthermore, the fund management company and the custodian bank shall be entitled to reimbursement of the following costs incurred in the course of executing the Fund Contract:
   a) fees charged by the supervisory authority for establishing, amending, liquidating and merging the Fund;
   b) annual fees charged by the supervisory authority;
   c) fees charged by the auditor for annual auditing as well as certification in connection with establishing, amending, liquidating and merging the Fund;
   d) fees paid to legal and tax consultants in connection with establishing, amending, liquidating or merging the Fund, as well as acting in the interests of the Fund and its/their investors;
   e) costs for the publication of the net asset value of the Fund, as well as all costs for the issuing of notices to the investors including translation costs, where such costs are not ascribed to an error on the part of the fund management company;
   f) cost of printing legal documents as well as the annual and semi-annual reports of the Fund;
   g) costs incurred by registering the Fund with a foreign supervisory authority, specifically the commission levied by the

foreign supervisory authority, translation costs and compensation for the representative or paying agent abroad;
h) costs in connection with the exercising of voting rights or creditors' rights by the Fund, including fees for external consultants;
i) costs and fees in connection with intellectual property or usage rights registered in the fund's name;
j) all costs incurred as a result of extraordinary steps taken by the fund management company, the asset manager of collective investment schemes or the custodian bank to safeguard the interests of the investors.

5. The Fund shall also bear all incidental costs for the purchase and sale of investments (such as standard brokerage fees, commission, taxes and duties), as well as the cost of verifying and maintaining quality standards in relation to physical assets) incurred in the management of the Fund's assets. These costs will be offset directly against the stated acquisition or saleable value of the respective investments.
6. If the fund management company acquires units of other collective investment schemes that are managed directly or indirectly by the fund management company itself or a company with which it is related by virtue of common management or control or by way of a significant direct or indirect stake («related target funds»), the fund management company may not charge the Fund any issuing or redemption commissions of the associated target fund.
7. In accordance with the provisions of the Prospectus, the fund management company and its agents may pay trailer fees to cover the distribution of fund units as well as discounts in order to reduce the fees and costs charged to the Fund.

VI. Financial Statements and Audit

§ 20 Financial Statements

1. The Fund's accounting currency is the US dollar.
2. The accounting year shall run from April 1 until March 31 of the following year. The 2015/2016/2017 accounting year runs from October 1, 2015 to March 31, 2017.
3. The fund management company shall publish an audited annual report for the Fund within four months of the end of the accounting year.
4. The fund management company shall publish a semi-annual report for the Fund within two months following the end of the first half of the accounting year.
5. The investor's right to obtain information under § 5 prov. 4 is reserved.

§ 21 Audit

The auditors shall each year examine whether the fund management company, the subsidiaries (as defined in § 8 prov. 3) and the custodian bank have acted in compliance with the statutory and contractual provisions and the code of conduct of the Swiss Funds & Asset Management Association SFAMA. The annual report shall contain a short report by the auditors on the published annual financial statements.

VII. Appropriation of Net Income

§ 22

1. The net income of the capital growth unit classes accrues to the Fund each year for reinvestment, subject to any taxes and duty charged on the reinvestment. This is also subject to extraordinary distributions of net income of the capital growth unit classes of the Fund to investors in the respective accounting currency.
   If the net income for a financial year, including income carried forward from prior financial years, is less than 1% of the Fund's net assets and less than CHF 1, USD 1, EUR 1, GBP 1, or JPY 100 per unit of the Fund, depending on the reference currency, reinvestment may be waived and the entire net income carried forward to the Fund's new account.
2. Capital gains realized on the sale of assets and rights can be retained by the fund management company in full or in part for the purpose of reinvestment.

VIII. Publication of Official Notices by the Fund

§ 23

1. The medium of publication of the Fund is the medium specified in the Prospectus. Notification of any change in the medium of publication shall be published in the medium of publication.
2. The following information shall in particular be published in the medium of publication: summaries of material amendments to the Fund Contract, indicating the offices from which the amended wording may be obtained free of charge, any change of management company and/or custodian bank, the creation, dissolution or merger of unit classes, and the liquidation of the Fund. Amendments required by law that do not affect the rights of investors or that are of an exclusively formal nature may be exempted from the duty to publish subject to the approval of the supervisory authority.
3. Each time units are issued or redeemed, the fund management company shall publish both the issue and the redemption prices or the net asset value together with a footnote «excluding commissions» for all unit classes in the medium of publication specified in the Prospectus. The prices shall be published at least once per month.
4. The Prospectus with integrated Fund Contract 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 Mergers

1. Subject to the consent of the custodian bank, the fund management company may merge the Fund with other funds by transferring at the time of such merger the assets and liabilities of the Fund to the acquiring fund. The Fund's investors shall receive the corresponding number of units in the acquiring fund. The fund being acquired is terminated without liquidation when the merger takes place and the Fund Contract of the merging fund applies to the resulting fund.
2. Funds may only be merged if:
   a) provision for this is made in the relevant Fund Contracts;
   b) they are managed by the same management company;
   c) the relevant Fund Contracts are basically identical in terms of the following provisions:
      – 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, amount and calculation of all fees, the issue and redemption commission together with the incidental costs for the purchase and sale of the investments (such as standard brokerage fees, commission, taxes and duties), as well as the cost of verifying and maintaining quality standards in relation to physical assets, that may be charged to the Fund assets or to the investors;
      – the redemption conditions;
      – the duration of the contract and the conditions of dissolution;
   d) the valuation of the assets of the funds 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 shall arise as a result for either the Fund or the investors. The provisions set out in § 19 prov. 4a), c) and d) shall, however, apply.
3. If the merger is likely to take more than one day, the supervisory authority may approve limited deferral of repayment in respect of the units of the funds involved.
4. The fund management company must submit the proposed merger together with the merger schedule 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 fees and any tax

implications for the funds, and a statement from the statutory auditors appointed in compliance with CISA.
5. The fund management company must publish the intended changes to the Fund Contract pursuant to § 23 prov. 2 and the proposed merger and its timing together with the merger schedule at least two months before the planned date of merger in the medium of publication of the funds in question. In this notice, the fund management company must inform the investors that they may lodge objections against the proposed changes to the Fund Contract with the supervisory authority within 30 days after the final publication or request redemption of their units.
6. The auditors must check directly 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 inform the supervisory authority of the conclusion of the merger and shall publish notification of the completion of the merger, the confirmation from the auditors regarding the proper execution of the merger and the exchange ratio without delay in the medium of 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 the semi-annual report if published prior to the annual report. If the merger does not take place on the last day of the usual financial year, an audited closing statement must be produced for the fund being acquired.

§ 25 Life of the Fund and Dissolution

1. The Fund has been established for an indefinite period.
2. The fund management company or the custodian bank may dissolve the Fund by terminating the Fund Contract without notice.
3. The Fund may be dissolved by order of the supervisory authority, in particular if at the latest one year after the expiry of the subscription period (launch) or a longer extended period approved by the supervisory authority at the request of the custodian bank and the fund management company it does not have net assets of at least 5 million Swiss francs (or the equivalent).
4. The fund management company shall inform the supervisory authority of the dissolution immediately and shall publish notification in the medium of publication.
5. Once the Fund Contract has been terminated, the fund management company may liquidate the fund forthwith. If the supervisory authority has ordered the dissolution of the Fund, it must be liquidated forthwith. The custodian bank is responsible for the payment of liquidation proceeds to the investors. If the liquidation proceedings are protracted, payment may be made in installments. Prior to the final payment, the fund management company must obtain approval from the supervisory authority.

X. Changes to the Fund Contract

§ 26

If changes are made to the present Fund Contract, or if the merger of unit classes or a change of the management company or of the custodian bank is planned, the investors may lodge objections with the supervisory authority within 30 days after the publication. In the publication, the fund management company informs investors of changes to the Fund Contract that are covered by FINMA's verification and ascertainment of compliance with the law. In the event of a change to the Fund Contract (including the merger of unit classes) the investors can also demand the redemption of their units in cash subject to the contractual period of notice. Exceptions in this regard are cases pursuant to § 23 prov. 2 that have been exempted from the duty to publish with the approval of the supervisory authority.

XI. Applicable Law and Place of Jurisdiction

§ 27

1. The Fund is subject to Swiss law, in particular the Swiss Federal Act on Collective Investment Schemes of June 23, 2006, the Ordinance on Collective Investment Schemes of November 22, 2006, and the FINMA Ordinance on Collective Investment Schemes of August 27, 2014.
   The court of jurisdiction is the court at the fund management company's registered office.
2. For the interpretation of the Fund Contract, the German-language version shall be binding.
3. The present Fund Contract is effective as of October 1, 2018.
4. The present Fund Contract replaces the Fund Contract dated November 20, 2016.
5. When approving the Fund Contract, FINMA exclusively examines the provisions pursuant to Article 35a prov. 1 a–g CISO and establishes that they comply with the law.

The registered office of the fund management company and of the custodian bank is in Zurich.

Date of approval of the Fund Contract by the Swiss Financial Market Supervisory Authority (FINMA): September 27, 2018.