

<p><b>Mediobanca Management Company S.A.</b>  <i>Société anonyme</i>  2, Boulevard de la Foire  L-1528 Luxembourg  R.C.S. Luxembourg: B 138 740  (the “<b>Management Company</b>”)</p> <p>acting on behalf of</p> <p><b>PALLADIUM FCP</b>  <i>fonds commun de placement</i>  R.C.S. Luxembourg: K 1320  (the “<b>Merging UCITS</b>”)</p>	<p><b>MEDIOBANCA SICAV</b>  <i>Société anonyme qualifying as a  société d'investissement à capital  variable</i>  60, avenue J.F. Kennedy,  L-1855 Luxembourg  R.C.S. Luxembourg: B 65834  (the “<b>Receiving UCITS</b>”)</p>
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Common terms of merger regarding the merger of the following sub-funds:

**Palladium FCP: Megatrend Protection 90,**  
a sub-fund of the Merging UCITS  
(the “**Merging Sub-Fund**”)

and

**Mediobanca SICAV: Mediobanca Euro Rates Total Return,**  
a sub-fund of the Receiving UCITS  
(the “**Receiving Sub-Fund**”)

**These COMMON TERMS OF MERGER** are dated 16 April 2024 and are entered into between:

- (1) **Mediobanca Management Company S.A.**, acting on behalf of **Palladium FCP**, a mutual fund under the laws of the Grand Duchy of Luxembourg, having its registered office at 2, Boulevard de la Foire L-1528 Luxembourg registered with the Luxembourg Trade and Companies Register under number K 1320;

and

- (2) **MEDIOBANCA SICAV**, a *société d'investissement à capital variable* incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 60, Avenue J.F. Kennedy, L - 1855 Luxembourg, registered with the Luxembourg Trade and Companies Register under number B 65834;

The Merging Sub-Fund and the Receiving Sub-Fund will hereinafter be together referred to as the “**Merging Entities**”.

The respective board of directors of the Management Company and the Receiving UCITS (the “**Boards**”) have prepared the following common terms for a merger foreseen under article 1(20)(a) of the law dated 17 December 2010 on undertakings for collective investment, as amended (the “**2010 Law**”):

**I. Identification of the type of merger**

The merger between the Merging Entities will be effected by the absorption of the Merging Sub-Fund by the Receiving Sub-Fund whereby the assets and liabilities of the Merging Sub-Fund are transferred

to the Receiving Sub-Fund by way of a contribution in kind of all assets and liabilities of the Merging Sub-Fund into the Receiving Sub-Fund. As a result, the Merging Sub-Fund will be dissolved without going into liquidation. In exchange for their units in the Merging Sub-Fund, unitholders of the Merging Sub-Fund will receive shares of the corresponding share class in the Receiving Sub-Fund as further described below.

## II. **Expected effective date of the merger**

The merger shall become effective between the Merging Entities and towards third parties on 31 May 2024 or as soon as practicably possible thereafter, upon (i) approval of the Merger by the CSSF, and (ii) completion of the abovementioned thirty (30) calendar days prior notice period, and additional five (5) working days before the date of calculation of the share exchange ratio (the "**Effective Date**").

## III. **Background and rationale of the proposed merger**

The Boards have decided, in the best interest of the unitholders and shareholders, to merge the Merging Sub-Fund into the Receiving Sub-Fund.

The Merging Sub-Fund has lost attractiveness on the market and the actual level of total expense ratio is much higher than the total expense ratio of the Receiving Sub-Fund. On the other hand, the Receiving Sub-Fund is the sub-fund managed by the same Management Company and delegated investment manager. Moreover, considering the high level of asset under management of the Receiving Sub-Fund, the merger will decrease the total expense ratio of the Receiving Sub-Fund benefitting its shareholders.

The Boards strongly believes in the synergies to be created by this merger, including, but not limited to, more efficient management thereby benefiting the Merging Sub-Fund's shareholders and Receiving Sub-Fund's unitholders, as stated earlier.

Furthermore, the merger is part of a bigger project where the board of directors of the Management Company decided to transfer the two sub-funds of the Merging UCITS to other UCITS umbrellas, having as result the dissolution of the Merging UCITS and, as a consequence, the rationalisation of the number of umbrellas managed by the Management Company.

## IV. **Expected impact of the proposed merger on the unitholders of the Merging UCITS and on the shareholders of the Receiving UCITS**

The Merging Sub-Fund and the Receiving Sub-Fund are sub-funds of two Luxembourg UCITS funds under the UCITS Directive (Directive 2009/65/EC) and Part I of the 2010 Law. The Merging Sub-Fund and the Receiving Sub-Fund have the same designated management company, Mediobanca Management Company S.A. They are also managed by the same investment manager, Mediobanca SGR S.p.A. BNP Paribas, Luxembourg Branch is the depositary and central administrator of both the Merging UCITS and the Receiving UCITS. The main difference consists on the fact that the Merging UCITS qualifies as a mutual fund (*fonds commun de placement*) and the Receiving UCITS is incorporated as public limited liability company (*société anonyme*) under the form of *société d'investissement à capital variable* (SICAV). Therefore, while the Receiving UCITS is a corporate vehicle, the Merging UCITS is a contractual vehicle and, as such, does not have legal personality. Thus, the Merging UCITS, differently from the Receiving UCITS, is not governed by a board of directors and general meetings of shareholders. Indeed, the unitholders of the Merging Sub-Fund do not have voting rights at the annual general meeting and the changes to the management regulation of the Merging UCITS are made by the Management Company, subject to the prior written consent of the depositary, in accordance with the provisions of the management regulation of the Merging UCITS.

Thus, by becoming shareholders of the Receiving Sub-Fund, the unitholders of the Merging Sub-Fund will acquire voting rights and will be able to participate to the general meetings of shareholder of the Receiving Sub-Fund.

Unitholders are informed that the classes of shares in the Receiving Sub-Fund which unitholders will receive will be registered for distribution in the same countries than the classes of units previously held in the Merging Sub-Fund by said unitholder.

With respect to the accrued income of the Merging Sub-Fund, it will be included in the final net asset value of the Merging Sub-Fund.

A rebalancing of 100% of the Merging Sub-Fund's portfolio will be carried out after the merger. The rebalancing will be done within a few days after the Effective Date. The impact of the rebalancing after merger will be equal to 0.002%. The expected costs associated with the rebalancing are estimated to five thousand Euro (5.000 EUR). These costs will be supported by all the shareholders of the Receiving Sub-Fund post-merger.

No further rebalancing of the investment portfolio of the Receiving Sub-Fund will take place before or after the merger.

In case that unitholders of the Merging Sub-fund decided to redeem their units, the protection mechanism of the Merging Sub-fund will remain applicable until suspension of the dealings of the Merging Sub-Fund, meaning on 27 May 2024.

#### 1. Impact of the merger on the unitholders of the Merging Sub-Fund

For the unitholders of the Merging Sub-Fund, the merger will result in such unitholders being, from the Effective Date, shareholders of the Receiving Sub-Fund.

No subscription fee will be levied within the Receiving Sub-Fund as a result of the merger.

The merger will be binding on all the unitholders of the Merging Sub-Fund who have not exercised their right to request the redemption of their units, free of charge, within the timeframe set out in Section VIII (*Notices to unitholders*) below.

The main characteristics of the Receiving Sub-Fund, as described in the prospectus of the Receiving UCITS and in the key investor information document ("**PRIIPs KID**") of the Receiving Sub-Fund and of the Merging Sub-Fund as described in the prospectus of the Merging UCITS and in the PRIIPs KID of the Merging Sub-Fund are similar as shown in this section below and will remain the same after the Effective Date.

In terms of reporting, unitholders should note that both the Merging UCITS and the Receiving UCITS prepare an audited annual report covering each financial year ending on 30<sup>th</sup> June of each year.

It must be highlighted that OPUS (ISIN code DE000A276EB6), a certificate issued by Opus – Chartered Issuances S.A. (the "**Certificate**") is now in the portfolio of the Receiving Sub-Fund. The Certificate reflects the performance of Enhanced High Yield Composite Fund Index, which is in turn composed of the Enhanced High Yield Fixed Income Fund (the "**Enhanced Portfolio**"). The Enhanced Portfolio is a Bahamas fund which invests in Brazilian credit rights towards the Brazilian State. Although the

Management Company and the investment manager of the Receiving Sub-Fund have tried to sell the Certificate in the past, there are no buyers in the market.

Considering the illiquid nature of the Certificate, the Management Company has developed a robust independent valuation model with the support of an external company. The costs related to the implementation of the independent valuation model were taken in charge by the Management Company and the relevant invoice has been already paid. There will be no other costs in the future for this specific valuation model, meaning that the Management Company will use this model without need to pay additional costs.

According to the Management Company, the Certificate is **(i)** an eligible investment under the 2010 Law, **(ii)** compatible with the investment policy of the Merging Sub-Fund and the Receiving Sub-Fund and **(iii)** compatible with the investor profile of the Merging Sub-Fund and Receiving Sub-Fund.

Moreover, as of 21 February 2024, the Certificate’s percentage of the NAV of the Receiving Sub-Fund is 0,36% and, thus, it is very unlikely that the Receiving Sub-Fund faces liquidity issues. However, please note the weight of the Certificate in the NAV of the Receiving Sub-Fund may change until the Effective Date.

The Receiving Sub-Fund has also other two illiquid positions: **(i)** DUEMME FONDO PER LE IMPRESE which weights 0.04% of the NAV of the Receiving Sub-Fund as of 21 February 2024 and **(ii)** DUEMME FONDO PER LE IMPRESE 2.0 CLA which weights 0.47% of the NAV of the Receiving Sub-Fund as of 21 February 2024 (both, the “**DUEMME FONDI**”).

The DUEMME FONDI are closed-ended Italian funds with a semiannual NAV calculation. The Management Company receives a daily estimation of the price of the DUEMME FONDI which is the result of an internal model managed by Mediobanca SGR (the “**Soft NAV**”). The Soft NAV is then integrated into the NAV of the Receiving Sub-Fund.

1.1 Investment objective and policy

Merging Sub-Fund	Receiving Sub-Fund
<b>Investment objective</b>	
<p>The investment objective of the Sub-Fund is to achieve capital appreciation whilst offering a protection equal to at least 90% of the highest Net Asset Value reached in the twelve (12) months rolling after 15 January 2021 (the “Protected NAV”).</p> <p>Therefore, in the first year starting from 15 January 2021 to 15 January 2022 the Protected NAV will be 90% of the highest Net Asset Value reached over that period; thereafter it will be at least 90% of the highest Net Asset Value reached in the previous twelve (12) months.</p> <p>The Sub-Fund will have a new mechanism of rolling protection as from 15 January 2021. The</p>	<p>The investment objective of the Sub-Fund is to provide investors with an adequate exposure to the corporate bond Euro market.</p>

protection level will be at least 90% of the Protected NAV reached during a rolling window of 12 months. The start of the rolling window is on 15 January 2021. Therefore, for the first year (15 January 2021 – 15 January 2022) the protection will be 90% of the highest NAV reached during this year. Please find below an example clarifying the situation:

NAV on 15 January 2021 is equal to 140; therefore the protection level is 126 ( $140 \times 90\%$ ). If, since that moment the NAV grows every day and on 1 March 2021, the NAV is 150, the new protection level will be 135 ( $150 \times 90\%$ ). Then, assuming the NAV will drop to 145 the day after and does not move for the rest of the year 2021, on 30 August 2021 for example, the protection level – being based on the highest NAV reached in the window (150) – will remain at 135. In case the NAV remains at 145 also in 2022, on 15 January 2022 the protection level will be still at 135. However, on 30 August 2022 the protection level will be at least 130.5 ( $145 \times 90\%$ ) as the highest NAV observed in the previous 12 months is 145 and no longer 150.

In case the Net Asset Value decreases to the Protected NAV, the Net Asset Value might decrease further in the following days by the daily accruing of pro rata fees to a maximum amount equal to the annual fees, as defined in section 8. This means that investors will not lose more than 10% before fees are deducted.

Such protection will be available from 15 January 2021.

The protection offered is under the form of a put option entered into with an Approved Counterparty (as defined in section 16 below) and there is no additional formal guarantee (i.e. there is no guarantee agreement) between the Approved Counterparty and the Management Company or the Investment Manager to ensure the contemplated protection.

The basket portfolio is determined by the Investment Manager on the basis of micro and macro market research of the Investment Manager and in line with the decision of the Management Company's investment committee.

The Sub-Fund will terminate on the Business Day following the expiry of the put option ("Maturity Date") that provided the protection. The Sub-Fund will endeavour to extend the maturity of the put option periodically. If the put option can no longer be extended, the Unit Holders will be informed about the expected Maturity Date of the Sub-Fund (at least three (3) months prior to such date).

## Investment policy

The investment objective of the Sub-Fund is to provide Unit Holders with exposure to the performance of a multi-asset basket and deliver protection equal to at least 90% of the Protected NAV, as specified in section 2.

The multi-asset basket (the "Basket Portfolio") consists of (i) a portfolio of securities and other assets whose composition is determined from time to time by the Investment Manager (the "Assets Component") and (ii) an exposure to an effective overnight interest rate for the EUR (the "Cash Component"), allocated in accordance with a volatility control strategy. The overnight interest rate used for the Cash Component will be the Effective Overnight Index Average Eonia minus a fixed spread.

The Sub-Fund will gain exposure to the Basket Portfolio which consists of the Assets Component and the Cash Component indirectly through one or more TRS with an Approved Counterparty. The monthly performance of the Basket Portfolio might be limited at 5.0% ("Capped Performance Level") of the level of the Basket Portfolio on the last Business Day of the previous month, as determined from time to time by the Investment Manager.

The Assets Component consists of a portfolio with exposure to equities, bonds, commodities, and other assets, including Exchange Traded Funds (ETFs) that are listed or traded mainly on the markets in North America and Europe; the composition of the Assets Component and the weight between the Assets Component and the Cash Component is determined from time to time by the Investment Manager using systematic mechanisms and discretionary investment choices in order to maintain a volatility of the Basket Portfolio up to 10.00% p.a. Assets Component and Cash Component are rebalanced with the aim to control the volatility risk of the Basket Portfolio: the exposure to the Assets Component is reduced, if and when its realised volatility over certain periods increases, to a minimum of 0% (and the corresponding exposure to Cash Component increased to a maximum of 100%).

The Investment Manager may from time to time determine the methodology used to calculate the realised volatility of the investment portfolio used in the calculation of the exposure to the Basket Portfolio. Such volatility will be calculated over

The Sub-Fund will mainly invest in government and corporate bonds according to the principle of risk diversification. Such bonds may be denominated in any currency, issued by borrowers headquartered in any OECD country and primarily shall have received a minimum rating of BBB-(minus) by Standard & Poor's or equivalent for the relevant maturity.

The Sub-Fund may also invest in accordance with the terms of the present Prospectus, and on an ancillary basis, in other transferable securities, money market instruments, derivatives, including but not limited to options, warrants, futures, other equity derivatives traded either on a regulated market or OTC and forward transactions, deposits and up to a maximum of 10% of its net assets in units of other UCITS/UCI.

The Sub-Fund may also hold ancillary liquid assets in accordance with the terms of the general part of the Prospectus, section II. 2. b) and may invest up to 10% in convertible bonds.

The Sub-Fund may also enter into swap transactions.

The Sub-Fund will neither make use of securities lending nor of total return swaps.

The Sub-Fund is actively managed. The Investment Manager has complete freedom in choosing which assets to buy, hold and sell in the Sub-Fund, subject to the investment restrictions and guidelines set out in this Prospectus. Therefore, the composition of the portfolio holdings is not constrained by the composition of the index and the deviation of portfolio holdings from the index may be significant. The Sub-Fund is using benchmarks for the purpose of calculating the performance fee as further described in the section "Fees".

<p>different time frames in order to ensure adherence to the current situation and flexibility.</p> <p>The Sub-Fund will also gain exposure to a put option (the “Put Option”) linked to the Basket Portfolio (as defined above) through a TRS, from the Approved Counterparty which will be the same counterparty to the TRS. The purpose of the Put Option is to offer a protection equal to at least 90% of the Protected NAV.</p> <p>A maximum of 200% of the assets held by the Sub-Fund (i.e. EFTs and cash) can be subject to the TRS. The expected percentage of the assets subject to the TRS is 200%.</p> <p>There are no costs and fees assigned to the Investment Manager or any third parties in relation to the use of the TRS.</p> <p>The Sub-Fund will not make use of repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions or margin lending transactions.</p> <p>Potential conflicts with the Approved Counterparty are avoided by the following means:</p> <p>(a) The EFTs and their relative weight are chosen only by the Management Company; and</p> <p>(b) The Approved Counterparty is the calculation agent; and</p> <p>(c) The Administrative Agent is, as per a dedicated valuation agreement, responsible for the independent valuation of OTC derivatives.</p> <p>The Sub-Fund is actively managed without reference to any benchmark.</p>	
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Unitholders and shareholders are advised to read the prospectus of the Receiving UCITS and the PRIIPs KID of the Receiving Sub-Fund for a full description of the Receiving Sub-Fund’s investment objective and policy.

1.2 Profile of typical investor – specific recommendation in the PRIIPs KID

Merging Sub-Fund	Receiving Sub-Fund
<p>Class of shares C is suitable for retail investors who can accept medium term losses. This class of shares may not be appropriate for investors who plan to withdraw their money within 4 years. The</p>	<p>Class of shares C is suitable for retail investors who can accept short term losses. This class of shares may not be appropriate for investors who plan to withdraw their money within 2</p>

<p>class of shares is designed to be used only as one component of several in a diversified investment portfolio. Investors should consider carefully the proportion of their portfolio invested into this class of shares.</p> <p>Class of shares I is suitable for institutional investors who can accept medium term losses. This class of shares may not be appropriate for investors who plan to withdraw their money within 4 years. The class of shares is designed to be used only as one component of several in a diversified investment portfolio. Investors should consider carefully the proportion of their portfolio invested into this class of shares.</p>	<p>years. This shares class is designed to be used only as one component of several in a diversified investment portfolio. Investors should consider carefully the proportion of their portfolio invested into this class of shares.</p> <p>Class I is suitable for institutional investors who can accept short term losses. This class of shares may not be appropriate for investors who plan to withdraw their money within 2 years. This class of shares is designed to be used only as one component of several in a diversified investment portfolio. Investors should consider carefully the proportion of their portfolio invested into this class of shares.</p>
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### 1.3 Classes of units, shares and currency

The reference currency of the Merging Sub-Fund and of the Receiving Sub-Fund is Euro.

The tables below show only the active unit classes of the Merging Sub-Fund including their currencies, the share classes of the Receiving Sub-Fund and the ISIN numbers of the corresponding share classes in the Receiving Sub-Fund.

Please refer to the prospectus of the Merging Sub-Fund and/or the Receiving Sub-Fund for a list of all units and share classes.

The share classes of the Receiving Sub-Fund will keep the ISIN numbers which are currently attributed to it.

Name	Classes of shares	ISIN	Distribution policy	Hedged
Merging Sub-Fund	C Cap (EUR)	LU1275303516	Capitalisation	No
Merging Sub-Fund	I Cap (EUR)	LU1275303607	Capitalisation	No
Receiving Sub-Fund	C EURO Class	LU0126234292	Capitalisation	No
Receiving Sub-Fund	I EURO Class	LU0135559408	Capitalisation	No

C Cap (EUR) of the Merging Sub-Fund will be merged into C EURO Class of the Receiving Sub-Fund.

I Cap (EUR) of the Merging Sub-Fund will be merged into I EURO Class of the Receiving Sub-Fund.

### 1.4 Risk measurement approach

Name	Approach
Merging Sub-Fund	Absolute VaR approach
Receiving Sub-Fund	Commitment approach

### 1.5 Risk and reward profile



Name	Classes of shares	SRI
Merging Sub-Fund	C Cap (EUR)	3
Merging Sub-Fund	I Cap (EUR)	3
Receiving Sub-Fund	C EURO Class	2
Receiving Sub-Fund	I EURO Class	2

#### 1.6 Distribution policy

Please refer to Section “Distribution Policy” in the Prospectuses of the Merging Entities for the distribution policies applicable to the Merging Entities.

The distribution policy of each active unit and share class can be found in the table above.

#### 1.7 Minimum initial investment and minimum subsequent investment and Hedging Arrangements

Merging Sub-Fund		Receiving Sub-Fund	
<b>Minimum initial investment</b>			
C Cap (EUR)	EUR 1,000	C EURO Class	None
I Cap (EUR)	EUR 10,000	I EURO Class	None
<b>Minimum subsequent investment</b>			
None		None	

#### 1.8 Fees and expenses

Merging Sub-Fund	Receiving Sub-Fund
<b>Management Company fee</b>	

The Management Company is entitled to receive a management fee of a maximum of 0.10% per annum, calculated on the average quarterly Net Asset Value of the Fund for its activity as management company. However, such general management fee does not cover the remuneration for the investment management function performed either directly by the Management Company or Investment Manager.

In addition, in compensation for the investment management function, the Management Company is entitled to an investment management fee. The investment management fee is payable quarterly and calculated on the average of the Net Asset Value of the relevant Sub-Fund for the relevant quarter, unless otherwise determined in part B of this Prospectus. The amount of the investment management fee is set out individually for each Sub-Fund in part B of this Prospectus.

Moreover, for its risk management activities, the Management Company is entitled to receive from the Fund a fee of 0.025% per annum, payable quarterly and calculated on the average quarterly Net Asset Value of the Fund.

A management fee is payable to the Management Company in compensation for its management services. Such a fee is payable quarterly and calculated on the average of the net assets of the Sub-Fund for the relevant quarter.

The Management Company is entitled to receive from the Company a fee of a maximum of 0.10% per annum, calculated on the average quarterly Net Asset Value of the Company for its activity as management company. However, such general management fee does not cover the remuneration for the investment management function performed either directly by the Management Company or a Delegated Investment Manager.

In addition, where the Management Company in compensation for the investment management function, the Management Company is entitled to an investment management fee. The investment management fee is payable quarterly and calculated on the average of the Net Asset Value of the relevant Sub-Fund for the relevant quarter, unless otherwise determined in Part B of this Prospectus.

The amount of the investment management fee is set out individually for each Sub-Fund in Part B of this Prospectus.

Moreover, for its risk management activities, the Management Company is entitled to receive from the Company a fee of 0.025% per annum, payable quarterly and calculated on the average quarterly Net Asset Value of the Company.

Finally, for its distribution activities, the Management Company is entitled to receive from some Sub-Funds for which distribution activities are performed, a fee payable quarterly and calculated on the average quarterly Net Asset Value of the concerned Sub-Fund.

**Fees of the Depositary Bank, Administrative Agent, Registrar and Transfer Agent and Domiciliary and Listing Agent**

The Depositary Bank, Administrative Agent, Registrar and Transfer Agent are entitled to receive out of the assets of each Sub-Fund a fee calculated in accordance with customary banking practice in Luxembourg as a percentage per annum of the average quarterly Net Asset Value thereof during the relevant quarter and payable quarterly in arrears. In addition, the Depositary Bank and Administrative Agent, Registrar and Transfer Agent are entitled to be reimbursed by the Fund for its reasonable out of-pocket expenses and disbursements and for the charges of any correspondents.

As remuneration for services rendered to the Fund in its respective capacities, the Depositary Bank will receive from the Fund, in accordance with market practice in Luxembourg and unless otherwise determined in part B of this Prospectus, a fee of a maximum of 0.75% per annum and calculated on the average quarterly Net Asset Value of the Fund.

A fee of a maximum of 0.80% per annum and calculated on the average quarterly Net Asset Value of the Fund will be charged to the Fund for central administration provided to the Fund.

The Depositary and Paying Agent, Domiciliary Agent and Listing Agent, Administrative Agent, and Registrar and Transfer Agent are entitled to receive out of the assets of each Sub-Fund a fee calculated in accordance with customary banking practice in Luxembourg as a percentage per annum of the average quarterly Net Asset Value thereof during the relevant quarter and payable quarterly in arrears.

In addition, the Depositary and Paying Agent, Domiciliary Agent, Listing Agent, Administrative Agent, and Registrar and Transfer Agent are entitled to be reimbursed by the Company for their reasonable out-of-pocket expenses and disbursements and for the charges of any correspondents.

As remuneration for services rendered to the Company in its respective capacities, the Depositary and Paying Agent will receive from the Company, in accordance with market practice in Luxembourg and unless otherwise determined in Part B of this Prospectus, a fee of a maximum of 0.075% per annum and calculated on the average quarterly Net Asset Value of the Company.

In accordance with market practice in Luxembourg, a fee of a maximum of 0.80% per annum and calculated on the average quarterly Net Asset Value of the Company will be charged to the Company for central administration services provided to the Company.

**Investment management fee**

Where an Investment Manager has been appointed as specified in the particulars of the relevant Sub-Funds, the Management Company will pay the Investment Manager an investment management fee for its investment activity unless otherwise determined in part B of this Prospectus. The all-in fee includes, in addition to the management fee as set out in Part A of the Prospectus, an investment management fee which is payable to the Management Company and/or the Investment Manager in compensation for the performance of the investment management function. Such a fee is payable quarterly and calculated on the average of the net assets of the Sub-Fund for the relevant quarter.

The management fee payable to the delegated investment manager is equal to 1.10% per annum for C EURO Class, and 0.70% per annum for I EURO Class

<p>An all-in fee of 1,30% for Class I Units and of 2% for Class C Units includes all costs at charge of the Fund. In case the real costs exceed the only fee threshold, the delta is paid by the Management Company in favor of the Fund. In the opposite case, the delta is paid by the Fund in favor of the Management Company.</p> <p>During the initial ramp-up period and whenever the Basket Portfolio value is below the Protected Value, the management fees applied to each Class of Units will be reduced to 0.35%.</p>	
<p><b>Performance fees</b></p>	
<p>N/A</p>	<p>For all Classes of Shares, the Management Company is entitled to receive a yearly performance fee equal to 15% of the difference, net of costs, between the yearly performance of the Sub-Fund and that of the ICE BofA Euro Treasury Bill Index plus 50 basis points (the "Benchmark"), both calculated at the end of each accounting year.</p> <p>The performance fee is only applicable at the end of each accounting year if (i), net of costs, the Sub-Fund's performance for the same period is positive and higher than the performance of the Benchmark and (ii) any underperformance in the previous accounting years of the same performance reference period as defined below, if applicable, has been recovered before a performance fee becomes payable.</p> <p>To this purpose, the length of the performance reference period, if this is shorter than the whole life of the Sub-Fund, should be set equal to at least five (5) years (the "Performance Reference Period"). By derogation to the above, a new Share Class launched during the course of an accounting year will crystallise any accrued performance fee for the first time at the end of the subsequent accounting year, in order to make sure that the first performance fee payment would occur after a minimum period of twelve (12) months.</p> <p>The performance fee shall only be payable in circumstances where positive performance has been accrued during the Performance Reference Period. The performance fee cannot be payable in case the Sub-Fund has over-performed the reference benchmark but had a negative performance.</p> <p>The years are calculated on a rolling basis. The basis for the performance measure is the last Valuation Day; the NAV and performance is calculated and accrued on a daily basis and</p>

	<p>crystallised once per year. Exceptionally, the performance fee, if any, shall crystallise for the first time at the end of the accounting year 2023.</p> <p>Where no Shares are in issue for a Share Class on a given day, the Subscription Price applied on that day will be considered as the initial price for that Share Class; where changes occur in the Prospectus in relation to the calculation method of performance fees applicable for a Share Class, accrued performance fees will be crystallised and paid to the Management Company, and the Net Asset Value, or the Net Asset Value per Share as applicable, calculated on the first day of the quarter following the date of the CSSF approval of the Prospectus will be considered as the initial reference value for the computation of performance fees with the new calculation method.</p> <p>In order to calculate the performance of the Sub-Fund, the total Net Asset Value of the Sub-Fund on the relevant Valuation Day is compared to the reference asset value for each Sub-Fund (the "Reference Asset Value"). The Reference Asset Value for each Sub-Fund equals the Reference Asset Value of the preceding day of the relevant Sub-Fund as of the previous Valuation Day (and for the first performance period as of the first Valuation Day), plus additional subscriptions and minus redemptions multiplied by the performance of the Benchmark.</p> <p>The reference period for the calculation of the performance fee starts with the first Valuation Day of the accounting year and ends the last Valuation Day of the accounting year. Any performance fee applicable will be calculated on the Net Asset Value of the Sub-Fund as of the last Valuation Day of each accounting year and paid to the Sub-Fund at the end of each accounting year. For newly launched Shares during an accounting year, the reference period for the calculation shall start at the launch of such Shares and end at the end of the subsequent accounting year. For the subsequent year, the reference period corresponds with the accounting year.</p> <p>If (i) Shares were redeemed or converted into other Shares of any Class of the same Sub-Fund or any Class of another existing Sub-Fund during the reference accounting year, and a performance fee is accrued for those Shares, or (ii) the assets of one Sub-Fund, category or class of Shares are transferred to or merged with those of another Sub-Fund, category or class of Shares of such other Sub-Fund within the Company, and a performance fee is</p>
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	<p>accrued for those Shares concerned by such merger, such performance fee will be crystallized respectively at the date of redemption or conversion or at the effective date of the merger and it will be considered as payable to the Management Company.</p> <p>When calculating the performance fee payable to the Management Company, the Sub-Fund is using a benchmark within the meaning of the Benchmark Regulation.</p> <p>The Fund, in consultation with the Management Company, has adopted a Contingency Plan, setting out actions, which it will take with respect to the Sub-Fund in the event that the benchmark used within the meaning of the Benchmark Regulation materially changes or ceases to be provided, as required by article 28(2) of the Benchmark Regulation. Shareholders may have access to the Contingency Plan free of charge upon request at the registered office of the Company.</p> <p>As of the day of this visa-stamped Prospectus, the benchmark used by the Sub-Fund is being provided by ICE Benchmark Administration Limited, which is listed in the register referred to in article 36 of the Benchmark Regulation as an administrator authorised pursuant to article 34 of the Benchmark Regulation. Should the status of the benchmark's administrator change, this Prospectus will be amended accordingly.</p> <p>The Management Company may pay part or all of the investment management fees received to the Delegated Investment Manager.</p>
<p>While the Merging Sub-Fund is not subject to performance fees, the Receiving Sub-Fund is subject to a performance fee paid to the Management Company.</p> <p>As a consequence, the shareholders of the Merging Sub-Fund who do not redeem their shares in accordance with section 8 below will be treated as subscribing for shares of the Receiving Sub-Fund. Therefore, after the merger, the unitholders who originally invested in the Merging Sub-Fund will subscribe the shares of the Receiving Sub-Fund at the applicable NAV and will pay performance fee according to the supplement of the Receiving Sub-Fund.</p> <p>Moreover, in line with article 17 of the ESMA Guidelines on performance fees in UCITS and certain AIFs, the increase of the performance of the Receiving Sub-Fund resulting from the issuance of Shares of the Receiving Sub-Fund to the shareholders in exchange of Shares of the Merging Sub-Fund will be neutralized and shall not be taken into account when calculating fund performance.</p> <p>Notwithstanding the above, after the merger date, the performance fee of the relevant share class of the Receiving Sub-Fund will continue to be calculated as usual in accordance with the prospectus of the Receiving UCITS.</p> <p>Further information on the performance fee mechanism applied to the Receiving Sub-Fund can be found in the prospectus of the Receiving Sub-Fund under section 8. "Fees" of the supplement of the Receiving Sub-Fund.</p>	
<p><b>Subscription fee</b></p>	

N/A	N/A
<b>Redemption fee</b>	
N/A	N/A
<b>Conversion fee</b>	
N/A	N/A

### 1.9 Subscription, redemption and conversion of units and shares

The procedure of subscription, conversion and redemption for the Merging Entities are as follows:

Merging Sub-Fund	Receiving Sub-Fund
<b>Subscription</b>	
<p>The subscription price per Unit in the Sub-Fund (the "Subscription Price") shall be equal to the Net Asset Value per Units of the Sub-Fund on the relevant Valuation Day.</p> <p>The subscription list will be closed at 4.00 p.m. Luxembourg time at the latest on the Business Day preceding the relevant Valuation Day.</p> <p>Payment for subscriptions must be made within five Business Days after the relevant Net Asset Value is calculated.</p>	<p>The Subscription Price shall be equal to the Net Asset Value per each Class of Shares of the Sub-Fund on the relevant Valuation Day increased by the sales charge.</p> <p>The subscription list will be closed at 4.00 p.m. at the latest on the Business Day preceding the relevant Valuation Day.</p> <p>Payment for subscriptions must be made within five (5) Business Days after the relevant Net Asset Value is calculated.</p>
<b>Conversion</b>	
<p>The Units of the Sub-Fund may be converted into Units of another Sub-Fund according to the procedure described in Part A of this Prospectus. No conversion fee shall be levied, except as stated in Part A of this Prospectus.</p> <p>Unit Holders cannot convert Class P Units into another Class of Units of this Sub-Fund or Units of another Sub-Fund. A conversion of Class I Units or Class C Units of this Sub-Fund or Units of another Sub-Fund into Class P Units of this Sub-Fund is prohibited.</p> <p>The conversion list will be closed at 4.00 p.m. Luxembourg time on the Business Day preceding the relevant Valuation Day.</p>	<p>The Shares of the Sub-Fund may be converted into Shares of another Sub-Fund according to the procedure described in Part A of the Prospectus. No conversion fee shall be levied.</p> <p>The conversion list will be closed at 4.00 p.m. on the Business Day preceding the relevant Valuation Day.</p>
<b>Redemption</b>	
<p>On any Business Day preceding the Maturity Date, the Unit Holders have the right to request for redemption of all or part of their Units and the redemption shall be in any case in cash.</p> <p>The redemption price equals the Net Asset Value per each Class of Units on the relevant Valuation</p>	<p>The redemption price equals the Net Asset Value per each Class of Shares on the relevant Valuation Day decreased by the exit fee, when applicable, as described in Part A of the Prospectus. The redemption list will be closed</p>

<p>Day. Currently no exit fee applies. The redemption list will be closed at 4.00 p.m. Luxembourg time on the Business Day preceding the relevant Valuation Day.</p> <p>The redemption price shall be paid within five Business Days after the relevant Net Asset Value is calculated.</p>	<p>at 4.00 p.m. on the Business Day preceding the relevant Valuation Day.</p> <p>The redemption price shall be paid within five (5) Business Days after the relevant Net Asset Value is calculated.</p>
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## 2. Impact of the merger on the shareholders of the Receiving Sub-Fund

The merger will be binding on all the shareholders of the Receiving Sub-Fund who have not exercised their right to request the redemption of their shares, free of charge, within the timeframe set out in Section VIII (Notices to shareholders) below.

### V. **Criteria adopted for the valuation of the assets and of the liabilities as of the date of the calculation of the exchange ratio**

The assets and liabilities of the Merging Sub-Fund and the Receiving Sub-Fund will be valued as of the date for calculating the unit and share exchange ratio in accordance with the provisions of the respective prospectuses, management regulations and articles of association of the Merging UCITS and the Receiving UCITS.

The respective net asset value of the Merging Sub-Fund and the Receiving Sub-Fund will be reviewed by the respective auditors of the Merging UCITS and the Receiving UCITS.

The legal, advisory and administrative costs and expenses associated with the preparation and completion of the merger will be supported by the Management Company.

The Merging Entities will entrust an authorised auditor to validate the criteria adopted for the valuation of the assets and of the liabilities as of the date for calculating the exchange ratio. The appointed auditor is Ernst & Young. A copy of the respective report of the authorised auditor will be made available upon request and free of charge to the unitholders of the Merging Sub-Fund and the Receiving Sub-Fund on or about 1 June 2024.

### VI. **Method of calculation of the exchange ratio**

The exchange ratio in respect of the class of unit of the Merging Sub-Fund expressed in EUR will be determined by dividing the net asset value per unit calculated as of the Effective Date by the net asset value per share of the class of share of the Receiving Sub-Fund expressed in EUR as at the same date.

As the reference currency of the Merging Sub-Fund and its unit class is the same as the reference currency of the Receiving Sub-Fund and its share class, no exchange rate between the reference currencies of both share classes shall need to be applied in order to calculate the number of shares of the Receiving Sub-Fund to be issued on the Effective Date in exchange for the existing share class of the Merging Sub-Fund.

The fund administrator for the Receiving Sub-Fund will be responsible for calculating the exchange ratio and allocating the shares in the Receiving Sub-Fund to the unitholders of the Merging Sub-Fund.



The Receiving UCITS will entrust Ernst & Young, the authorised auditor appointed in Section V (Criteria adopted for the valuation of the assets and of the liabilities as of the date of the calculation of the exchange ratio) above, to validate the calculation method of the exchange ratio as well as the actual exchange ratio determined as at the date for calculating the exchange ratio.

## **VII. Rules applicable to the transfer of assets and the exchange of units and shares**

The assets and liabilities of the Merging Sub-Fund will be transferred to the Receiving Sub-Fund on the Effective Date.

The units of the Merging Sub-Fund will automatically be converted into shares of the Receiving Sub-Fund.

The unitholders of the Merging Sub-Fund who continue to hold their units in the Merging Sub-Fund at the Effective Date, will become shareholders of the Receiving Sub-Fund and will thus participate in any increase in the net asset value of the Receiving Sub-Fund.

Unitholders of the Merging Sub-Fund holding units in the Merging Sub-Fund on the Effective Date will automatically be issued, in exchange for their units in the Merging Sub-Fund, a number of shares of the corresponding share classes of the Receiving Sub-Fund equivalent to the number of units held in the relevant unit class of the Merging Sub-Fund multiplied by the share exchange ratio which shall be calculated for each class of shares on the basis of its respective net asset value as of the Effective Date. In case the application of the share exchange ratio does not lead to the issuance of full shares, the unitholders of the Merging Sub-Fund will receive fractions of shares up to three decimal points within the Receiving Sub-Fund.

The unitholders of the Merging Sub-Fund will however only receive registered shares of the corresponding Receiving Sub-Fund, in exchange of their units in the Merging Sub-Fund, as the corresponding Receiving Sub-Fund only issues registered shares.

The exchange ratio will be calculated on the Effective Date and communicated to the unitholders immediately thereafter.

Unitholders of the Merging Sub-Fund will acquire rights as shareholders of the Receiving Sub-Fund from the Effective Date.

## **VIII. Notices to unitholders and shareholders**

Notices to unitholders and shareholders shall be prepared and subsequently sent to the unitholders and shareholders of the Merging Sub-Fund and the Receiving Sub-Fund in accordance with article 72 of the 2010 Law. The notices will provide for a period of at least thirty (30) calendar days during which the unitholders and shareholders of the Merging Sub-Fund and the Receiving Sub-Fund may request, free of charge (except any disinvestment costs), the redemption of their units or shares. The exchange ratio may only be calculated upon the expiration of the thirty (30) day period and may be calculated in the five (5) business days' period after such notice period has expired but prior to the Effective Date.

## **IX. Suspensions in dealings**

In order to implement the procedures needed for the merger in an orderly and timely manner, the Boards have respectively decided that subscriptions for or conversions to and redemption of units or shares of

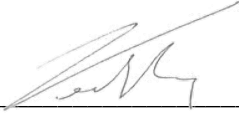
the Merging Sub-Fund as well as conversions to or from the Merging Sub-Fund will no longer be accepted or processed as of 27 May 2024 until 31 May 2024.

Notwithstanding the foregoing, the Board has decided that the subscription for, redemptions of and conversion of shares of the Receiving Sub-Fund will not be suspended and, thus, they will be processed as usual.

The merger and its Effective Date shall be published before the Effective Date. This information shall also be made publicly available, where mandatory by applicable regulation, in other jurisdictions where shares/units of the Merging Entities if the same countries are distributed.

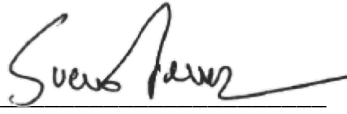
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Signed for the Merging UCITS



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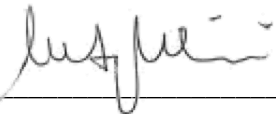
By: Fabio Ventola (CEO)



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By: Sveva Severi (Director)

Signed for the Receiving UCITS



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By: Mario Seghelini (Chairman of the BoD)



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By: Arcangelo Messina (Director)