

PROSPECTUS
and Management Regulations
July 2018



NESTOR
FONDS



NESTOR-FONDS

fonds commun de placement à compartiments multiples
pursuant to Part I of the Luxembourg Law of 17 December 2010
on Undertakings for Collective Investment

PROSPECTUS and Management Regulations

July 2018

The Prospectus is only valid in conjunction with the Management Regulations, the latest annual report and the most recent semi-annual report of the Fund, if the annual report dates back more than eight months. Both reports form an integral part of the Prospectus. A brief description of the Fund is available in the form of the Key Investor Information document (the "Key Investor Information"). All the aforementioned documents are available at all times free of charge to current and future investors

No person is authorised to refer to information which is not included in the Prospectus or in documents to which the Prospectus refers and which are accessible to the public.

NESTOR INVESTMENT MANAGEMENT S.A.
LUXEMBOURG

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Sales restriction:

Units may not be held by “US persons”.

US persons are:

- (a) those natural persons who
 - (i) were born in the USA or one of its territories or sovereign territories,
 - (ii) were naturalised (e.g. green card holders),
 - (iii) were born in another country as the child of a US citizen,
 - (iv) are not US citizens but mainly stay in the US or
 - (v) are married to a US citizen
 - (vi) live in the USA;
- (b) US legal entities, in particular:
 - (i) partnerships and limited companies, pension funds or other companies or legal entities that were established under the laws of one of the 50 US federal states or the District of Columbia or under an Act of Congress or are registered in a US commercial register;
 - (ii) all assets (estates), whose executor or administrator is a US person;
 - (iii) all trusts if
 - a court in the United States were to be authorised under applicable law to issue orders or judgements about all key issues relating to the administration of the trust, and
 - one or more people in the United States were to be authorised to control all key decisions made by the trust or an inheritance left by a deceased person who was a US citizen or resident. This item must be interpreted in agreement with the US tax code;
 - (iv) a branch or subsidiary located in the US of a legal entity that is not a US person;
 - (v) any discretionary or non-discretionary account or similar account (if these are not assets or a trust pursuant to letters (ii) and (iii)) that is held by a dealer, administrator or trustee in behalf of or on the account of a US person;
 - (vi) any discretionary or similar account (if these are not assets or a trust pursuant to letters ii) and iii) that is held by a dealer, administrator, trustee or US person established or registered in the USA;
 - (vii) any legal entity established or registered by or for a US person under law different to that of the USA or its federal states, provided it was essentially established in order to execute one or more transactions covered by the “offshore exemption” of the Volcker Rule;
 - (viii) Any passive “NFFE” (Non Financial Foreign Entity) with at least one controlling person (who holds more than 25% of the voting shares) who is a US citizen or resident;
 - (ix) Any “non-participating financial institution”.
The definition stated above of a US person must be interpreted as defined by FACTA (FATCA treaty between the United States of America and the Grand Duchy of Luxembourg dated 28 March 2014). Non-participating financial institutions as defined by Paragraph 3 no. 2 (i) of this Article are treated as US persons.

The Management Company will reject any subscription requests from US persons.

Prospectus

1. The Fund

The Fund described in the present Prospectus is a Luxembourg umbrella fund (*fonds commun de placement à compartiments multiples*) which may launch different sub-funds that invest in securities and other permitted assets. The Fund was originally established under Part I of the Luxembourg Law of 30 March 1988 on Undertakings for Collective Investment (the "Law of 1988"). With effect from 31 December 2005, the Fund was amended to comply with the provisions of Part I of the Luxembourg Law of 20 December 2002 on Undertakings for Collective Investment (the "Law of 2002") and meet the requirements of Council Directive 85/611/EEC of 20 December 1985, as amended. The Fund is now governed by Part I of the Law of 17 December 2010 on Undertakings for Collective Investment (the "Law of 2010") and meets the requirements of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, as amended.

The Fund is managed by NESTOR Investment Management S.A., Luxembourg, (the "Management Company").

Investments in the Fund shall comply with this Prospectus and the Management Regulations that follow. Both documents together form the basis for the subscription of units.

Pursuant to Article 5 of the Management Regulations, different unit classes may be issued for the individual sub-funds. Detailed information may be found in the "Overview of important information relating to all sub-funds of the NESTOR Fund" on the following pages of the Prospectus.

2. The Investment Policy

The objective of the investment policy is the long-term appreciation of the invested capital.

In this regard, the Management Company shall offer investors a choice of different funds (the "sub-funds"), mainly invested in equities.

The following sub-funds are currently available to investors:

NESTOR Afrika Fonds
NESTOR Australien Fonds
NESTOR China Fonds
NESTOR Europa Fonds
NESTOR Fernost Fonds
NESTOR Gold Fonds
NESTOR Osteuropa Fonds

At the discretion of the Management Company, this offer may be complemented by additional sub-funds that follow other investment policies.

The sub-funds differ according to their regional investment policies. Within the framework of the legal provisions, futures and options contracts may be concluded for the purpose of efficient portfolio management of the individual sub-funds in accordance with Article 4 of the Management Regulations.

The individual sub-funds shall not use any techniques and instruments as defined in Article 3(11) of Regulation (EU) 2015/2365 (SFTR). If the sub-funds intend to use these techniques and instruments in future, the Fund Prospectus will be amended in line with the provisions of Regulation (EU) 2015/2365.

Investment policy of NESTOR Afrika Fonds

The NESTOR Afrika Fonds is an equity fund that seeks out opportunities in the African equity market.

The Fund invests in companies/issuers that are headquartered in and/or conduct the majority of their business in Africa.

African countries include Tunisia, Morocco, Egypt, South Africa, Kenya, Mauritius, Zambia, Nigeria, Botswana, Zimbabwe, Uganda, Tanzania, Ghana, Ivory Coast and Malawi.

A minimum of 51% of the value of the UCITS fund will be invested in equity investments within the meaning of § 2(8) of the German Investment Tax Act (InvStG). Equity investments are defined therein as

- Shares in companies officially listed on a stock exchange or registered on or included in another organised market;
- Shares in companies based in a member state of the European Union or in another contracting state of the Agreement on the European Economic Area which are subject to corporate taxation in that state and are not exempt from it;
- Shares in companies based in a country other than those listed above, which are subject to corporate taxation of at least 15% and are not exempt from it;
- Units in other investment funds either in the amount of the fund's net asset value (as published on each valuation date) actually invested in shares in companies as defined above, or the minimum amount of such investments stipulated in the other investment fund's investment regulations.

For the purposes of this investment policy and in accordance with the definition of the German Investment Code (KAGB), an organised market is a market that is recognised and open to the public and that operates in an orderly manner, unless expressly stipulated otherwise. This organised market shall also meet the criteria of Article 50 of the UCITS Directive.

Possible investment instruments are not listed exhaustively and may include shares, ADRs, GDRs, participation certificates, convertibles, options, warrants, REITs, etc.

The Fund assets may also be invested in fixed and floating-rate securities, as well as in all other permitted assets.

Up to 10% of the sub-fund's net assets may be invested in securities of the aforementioned categories from issuers or companies whose headquarters or main business activity is not located in an African country.

It should be noted, with respect to a direct investment in securities issued by companies that are headquartered in or conduct the majority of their business in an African country, or that are domiciled in a country within Africa, that investments in these types of securities – if they are not listed on a stock exchange or traded on another organised market that is recognised, open to the public and operates in an orderly manner – as well as investments in assets referred to in points 3(d) and 4(a) of Article 4 of the Management Regulations, may not exceed, in aggregate, 10% of the sub-fund's net assets.

The investment limits for securities that are listed on a stock exchange or traded on an organised market shall also apply if the securities are from companies that are headquartered in or conduct the majority of their business in an African country, or that are domiciled there, and take the form of Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) issued by first-class financial institutions. ADRs are issued and supported by US banks. They confer the right to receive securities that were issued by issuers and are deposited with a US bank or a correspondent bank in the US. GDRs are deposit certificates which are issued by a US bank, a European bank or by another financial institution and which have the similar characteristics to ADRs. ADRs and GDRs need not necessarily be denominated in the same currency as the underlying securities.

In order to increase performance, the Management Company may enter into financial futures and options contracts for the purposes of efficient asset management, even if these are not designed to hedge assets held within the sub-fund. If derivatives within the meaning of Article 4 No. 3. (g) of the Management Regulations are employed, the relevant investment restrictions contained in Article 4 of the Management Regulations must be observed. In addition, the provisions of Article 4 No. 8 concerning derivatives, Article 4 No. 9 concerning collateral and the reinvestment of collateral plus Article 4 No. 10 on risk management procedures for derivatives are to be followed.

Risk profile of NESTOR Afrika Fonds

The performance on African stock exchanges and markets is sometimes subject to considerable volatility. Increased volatility may stem from political instability in some individual African countries. Investments may be subject to country, currency and liquidity risks. Accordingly, the Management Company refers in this connection to the general information on risks, as well as to the specific risk considerations which are set out in section 8 of this sub-fund's Full Prospectus.

Investor profile of NESTOR Afrika Fonds

The sub-fund is suitable for experienced investors who aim to achieve above-average returns over the long term. Owing to the increased risk, whereby the total loss of value of individual investments cannot be ruled out, the sub-fund is only intended for those investors who can accept considerable price fluctuations and potential losses.

Total risk

The commitment approach is used as part of the risk management procedure to measure and monitor the total risk of the NESTOR Afrika Fonds. Under the commitment approach, the total risk of the derivatives in the sub-fund is measured, taking into account netting and hedging effects; this risk must not exceed the total net value of the sub-fund's portfolio.

To achieve this, under the commitment approach derivatives are converted into the market value or if necessary into a fictitious value of the assets to which the respective derivative relates ("underlying").

Investment policy of NESTOR Australien Fonds

The NESTOR Australien Fonds is an equity fund that seeks out opportunities in the Australian and New Zealand equity markets.

The Fund invests in companies/issuers that are headquartered in and/or conduct the majority of their business in Australia or New Zealand.

A minimum of 51% of the value of the UCITS fund will be invested in equity investments within the meaning of § 2(8) of the German Investment Tax Act (InvStG). Equity investments are defined therein as

- Shares in companies officially listed on a stock exchange or registered on or included in another organised market;
- Shares in companies based in a member state of the European Union or in another contracting state of the Agreement on the European Economic Area which are subject to corporate taxation in that state and are not exempt from it;
- Shares in companies based in a country other than those listed above, which are subject to corporate taxation of at least 15% and are not exempt from it;
- Units in other investment funds either in the amount of the fund's net asset value (as published on each valuation date) actually invested in shares in companies as defined above, or the minimum amount of such investments stipulated in the other investment fund's investment regulations.

For the purposes of this investment policy and in accordance with the definition of the German Investment Code (KAGB), an organised market is a market that is recognised and open to the public and that operates in an orderly manner, unless expressly stipulated otherwise. This organised market shall also meet the criteria of Article 50 of the UCITS Directive.

The Fund assets may also be invested in fixed and floating-rate securities, as well as in all other permitted assets. Possible investment instruments are not listed exhaustively and may include shares, ADRs, GDRs, participation certificates, convertibles, options, warrants, REITs, etc.

Up to 10% of the sub-fund's net assets may be invested in securities of the aforementioned categories from issuers or companies whose headquarters or main business activity is not located in Australia or New Zealand.

In order to increase performance, the Management Company may enter into financial futures and options contracts for the purposes of efficient asset management, even if these are not designed to hedge assets held within the sub-fund. If derivatives within the meaning of Article 4 No. 3. (g) of the Management Regulations are employed, the relevant investment restrictions contained in Article 4 of the Management Regulations must be observed. In addition, the provisions of Article 4 No. 8 concerning derivatives, Article 4 No. 9 concerning collateral and the reinvestment of collateral plus Article 4 No. 10 on risk management procedures for derivatives are to be followed.

Risk profile of NESTOR Australien Fonds

In addition to the general market risks, the investments of the sub-fund are subject to specific country and currency risks. In this regard, the Management Company refers to the general risk considerations detailed in section 8.

Investor profile of NESTOR Australien Fonds

The sub-fund is suitable for investors who aim to achieve above-average returns over the long term. The higher potential return over the long term implies the acceptance of higher price fluctuations. The sub-fund is only suitable for investors who are willing to accept significant price fluctuations.

Total risk

The commitment approach is used as part of the risk management procedure to measure and monitor the total risk of the NESTOR Australien Fonds. Under the commitment approach, the total risk of the derivatives in the sub-fund is measured, taking into account netting and hedging effects; this risk must not exceed the total net value of the sub-fund's portfolio.

To achieve this, under the commitment approach derivatives are converted into the market value or if necessary into a fictitious value of the assets to which the respective derivative relates ("underlying").

General information on the investment policy of the NESTOR China Fonds sub-fund

The NESTOR China Fonds is an equity fund that seeks out opportunities in the Chinese equity market.

The Fund invests in companies/issuers that are headquartered in and/or conduct the majority of their business in China and/or Hong Kong.

A minimum of 51% of the value of the UCITS fund will be invested in equity investments within the meaning of § 2(8) of the German Investment Tax Act (InvStG). Equity investments are defined therein as

- Shares in companies officially listed on a stock exchange or registered on or included in another organised market;
- Shares in companies based in a member state of the European Union or in another contracting state of the Agreement on the European Economic Area which are subject to corporate taxation in that state and are not exempt from it;
- Shares in companies based in a country other than those listed above, which are subject to corporate taxation of at least 15% and are not exempt from it;
- Units in other investment funds either in the amount of the fund's net asset value (as published on each valuation date) actually invested in shares in companies as defined above, or the minimum amount of such investments stipulated in the other investment fund's investment regulations.

The Fund only invests indirectly in the Chinese A-shares market by means of other instruments such as P-notes. Total investments in A-shares may not exceed 35% of the sub-fund's assets. Potential unitholders should note that higher risks are associated with such investments, especially liquidity risk.

For the purposes of this investment policy and in accordance with the definition of the German Investment Code (KAGB), an organised market is a market that is recognised and open to the public and that operates in an orderly manner, unless expressly stipulated otherwise. This organised market shall also meet the criteria of Article 50 of the UCITS Directive.

The Fund assets may also be invested in fixed and floating-rate securities, as well as in all other permitted assets. Possible investment instruments are not listed exhaustively and may include shares, ADRs, GDRs, participation certificates, convertibles, options, warrants, REITs, etc.

Up to 10% of the sub-fund's net assets may be invested in securities of the aforementioned categories from issuers or companies whose headquarters or main business activity is not located in China or Hong Kong.

It should be noted, with respect to a direct investment in securities issued by companies that are headquartered in or conduct the majority of their business in China or Hong Kong, that investments in these types of securities – if they are not listed on a stock exchange or traded on another organised market that is recognised, open to the public and operates in an orderly manner – as well as investments in assets referred to in points 3(d) and 4(a) of Article 4 of the Management Regulations, may not exceed, in aggregate, 10% of the sub-fund's net assets.

The investment limits for securities that are listed on a stock exchange or traded on an organised market shall also apply if the securities are from companies that are headquartered in or conduct the majority of their business in China

or Hong Kong, or that are domiciled there, and take the form of Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) issued by first-class financial institutions. ADRs are issued and supported by US banks. They confer the right to receive securities that were issued by issuers and are deposited with a US bank or a correspondent bank in the US. GDRs are deposit certificates which are issued by a US bank, a European bank or by another financial institution and which have the similar characteristics to ADRs. ADRs and GDRs need not necessarily be denominated in the same currency as the underlying securities.

In order to increase performance, the Management Company may enter into financial futures and options contracts for the purposes of efficient asset management, even if these are not designed to hedge assets held within the sub-fund. If derivatives within the meaning of Article 4 No. 3. (g) of the Management Regulations are employed, the relevant investment restrictions contained in Article 4 of the Management Regulations must be observed. In addition, the provisions of Article 4 No. 8 concerning derivatives, Article 4 No. 9 concerning collateral and the reinvestment of collateral plus Article 4 No. 10 on risk management procedures for derivatives are to be followed.

Risk profile of the NESTOR China Fonds sub-fund

The performance on Chinese stock exchanges and markets is sometimes subject to considerable volatility. Investments may be subject to country, currency and liquidity risks. In this context, the Management Company therefore refers to the general information on risks which are listed in the following section 8 of this Full Prospectus.

Profile of investors in the NESTOR China Fonds sub-fund

The sub-fund is suitable for experienced investors who aim to achieve above-average returns over the long term. Owing to the increased risk, whereby the total loss of value of individual investments cannot be ruled out, the sub-fund is only intended for those investors who can accept considerable price fluctuations and potential losses.

Total risk

The value-at-risk model is used as part of the risk management procedure to measure and monitor the total risk of the sub-fund.

Value-at-risk is widely used in the financial sector to measure the risk of a specific portfolio of assets. For the portfolio in question, a given level of probability and a fixed time interval, the value-at-risk represents the maximum loss which will not be exceeded at the given level of probability. The calculation is based on the current market prices of the assets held in the portfolio and it is assumed that the markets are behaving normally and that there is no trading activity in the portfolio.

For the purpose of mitigating risk, the total risk exposure from all the sub-fund's assets calculated using value-at-risk may not exceed double the value-at-risk of a benchmark portfolio with the same market value (relative value-at-risk approach).

The benchmark portfolio for the sub-fund is a virtual portfolio in the form of a basket of assets, whose core elements comprise equity indices.

Leverage

The Management Company calculates the leverage of the sub-fund using the sum of the notionals approach for the derivative instruments. In this approach, the eligible values from counter positions are not offset, but added; in other words, the derivative financial instruments used for hedging purposes must be taken into account with positive values in the addition. The amount of the expected leverage set out below is expressed as the ratio between the total of the notional values and the net sub-fund assets, and is based on historic values and expected developments. The leverage is, in principle, expected to range between 0 and 1 based on the net sub-fund assets. In this context, a leverage of 0 means that the sub-fund contains no derivative financial instruments or other eligible values.

It must be taken into account that derivative financial instruments can be used for various purposes and calculating the expected leverage does not distinguish between these various purposes of the derivative financial instruments. The reported amount of the expected leverage thus does not reflect the risk content of the sub-fund. New market conditions can change both the weighting of individual derivative financial instruments and the nature of the risk factors for each derivative financial instrument over time.

Investors must therefore accept the fact that, in exceptional cases, the expected leverage may deviate from the amount reported above.

Investment policy of NESTOR Europa Fonds

The NESTOR Europa Fonds is an equity fund that seeks out opportunities in the European equity market.

The Fund invests in companies/issuers that are headquartered in and/or conduct the majority of their business in Europe.

A minimum of 51% of the value of the UCITS fund will be invested in equity investments within the meaning of § 2(8) of the German Investment Tax Act (InvStG). Equity investments are defined therein as

- Shares in companies officially listed on a stock exchange or registered on or included in another organised market;
- Shares in companies based in a member state of the European Union or in another contracting state of the Agreement on the European Economic Area which are subject to corporate taxation in that state and are not exempt from it;
- Shares in companies based in a country other than those listed above, which are subject to corporate taxation of at least 15% and are not exempt from it;
- Units in other investment funds either in the amount of the fund's net asset value (as published on each valuation date) actually invested in shares in companies as defined above, or the minimum amount of such investments stipulated in the other investment fund's investment regulations.

For the purposes of this investment policy and in accordance with the definition of the German Investment Code (KAGB), an organised market is a market that is recognised and open to the public and that operates in an orderly manner, unless expressly stipulated otherwise. This organised market shall also meet the criteria of Article 50 of the UCITS Directive.

The Fund assets may also be invested in fixed and floating-rate securities, as well as in all other permitted assets. Possible investment instruments are not listed exhaustively and may include shares, ADRs, GDRs, participation certificates, convertibles, options, warrants, REITs, etc.

Up to 10% of the sub-fund's net assets may be invested in securities of the aforementioned categories from issuers or companies whose headquarters or main business activity is not located in Europe.

In order to increase performance, the Management Company may enter into financial futures and options contracts for the purposes of efficient asset management, even if these are not designed to hedge assets held within the sub-fund. If derivatives within the meaning of Article 4 No. 3. (g) of the Management Regulations are employed, the relevant investment restrictions contained in Article 4 of the Management Regulations must be observed. In addition, the provisions of Article 4 No. 8 concerning derivatives, Article 4 No. 9 concerning collateral and the reinvestment of collateral plus Article 4 No. 10 on risk management procedures for derivatives are to be followed.

Risk profile of NESTOR Europa Fonds

In addition to the general market risks, the investments of the sub-fund are subject to country and currency risks in particular. In this regard, the Management Company refers to the general risk considerations detailed in section 8.

Investor profile of NESTOR Europa Fonds

The sub-fund is designed for investors wishing to participate in the equity markets in the long term and who have little or limited interest in returns from fixed income securities. The higher potential return over the long term implies the acceptance of higher price fluctuations. The sub-fund is only suitable for investors who are willing to accept significant price fluctuations.

Total risk

The value-at-risk model is used as part of the risk management procedure to measure and monitor the total risk of the sub-fund.

Value-at-risk is widely used in the financial sector to measure the risk of a specific portfolio of assets. For the portfolio in question, a given level of probability and a fixed time interval, the value-at-risk represents the maximum loss which will not be exceeded at the given level of probability. The calculation is based on the current market prices of the assets held in the portfolio and it is assumed that the markets are behaving normally and that there is no trading activity in the portfolio.

For the purpose of mitigating risk, the total risk exposure from all the sub-fund's assets calculated using value-at-risk

may not exceed double the value-at-risk of a benchmark portfolio with the same market value (relative value-at-risk approach).

The benchmark portfolio for the sub-fund is a virtual portfolio in the form of a basket of assets, whose core elements comprise equity indices.

Leverage

The Management Company calculates the leverage of the sub-fund using the sum of the notionals approach for the derivative instruments. In this approach, the eligible values from counter positions are not offset, but added; in other words, the derivative financial instruments used for hedging purposes must be taken into account with positive values in the addition. The amount of the expected leverage set out below is expressed as the ratio between the total of the notional values and the net sub-fund assets, and is based on historic values and expected developments. The leverage is, in principle, expected to range between 0 and 1 based on the net sub-fund assets. In this context, a leverage of 0 means that the sub-fund contains no derivative financial instruments or other eligible values.

It must be taken into account that derivative financial instruments can be used for various purposes and calculating the expected leverage does not distinguish between these various purposes of the derivative financial instruments. The reported amount of the expected leverage thus does not reflect the risk content of the sub-fund. New market conditions can change both the weighting of individual derivative financial instruments and the nature of the risk factors for each derivative financial instrument over time.

Investors must therefore accept the fact that, in exceptional cases, the expected leverage may deviate from the amount reported above.

Investment policy of NESTOR Fernost Fonds

The NESTOR Fernost Fonds is an equity fund that seeks out opportunities in the Far Eastern equity market.

The Fund invests in companies/issuers that are headquartered in and/or conduct the majority of their business in the Far East.

These countries include, for example, Korea, Taiwan, China, Hong Kong, the Philippines, Thailand, Malaysia, Singapore, Indonesia and India as well as Australia and New Zealand.

A minimum of 51% of the value of the UCITS fund will be invested in equity investments within the meaning of § 2(8) of the German Investment Tax Act (InvStG). Equity investments are defined therein as

- Shares in companies officially listed on a stock exchange or registered on or included in another organised market;
- Shares in companies based in a member state of the European Union or in another contracting state of the Agreement on the European Economic Area which are subject to corporate taxation in that state and are not exempt from it;
- Shares in companies based in a country other than those listed above, which are subject to corporate taxation of at least 15% and are not exempt from it;
- Units in other investment funds either in the amount of the fund's net asset value (as published on each valuation date) actually invested in shares in companies as defined above, or the minimum amount of such investments stipulated in the other investment fund's investment regulations.

For the purposes of this investment policy and in accordance with the definition of the German Investment Code (KAGB), an organised market is a market that is recognised and open to the public and that operates in an orderly manner, unless expressly stipulated otherwise. This organised market shall also meet the criteria of Article 50 of the UCITS Directive.

The Fund assets may also be invested in fixed and floating-rate securities, as well as in all other permitted assets. Possible investment instruments are not listed exhaustively and may include shares, ADRs, GDRs, participation certificates, convertibles, options, warrants, REITs, etc.

Up to 10% of the sub-fund's net assets may be invested in securities of the aforementioned categories from issuers or companies whose headquarters or main business activity is not located in the countries listed above.

In order to increase performance, the Management Company may enter into financial futures and options contracts

for the purposes of efficient asset management, even if these are not designed to hedge assets held within the sub-fund. If derivatives within the meaning of Article 4 No. 3. (g) of the Management Regulations are employed, the relevant investment restrictions contained in Article 4 of the Management Regulations must be observed. In addition, the provisions of Article 4 No. 8 concerning derivatives, Article 4 No. 9 concerning collateral and the reinvestment of collateral plus Article 4 No. 10 on risk management procedures for derivatives are to be followed.

Risk profile of NESTOR Fernost Fonds

Performance on Far Eastern stock exchanges and markets is to some extent subject to significant fluctuations. Investments can be subject to country, currency and liquidity risks in particular. In this regard, the Management Company refers to the general risk considerations detailed in section 8.

Investor profile of NESTOR Fernost Fonds

The sub-fund is suitable for experienced investors who aim to achieve above-average returns over the long term. Investments in the sub-fund should only be made with a long-term investment horizon. It is only suitable for investors who are willing to accept significant price fluctuations.

Total risk

The commitment approach is used as part of the risk management procedure to measure and monitor the total risk of the NESTOR Fernost Fonds. Under the commitment approach, the total risk of the derivatives in the sub-fund is measured, taking into account netting and hedging effects; this risk must not exceed the total net value of the sub-fund's portfolio.

To achieve this, under the commitment approach derivatives are converted into the market value or if necessary into a fictitious value of the assets to which the respective derivative relates ("underlying").

Investment policy of NESTOR Gold Fonds

The NESTOR Gold Fonds is an equity fund that seeks out opportunities in the gold industry.

The Fund invests mainly in shares of companies operating in the gold industry. This sector includes all activities related to the exploration, production, processing and trade of gold and other precious metals.

A minimum of 51% of the value of the UCITS fund will be invested in equity investments within the meaning of § 2(8) of the German Investment Tax Act (InvStG). Equity investments are defined therein as

- Shares in companies officially listed on a stock exchange or registered on or included in another organised market;
- Shares in companies based in a member state of the European Union or in another contracting state of the Agreement on the European Economic Area which are subject to corporate taxation in that state and are not exempt from it;
- Shares in companies based in a country other than those listed above, which are subject to corporate taxation of at least 15% and are not exempt from it;
- Units in other investment funds either in the amount of the fund's net asset value (as published on each valuation date) actually invested in shares in companies as defined above, or the minimum amount of such investments stipulated in the other investment fund's investment regulations.

For the purposes of this investment policy and in accordance with the definition of the German Investment Code (KAGB), an organised market is a market that is recognised and open to the public and that operates in an orderly manner, unless expressly stipulated otherwise. This organised market shall also meet the criteria of Article 50 of the UCITS Directive.

The Fund assets may also be invested in fixed and floating-rate securities, as well as in all other permitted assets. Possible investment instruments are not listed exhaustively and may include shares, ADRs, GDRs, participation certificates, convertibles, options, warrants, REITs, etc.

Up to 10% of the sub-fund's net assets may be invested in securities of the aforementioned categories from issuers or companies which are not based in or do not have their main business activity within the gold industry.

In order to increase performance, the Management Company may enter into financial futures and options contracts for the purposes of efficient asset management, even if these are not designed to hedge assets held within the sub-fund. If derivatives within the meaning of Article 4 No. 3. (g) of the Management Regulations are employed, the relevant investment restrictions contained in Article 4 of the Management Regulations must be observed. In addition, the provisions of Article 4 No. 8 concerning derivatives, Article 4 No. 9 concerning collateral and the reinvestment of collateral plus Article 4 No. 10 on risk management procedures for derivatives are to be followed.

Risk profile of NESTOR Gold Fonds

In addition to the general market risks, the investments of the sub-fund are subject to increased country and currency risks as well as specific sector risk. In this regard, the Management Company refers to the specific risk considerations for this sub-fund detailed in section 8.

Investor profile of NESTOR Gold Fonds

The sub-fund is suitable for experienced investors who wish to participate in the precious metals industry. Investments in the sub-fund should only be made with a long-term investment horizon. It is only suitable for investors who are willing to accept significant price fluctuations and, as the case may be, to incur losses.

Total risk

The commitment approach is used as part of the risk management procedure to measure and monitor the total risk of the NESTOR Gold Fonds. Under the commitment approach, the total risk of the derivatives in the sub-fund is measured, taking into account netting and hedging effects; this risk must not exceed the total net value of the sub-fund's portfolio.

To achieve this, under the commitment approach derivatives are converted into the market value or if necessary into a fictitious value of the assets to which the respective derivative relates ("underlying").

Investment policy of NESTOR Osteuropa Fonds

The NESTOR Osteuropa Fonds is an equity fund that seeks out opportunities in the Eastern European equity market.

The Fund invests in companies/issuers that are headquartered in and/or conduct the majority of their business in Eastern Europe.

These countries include, for example, Hungary, Poland, the Czech Republic, Slovenia, the CIS states, Russia and the Baltic states and the securities markets of South Eastern Europe, such as those in Turkey and Greece, provided that the markets in the countries of Eastern and South Eastern Europe are organised markets that are recognised, open to the public and operate in an orderly manner. Such markets include in particular the Russian Trading System Stock Exchange (RTS Stock Exchange) and the Moscow Interbank Currency Exchange (MICEX).

A minimum of 51% of the value of the UCITS fund will be invested in equity investments within the meaning of § 2(8) of the German Investment Tax Act (InvStG). Equity investments are defined therein as

- Shares in companies officially listed on a stock exchange or registered on or included in another organised market;
- Shares in companies based in a member state of the European Union or in another contracting state of the Agreement on the European Economic Area which are subject to corporate taxation in that state and are not exempt from it;
- Shares in companies based in a country other than those listed above, which are subject to corporate taxation of at least 15% and are not exempt from it;
- Units in other investment funds either in the amount of the fund's net asset value (as published on each valuation date) actually invested in shares in companies as defined above, or the minimum amount of such investments stipulated in the other investment fund's investment regulations.

For the purposes of this investment policy and in accordance with the definition of the German Investment Code (KAGB), an organised market is a market that is recognised and open to the public and that operates in an orderly manner, unless expressly stipulated otherwise. This organised market shall also meet the criteria of Article 50 of the UCITS Directive.

The Fund assets may also be invested in fixed and floating-rate securities, as well as in all other permitted assets. Possible investment instruments are not listed exhaustively and may include shares, ADRs, GDRs, participation

certificates, convertibles, options, warrants, REITs, etc.

Up to 10% of the sub-fund's net assets may be invested in securities of the aforementioned categories from issuers or companies whose headquarters or main business activity is not located in the countries listed above.

The investment limits for securities that are listed on a stock exchange or traded on an organised market shall apply if the securities are from companies that are headquartered or domiciled in Russia and take the form of Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) issued by first-class financial institutions. ADRs are issued and supported by US banks. They confer the right to receive securities that were issued by issuers and are deposited with a US bank or a correspondent bank in the US. GDRs are deposit certificates which are issued by a US bank, a European bank or by another financial institution and which have the similar characteristics to ADRs. ADRs and GDRs need not necessarily be denominated in the same currency as the underlying securities.

In order to increase performance, the Management Company may enter into financial futures and options contracts for the purposes of efficient asset management, even if these are not designed to hedge assets held within the sub-fund. If derivatives within the meaning of Article 4 No. 3. (g) of the Management Regulations are employed, the relevant investment restrictions contained in Article 4 of the Management Regulations must be observed. In addition, the provisions of Article 4 No. 8 concerning derivatives, Article 4 No. 9 concerning collateral and the reinvestment of collateral plus Article 4 No. 10 on risk management procedures for derivatives are to be followed.

Risk profile of NESTOR Osteuropa Fonds

The performance of securities on Eastern European stock exchanges and markets is to some extent subject to significant fluctuations. Investments can be subject to country, currency and liquidity risks in particular. Due to the increased risk, whereby the complete loss of value of certain investments cannot be ruled out, the Management Company refers to the general and specific risk considerations for this sub-fund detailed in section 8.

Investor profile of NESTOR Osteuropa Fonds

The sub-fund is suitable for experienced investors who aim to achieve above-average returns over the long term. Owing to the increased risk, whereby the total loss of value of individual investments cannot be ruled out, the sub-fund is only intended for those investors who can accept considerable price fluctuations and potential losses.

Total risk

The commitment approach is used as part of the risk management procedure to measure and monitor the total risk of the NESTOR Osteuropa Fonds. Under the commitment approach, the total risk of the derivatives in the sub-fund is measured, taking into account netting and hedging effects; this risk must not exceed the total net value of the sub-fund's portfolio.

To achieve this, under the commitment approach derivatives are converted into the market value or if necessary into a fictitious value of the assets to which the respective derivative relates ("underlying").

3. The Management Company

The Management Company NESTOR Investment Management S.A. was established on 8 December 1993 for an indefinite period as a public limited company under Luxembourg law. Its registered office is at 2 Place François-Joseph Dargent, L-1413 Luxembourg. The Company's Articles of Association were published in Mémorial C, Recueil des Sociétés et Associations (the "Mémorial") on 11 January 1994 and were filed with the Trade and Companies Register of the District Court of Luxembourg.

The Articles of Association of the Management Company were last amended by a shareholders' decision of 24 March 2011. A consolidated version of the Articles of Association was filed with the Trade and Companies Register of the District Court of Luxembourg and was published in the Mémorial on 15 June 2011.

The Management Company is recorded in the Trade and Companies Register of the District Court of Luxembourg under number B 45 832.

The Management Company has adequate and appropriate organisational structures and internal control mechanisms in accordance with the Law of 2010 and the applicable administrative provisions of the CSSF.

In order to achieve the objectives of the investment policies of the different sub-funds, the Management Company may appoint independent investment advisors or investment managers for each sub-fund who have achieved excellent performance over several years in the relevant geographical area.

The performance-related portion of the investment advisor or investment manager's fee (the "performance fee") shall ensure the personal commitment of such investment advisor or manager.

The Management Company has outsourced risk management to WARBURG INVEST LUXEMBOURG S.A.

Appointment of the Depositary and delegation of safekeeping

1. The Management Company uses a decision-making process for choosing and appointing the Depositary that is based on objective pre-defined criteria and serves the sole interests of the Fund and its investors.
2. A group link exists between the Management Company and the Depositary M.M.WARBURG & CO LUXEMBOURG S.A. Both belong to M.M.WARBURG & CO (AG & Co.) KGaA. In this context, the Management Company keeps documentary evidence of the following:
 - a) An assessment comparing the merits of appointing a Depositary with a link or a group link with the merits of appointing a Depositary which has no link or no group link with the Management Company or the investment company, taking into account at least the costs, the expertise, financial standing and the quality of services provided by all depositaries assessed
 - b) A report, based on the assessment referred to in point (a), describing the way in which the appointment meets the objective pre-defined criteria referred to in paragraph 1 and is made in the sole interest of the Fund and its investors
3. The Management Company shall notify the competent authority of the Fund's Member State that it is satisfied with the appointment of the Depositary and that the appointment is in the sole interest of the Fund and its investors. The Management Company shall make the documentary evidence referred to in paragraph 1 available to the competent authority of the Fund Member State.
4. The Management Company shall justify to investors of the Fund, upon request, the choice of the Depositary.
5. The Depositary employs a decision-making process for choosing third parties to whom it may delegate the safekeeping functions in accordance with Article 22a of Directive 2009/65/EC, which are based on objective pre-defined criteria and meet the sole interest of the Fund and its investors.

Potential conflicts of interest between the Management Company and the Depositary

The Management Company NESTOR Investment Management S.A. and M.M.WARBURG & CO LUXEMBOURG S.A. belong to M.M.WARBURG & CO (AG & Co.) as part of the Warburg Group KGaA. Conflicts of interest could arise due to the commissioning of closely affiliated companies.

In the context of the group link, the Management Company and the Depositary employ policies and procedures ensuring that they:

- a) Identify all conflicts of interest arising from that link
- b) Take all reasonable steps to avoid those conflicts of interest

These potential conflicts of interest are avoided, not least through the functional and hierarchical separation of the two parties.

Where a conflict of interest referred to in the first subparagraph cannot be avoided, the Management Company and the Depositary manage, monitor and disclose that conflict of interest in order to prevent adverse effects on the interests of the Fund and of its investors.

The conflicts of interest potentially arising from the delegation of functions are also described in the policies on managing conflicts of interest.

Basic procedure to be adopted where conflicts of interest arise

The Management Company shall fundamentally check the existence of potential conflicts of interest before starting a new activity for a Fund or assigning an activity to a service provider. Changes of activities or remuneration for activities may give rise to conflicts of interest and shall be duly checked.

Where potential conflicts of interest are found, they must be notified to the compliance department of the Management Company. The compliance department shall address the conflict of interest in the interests of investors. In that regard, the compliance department has hierarchical independence and, in accordance with the Compliance Charter and compliance policy of the companies, may not act with responsibility for the day-to-day business of the company. The compliance department may approach the Executive Board and/or Supervisory Board directly with its findings on conflicts of interest and other findings on issues relating to the investors, the Fund or the respective company. In addition to mandatory reporting to the compliance department, staff from other departments are fundamentally also given this option where conflicts of interest arise.

If the compliance department or the Executive Board or the Supervisory Board of the Management Company comes to the conclusion that there is a conflict of interest which cannot be prevented by contractual or organisational measures, this shall then be disclosed to the relevant investors. The disclosure shall be made by the company voluntarily and without delay either in writing or by publication on the website of the Management Company at www.warburg-fonds.com/index.php?id=196. The relevant notification or publication shall be sufficiently detailed to give the investor a clear view of the conflict. All conflicts of interest known at the time of preparation of the Prospectus shall be detailed in the current version of the Prospectus, new conflicts of interest shall be entered in the next update of the Prospectus.

Extracts from the policy on managing conflicts of interest can be found on the website of the Management Company at www.warburg-fonds.com/index.php?id=196. The detailed policy can also be requested from the Management Company and shall be provided free of charge electronically or on hard copy.

Remuneration policy of the Management Company

The Management Company has a remuneration policy and practice which complies with the statutory requirements and adopts such requirements. It is compatible with and conducive to the risk management procedure determined by the Management Company and countenances neither the assumption of risks that are inconsistent with the risk profiles, the information in the relevant prospectus and Management Regulations, nor prevents the Management Company from duly acting in the best interests of the Fund and its investors.

The remuneration policy is consistent with the business strategy, objectives, values and interests of the Management Company and the funds managed by it and the interests of investors of those funds, and includes measures to prevent conflicts of interest.

The assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the Fund managed by the Management Company in order to ensure that the valuation is based on the longer-term performance of the Fund and its investment risks and that the actual payment of performance-based remuneration components is spread over the same period.

The remuneration policy and practice includes fixed and variable components of salaries and discretionary pension benefits.

The fixed and variable components of total remuneration are appropriately balanced and the proportion of the fixed component of total remuneration is sufficiently high to offer full flexibility in terms of variable remuneration as well as the possibility to pay no variable remuneration component. The pension scheme is in line with the business strategy, the objectives, values and long-term interests of the Management Company and the funds managed by it.

A description of the composition of the remuneration policy and practices of the Management Company, the handling of fixed and variable remuneration, including the composition of the remuneration committee, if there is such a committee, is available in extracts from www.warburg-fonds.com/index.php?id=196. and is available upon request to investors free of charge in electronic form or in hard copy.

4. The Depositary and Transfer Agent

Sole Depositary of the Fund is M.M.Warburg & CO Luxembourg S.A. with registered office at in 2 Place François-Joseph Dargent, L -1413 Luxembourg. The Depositary is a public limited liability company under the law of the Grand Duchy of Luxembourg and conducts banking business. The rights and obligations of the Depositary comply with the Law of 17 December 2010, the Custodian Agreement, this Prospectus and these Management Regulations.

In performing its functions, the Depositary shall act honestly, fairly, professionally, independently and in the interest of the Fund and its investors.

The Depositary shall not perform any functions with regard to the Fund or the Management Company acting on behalf of the Fund that may create conflicts of interest between the Fund, the investors of the Fund, the Management Company as well as the agents of the Depositary and itself. This does not apply unless the Depositary has functionally and hierarchically separated the performance of its Depositary functions from its other potentially conflicting functions and the potential conflicts of interest are duly identified, managed, monitored and disclosed to the investors of the Fund.

All information regarding the identity of the Depositary of the Fund, its obligations, conflicts of interest that may arise, the description of any safekeeping functions delegated by the Depositary and a list of sub-custodians, stating all the conflicts of interest that may arise from the delegation of functions, shall be provided to the investors upon request free of charge and up to date.

1. Depositary functions

The Depositary

- a) shall ensure that the procedures regarding the sale, issue, repurchase, redemption and cancellation of units of the Fund comply with the applicable Luxembourg law and with these Management Regulations.
- b) shall ensure that the calculation of the value of the units of the Fund is performed in compliance with the applicable Luxembourg law and with these Management Regulations.
- c) shall follow the instructions of the Management Company unless these instructions breach Luxembourg law or the Management Regulations;
- d) shall ensure that the consideration in transactions involving the assets of the Fund is not remitted to the Fund within the usual time limits;
- e) shall ensure that the income of the Fund is appropriated in compliance with the applicable Luxembourg law and with these Management Regulations.

2. Cash flows

The Depositary shall ensure that the cash flows of the Fund are properly monitored and shall guarantee, in particular, that all payments made by investors or on behalf of investors upon subscription of units of a fund have been received and all cash of the Fund has been booked in cash accounts, which:

- a) are opened in the name of the Fund, in the name of the Management Company acting on behalf of the Fund or in the name of the Depositary acting on behalf of the Fund;
- b) are opened at an entity referred to in points (a), (b) and (c) of Article 18 (1) of Directive 2006/73/EC of the European Commission and
- c) are maintained in accordance with the principles laid down in Article 16 of Directive 2006/73/EC.

If the cash accounts are opened in the name of the Depositary acting on behalf of the Fund, only cash of the Fund will be booked in those accounts.

3. Safekeeping of financial instruments and assets

The Depositary is entrusted with the assets of the Fund for safekeeping as follows:

- a) The following applies to financial instruments that can be held in custody:
 - i) The Depositary holds in custody all those financial instruments which can be booked in the custody account on an account for financial instruments, as well as all those financial instruments which can be physically transferred to the Depositary.

- ii) the Depositary ensures that financial instruments that can be booked in a custody account for financial instruments are registered on separate accounts in the accounts of the Depositary in accordance with the principles laid down in Article 16 of Directive 2006/73/EC, which were opened in the name of the Fund or the Management Company acting on behalf of the Fund such that the financial instruments can be clearly identified at all times as instruments owned by the Fund under applicable law;
- b) the following applies to other assets:
- i) the Depositary shall check whether the Fund or the Management Company acting on behalf of the Fund is the owner of the assets by determining, based on the information or documents submitted by the Fund or the Management Company and, if available, based on external evidence, whether the Fund or the Management Company acting on behalf of the Fund is the owner;
 - ii) the Depositary shall maintain records of the assets for which it is satisfied that the Fund or the Management Company acting on behalf of the Fund is the owner, and shall keep its records updated.

The assets held in custody by the Depositary shall not be reused by the Depositary, or a third party to whom the safekeeping function was delegated, for its own account. Reuse comprises any transaction of assets held in custody including, but not limited to, transferring, pledging, selling and lending.

The assets held in custody by the Depositary are allowed to be reused by the Depositary where

- i) the reuse of the assets is executed for the account of the Fund,
- ii) the Depositary follows the instructions of the Management Company acting on behalf of the Fund,
- iii) the reuse benefits the Fund and is in the interest of the unitholders and
- iv) the transaction is covered by high-quality and liquid collateral received by the Fund under a title transfer arrangement.

The market value of the collateral shall, at all times, amount to at least the market value of the reused assets plus a premium.

The function of the Depositary or sub-depositary entrusted with the safekeeping functions may also be performed by an affiliated company of the Management Company. If a link exists between them, the Management Company and the Depositary have appropriate structures to avoid possible conflicts of interest arising from the link. Where conflicts of interest cannot be prevented, the Management Company and the Depositary will identify, manage, monitor and, if possible, disclose these conflicts of interest.

Sub-depositaries

The Depositary may outsource the safekeeping functions detailed in section 3 above to another company (sub-depositary) having regard to the legal requirements. The sub-depositaries may outsource the safekeeping functions delegated to them having regard to the legal requirements. The Depositary is not permitted to delegate the functions described in the aforementioned sections 1 and 2 to third parties.

In delegating safekeeping to third parties, the Depositary shall ensure that the latter are subject to special requirements concerning effective supervisory regulation and oversight.

A current overview of the sub-depositaries can be found at www.warburg-fonds.com/index.php?id=196. or be requested from the Management Company free of charge.

Potential conflicts of interest between the Depositary and the sub-depositaries:

Between the Depositary M.M.WARBURG & CO LUXEMBOURG S.A. and M.M.WARBURG & CO (AG & Co.) KGaA, as well as any and all sub-custodians, such that the Depositary is a subsidiary of M.M.WARBURG & CO (AG & Co.) KGaA. M.M.Warburg & CO (AG & Co.) KGaA also appoints members of the Supervisory Board to the Depositary. Conflicts of interest could arise due to delegation to affiliated companies.

In the context of the group link, the Depositary and M.M.WARBURG & CO (AG & Co.) KGaA and any and all sub-custodians employ policies and procedures ensuring that they

- a) Identify all conflicts of interest arising from that link
- b) Take all reasonable steps to avoid those conflicts of interest

Potential conflicts of interest may also arise due to the appointment of third parties as sub-depositaries. If third parties are appointed as sub-depositaries, the Depositary shall ensure that itself and the third parties engaged have taken all appropriate measures to meet the requirements regarding organisation and avoidance of conflicts of interest as laid down in the applicable Luxembourg laws and regulations and monitor compliance with these requirements.

At the time of preparing this Prospectus, no relevant conflicts of interest with sub-depositaries were known except for the aforementioned group link which is resolved by the measures described in the interest of the investors. If such conflicts of interest occur, they shall be resolved in accordance with the existing policies and procedures and possibly disclosed to investors as described in the section "Basic procedures where conflicts of interest arise".

Depositary's insolvency

In case of insolvency of the Depositary and/or a third party resident in the European Union to whom safekeeping of the Fund's assets have been delegated, the Fund's assets held in custody may not be distributed to the creditors of the Depositary and/or this third party or used for their benefit.

Depositary's liability

The Depositary is liable to the Fund and its unitholders in respect of loss by the Depositary or a third party to whom the safekeeping of financial instruments held in custody was delegated.

If a financial instrument held in custody is lost, the Depositary shall return an identical financial instrument without delay to the Fund or the Management Company acting on behalf of the Fund or refund an appropriate amount. The Depositary is not liable in accordance with the Law of 17 December 2010 and the applicable regulations if it is able to prove that the loss is attributable to external events which cannot be reasonably controlled and their consequences could not have been avoided despite all reasonable efforts.

The Depositary is also liable to the Fund and the Fund's investors in respect of all other losses suffered by them as a result of negligent or deliberate non-compliance with the legal obligations imposed on the Depositary.

The liability of the Depositary, taking into account the statutory exemptions, remains unaffected by any delegation referred to in above section "Sub-depositaries".

The Fund's investors may invoke the liability of the Depositary directly or indirectly through the Management Company, provided that this does not result in either doubling of claims to recourse or the unequal treatment of unitholders.

5. Subscription and Redemption of Units

Units of the Fund are units of the respective sub-funds. They may be subscribed and redeemed via the Management Company, the Paying Agents referred to in this Prospectus and via the Depositary.

Units may also be converted into units of another class of units or into units of another sub-fund at the offices of the Management Company, the Paying Agents and the Depositary.

Investors must, in principle, purchase, redeem or convert units of the relevant sub-funds at a price unknown at the time the respective request is made. The cut-off times for receipt of the transaction orders of the relevant sub-funds are provided in the section entitled "Overview of important information relevant to all sub-funds of NESTOR-Fonds".

In the interest of all unitholders, and in order to protect the fund or the relevant sub-fund, the Management Company reserves the right to reject any subscription and conversion requests that are linked to late trading and/or market timing practices or whose applicants are suspected of using such practices.

Pursuant to Article 5 of the Management Regulations, different unit classes may be issued for the Fund. Units of the Fund are currently issued in two unit classes: unit class B and unit class V. These unit classes differ in the minimum

investment amount; for more information, see the table overview of important information relating to all sub-funds of the NESTOR Fund.

6. Payments and Information

Payments are made via the Management Company and the Paying Agents referred to in the Prospectus. Information intended for investors is also available from the Management Company and the Paying Agents. The subscription and redemption prices may be requested on each valuation day in accordance with Article 7 of the Management Regulations at the registered office of the Management Company and the Depositary as well as from the offices of any Paying Agent (for details of the calculation of the net asset value see Article 7 of the Management Regulations). This Prospectus together with the Management Regulations of the Fund, key investor information and the annual and semi-annual reports are available free of charge from the registered office of the Management Company, from the Depositary and from any of the Paying Agents.

The Management Company shall ensure that the laws, regulations, circulars and provisions relating to combating money laundering and the financing of terrorism, as well as the ban on late trading and market timing, are complied with and that internal procedures are implemented to prevent such activities.

Information for investors in the Federal Republic of Germany:

The address of the Paying and Information Agent is given in the section entitled "Management and Administration". Requests for redemption and conversion of units may be submitted to the Paying and Information Agent. All payments to unitholders, including any redemption proceeds, distributions and other payments may, if requested by the unitholder, be routed via the German Paying and Information Agent.

The Prospectus and key investor information, Management Regulations, audited annual report and unaudited semi-annual report may be obtained free of charge from the German Paying and Information Agent.

The currently valid issue and redemption prices and any notifications to unitholders are also available free for charge from the Paying and Information Agent. Issue and redemption prices and any notifications to unitholders shall be published in the Federal Republic of Germany on the www.warburg-fonds.com website.

Information for unitholders in Austria:

The public sale of units of the sub-funds NESTOR Fernost Fonds, NESTOR Osteuropa Fonds, NESTOR Europa Fonds, NESTOR Australien Fonds, NESTOR Gold Fonds, NESTOR Afrika Fonds and Nestor China Fonds has been registered in Austria and a tax representative in Austria has been appointed. Subscription, redemption and conversion requests can be made at the registered office of the Paying Agent indicated in the section entitled "Management and Administration", which also assumes the role of tax representative in Austria. The Prospectus and the Management Regulations of the Fund, key investor information and the annual and semi-annual reports, as well as other information and documents, are also available from, or may be consulted at, the above registered office. The issue and redemption prices published on the www.warburg-fonds.com website are also available there. Other notifications to unitholders shall be published in Austria on the www.warburg-fonds.com website.

7. Taxation

Taxation of the fund

The Fund assets and the sub-fund's assets are subject to a tax in the Grand Duchy of Luxembourg, the so-called "taxe d'abonnement", currently of 0.05% p.a. (or 0.01% p.a. for sub-funds and unit classes that are issued solely to institutional investors). This tax is payable quarterly on the sub-fund's net assets reported at the end of the quarter. If a sub-fund's assets or the portion of a sub-fund's assets are invested in other Luxembourg investment funds that are already subject to the taxe d'abonnement, the tax is waived for the portion of the sub-fund assets invested in those Luxembourg investment funds.

The Fund's or the sub-fund's income from the investment of its assets is not taxed in the Grand Duchy of Luxembourg. However, such income (in particular interest and dividends) may be subject to a withholding tax in

countries in which the sub-fund's assets are invested. In such cases, neither the Depository nor the Company is required to collect tax certificates.

Taxation on income from investment fund units for the investor

In implementation of the Common Reporting Standard (“CRS”) an automatic exchange of information has been taking place between the most EU countries, including Luxembourg, and the other contracting states of the CRS regime since 1 January 2016. This new global standard drafted by the OECD for the automatic exchange of information includes interest income, dividend income and certain other types of income.

Investors who are not resident in the Grand Duchy of Luxembourg, or who do not maintain a permanent establishment there, do not have to pay income, inheritance, or wealth tax on units in the Grand Duchy of Luxembourg. The relevant national tax regulations are applicable for such investors.

Since 1 January 2006, in accordance with the Luxembourg Law of 23 December 2005, natural persons who are resident in the Grand Duchy of Luxembourg and who are not resident for tax purposes in another country have had to pay a final withholding tax on the interest income. Under certain conditions, this withholding tax may also apply to the interest income of an investment fund.

This information is based on current legislation and administrative practice and may be subject to change. Investors should inform themselves of, and if necessary, consult their professional advisors on the possible tax consequences arising from the subscription, purchase, ownership, conversion, redemption or subsequent disposal of units and/or dividends on units of the Fund under the laws of their country of citizenship, residence, domicile or incorporation.

Specific risks associated with the tax reporting requirements for the Federal Republic of Germany:

At the request of the German financial authorities, the Management Company must establish the validity of the declared tax basis. Corrections of inaccurate reporting for previous financial years are not made, but are considered in the context of the statement for the current financial year.

8. Risk information

General information

Investments in securities not only present the opportunity for the appreciation of the invested capital but are also frequently subject to substantial risks. The risks can include equity and bond market risks, exchange rate, interest rate, credit and volatility risks as well as political risks or risks that are associated with such risks. These risks apply particularly to investments in equities and derivative securities, such as warrants, which represent the equity capital of public limited companies and, as such, risk capital. These risks may also be combined with other risks.

For this reason, potential investors should have experience with investment in instruments that are used as part of the specified investment policy. Furthermore, investors should only make an investment decision after having fully consulted their legal, tax and financial advisors, accountants or other advisors on the information which, together with the investment policy of the relevant sub-fund, is contained in the present prospectus, and have taken into account their personal financial and tax situation and other circumstances.

The value of the units can rise and fall above and below the purchase price. Accordingly, losses can occur if the market value of the assets falls. If an investor sells units at a time when the price of the assets in the Fund has fallen compared with the price paid on the acquisition date of the units, such investor will not receive back the full amount invested. Although the Fund seeks to achieve steady increases in value, these cannot be guaranteed. However, the investor's risk is limited to the sum invested. The investor is not required to pay in additional monies above and beyond the amount originally invested.

Consequently, no assurance can be given that the objectives of the respective investment policies will be met. Article 4 of the Management Regulations also indicates the specific investments, in particular futures and options, which may entail specific risks.

Specific Risk Considerations

In line with the principle of risk spreading and in accordance with the investment limits provided under Article 4, paragraph 5 (h) of the Management Regulations that follow, the Management Company is authorised to invest up to 100% of the net assets of a sub-fund in securities and money market instruments of a single issuer.

Market and sector risk

While investments in sector-specific securities offer the potential for high returns, they also present corresponding risks. These risks include both general market risks and the specific risks of the relevant business sector. The respective markets may to some extent be subject to significant price fluctuations and reduced liquidity.

The price or market trend of financial products is primarily dependent on developments on the capital markets and the economic performance of issuers, which in turn are influenced by the general state of the global economy and by economic and political conditions in the various countries. Particularly on a stock exchange, irrational factors such as sentiment, opinions and rumours can also have an impact on general price movements.

Country or transfer risk

Country risk occurs when a foreign borrower, despite its solvency, cannot fulfil its obligations or cannot do so within the required deadline due to an inability or unwillingness on the part of its country of domicile to transfer the funds. In this case, payments to which the fund has a claim may not arrive or may be made in a currency which is no longer convertible due to foreign exchange restrictions.

Furthermore, investment of the Fund's assets in securities of companies in developing countries is subject to additional risks due to government intervention and unpredictable political upheavals that may influence the free transfer of currencies. Limited access to information and less stringent public supervision and control of these securities markets create additional risks.

Investments in securities of emerging markets carry various risks. These relate primarily to the rapid economic development some of these countries are experiencing. These markets also have lower market capitalisation levels and therefore tend to be more volatile and less liquid. Other factors (such as political changes, exchange rate fluctuations, stock exchange controls, taxes, restrictions on the investment of foreign capital and capital recovery, etc.) may likewise compromise the saleability of these securities and the resulting income.

These markets as well as the companies listed on them may also be subject to substantially less government supervision and less sophisticated legislation. Their accounting and auditing methods may not always meet required standards.

Due to the substantial risk of equity price fluctuations in relation to the limited capacity of these markets, the Management Company refers specifically to the possibility of a temporary suspension of the calculation of the net asset value and the redemption or conversion of units (Article 8 of the Management Regulations).

Currency risk

Performance may be influenced by exchange rate fluctuations of the base currency of the sub-fund against the currencies of the countries in which the sub-fund's assets are invested.

If a sub-fund's assets are invested in a different currency from the sub-fund's currency, the sub-fund will receive the income and repayments from these investments in the currency concerned. If such currency depreciates against the sub-fund's currency, this reduces the net assets of the sub-fund.

Interest rate risk

Investors should be aware that a fund investment may involve interest rate risks which can occur in the event of fluctuations in interest rates in the currency in which the securities or the respective sub-fund are denominated.

When a sub-fund invests in fixed income securities it is also exposed to the risks of the bond markets, e.g. credit risk and, if applicable, company-specific risk and default risk.

Liquidity risk

Assets which are not listed on an official stock exchange or included in an organised market may also be purchased by the individual sub-funds. The purchase of such assets entails the risk that problems may be encountered in attempting to sell the assets to third parties. In addition, there is a risk that securities traded in a very narrow market segment can be subject to considerable price volatility.

There is also a risk that certain securities admitted to an official stock exchange or included in an organised market cannot be traded due to a lack of liquidity in the market.

Default risk

The default of an issuer or counterparty can lead to losses for the Fund. The issuer risk refers to the impact of the specific situation of the issuer concerned, which influences the price of a security alongside the general situation of the capital markets. Even the careful selection of securities can never eliminate the risk that losses can be incurred due to the bankruptcy of issuers.

The counterparty risk refers to the risk that one party to a contract will partially or completely default on the other

party's claim. This applies to all contracts which are concluded on behalf of a fund.

Custody risk

The custody of assets, particularly abroad, involves a risk of loss resulting from insolvency, the neglect of due diligence obligations or misconduct on the part of the custodian or a sub-custodian.

Concentration risk

Further risks may arise from a concentration of investments in particular assets or markets. In this case the relevant sub-fund is particularly heavily dependent on the performance of these assets or markets.

Increased volatility

Sub-funds can display increased volatility due to their permissible investment universe, their composition and the use of derivative instruments, i.e. the net asset value can be subject to considerable fluctuations both upwards and downwards within short periods.

Legal and tax risk

The legal and tax treatment of investment funds may be subject to unexpected and unavoidable changes.

Change in investment policy

A change in the investment policy within the investment universe permitted for the Fund may alter the risk level associated with the Fund.

Amendment of contract conditions

In the contract conditions for the Fund the Company reserves the right to amend the contract conditions. Moreover, in accordance with the contract conditions the Fund may dissolve individual sub-funds. Investors may therefore be unable to realise the holding period originally planned.

Risk of suspension of redemptions

In general investors can request the redemption of their units on any day on which a valuation is carried out. However, in exceptional circumstances the company may suspend the redemption of units temporarily and only redeem the units at a later date at the price prevailing at that time. This price may be lower than that prevailing before the suspension of redemptions.

Risks associated with investment in units of target funds

The risks associated with units of investment funds purchased for the respective sub-funds are closely related to the risks of the assets contained in these target funds and to the investment strategies pursued by them. However, these risks can be reduced through the diversification of the assets within the target funds, the units of which are purchased for the Fund, and through diversification within the Fund itself. Since the managers of the various target funds act independently of each other, it is possible that a number of target funds pursue the same or opposite investment strategies. This may lead to an accumulation of risks and any potential market opportunities may cancel each other out. It is usually not possible for the Management Company to exert control over the management of the target funds. The investment decisions of the target funds may not necessarily concur with the assumptions or expectations of the Management Company. The Management Company will frequently not have up-to-date information on the composition of the target funds. If the composition of a target fund does not correspond with its assumptions or expectations, it may only be able to take action with considerable delay in the form of selling the target fund units.

Risks relating to derivative transactions

Individual sub-funds may use derivatives. These can be used not only for hedging purposes but also as part of the investment strategy.

Where the Fund uses options and other techniques and instruments for the efficient management of its assets, the Fund is subject to much greater risks than those associated with traditional investments. In particular, warrants involve far greater risks, since even a low capital investment in warrants and other derivatives may involve sharp price fluctuations (leverage effect).

In general, the following risks may be associated with derivatives:

- a) fixed term rights purchased may expire or reduce in value
- b) the level of risk involved may not be determinable and may also be higher than the guarantees given
- c) transactions intended to exclude or limit the risk may be impossible to achieve or may only be possible at a loss
- d) the risk may increase when commitments arising from such transactions or income from such transactions

are denominated in a foreign currency.

- e) the risk of insolvency or payment default of a counterparty (counterparty risk). If the sub-funds are able to conduct OTC derivative transactions (e.g. non-exchange traded futures and options, forwards, swaps), they are subject to a high credit and counterparty risk which the management attempts to reduce by means of collateral contracts
- f) the Management Company or the investment manager may, on behalf of the sub-fund, conduct transactions on OTC markets which expose the sub-fund to the risk of insolvency of its counterparties and the risk associated with their ability to meet the contractual conditions. In the event of the bankruptcy or insolvency of a counterparty, the sub-fund may experience delays in the settlement of positions and incur considerable losses, including reductions in the value of the investments made in the period during which the sub-fund seeks to enforce its claims; it may also fail to achieve profits during this period and may incur expenses in connection with the enforcement of these rights. There is also the possibility that the above contracts and derivative techniques may, for example, be terminated as a result of bankruptcy, infringements of the law or by a change in the taxation or accounting legislation to the stipulations of the contract when concluded.

When using techniques and instruments, the following particular risks may occur in connection with securities lending transactions and securities repurchase transactions and the managed collateral:

- a) When conducting securities lending transactions and securities repurchase transactions, the main risk is the default of a counterparty which has become insolvent or is otherwise unable or unwilling to meet its obligations to return securities or cash to the respective sub-fund as stated in the contractual conditions of the transaction. The counterparty risk can be reduced by the transfer or the pledging of collateral in favour of the respective sub-fund. However, it is not possible to completely hedge securities lending and securities repurchase transactions. The expenses and income of the respective sub-fund from securities lending transactions and securities repurchase agreements cannot be hedged. In addition, the value of the collateral may fall during any subsequent reweighting of the collateral or the collateral may be incorrectly established or monitored. In the event of default by the counterparty, the respective sub-fund may be required to sell collateral that has no cash value (non-cash collateral) and which was bought at an earlier market price, leading to a loss for the respective sub-fund.
- b) Securities lending or repurchase agreement transactions also contain operational risks such as the non-fulfilment or delay in executing instructions and legal risks in connection with the underlying documentation of the transactions.
- c) Securities lending transactions and securities repurchase transactions may be conducted for the respective sub-fund with other companies within the Management Company's group. Counterparties which belong to this group, where applicable, carry out their obligations arising from securities transactions and securities repurchase transactions with the due care applicable to trading. In addition, the Management Company conducts transactions for the respective sub-funds in accordance with best execution rules and also selects the respective counterparties according to these rules, acting in the best interests of the respective sub-fund and its investors. However, investors should be aware that the Management Company may be exposed to conflicts of interest with regard to its role as such, their own interests or the interests of the counterparties of the same group.

Furthermore, the respective sub-fund may suffer losses by reinvesting cash collateral or cash funds from derivatives or securities lending transactions and securities repurchase agreement transactions. Such losses may result from a decline in the value of assets acquired with cash collateral. A decline in the value of assets acquired with cash collateral has the effect of reducing the amount of the collateral available to the respective sub-fund to repay the counterparty after the end of the transaction. In this case, the respective sub-fund is required to bear the difference in value between the collateral originally received and the amount actually available to repay the counterparty, as a result of which the respective sub-fund incurs a loss.

Specific risk considerations for NESTOR Afrika Fonds

Some individual countries on the African continent are politically unstable. For the purpose of settling fund transactions, it may be necessary to commission correspondent banks, depositories or other service providers (the "service providers") on site or in third countries.

The performance of securities on African stock exchanges and markets is to some extent subject to significant fluctuations. The potential of an investment in these countries is therefore subject to considerable risks. The fund unit holder is fully aware that the African market presents unique characteristics that give rise to constant securities-related settlement risk, which may even lead to a total loss.

The performance of these sub-funds may be influenced by exchange rate fluctuations of the base currency (euro) against the currencies of the countries in which the assets are invested, as well as by other factors such as political changes, restrictions on currency conversion and transfers, unclear ownership structures, inadequate stock exchange controls, taxes, restrictions on the investment of foreign capital and capital recovery, etc. In addition, non-payment by the issuer concerned cannot be completely ruled out.

The fund unit holder takes due cognisance of the fact that, and agrees that, the Depositary, to the extent that it itself becomes actively involved and/or that group-affiliated service providers (subsidiaries, branch offices) become actively involved, assumes no liability of any kind for damages that e.g. may have arisen from delivery problems or sales problems of whatever kind or from non-compliance with an obligation of the Depositary, unless the Depositary or group-affiliated service provider is responsible for the damages in an individual case. A presumption of liability arises if the damage relates to a causal circumstance that lies within the sphere of influence or scope of action of the Depositary or its subsidiary/branch office, i.e. no exogenous factors or actions or omissions of external third parties are involved, and it can be demonstrated to the Depositary or its subsidiary/branch office that they have failed to exercise the standard of due diligence expected of banks. The Depositary shall in this connection be obliged to assume liability for group-affiliated service providers as though such liability had been incurred by the Depositary.

The fund unit holder accordingly takes due cognisance of the fact that, and agrees that, the Depositary, to the extent that non-group-affiliated service providers become actively involved, assumes no liability of any kind for damages (as mentioned above by way of example) unless the Depositary failed to exercise the standard of due diligence expected of banks in selecting and monitoring the service providers.

Owing to the fledgling state of the banking, registration and telecommunications systems, investments in countries within Africa carry risks associated with the closing out and liquidation of positions and the registration of securities transactions that do not normally arise with investments in industrialised nations.

Risks associated with the redemption of units

Due to the substantial risk of price fluctuations in relation to the limited capacity of these markets, the Management Company refers specifically to the possibility of a temporary suspension of the calculation of the net asset value of units (Article 8 of the Management Regulations). In light of the aforementioned risks, the Management Company hereby, in connection with the NESTOR Afrika sub-fund, expressly refers to the rule embodied in Article 9, point 3 of the Management Regulations, pursuant to which the Management Company, subject to prior agreement by the Depositary, is only entitled to perform large-scale redemptions which are unable to be met using a sub-fund's liquid assets and allowable credit facilities after corresponding assets of the respective sub-fund have been sold without delay.

Suspension of the issue of units

The Management Company specifically refers to the fact that in accordance with Article 9, paragraph 5 of the Management Regulations, it may, at any time and at its discretion, reject a subscription request or temporarily limit, suspend or permanently discontinue the issue of units or may buy back shares at the redemption price if deemed necessary in the interests of the unitholders, or to protect the Fund or the unitholders.

Specific risk considerations for NESTOR Osteuropa Fonds

The performance of securities on Eastern European stock exchanges and markets is to some extent subject to significant fluctuations. The potential of an investment in these countries is therefore subject to considerable risks.

The performance of these sub-funds may be influenced by exchange rate fluctuations of the base currency (euro) against the currencies of the countries in which the assets are invested, as well as by other factors such as political changes, restrictions on currency conversion and transfers, unclear ownership structures, inadequate stock exchange controls, taxes, restrictions on the investment of foreign capital and capital recovery, etc. In addition, non-payment by the issuer concerned cannot be completely ruled out.

Owing to the partly fledgling state of the banking, registration and telecommunications systems, investments in Eastern European countries carry risks as regards the closing out and liquidation of positions and the registration of securities transactions that do not normally arise with investments in Western countries.

Settlement mechanisms in emerging markets can be less well organised than those in organised markets. There is therefore a risk that settlement will be delayed and that the liquid assets or securities of the sub-funds will be put at risk by a failure or defect in the system. In particular, relevant standard practice may require that, in the case of the purchase of securities, payment of the purchase price takes place prior to delivery of the security and that, in the case of the sale of securities, delivery takes place prior to payment of the price. In such event, non-performance of an obligation by a broker or bank (the counterparty) through which the transaction concerned is being executed may result in a loss for the sub-funds that invest in securities of emerging markets.

Moreover, compensation systems may not exist or may be limited or inadequate and unable to meet the claims of the funds in the cases mentioned.

Ownership structures in some Eastern European countries are unclear. Consequently, investments in transferable securities of companies that hold assets in Eastern Europe may be exposed to increased risk.

Risks associated with the redemption of units

Due to the substantial risk of price fluctuations in relation to the limited capacity of these markets, the Management Company refers specifically to the possibility of a temporary suspension of the calculation of the net asset value and the redemption of units (Article 8 of the Management Regulations).

Suspension of the issue of units

The Management Company specifically refers to the fact that in accordance with Article 9, paragraph 5 of the Management Regulations, it may, at any time and at its discretion, reject a subscription request or temporarily limit, suspend or permanently discontinue the issue of units or may buy back shares at the redemption price if deemed necessary in the interests of the unitholders, or to protect the Fund or the unitholders.

Specific risk considerations for NESTOR Gold Funds

The performance of gold prices is one factor determining the performance of securities in the gold industry. In addition to the price of gold, numerous other factors will also have an impact and may be due to business, macroeconomic, geographical or geopolitical reasons. The correlation between the performance of the securities included in the portfolio and the price of gold is therefore variable and correspondingly difficult to determine.

It cannot therefore be expected that the sub-fund will be able to completely disassociate itself from the performance of the gold market through the selection of individual assets or that the performance of the sub-fund will immediately and automatically reflect gold price trends. The same applies if the sub-fund's assets are invested in securities of companies involved in other precious metals or commodities.

Assertion of rights against the Fund

The Management Company draws unitholders' attention to the fact that any unitholder may assert his/her unitholder rights in their entirety directly against the Fund only if such unitholders are entered themselves and in their own name in the register of unitholders. In cases where a unitholder has invested in the Fund through an intermediary that undertakes the investment in its own name but on behalf of the unitholder, not all unitholder rights can necessarily be asserted directly against the Fund by the unitholder. Unitholders are advised to inform themselves of their rights.

The units of the Fund are issued in the form of global certificates (bearer units).

9. Investments in funds

If sub-funds invest in units of other investment funds ("target funds"), any applicable subscription fees or possible redemption fees shall apply. It is to be noted that in addition to the costs that are charged to the sub-fund's assets in accordance with the provisions of this Prospectus and the Management Regulations that follow, costs for management and administration, the Depositary and auditor's fees, taxes as well as other costs and expenses in connection with the assets of these target funds shall apply, and consequently, similar costs may be paid several times.

In the case of subscriptions or redemptions of units of target funds which are directly or indirectly managed by the Management Company or a company associated with the Management Company, no fees are charged to the sub-fund by the Management Company or the other company.

The sub-funds shall not invest in target funds that are subject to a management fee of more than 2.5% per annum. Any performance fees which may arise are not taken into account in this.

If distribution fees are received for investments in target funds, these shall be attributed to the sub-fund concerned and shall reduce the costs.

NESTOR-Fonds

NESTOR Afrika Fonds
NESTOR Australien Fonds
NESTOR China Fonds
NESTOR Europa Fonds
NESTOR Fernost Fonds
NESTOR Gold Fonds
NESTOR Osteuropa Fonds

Overview of important information relevant to all sub-funds of NESTOR-Fonds¹

Established:		10 December 1993
Initial issue date:	- NESTOR Afrika Fonds	
	- Unit class B	02 January 2009
	- Unit class V	01 July 2016
	- NESTOR Australien Fonds	
	- Unit class B	21 May 2002
	- Unit class V	01 July 2016
	- NESTOR China Fonds	
	- Unit class B	01 August 2011
	- Unit class V	01 July 2016
	- NESTOR Europa Fonds	
	- Unit class B	13 December 1993
	- Unit class V	01 July 2016
	- NESTOR Fernost Fonds	
	- Unit class B	13 December 1993
	- Unit class V	01 July 2016
	- NESTOR Gold Fonds	
	- Unit class B	03 June 2002
	- Unit class V	01 July 2016
	- NESTOR Osteuropa Fonds	
	- Unit class B	21 February 2000
	- Unit class V	01 July 2016
Initial issue price: (plus any subscription fee):	- NESTOR Afrika Fonds	
	- Unit class B	EUR 100.--
	- Unit class V	EUR 500.--
	- NESTOR Australien Fonds	
	- Unit class B	EUR 100.--
	- Unit class V	EUR 500.--
	- NESTOR China Fonds	
	- Unit class B	EUR 100.--
	- Unit class V	EUR 500.--

¹ If no different terms and conditions were indicated in the following overview, the terms and conditions for all sub-funds are identical.

	- NESTOR Europa Fonds	
	- Unit class B	DM 1,000.-- ²
	- Unit class V	EUR 500.--
	- NESTOR Fernost Fonds	
	- Unit class B	DM 1,000.-- ²
	- Unit class V	EUR 500.--
	- NESTOR Gold Fonds	
	- Unit class B	EUR 100.--
	- Unit class V	EUR 500.--
	- NESTOR Osteuropa Fonds	
	- Unit class B	EUR 100.--
	- Unit class V	EUR 500.--
Subscription fee as a % of the net asset value (in favour of the distributors):	- all V unit classes	no subscription fee
	- all other sub-funds with the existing unit classes	up to 3%
Redemption fee as a % of the net asset value (in favour of the distributors):		Not yet charged
Calculation of the net asset value ³ :		Daily{1><1}
NAV calculation:	- all sub-funds with the existing unit classes	Subscription, redemption and conversion requests received by 14:00:00 (Luxembourg time) on a valuation day by the Management Company are processed on the basis of the net asset value of the next valuation day.
Conversion fee: (as a % of the net asset value of the sub-fund or class of units in which the conversion is to be made):	all sub-funds with the existing unit classes	In accordance with Article 9, paragraph 6 of the Management Regulations
Minimum investment amount:	- all V unit classes	EUR 500.--
	- all other sub-funds with the existing unit classes	none

2 Based on a decision of the Management Company, the net asset value of all units issued before 1 July 2001 was reduced by issuing new additional units for each unit issued in the ratio of 1:10. Thus, an initial issue price of one-tenth of the original initial issue price is calculated for units issued on the initial issue date.

3 The valuation day is any banking and trading day in Luxembourg and Frankfurt am Main. The following are not valuation days: New Year's Day, Good Friday, Easter Monday, May Day, Ascension Day, Whit Monday, Luxembourg National Day, Assumption Day, German Unity Day, All Saints' Day, Christmas Eve, Christmas Day and New Year's Eve

Management fee (including the central administration fee as a % of the sub-fund's net assets)	- NESTOR Afrika Fonds	
	- Unit class B	1.40% p.a.
	- Unit class V	1.00% p.a.
	- NESTOR Australien Fonds	
	- Unit class B	1.40% p.a.
	- Unit class V	1.00% p.a.
	- NESTOR China Fonds	
	- Unit class B	1.40% p.a.
	- Unit class V	1.00% p.a.
	- NESTOR Europa Fonds	
	- Unit class B	1.40% p.a.
	- Unit class V	1.00% p.a.
	- NESTOR Fernost Fonds	
	- Unit class B	1.40% p.a.
- Unit class V	1.00% p.a.	
- NESTOR Gold Fonds		
- Unit class B	1.40% p.a.	
- Unit class V	1.00% p.a.	
- NESTOR Osteuropa Fonds		
- Unit class B	1.40% p.a.	
- Unit class V	1.00% p.a.	
Depository fee ⁴ (as a % of the sub-fund's net assets)	- Unit class B	0.10% p.a.
	- Unit class V	0.10% p.a.
Investment Manager fee: (as a % of the sub-fund's net assets)	- NESTOR Afrika Fonds	
	- Unit class B	0.45% p.a.
	- Unit class V	0.45% p.a.
	- NESTOR Australien Fonds	
	- Unit class B	0.45% p.a.
	- Unit class V	0.45% p.a.
	- NESTOR China Fonds	
	- Unit class B	0.45% p.a.
	- Unit class V	0.45% p.a.
	- NESTOR Europa Fonds	
	- Unit class B	0.45% p.a.
	- Unit class V	0.45% p.a.
	- NESTOR Fernost Fonds	
	- Unit class B	0.45% p.a.
	- Unit class V	0.45% p.a.
	- NESTOR Gold Fonds	
	- Unit class B	0.45% p.a.
	- Unit class V	0.45% p.a.
- NESTOR Osteuropa Fonds		
- Unit class B	0.45% p.a.	
- Unit class V	0.45% p.a.	

4 The stated custodian fee may be subject to possible VAT.

Performance fee:

B unit classes

The Management Company additionally receives a performance fee, which is calculated each day on the basis of the net asset value of the relevant sub-fund and set aside. If a performance fee is due for a particular financial year, it will be fixed and paid out at the end of that financial year.

The performance fee for B unit classes is payable only if the following conditions are met on a cumulative basis:

A) The performance of the net asset value of the relevant sub-fund, as calculated on a daily basis, must exceed that of the benchmark – the hurdle rate index value – which is defined in detail below and likewise calculated on a daily basis. The hurdle rate index value is equal to the value of the benchmark index, which is calculated on every valuation day on an indexed basis.

B) If the net asset value of the relevant sub-fund before deduction of the performance fee exceeds the hurdle rate index value on the valuation day, a performance fee shall be payable as a percentage of the absolute performance of the sub-fund (the maximum percentage for the individual sub-funds is tabulated below). The performance fee is calculated based on the number of units of the relevant sub-fund that are in circulation on the valuation day.

After deduction of the performance fee, the sub-fund must not underperform the benchmark index. The comparison between the performance of the net asset value and the performance of the benchmark index is re-calculated for each financial year. If there is a fall in the net asset value in a particular fee period, this fall will not be carried forward to subsequent fee periods for the purposes of calculating the performance fee.

The performance fee cannot be reimbursed if the net asset value falls after deduction of the performance fee.

Unit classes V

The Management Company also receives a performance fee which is calculated each day on the basis of the net asset value of the unit class concerned and set aside. If a performance fee is due for a particular financial year, it will be fixed and paid out at the end of that financial year. The performance fee cannot be reimbursed if the net asset value falls after deduction of the performance fee.

The performance fee for unit classes V is payable only if the following conditions are met on a cumulative basis:

A) The net asset value of the unit class used to calculate the performance fee must be higher than the relevant high watermark. The high water mark at any time is equal to the highest net asset value of the previous five financial year-ends (since the entry into force of this provision or the launch of the relevant unit class). The unit price of the relevant unit class (excluding sales commission) at the date on which this provision enters into force is the first high water mark.

B) The performance of the unit class's net asset value, calculated on a daily basis, must exceed that of the benchmark index – the hurdle-rate index value – which is defined in detail below and also calculated on a daily basis. The hurdle rate index value is equal to the value of the benchmark index, which is calculated on every valuation day on an indexed basis.

If the net asset value of the relevant sub-fund before deduction of the performance fee exceeds the hurdle rate index value on the valuation day, a performance fee shall be payable as a percentage of the absolute performance of the sub-fund (the maximum percentage for the individual sub-funds is tabulated below). The performance fee is calculated based on the number of units of the relevant sub-fund that are in circulation on the valuation day. Based on the result of the daily

comparison, an accrued performance-related remuneration for the relevant unit class is deferred or liquidated if there is a deviation in the performance of the benchmark index or the high watermark. A negative total claim for remuneration remains, however, excluded in any event.

The result determination for the unit class takes place after charging the aforementioned management fee and any other costs chargeable under the Management Regulations.

In the event of termination throughout the year, any provisions accrued pro rata up to the commencement of the termination are taken into account in the determination of the performance-related remuneration. The Management Company may calculate a lower performance-related remuneration for one or more unit classes or refrain from the calculation of a performance-related remuneration.

	Performance Fee in%	Benchmark index (Further information at the end of the chart)
- NESTOR Afrika Fonds		
- Unit class B	up to 15%	Dow Jones Afrika Titans 50
- Unit class V	up to 20%	Dow Jones Afrika Titans 50
- NESTOR Australien Fonds		
- Unit class B	up to 15%	S&P/ASX 200
- Unit class V	up to 20%	S&P/ASX 200
- NESTOR China Fonds		
- Unit class B	up to 15%	MSCI China in Euro
- Unit class V	up to 20%	MSCI China in Euro
- NESTOR Europa Fonds		
- Unit class B	up to 15%	MSCI Europe
- Unit class V	up to 20%	MSCI Europe
- NESTOR Fernost Fonds		
- Unit class B	up to 15%	MSCI AC Asia Pacific free ex Japan
- Unit class V	up to 20%	MSCI AC Asia Pacific free ex Japan
- NESTOR Gold Fonds		
- Unit class B	up to 15%	Philadelphia Stock Exchange Gold and Silver Index
- Unit class V	up to 20%	Philadelphia Stock Exchange Gold and Silver
- NESTOR Osteuropa Fonds		
- Unit class B	up to 15%	MSCI EM Eastern Europe 10/40 Total Return Index (MN40MEU)
- Unit class V	up to 20%	MSCI EM Eastern Europe 10/40 Total Return Index (MN40MEU)
Base currency:	Euro	
Currency of the sub-funds:	Euro	
End of the financial year:	30 June	

Dividend policy:	- Unit class B - Unit class V	Accumulation Accumulation
Stock exchange listing:		Not planned
Domicile:		Luxembourg, Germany, Austria
Securitisation:		Global certificates (bearer units) or via the Central Facility for Funds (CFF) procedure at Clearstream Banking Luxembourg
Security identification number:		<u>Security code</u> <u>ISIN</u>
	- NESTOR Afrika Fonds	
	- Unit class B	A0RELJ LU0407232692
	- Unit class V	A2ALWK LU1433073878
	- NESTOR Australien Fonds	
	- Unit class B	570 769 LU0147784119
	- Unit class V	A2ALWL LU1433073951
	- NESTOR China Fonds	
	- Unit class B	A1JDK8 LU0656651824
	- Unit class V	A2ALWM LU1433074090
	- NESTOR Europa Fonds	
	- Unit class B	972 878 LU0054735948
	- Unit class V	A2ALWN LU1433074173
	- NESTOR Fernost Fonds	
	- Unit class B	972 880 LU0054738967
	- Unit class V	A2ALWP LU1433074256
	- NESTOR Gold Fonds	
	- Unit class B	570 771 LU0147784465
	- Unit class V	A2ALWQ LU1433074330
	- NESTOR Osteuropa Fonds	
	- Unit class B	930 905 LU0108457267
	- Unit class V	A2ALWR LU1433074413
GEI/LEI	NESTOR Fonds (Umbrella)	5299008M48PW12XM2911
	NESTOR Afrika Fonds	529900ONEHJBSAV02W93
	NESTOR Australien Fonds	529900XHLN5A93N31219
	NESTOR China Fonds	529900QSVD4NCI0GQA46
	NESTOR Europa Fonds	529900I9B4Z3RMA20543
	NESTOR Fernost Fonds	5299002ZZFTQ898TC322
	NESTOR Gold Fonds	5299006FCXMTXUSZPH20
	NESTOR Osteuropa Fonds	529900UWSTFVMC0P0C58
Publication in <i>Mémorial C</i> : and Recueil Electronique des Sociétés et Associations (RESA)	Management Regulations - last amendment	11 January 1994 (<i>Mémorial C</i>) 12 February 2018 (RESA)
Performance (capital appreciation):	An overview per sub-fund and unit class may be found in the key investor information. It is not necessarily the case that inferences in respect of the future results of the relevant sub-fund/unit class can be derived from the performance to date.	

Additional information on the applied indices:

The benchmark Dow Jones Africa Titans 50 and S&P/ASX 200 Index are provided by S&P Dow Jones Indices LLC. The administrator of the previous mentioned benchmark is not included in the ESMA-Index of the benchmark-administrators because of the EU-regulation 2016/1011 (“benchmark-regulation”) which intends a transition time up to the 1st January 2020 for the registration/certification of an administrator (status of information: July 2018)

The benchmark MSCI China in Euro, MSCI AC Asia and MSCI Em Eastern Europe 10/40 Total Return Index (MN40MEU) are provided by Morgan Stanley Capital International. The company is registered in accordance with Article 36 of the EU-regulation 2016/1011.

The benchmark Philadelphia Stock Exchange Gold and Silver Index is provided by Nasdaq. The administrator of the previous benchmark is not included in the ESMA-Index of the benchmark-administrators because of the EU-regulation 2016/1011 (“Benchmark-regulation”), which intends a transition time up to the 1st January 2020 for the registration/certification of an administrator (status of information: July 2018).

If the respective benchmark-index is inapplicable or substantial changes were made, the management company will establish a resilient written plan, in which the activities to find out another appropriate index are set out . The established index takes place instead of the mentioned index. On request the Plan will be provided free of charge at the domicile of the management company.

Management and administration

Management Company

NESTOR Investment Management S.A.
2 Place François-Joseph Dargent
L-1413 Luxembourg
Equity capital as at 09 March 2018: TEUR 585,7

Executive Board of the Management Company:

Tim Kiefer
Executive Board
WARBURG INVEST LUXEMBOURG S.A.
Luxembourg

Helmut Hohmann
Executive Board
NESTOR Investment Management S.A.
Luxembourg

Supervisory Board of the Management Company:

Chairman:

Rüdiger Tepke
Executive Board
M.M.Warburg & CO Luxembourg S.A.
Luxembourg

Supervisory Board members:

Dr Detlef Mertens
Executive Board
WARBURG INVEST LUXEMBOURG S.A.
Luxembourg

Dr. Michael Kohlhase
Partner
Dr. Kohlhase Vermögensverwaltungsgesellschaft mbH
Munich

Frank Burow
COO
OVB Holding AG
Cologne

Depositary:

M.M.Warburg & CO Luxembourg S.A.
2, Place François-Joseph Dargent
L-1413 Luxembourg

Registrar and transfer agent

M.M.Warburg & CO Luxembourg S.A.
2, Place François-Joseph Dargent
L-1413 Luxembourg

Auditors:

from 1 July 2017:
PricewaterhouseCoopers, Société coopérative
(cooperative company)
2 Rue Gerhard Mercator
L-2182 Luxembourg

until 30 June 2017:
KPMG Luxembourg, Société coopérative
39 Avenue John F. Kennedy
L-1855 Luxembourg

Paying Agents:

in Luxembourg (Principal Paying Agent): M.M.Warburg & CO Luxembourg S.A.
2, Place François-Joseph Dargent
L-1413 Luxembourg

Paying Agent in the Federal Republic of Germany: M.M.Warburg & CO (AG & Co.) KGaA
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D-20095 Hamburg

Paying Agent/Tax Representative in Austria: Erste Bank der österreichischen Sparkassen AG
Am Belvedere 1
A-1100 Vienna

Central Administration:

WARBURG INVEST LUXEMBOURG S.A.
2, Place François-Joseph Dargent
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Investment Managers:

NESTOR Afrika Fonds: Dr Kohlhase
Vermögensverwaltungsgesellschaft mbH
Löwengrube 18
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NESTOR Australien Fonds: Schröder Equities GmbH
Seitzstrasse 7a
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NESTOR Gold Fonds: Konwawe AG
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NESTOR Europa Fonds: Kontor Stöwer Asset Management GmbH
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NESTOR China Fonds/NESTOR Fernost Fonds: Hansabay Pte. Ltd.
Republic Plaza, #57-09
9 Raffles Place
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NESTOR Osteuropa Fonds: DIALÓG Befektetési Alapkezelő Zártkörűen Működő
Részvénytársaság
Montevideo utca 3/B
1037 Budapest
Hungary

Information Agent in Germany: Dr Kohlhase
Vermögensverwaltungsgesellschaft mbH
Löwengrube 18
D-80333 Munich

Management Regulations

Article 1 The Fund

1. NESTOR-Fonds (the "Fund") was established under Luxembourg law as an undertaking for collective investment in transferable securities ("UCITS") in the form of a mutual fund (*fonds commun de placement*) by NESTOR Investment Management S.A. (the "Management Company").
2. The Fund consists of one or more sub-funds within the meaning of Article 181 of the Law of 17 December 2010 on Undertakings for Collective Investment (the "Law of 2010"). The range of sub-funds make up the Fund. Each investor participates in the Fund's assets by investing in one of the sub-fund. The net assets of the Fund must be at least equal to EUR 1,250,000.-- within 6 months of the date the Fund is approved.

Each sub-fund is regarded as a separate co-ownership of assets as far as the relationship between the unitholders is concerned. The rights and obligations of unitholders of a sub-fund are separate from those of unitholders of other sub-funds. In terms of investments and investment policy as per Article 4, too, each sub-fund is regarded as a separate fund.

In relation to third parties, the assets of a sub-fund shall be solely responsible for the liabilities attributable to that sub-fund.

3. The legal rights and obligations of the unitholders, the Management Company and the Depositary are governed by the Management Regulations, which are prepared by the Management Company.

Each unitholder shall be aware of the Management Regulations as well as all amendments to the same when purchasing units.

Article 2 Management of the Fund

1. The Management Company is NESTOR Investment Management S.A., a public limited company under Luxembourg law with its registered office in Luxembourg city.
2. The Management Company manages the Fund acting in its own name but in the sole interest and for the joint account of all unitholders. The administrative powers extend to the exercise of all rights directly or indirectly associated with the assets of the individual sub-funds.
3. The Management Company establishes the investment policy of each sub-fund in consideration of the legal and contractual investment restrictions. The Executive Board of the Management Company may appoint one or more of its members as well as other natural or legal persons to implement the daily investment policy.
4. The Management Company may be supported by an investment advisor or manager for the investment of the Fund's assets.

The investment advisor or the investment manager is appointed by the Management Company. The Management Company appoints for a sub-fund only those investment advisors or managers who have obtained above-average performance figures over several years.

The duties of the investment advisor and manager include, in particular, monitoring the financial markets, analysis of the portfolio composition of each sub-fund and making investment suggestions to the Management Company in consideration of the investment policy and restrictions of each sub-fund.

The duties of the investment manager may include, in particular, the implementation of the daily investment policy of the respective sub-fund within the meaning of paragraph 3, sentence 2.

Article 3 The Depositary and Transfer Agent

1. The appointment of the Depositary and Transfer Agent is made by the Management Company.
2. Sole Depositary of the Fund is M.M. Warburg & CO Luxembourg S.A. with registered office at in 2 Place François-Joseph Dargent, L -1413 Luxembourg. The Depositary is a public limited liability company under the law of the Grand Duchy of Luxembourg and conducts banking business. The rights and obligations of the Depositary comply with the Law of 17 December 2010, the Custodian Agreement, this Prospectus and these Management Regulations.
3. In performing its functions, the Depositary shall act honestly, fairly, professionally, independently and in the interest of the Fund and its investors.
4. All securities and other assets of the Fund shall be held in safekeeping by the Depositary in accounts and deposits, authority over which may only be exercised in accordance with the provisions contained in these Management Regulations. The Depositary may, on its own responsibility, request the custody of the securities and other assets by other banks and securities clearing and deposit banks.
5. To the extent permitted by law, the Depositary is authorised and obliged in its own name
 - to assert claims of unitholders against the Management Company or a previous Depositary;
 - to object to actions brought by third parties and to take appropriate measures in the case of enforcement of claims for which the assets of the respective sub-fund are not liable.
6. The Depositary must follow the instructions of the Management Company, provided such instructions do not contradict the law, the Management Regulations or the respective valid Prospectus of the Fund.

7. The Depositary is entitled to terminate its appointment at any time in accordance with the respective Depositary agreement. In such case, the Management Company is obliged to dissolve the Fund in accordance with Article 16 of the Management Regulations or to appoint another bank as Depositary within two months with the approval of the responsible supervisory authority; up to then the former Depositary shall continue to fulfil its obligations as Depositary without reservation for the protection of the interests of the unitholders.

Likewise, the Management Company is entitled to terminate the Depositary mandate at any time in accordance with the respective Depositary agreement. Such termination essentially involves the dissolution of the Fund in accordance with Article 16 of these Management Regulations if the Management Company has not previously appointed another bank as Depositary with the approval of the responsible supervisory authority to take over the legal functions of the previous Depositary.

8. The Depositary shall not perform any functions with regard to the Fund or the Management Company acting on behalf of the Fund that may create conflicts of interest between the Fund, the investors of the Fund, the Management Company as well as the agents of the Depositary and itself. This does not apply unless the Depositary has functionally and hierarchically separated the performance of its Depositary functions from its other potentially conflicting functions and the potential conflicts of interest are duly identified, managed, monitored and disclosed to the investors of the Fund.

Article 4 Investment policy, investment restrictions

1. Definitions

The following definitions shall apply:

- "Third state": shall mean any European state which is not a member of the European Union, any American, African, Asian, Australian or Oceania state, under these Management Regulations.
- "Money market instrument": Instruments within the meaning of Article 3 of the Grand-Ducal regulation of 8 February 2008, that are normally traded on the money market, are liquid and whose value may be accurately determined at any time.
- "UCI": Undertaking for Collective Investment.
- "UCITS": Undertaking for Collective Investment in Transferable Securities, governed by Directive 2009/65/EC.
- "Transferable security":
- Equities and other securities similar to equities ("equities");
 - Bonds and other debt instruments ("bonds")
 - all other negotiable securities within the meaning of article 2 of the Grand Ducal regulation of 8 February 2008 that bestow a right to acquire securities by subscription or exchange, excluding the techniques and instruments referred to in section 7 of this Article.

2. Investment policy

The main objective of the Fund's investment policy is to achieve capital growth.

For this purpose, it is intended that the assets of the individual sub-funds will be invested in the instruments referred to in no. 3. below in accordance with the principle of risk-spreading and in line with the respective investment policy. The investment policy of each sub-fund is described in the Prospectus.

The investment limits concerning securities traded on a stock exchange or a regulated market are applicable if the securities take the form of Global Depositary Receipts (GDRs) or American Depositary Receipts (ADRs) which are issued by first-class financial institutions. ADRs are issued and promoted by US banks. They grant the right to acquire securities, which were issued by issuers and are deposited in a US bank or in a correspondent bank in the USA. GDRs are deposit certificates which are issued by a US bank, a European bank or by another financial institution and which have the same characteristics as ADRs. ADRs and GDRs need not necessarily be denominated in the same currency as the underlying securities.

Investment of the assets of the individual sub-funds is subject to the following general investment provisions and restrictions, which in principle, unless indicated otherwise, apply separately to each sub-fund. This does not apply to the restrictions laid down in section 5(1) hereafter which apply to the Fund as a whole or its total net assets as they result from the addition of the assets of all sub-funds less related liabilities ("net assets").

The Fund will not use techniques and instruments as defined in Article 3(11) of Regulation (EU) 2015/2365. If the Fund intends to use these techniques and instruments, the Fund Prospectus will be amended in line with the provisions of Regulation (EU) 2015/2365.

3. The Fund's investments may consist of the following assets:

- a) Securities and money market instruments that are listed or traded on a regulated market in accordance with Article 4 (14) of Directive 2004/39/EC of 21 April 2004 on markets in financial instruments, as amended.
- b) Transferable securities and money market instruments which are traded on another market in a Member State of the European Union which is regulated, operates regularly and is recognised and open to the public;
- c) Transferable securities and money market instruments which are admitted to an official exchange listing or traded on a regulated market of a third state, which operates regularly and is recognised and open to the public;
- d) Newly issued securities and money market instruments, provided the terms of issue include the obligation to apply for permission to trade on a regulated market within the meaning of the conditions laid down in No. 3. a) to c) above and that the permission is received at the latest within one year of issue.

- e) Units of UCITS authorised under Directive 2009/65/EC and/or other UCIs within the meaning of Article 1 (2) (a) and (b) of Directive 2009/65/EC, which have their registered office in a member state of the European Union or in a third state, provided that
 - such other undertakings for collective investment are authorised under laws subjecting them to supervision considered by the CSSF to be equivalent to that laid down in European Community law, and that cooperation between the authorities is sufficiently ensured;
 - the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS and in particular that the rules on the segregation of assets, borrowing, lending and short selling of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC;
 - the business of such other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
 - no more than 10% of the assets of the UCITS or these other UCIs to be acquired, may, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs;
- f) Sight or call deposits with credit institutions maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State of the European Union or, if the registered office of the credit institution is situated in a third state, provided that it is subject to supervision considered by the CSSF as equivalent to those laid down in Community law;
- g) Financial derivative instruments, i.e. options, futures and derivatives, including equivalent cash-settled instruments traded on a regulated market referred to in subparagraphs a), b) and c) and/or financial derivative instruments not traded on a stock exchange ("OTC derivatives"), provided that
 - the underlying investments consist of instruments covered by No. 3. a) to h), financial indices, interest rates, foreign exchange rates or currencies, in which the Fund or sub-funds may invest according to its investment objectives;
 - the counterparties to OTC derivative transactions are institutions subject to prudential supervision and belonging to the categories approved by the CSSF, and
 - the OTC derivatives are subject to reliable and verifiable valuations on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative;
- h) Money market instruments other than those traded on a regulated market and which do not come under the aforementioned definition, if the issuer or the issuer of such instruments are themselves regulated for the purpose of protecting investors and deposits, and provided that such instruments are
 - issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a third state or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong or,
 - issued by an undertaking any securities of which are traded on regulated markets referred to in subparagraphs a), b) or c) above, or
 - issued or guaranteed by an institution subject to prudential supervision in accordance with the criteria defined by Community law or by an institution which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law or,
 - issued by other issuers belonging to the categories approved by the CSSF, provided that the investments in such instruments are subject to investor protection equivalent to that in the first, second or third indent, and provided the issuer is a company whose equity capital amounts to at least ten million euros (EUR 10,000,000) and which draws up and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, or is an entity which, within a group of companies that includes one or more listed companies is responsible for the financing of the group, or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

4. The Fund may also:

- a) invest up to 10% of its net assets in transferable securities and money market instruments other than those referred to in No. 3.;
- b) hold up to 49% of its net assets in cash and similar assets;
- c) borrow the equivalent of up to 10% of its net assets on a short-term basis. Hedging in relation to the sale of options or the purchase/sale of futures and forward contracts is not considered a loan under this investment limit;
- d) acquire foreign currencies via back-to-back loans.

5. In addition, the following investment limits apply to the Fund's investments:

- a) The Fund may invest up to 10% of its net assets in transferable securities or money market instruments issued by the same body. The Fund may invest a maximum of 20% of its net assets in deposits made with the same institution. The other provisions of the Management Regulations must also be followed. The counterparty risk of the Fund in OTC derivative transactions may not exceed 10% of its net assets when the counterparty is a credit institution within the meaning of no. 3. f). For all other cases this limit is a maximum of 5% of the net assets of the Fund.
- b) The total value of the transferable securities and money market instruments held by the Fund in the issuing bodies in each of which it invests more than 5% of its net assets must not exceed 40% of the value of its net assets. This limit does not apply to deposits and OTC

derivative transactions effected with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in No. 5. a), the Fund may not combine the following in excess of 20% of its net assets:

- investments in transferable securities or money market instruments issued by a single body,
 - deposits made with as single body and/or
 - exposures arising from OTC derivatives undertaken with a single body.
- c) The limit laid down in the first sentence of no. 5 (a) sentence 1 may be a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State of the European Union, by its local authorities, by a non-Member State or by public international bodies of which one or more Member States are members. If a sub-fund makes use of this derogation, a corresponding provision will be included in the investment policy.
- d) The limit laid down in the first sentence of No. 5. a) sentence 1 may be a maximum of 25% for certain bonds when they are issued by a credit institution which has its registered office in a Member State of the European Union and which is subject by law to special prudential supervision for the purpose of protecting bondholders. In particular, the sums resulting from the issue of these bonds must be invested pursuant to the law in assets which, during the whole period of validity of the bonds, sufficiently cover the liabilities of these bonds and which, should the issuer default, would be used on a priority basis for the repayment of the principal and payment of the accrued interest.

If the Fund invests more than 5% of its net assets in the bonds issued by a single body referred to in the previous sub-section, the total value of such investments may not exceed 80% of the value of the net assets of the Fund.

- e) The transferable securities and money market instruments referred to in No. 5. c) and d) are not included in the calculation of the limit of 40% laid down in No. 5. b).

The limits set out in No. 5. a), b), c) and d) may not be combined and accordingly, investments in transferable securities or money market instruments issued by the same body, or in deposits or derivatives effected with this body made in accordance with No 5. a), b), c) and d) may not exceed a total of 35% of the net assets of the Fund.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with the recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits referred to in subparagraphs a) to e) above.

The Fund may cumulatively invest up to 20% of its net assets in transferable securities and money market instruments within the same group.

- f) Without prejudice to the limits laid down in No. 5. k), l) and m) that follow, the limits laid down in No. 5. a) to e) are raised to a maximum of 20% for investments in equities and/or bonds issued by the same body when the objective of the investment policy of the Fund or sub-fund is to replicate the composition of a certain equity or bond index which is recognised by the CSSF. Provided that:
- the composition of the index is sufficiently diversified;
 - the index represents an adequate benchmark for the market to which it refers;
 - the index is published in an appropriate manner.

- g) The limit laid down in paragraph No. 5. (f) is raised to 35% where that proves to be justified by exceptional market conditions in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. An investment up to this limit is only permitted for a single issuer.

- h) **By way of derogation from the provisions laid down in No. 5. (a) to (e), the Fund may invest in accordance with the principle of risk-spreading up to 100% of its net assets in transferable securities and money market instruments from different issues and issued or guaranteed by any Member State of the European Union, its local authorities, any other Member State of the OECD or public international bodies of which one or more Member States of the European Union are members, provided that (i) these securities are from at least six different issues, and (ii) securities from any one issue may not account for more than 30% of the total net assets of the Fund.**

- (i) The Fund may invest up to 10% of its net assets in units of other UCITS or other UCIs referred to in no. 3. e).

- j) If the Fund acquires units of a UCITS and/or other UCIs, the assets of the UCITS or the other UCIs concerned shall not be taken into account when calculating the limits referred to in No. 5. a) to e).

If the Fund acquires units of another UCITS and/or other UCIs which are directly or indirectly managed by the same management company or by a different company connected with the management company through joint management or control or through material direct or indirect holding, the management company or the other company shall charge the Fund no fees for the subscription or redemption of units of other UCITS and/or other UCIs.

- k) For all funds under its management, the Management Company of the Fund shall not acquire sufficient voting shares to enable it to exercise significant influence over the management of the issuer.

- l) Moreover, the Fund may acquire no more than:

- 10% of the non-voting shares of the same issuer;
- 10% of the bonds of the same issuer;
- 25% of the units of the same UCITS and/or other UCI;
- 10% of the money market instruments of the same issuer.

The limits laid down in the second, third and fourth indents may be disregarded at the time of acquisition if at that time the gross amount of bonds or money market instruments or the net amount of the instruments in issue cannot be calculated.

- m) The provisions laid down in No. 5. k) and l) are waived as regards:
- aa) transferable securities and money market instruments issued or guaranteed by a Member State of the European Union or its local authorities;
 - bb) transferable securities and money market instruments issued or guaranteed by a third state;
 - cc) transferable securities and money market instruments issued by public international bodies of which one or more Member States of the European Union are members;
 - dd) units held in the capital of a company incorporated in a non-Member State of the European Union if (i) such a company invests its assets mainly in the securities of issuing bodies having their registered office in that State, (ii) where under the legislation of that State, such a holding represents the only way in which the Fund may invest in the securities of issuing bodies of that State and (iii) this company complies in terms of its investments with the limits laid down in No. 5. a) to e) and No. 5. i) to l).
- n) The Fund may not acquire precious metals or related certificates.
- o) The Fund may not invest in property, but investment is permitted in property-backed securities or interest thereon, or in securities issued by companies that invest in property and the interest thereon.
- p) No loans or guarantees for third parties may be issued from the Fund's assets but this investment restriction shall not prevent the Fund from investing its net assets in securities, money market instruments or other financial instruments referred to in No. 3. e), g) and h) hereabove that are not paid up in full; provided that the Fund has sufficient cash or liquid assets in order to be able to meet the outstanding payments; such reserves may not already be allocated for the sale of options.
- q) Short selling of securities, money market instruments or other financial instruments referred to in No. 3. e), g) and h) is not permitted.

6. Notwithstanding any provision to the contrary contained herein:

- a) the Fund is not required to apply the investment limits set in No. 3. to 5. hereabove when exercising the subscription rights carried by securities and money market instruments that form part of its assets.
- b) if any of these ceilings are exceeded for reasons that are beyond the control of the Fund or because of the exercise of subscription rights, the Fund shall seek to rectify the situation through sale transactions whilst acting in the interests of its unitholders.
- c) if the issuer is a legal entity with several sub-funds in which the assets of each sub-fund are used only to cover investor and creditor claims arising when the sub-fund is formed, expires or is liquidated, then for the purpose of the application of the rules on risk spreading given in no. 5. (a) to (g) and no. 5. (i) and (j), each sub-fund shall be deemed a separate issuer.
- d) Newly issued sub-funds may deviate from the investment limits given in no. 5. a) to i) here above for a period of six months although they must continue to respect the principle of risk spreading.

The Fund's Executive Board may set additional investment limits if necessary to ensure compliance with legal and management requirements in the countries in which the units of the Fund are offered or sold.

7. Techniques and instruments

a) General

For the purpose of hedging, efficient portfolio management, duration and risk management, the Fund may use derivatives and other techniques and instruments subject to the applicable legislation, rules and CSSF circulars.

If such transactions require the use of derivatives, the conditions and limits must comply with the provisions set out in no. 3 to 6 of this Article. Furthermore, the provisions stated below in no. 10 of this Article on risk management procedures shall also apply.

The Fund may under no circumstances deviate from the investment objectives of the respective sub-fund referred to in the Prospectus when effecting transactions involving derivatives and other techniques and instruments.

All income from techniques and instruments for the purpose of efficient portfolio management, less direct and indirect operational costs, must be paid to the respective sub-fund.

The risk of default by the counterparty of the techniques instruments for efficient portfolio management along with the default risk of the counterparty in OTC derivative transactions must adhere to the amount of 5% or 10% stated above in no. 5 a) sentence 3.

In particular, costs and fees for the service providers to the Fund and other intermediaries which provide services in connection with other efficient portfolio management techniques may arise as normal compensation for their services. Such fees may be calculated as a percentage of the net income from the usage of efficient portfolio management techniques and instruments and be charged to the respective sub-fund. Information on direct and indirect operating costs and fees which may occur in this connection and on the identity of the parties to whom such costs and fees are paid, plus any relationship of such parties to the Depositary or any investment manager, shall be contained in the Fund's annual report.

Special provisions regarding individual instruments are listed below.

b) Securities lending and borrowing

The Fund may enter as a lender into securities lending transactions provided that they comply with the rules set forth in CSSF circulars 08/356 and 11/512, as well as with the following rules:

- aa) The Fund may lend securities, either directly or indirectly, via a standardised securities lending system organised by a recognised clearing house, or via a securities lending system organised by a financial institution that is subject to supervisory rules regarded by the CSSF as being equivalent to those laid down in Community law and that specialises in this type of operation.
In any event, the borrower must be subject to supervisory rules regarded by the CSSF as being equivalent to those laid down in Community law.
- bb) The Fund must ensure that the extent of the securities lending transactions remains at a reasonable level and may only conduct securities lending transactions if the securities transferred in accordance with the contractual conditions can be transferred back and any securities lending agreements can be terminated at any time.
- cc) The sub-fund's net exposure, i.e. the sub-fund's exposure less the collateral received for one and the same party from one or more securities lending transactions and/or from the repurchase transactions described under c), must be taken into account when applying the 20% limit stipulated in section 5 b) of this Article.
- dd) Securities lending must not exceed 50% of the total value of the securities held in the sub-fund's portfolio.
- ee) Securities lending and borrowing transactions may not extend beyond a period of 30 days.
- ff) The restrictions laid down in points dd) and ee) do not apply where the Fund is entitled at any time to terminate the contract and to request the return of the loaned securities at any time.

c) Repurchase agreements

The Fund may also participate in securities repurchase agreement transactions consisting of the purchase and sale of securities.

The Fund must ensure that it is able at any time to obtain repayment of the full monetary amount or is able to terminate the securities repurchase transaction either at the accrued total amount or at a mark-to-market value. If, in this respect, the Fund agrees to terminate the securities repurchase transaction at a mark-to-market value, the mark-to-market value of the securities lending transaction will be applied to calculate the net asset value.

The Fund may act as either buyer or seller in repurchase agreement transactions or in a series of continuing repurchase transactions. Its participation in these transactions is, however, subject to the following rules:

- aa) The Fund may only conduct securities lending transactions if the return of the securities underlying and transferred under the transaction in accordance with the contractual agreements can be requested and the agreed transaction can be terminated at any time.
- bb) The Fund may buy or sell securities via a repurchase agreement transaction only if the counterparty is subject to supervisory rules regarded by the CSSF as being equivalent to those laid down in Community law.
- cc) During the lifetime of a repurchase agreement, the Fund may not sell the securities which are the subject of the agreement until either the right to repurchase these securities has been exercised by the counterparty or the repurchase term has expired.
- dd) As the Fund is subject to redemptions of its own units, it must take care to ensure that the level of exposure to repurchase agreement transactions is such that it is able to meet its redemption obligations at all times.
- ee) The following securities may be bought by the Fund via a repurchase agreement transaction:
 - (i) either short-term bank certificates or else money market instruments as defined in Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to certain UCITS as regards the clarification of certain definitions;
 - (ii) debt securities issued or guaranteed by a member state of the OECD or by its local authorities or by supranational institutions and organisations of an EU, regional or global nature;
 - (iii) shares or units issued by money market funds and for which the net asset value is calculated on a daily basis and that are assigned an AAA or equivalent rating;
 - (iv) debt securities issued by non-government issuers and offering appropriate liquidity; and
 - (v) shares listed or traded on a regulated market in a member state of the European Union or on a stock exchange of an OECD member state provided these shares are included in a major index.
- ff) These securities must be in line with the sub-fund's investment policy and must, together with the other securities held in the sub-fund's portfolio, adhere as a general principle to the sub-fund's investment restrictions
- gg) The sub-fund's net exposure, i.e. the sub-fund's exposure less the collateral received for one and the same party from one or more securities lending transactions and/or from the repurchase transactions described under c), must be taken into account when applying the 20% limit stipulated in section 5 b) of this Article.

Repurchase agreements shall to be entered into on an occasional basis only.

8. Derivatives

Each sub-fund may use derivatives for hedging purposes and for efficient portfolio management in accordance with the respective investment policy described in more detail in the Prospectus.

Each sub-fund may invest in any derivatives of assets that are permitted to be acquired for the sub-fund or of financial indices, interest rates, exchange rates or currencies. This in particular includes options, financial futures contracts and swaps, and combinations thereof. These can be used not only for hedging purposes but also as part of the respective sub-fund's investment strategy.

The conditions and limits must in particular be in line with the provisions of no. 3 g), no. 3 and no. 8 above. In particular, the stipulations concerning the risk management procedure for derivatives must be taken into consideration.

9. Collateral and reinvestment of collateral

The Management Company may within the framework of the strategy stated in this section receive collateral in connection with OTC derivative transactions and techniques and instruments for efficient portfolio management in order to reduce its counterparty risk. This section sets forth the strategy employed by the Management Company for the respective sub-fund in order to manage collateral.

All assets received by the Management Company in connection with the techniques and instruments for efficient portfolio management (securities lending and securities repurchase transactions) are to be considered as collateral within the meaning of this section.

a) General provisions

Collateral received from the Management Company for the respective sub-funds may be used for the purpose of reducing the counterparty risk to which the Management Company is exposed if it meets the requirements, in particular as regards liquidity, valuation, quality in connection with the insolvency of issuers, correlation, risks in relation to the management of collateral and enforceability, laid down in the applicable laws, regulations and circulars issued by the CSSF.

Admissible collateral

In addition, collateral for securities lending transactions, reverse repurchase agreements and OTC derivative transactions (excluding currency forward transactions) shall be provided in one of the following forms:

- a. Liquid assets such as cash, short-term bank deposits, money market instruments in accordance with the definition of Directive 2007/16/EC of 19 March 2007, letters of credit and first request guarantees issued by first-class credit institutions not connected to the counterparty, or bonds issued by an OECD member state or its regional authorities or by supranational institutions and authorities on a municipal, regional and international level;
- b. Units of a UCI investing in money market instruments which calculates the net asset value on a daily basis and with a rating of AAA or equivalent,
- c. Units of a UCITS which primarily invests in the bonds/shares listed in the next two points;
- d. Bonds issued or guaranteed by first-class issuers offering appropriate liquidity; or
- e. shares admitted to or traded on a regulated market in a member state of the European Union or on a stock exchange of an OECD member state provided these shares are included in a recognised index.

b) Scope of the collateral

The Management Company will determine the required scope of the collateral for OTC derivative transactions and techniques and instruments for efficient portfolio management for the respective sub-fund according to the nature and characteristics of the transactions carried out, the creditworthiness and identity of the counterparty plus the respective market conditions.

- c) The Management Company may receive collateral in respect of transactions in OTC derivatives and reverse repurchase agreements in order to reduce the counterparty risk. In connection with its securities lending transactions, the Company must receive collateral whose value for the duration of the agreement represents at least 90% of the total value of the loaned securities (including interest, dividends, other possible rights and any agreed discounts or minimum transfer amounts).

d) Haircut strategy

Collateral received is valued on each valuation day using available market prices and reflecting reasonable valuation discounts set by the Management Company for each type of asset of the respective sub-fund based on the haircut strategy of the Management Company. This strategy takes into consideration various factors depending on the collateral received, such as the credit rating of the counterparty, maturity, currency and price volatility of the assets. In principle, a haircut is not applied to cash collateral accepted, as long as this cash collateral is denominated in the respective sub-fund's currency. At this time, only cash in the respective sub-fund's currency is accepted as collateral.

e) Reinvestment of collateral

- Non-cash collateral
Non-cash collateral accepted by the Management Company for the respective sub-fund should not be disposed of, reinvested or pledged.
- Cash collateral

Cash collateral accepted by the Management Company for the respective sub-fund may only be invested in liquid assets in accordance with the provisions of Luxembourg law and the applicable provisions, in particular of the ESMA guideline 2012/832, implemented through CSSF circular 13/559.

Cash collateral received should only

- be invested as sight deposits in entities in accordance with Article 50 (f) of the UCITS Directive;
- be invested in high-quality government bonds;
- be used for reverse repurchase transactions, provided that these are transactions with credit institutions that are subject to supervision and the UCITS is able to obtain repayment of the full monetary amount at any time;
- be invested in money market funds with a short maturity structure in accordance with the definition in the CESR's

guidelines for a shared definition for European money market funds.

Any reinvestment of cash collateral must be sufficiently diversified in terms of countries, markets and issuers, with a maximum of exposure of 20% of the respective sub-fund to a single exposure.

10. Risk management procedures

The Fund shall set up a risk management procedure enabling the Management Company at all times to monitor and measure the market risk, liquidity risk and counterparty risk associated with the investment positions of the respective sub-fund, and their contribution to the overall risk profile of the investment portfolio and all other risks, including operational risks, which are of relevance to the Fund.

The Fund shall establish procedures for OTC derivatives to ensure that an accurate and independent valuation of OTC derivatives can be obtained. In addition, the Fund shall ensure that the total risk associated with derivatives of each sub-fund corresponds to the total risk classification stated in the Prospectus. If techniques and instruments for efficient portfolio management are used, the Management Company will ensure that the resultant risks are recorded by risk management with respect to the particular sub-fund in an appropriate manner.

The Fund shall include, subject to the limits set in No. 5. e) of this Article, investments in derivatives as long as the total risk arising from the underlying instruments does not exceed the limits set in No. 5. a) to e) of this Article. If the Fund invests in index derivatives, the investment limits set in No. 5. a) to e) of this Article need not apply.

No. 10 above shall apply to derivatives embedded in a security or money market instrument.

Article 5 Units and classes of units

1. Units of a sub-fund are documented in the form of global certificates or using the Central Facility for Funds (CFF) procedure at Clearstream Luxembourg; unitholders are not entitled to delivery of physical certificates. At the request of unitholders, the Management Company may issue confirmation of the units subscribed, which may also represent fractions of units to the nearest thousandth of a unit.
2. In principle, all units of a sub-fund carry the same rights.

The Management company may issue different classes of units for the Fund in accordance with the Prospectus which correspond to (i) a specific dividend policy, differentiated by the distribution or non-distribution of dividends and/or (ii) a specific subscription and redemption fee structure and/or a specific management or investment advisory fee structure and/or (iv) other features which may be established from time to time by the Management Company in accordance with the legal provisions. All units are equally entitled to income, capital gains and liquidation proceeds of their respective classes of units from the day of issue.

3. The issue and redemption of units, as well as other payments in respect of units, are carried out by the Management Company, the Depositary or any Paying Agent.

Article 6 Issue of units

1. The issue price is the net asset value calculated according to Article 7 plus a subscription fee of up to 5% of the net asset value. The subscription fee is charged in favour of the distributors.
2. The Management Company may for each sub-fund, at its own discretion and at any time, reject a subscription request or temporarily limit, suspend, or permanently discontinue the issue of units if this seems necessary in the interest of the unitholders, for the protection of the Management company, for the protection of the Fund or the respective sub-fund, in the interest of the investment policy or in the case of a threat to the specific investment objectives of the respective sub-fund. For the same reasons, the Management Company reserves the right to reject any subscription requests that are related to late trading and/or market timing practices or whose applicants are suspected of using such practices.
3. In principle, units shall be issued at a price unknown at the time the request is made on the respective valuation day in accordance with Article 7 paragraph 1 of the Management Regulations. Subscription requests received by the Management Company no later than 14:00 (Luxembourg time) on a valuation day in Luxembourg are processed on the basis of the net asset value of the next valuation day. Subscription requests received after 14:00 (Luxembourg time) are processed on the basis of the net asset value calculated two valuation days later. The Management Company may, in the interest of the unitholders, set out different rules for the individual sub-funds, which shall then be mentioned in the Prospectus.
The issue price is payable in the base currency of the respective sub-fund within two bank business days of the relevant valuation day.
4. The units are immediately allocated by the Depositary on behalf of the Management Company upon receipt of the subscription amount by the Depositary.
5. The Depositary shall promptly repay amounts received for subscription orders which are not executed.

Article 7 Calculation of the net asset value

1. The value of a unit (the "net asset value per unit") is denominated in the currency specified in the Prospectus in which the respective sub-fund is issued (the "base currency"). The net asset value per unit is calculated separately for each sub-fund by the Management Company or a responsible third party under the supervision of the Depositary on a day (the "valuation day") and at a time stated in the Prospectus for each sub-fund. However, this calculation must take place at least twice per month. The net asset value per unit is calculated by dividing the respective sub-fund's net assets by the number of units of this sub-fund in issue on the valuation day.
2. The net assets of each sub-fund shall be calculated according to the following basic principles and in accordance with the valuation guidelines adopted by the Management Company:
 - a. Securities listed on an official stock exchange are valued using the latest available price.

- b. Securities not listed on an official stock exchange but which are traded on another regulated market pursuant to Article 4, paragraph 3. b) of the Management Regulations, are valued at a price no lower than the bid price or no higher than the offer price at the time of the valuation and which the Management Company considers the best possible price at which the securities can be sold.
 - c. In the event that such prices are not in line with market conditions or for securities other than those covered in points a. and b. above for which there are no fixed prices, these securities, like all other assets, will be valued at the current market value as determined in good faith by the Management Company and according to generally accepted valuation principles which are verifiable by auditors.
 - d. Target fund units held in the Fund are valued at their latest available and obtainable redemption price.
 - e. The liquidation value of forwards or options not traded on a stock exchange or on another regulated market corresponds to the respective net liquidation value, which is established pursuant to the valuation guidelines adopted by the Management Company, following a calculation method consistently applied to each different type of contract. The liquidation value of futures and options contracts quoted or traded on an exchange or another regulated market shall be determined according to the last settlement price available for these contracts on the exchanges or regulated markets on which these futures or options contracts are traded by the Fund. In the event that a futures, forward or option contract cannot be liquidated on the day on which the net assets are being determined, the basis for determining the liquidation value of such contracts shall be such value as the Management Company's Executive Board may deem fair and reasonable. Swaps are valued at their market value (potentially theoretical, produced using a model).
 - f. The value of money market instruments which are not quoted on a stock exchange or traded on another regulated market are determined using theoretical models.
 - g. Liquid assets are valued at their nominal value plus interest. Time deposits with an original maturity of more than 60 days may be valued at their yield value so long as a contract has been agreed between the financial institution holding the time deposits and the Management Company which stipulates that these time deposits can be withdrawn at any time and that the yield value is equal to the realised value.
 - h. All assets not denominated in the base currency of the Fund shall be converted into this currency using the latest available exchange rate.
3. If a sub-fund has two classes of units in accordance with Article 5, paragraph 2 of the Management Regulations, the following shall apply to the calculation of the net asset value:
 - a. The criteria stated in paragraph 1 of this Article shall apply separately for each class of units for the calculation of the net asset value.
 - b. Income from the issue of units will increase the proportional contribution of each class of units to the total value of the net assets of the respective sub-fund. Income from the redemptions of units will reduce the proportional contribution of each class of units to the total value of the net assets of the respective sub-fund.
 - c. In the event of a dividend payment, the net asset value of the distribution units – units of class A – shall be reduced by the dividend amount. The proportional contribution of class A to the value of the net assets of the respective sub-fund shall reduce, while at the same time the proportional contribution of class B (accumulation units) to the net assets of the respective sub-fund shall increase.
 4. An income equalisation may be carried out for each sub-fund.
 5. For large-scale redemption requests which cannot be met using the respective sub-fund's liquid assets and allowable credit facilities, the Management Company may determine the net asset value per unit on the basis of the price on the valuation day on which it sells the corresponding assets on the sub-fund's behalf; this price then also applies to subscription requests made at the same time.

The net assets of the Fund are denominated in euro (the "base currency").

Insofar as information on the total assets of the Fund must be provided in the annual and semi-annual reports as well as in other financial statistics for legal reasons or according to the rules stated in the Management Regulations, the assets of the respective sub-fund shall be converted into the base currency.

Article 8 Suspension of the calculation of the net asset value and of subscriptions, redemptions or conversions

The Management Company is entitled, without prejudice to the provision in Article 6, paragraph 2 of the Management Regulations, to temporarily suspend the calculation of the net asset value as well as subscriptions, redemptions or conversions of units of a sub-fund, if and while circumstances exist that make the suspension necessary and if the suspension is justified when taking into account the interests of the unitholders;

1. while a stock exchange or another regulated market on which a substantial portion of the respective sub-fund's assets is officially traded, is closed (excluding normal weekends and holidays) or if trading on such a stock exchange or regulated market is interrupted or limited;
2. in emergencies, if the Management Company cannot access a sub-fund's assets or freely transfer the transaction value of investment purchases or sales or calculate the net asset value per unit in an orderly manner;
The Management Company shall publish notice of the suspension and resumption of the calculation of the net asset value, subscriptions, redemptions or conversions of units immediately in at least one daily newspaper in the countries in which the Fund is available to the public and shall inform all unitholders who have made subscription requests.

Article 9 Redemptions and conversions

1. Unitholders may request the redemption of their units at any time. Redemptions are only carried out on a valuation day. The redemption price is the net asset value calculated according to Article 7 plus a redemption fee of up to 1% of the net asset value. The redemption fee is charged in favour of the distributors.
2. In principle units shall be redeemed at a price unknown at the time the request is made on the respective valuation day. Redemption requests

received by the Management Company no later than 14:00 (Luxembourg time) on a valuation date are processed on the basis of the net asset value on the next valuation day. Redemption requests received after 14:00 (Luxembourg time) are processed on the basis of the net asset value two valuation days later. The Management Company may, in the interest of the unitholders, set out different rules for the individual sub-funds, which shall then be mentioned in the Prospectus.

The redemption price is paid promptly within two bank business days following the applicable valuation day. The Management Company reserves the right to extend the deadline for payment of the redemption price to up to five bank business days if this is made necessary by delays in the payment of proceeds to the Fund from the sale of investments on account of impediments caused by stock market control provisions or similar market restrictions on the market in which a considerable amount of the Fund's assets is invested, or in extraordinary circumstances in which the Fund is unable to pay the redemption price immediately.

3. Subject to prior agreement by the Depositary, the Management Company may process large-scale redemption requests which cannot be met using a sub-fund's liquid assets and allowable credit facilities, once the corresponding assets of the respective sub-fund have been sold without delay.
4. The Depositary shall make payments unless legal requirements (e.g. foreign exchange regulations) or other circumstances beyond its control prohibit or limit transfer of the redemption price to the applicant's country.
5. The Management Company may, for each sub-fund, unilaterally redeem units upon payment of the redemption price if this is deemed necessary in the joint interests of the unitholders or for the protection of the Management Company, the Fund or a sub-fund.
6. Unitholders may convert their units in full or in part into units of other classes of units and into units of another sub-fund. Units are converted on the basis of the next net asset value that is calculated for the class of units or sub-fund concerned. If for certain sub-funds a rule deviating from this provision has been agreed in accordance with paragraph 2 this rule shall apply. A conversion fee in favour of the distributors may be charged. If units are converted into units of another class or another sub-fund and the subscription fee of these units is higher than the subscription fee of the units to be converted, the conversion fee shall equal the difference between the subscription fees of the classes of units or sub-funds concerned, but shall correspond to at least 1% of the net asset value of the class of units or sub-fund into which the units are to be converted.

In order to protect the Fund, the Management Company reserves the right to reject any conversion requests that are linked to late trading and/or market timing practices or whose applicants are suspected of using such practices.

In connection with different sub-funds, the Management Company may decide in the interests of unitholders that neither the unitholders in the sub-fund in question are entitled to convert their units nor can there be any conversion into units of this sub-fund. This is stated in the Prospectus.

Article 10 Expenses

1. The following general expenses may be charged to the relevant sub-fund assets, but only with respect to individual unit classes, if applicable:
 - a) all taxes that are levied on the Fund assets in the relevant sub-fund, and on its income and expenditure for the account of the relevant sub-fund, and any taxes arising in connection with the costs of management and safe custody;
 - b) costs for legal and tax advice that are incurred by the Company, the Management Company or the Depositary acting in the interests of unitholders, and costs for the exercise and enforcement of legal claims of the sub-fund including matters of trademark and competition law;
 - c) audit fees;
 - d) cost of encashing coupons;
 - e) expenses for hedging against currency and price risks;
 - f) production, printing, distribution and translation costs for the annual and semi-annual reports in such languages as is necessary for the benefit of unitholders as well as production, printing, distribution and translation costs for other reports and documents as may be required under the applicable laws and regulations of the appropriate authorities;
 - g) costs for publications intended for unit holders including the costs for notification of annual and semi-annual reports, of issue and redemption prices, of reinvestments or distributions where applicable and of the liquidation report, and costs for the production and use of a durable data carrier, with the exception of costs for provision of information in the case of fund mergers and with the exception of the provision of information on measures in connection with investment restriction violations or errors in the calculation of the unit value of a relevant sub-fund;
 - h) a reasonable share of the costs of promotion and the costs directly associated with the offer and sale of shares;
 - i) all costs and fees associated with the purchase, sale and valuation of assets;
 - j) any transaction costs for transactions involving share certificates;
 - k) Outlays of the Supervisory Board and Executive Board of the Management Company and costs associated with investment committee meetings;
 - l) costs arising in conjunction with Fund or sub-fund inception; these costs may be charged on a proportional basis over a period of up to five years;
 - m) costs incurred for meeting distribution requirements abroad, including notification costs, costs for supervisory provisions domestically and abroad, legal advice and tax advice costs in this connection and translation costs;
 - n) costs for notification of the relevant tax basis and the issuing of certificates in this connection;

- o) costs in connection with stock market listings;
 - p) costs in connection with approval or amendment of the prospectus;
 - q) costs incurred for the credit rating of a sub-fund by nationally or internationally recognised rating agencies and costs for the rating of assets, in particular the rating of issuers of interest-bearing securities;
 - r) costs for the analysis of investment performance by third parties, and costs for performance attribution;
 - s) costs for the arrangement of voting proxies and the exercise of voting rights at annual general meetings, and costs for the representation of shareholder and creditor rights;
 - t) Costs relating to the Registrar and Transfer Agent;
 - u) in connection with payments to be made to the Management Company, the Depository and the advisory or asset management company and in connection with any taxes incurred on any costs mentioned above;
 - v) Costs for any notifications required under supervisory law in connection with the European Market Infrastructure Regulation (EMIR).
 - w) Costs associated with the liquidation/liquidator's costs
2. The Management Company receives a fee of up to 1.40% p.a. of the net assets of the respective sub-fund out of the assets of that sub-fund. In the event that no fee is to be paid to an investment advisor or investment manager for a sub-fund, the fee paid to the Management Company out of the assets of the relevant sub-fund may amount to up to 2.00% p.a. of the net assets of the sub-fund or the fixed fee for an investment advisor or investment manager in accordance with Article 10 no. 4 is collected by the Management Company.

Furthermore, the Management Company may, provided that no performance fee is paid to an investment advisor or an investment manager out of the assets of the sub-fund, receive a performance fee from the assets of the sub-fund in accordance with the provisions set out in the Prospectus.

3. The Depository receives the following out of the respective sub-fund's assets:
- a. a fee of 0.10% p.a. of the net assets of the respective sub-fund for the duties of depository;
 - b. a standard bank handling fee for Fund transactions;
 - c. costs and expenses arising from the authorised, standard appointment by the Depository of a third party to safe-keep the assets of the sub-fund in accordance with Article 3, paragraph 4 of the Management Regulations.
4. The investment advisor and investment manager receive, out of the sub-fund's assets, a fixed fee of up to 0.45% p.a. of the average net assets of the relevant sub-fund.
- In addition, the investment advisor or investment manager may receive a performance fee out of the respective sub-fund's assets in accordance with the provisions of the Prospectus.
5. The fees for the Management Company, the Depository and the fixed fee for the relevant investment advisor or manager will be calculated and paid monthly in arrears on the average net assets of the relevant sub-fund during the past month.
6. All expenses shall first be deducted from the income, then from capital gains and then from the Fund's assets.
7. The Fund's assets are liable for all costs charged to the Fund. However, if these costs can be attributed to individual sub-funds, they shall be borne by them; otherwise, the costs are charged to all sub-funds in proportion to the net assets of each sub-fund.
8. The costs indicated in this Article are charged plus any VAT due.

Article 11 Financial year and audit

The financial year of the Fund ends on 30 June each year. The accounts of the Management Company and the Fund shall be audited by an approved auditor in Luxembourg appointed by the Management Company.

Article 12 Utilisation of earnings

1. The Management Company will pay yearly dividends out of the net income of a sub-fund as far as such income is to be attributed to A units. The net income of a sub-fund includes dividends and interest income minus general expenses, excluding realised capital gains and losses, unrealised increases and decreases in the value of the assets as well as the income from the sale of subscription rights and all other income of a non-recurring nature.
2. Without prejudice to the previous provision, the Management Company may from time to time also distribute, either wholly or in part, realised capital gains less any realised capital losses and declared reductions in the value of the assets, insofar as these are not offset by declared increases in the value of the assets, plus the income from the sale of subscription rights and/or all other income of a non-recurring nature, in addition to the ordinary net income, provided such income is attributed to class A units.
3. However, dividends are not distributed if, as a result, the total net assets of the Fund would fall below EUR 1,250,000.

Article 13 Limitation period

Claims made by unitholders against the Management Company or the Depositary shall lapse five years after the claim arises. This is without prejudice to the regulation contained Article 16, paragraph 2 of the Management Regulations.

Article 14 Amendments to the Management Regulations

The Management Company can make full or partial changes at any time to these Management Regulations with the approval of the Depositary.

Article 15 Publications

1. The original valid version of the Management Regulations and amendments to the same are filed with the Registrar of the District Court of Luxembourg and are published in the and in the *Recueil Electronique des Sociétés et Associations* (RESA). In addition, amendments to these Management Regulations are published, to the extent required, in at least two daily newspapers of sufficient circulation, at least one of which shall be a daily Luxembourg newspaper.
2. The issue and redemptions prices may be requested on any valuation day from the Management Company or any Paying Agent.
3. The Management Company draws up a Prospectus, a concise Key Investor Information Document, an audited annual report and a semi-annual report for the Fund in accordance with the legal provisions of the Grand Duchy of Luxembourg.
4. The Fund documents listed in paragraph 3 of this Article are available to unitholders free of charge at the registered office of the Management Company and from any Paying Agent.

Article 16 Duration and liquidation of the Fund and its sub-funds; Merger of sub-funds

1. The Fund was established for an indefinite period; it may be liquidated by the Management Company at any time with appropriate consideration of the interests of unitholders. Its liquidation shall be imperative for the abovementioned legal reasons and in the event of dissolution of the Management Company itself for any reason.
2. In accordance with the legal provisions, notice of the dissolution of the Fund shall be published by the Management Company in the *Recueil Electronique des Sociétés et Associations* (RESA) and in at least two daily newspapers which have sufficient circulation. One of these daily newspapers must be published in Luxembourg. If a situation arises which leads to the liquidation of the Fund, then the issue of units shall be discontinued. The Management Company may continue to allow the redemption of units provided the equal treatment of all investors is ensured. In particular, a proportionate amount of the liquidation costs and fees payable to the liquidator(s) shall be deducted from the redemption price of units which are redeemed during the liquidation proceedings. If the Management Company decides to suspend the redemption of units at the beginning of the liquidation, notice of this fact shall be published in accordance with Sentence 1.

On instructions from the Management Company or from the liquidator appointed by the Management Company or, if necessary, by the Depositary with the approval of the supervisory authorities, the Depositary shall distribute the liquidation proceeds, less the costs and liquidation fees, among the unitholders in the proportion of their respective holdings. The net liquidation proceeds not collected by unitholders upon conclusion of the liquidation proceedings, shall, so long as it is legally necessary, be converted into euro and deposited with the Caisse de Consignation in Luxembourg by the Depositary for the account of unitholders entitled to it, where such amounts shall be forfeited if not claimed by the statutory deadline.

3. The Management Company may issue new sub-funds at any time. It may dissolve existing sub-funds, provided this is deemed necessary or advisable in the interests of the unitholders, for the protection of the Management company, for the protection of the Fund or in the interest of the investment policy. Moreover, sub-funds may be established for a limited period of time.

During the last two months before the dissolution of a sub-fund which is established for a limited period of time, the Management Company will liquidate such sub-fund. The Management Company will therefore sell that sub-fund's assets, collect any receivables and meet its liabilities.

The provision contained in paragraph 2, sentence 8 applies to all amounts not claimed after termination of the liquidation proceedings.

Neither the unitholders, nor their heirs, creditors or legal successors shall be entitled to request the liquidation and/or the division of the Fund or a sub-fund.

Article 17 Merger of the Fund or of sub-funds

1. The Management Company may, by resolution of the Executive Board and, to the extent required by law, in accordance with the conditions and procedures set forth in the Law of 2010 and the applicable administrative provisions, merge the Fund or one or more sub-funds of the Fund with another existing or jointly established sub-fund, Luxembourg fund or sub-fund, with another foreign UCITS or with a sub-fund of another foreign UCITS either through its dissolution without liquidation or through its continued existence until all financial liabilities are extinguished.
2. The Management Company shall provide notification of the merger of the Fund or sub-fund in accordance with Article 15, paragraph 1, sentence 2. The unitholders have the right to request, within 30 days, the repurchase or, if applicable, the conversion of their units into units of another fund or sub-fund with a similar investment policy and managed by the same Management Company or another company to which the Management Company is linked through a shared management or control structure or by a substantial direct or indirect stake, without any additional charges other than those retained by the Fund or sub-fund to cover liquidation costs.

Upon the merger becoming effective, the unitholders of the fund or sub-fund to be merged shall become unitholders of the acquiring fund or sub-fund.

3. Legal, advisory or administrative costs associated with the preparation and completion of a merger shall not be charged to the fund or sub-fund affected or to its unitholders.
4. The merger shall be the subject of an audit report by the Fund's auditor and, to the extent applicable, by the Fund's Depositary.
5. To the extent required by law, the Management Company shall, at least 30 days prior to the expiration of the redemption or conversion period mentioned in paragraph 2, provide the unitholders with notification of their right to redeem or convert the units during said period at the respective unit value without any charge in accordance with paragraph 2, as well as notification with respect to the background to and rationale for the proposed merger, the potential impact of the merger on unitholders, other specific rights of the unitholders such as the right to obtain a copy of the audit report of the Fund's auditor or Custodian, relevant procedural aspects, the planned date on which the merger is to become effective, a copy of the document of the UCITS being merged with together with key investor information as well as information about where the unitholders may request additional information.

Article 18 Applicable law, jurisdiction and language

1. The Management Regulations are subject to Luxembourg law. In particular, in addition to the regulations of the Management Regulations, the provisions of the Law of 2010 shall apply. The same is true for the legal relationships between the unitholders, the Management Company and the Depositary.
2. The competent courts in Luxembourg shall have jurisdiction in any legal disputes arising in relation to the Fund or a sub-fund between the unitholders, the Management Company and the Depositary. The Management Company and the Depositary may subject themselves and the Fund to the jurisdiction of the courts and the law of any country in which the units of the Fund are sold publicly with respect to claims by investors resident in such a country and with respect to matters relating to the Fund.
3. The German-language version of the Management Regulations is authoritative.

Article 19 Effective date

These Management Regulations as well as any amendments thereto come into effect on the day on which they are signed unless otherwise specified.

These Management Regulations shall enter into force on 12 February 2018.



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FONDS

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