

# OCITY.

Real estate development

**OCITY**

**Société d'investissement à capital variable  
[Investment company with variable capital] -  
Reserved alternative investment fund**

**PROSPECTUS**

14 June 2021 – Version 2 and 3

The OCITY Securities are exclusively reserved for Eligible Investors who, based on this Prospectus, the Articles of Association and the Subscription Agreement, have carried out their own risk assessment of investing in the Fund (and its Sub-Funds). Each Investor is responsible for assessing whether it is appropriate to invest in OCITY in light of its specific situation.

OCITY is not subject to the authorisation or supervision of the Luxembourg financial services regulator: the Commission de Surveillance du Secteur Financier or any other Luxembourg authority.

Please refer to section 23 of this Prospectus with respect to investment and risk factors.

## DIRECTORY

### Registered office

25C Boulevard Royal  
L-2449 Luxembourg  
Grand Duchy of Luxembourg

### Managing General Partner

OCITY Fund Management  
25C, Boulevard Royal  
L-2449 Luxembourg  
Grand Duchy of Luxembourg

### Members of the board of managers of the Managing General Partner

- Mr Christophe Nadal
- Mr Laurent Olmedo
- Mr Frédéric Reichling

### Members of the Investment Committee for the OCITY - OCITY I subfund

- Mr Frédéric Reichling
- Mr Michael Reichling
- Mr Laurent Olmedo
- Mr Bernard Olmedo
- Mr Michael Verschuure
- Mr Timothé Fuchs
- Mr Bernd von Manteuffel
- Mr Christophe Nadal

### **Alternative Investment Fund Manager (AIFM)**

FUCHS Asset Management S.A.  
49 Boulevard Prince Henri  
L-1724 Luxembourg  
Grand Duchy of Luxembourg

### **Depository and Administration Agent**

EFG Bank (Luxembourg) S.A.  
56, Grand Rue  
L-1660 Luxembourg  
Grand Duchy of Luxembourg

### **Approved Statutory Auditor**

Ernst & Young  
35E, Avenue John F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

### **Legal counsel**

Van Campen Liem, Luxembourg  
2, rue Dicks  
L-1417 Luxembourg  
Grand Duchy of Luxembourg



## WARNING

Unless otherwise indicated, the terms used in this prospectus (the Prospectus) which begin with a capital letter have the meanings ascribed to them in the section 'Definitions' below.

This Prospectus is provided on a confidential basis to a limited number of Eligible Investors to provide them with information about OCITY (the Fund) and its sub-funds (each, a Sub-Fund, collectively, the Sub-Funds). This Prospectus may not be reproduced and the information it contains may not be disclosed to third parties. By receiving this Prospectus, each potential investor accepts the conditions mentioned above and undertakes to return the Prospectus to the AIFM or the Managing General Partner if he/she/it does not invest in OCITY.

Any statements of opinion, intention and/or any estimates, projections, forecasts or statements concerning future events or the possible performance of OCITY contained in this Prospectus solely reflect the Managing General Partner's analysis and interpretation of the information available to it as of the date of the Prospectus. There can be no assurance or guarantee that such opinions, projections, forecasts or statements are accurate or that the targets of OCITY will be achieved. Potential investors will have to decide for themselves to what extent they can rely on such opinions, projections, forecasts or statements and the Managing General Partner disclaims any liability in this respect.

Potential investors should conduct their own independent analysis of investing in the Fund (and its Sub-Funds –and including reviewing this Prospectus and the documents referred to in this Prospectus), and should not rely on the analysis of the Managing General Partner, the AIFM, the Service Providers or their directors, managers, officers, partners, employees, representatives, agents and Affiliated Persons. Potential investors should not interpret the contents of this Prospectus or any prior or subsequent communications from the Fund, the Managing General Partner, the AIFM, the Service Providers or their respective directors, managers, officers, partners, employees, representatives, agents or Affiliated Persons as constituting any investment, legal or regulatory advice, accounting or tax advice. Neither the Fund, the Managing General Partner, the AIFM, the Service Providers nor their respective directors, managers, officers, partners, employees, representatives, agents or Affiliated Persons accept any liability whatsoever as to whether this Fund is a suitable investment for a potential investor. Potential investors are advised to carry out their own due diligence, including investigating the legal and tax consequences of investing in OCITY.

The text of the Articles of Association is essential in understanding this Prospectus and potential investors should also read the Articles of Association carefully. If there is any inconsistency between this Prospectus and the Articles of Association, the Articles of Association will prevail. The Articles of Association, the Service Agreements, the Subscription Agreement and related documentation are briefly described in this Prospectus; these descriptions are not intended to be exhaustive and each of these descriptions is conditioned in its entirety by reference to the original text of the Articles of Association, Service Agreements, Subscription Agreement and related documentation, including any associated amendments.

An investment in OCITY implies risks including the type of investments made by the Fund and each of its Sub-Funds (in particular, see section 23 of the General Section and each of the Supplements to this Prospectus which concern the Sub-Funds). Investors must therefore have the willingness and the financial resources to assume such risks. As there will be limited opportunities to trade the OCITY Securities, investors may have to assume the financial risks of their investment throughout the term of the Fund and each Sub-Fund.

Some of the information contained in the Prospectus has been taken from publications prepared by third parties. The Managing General Partner accepts no liability in this regard.

Sending this Prospectus on any date, does not under any circumstances imply that there has not been any change in the activities of the Fund or Sub-Fund since the date this Prospectus was published. The Managing General Partner reserves the right to modify the terms of the offering and the Securities described in this Prospectus. This Prospectus may be updated and amended by a supplement, in which case this Prospectus shall be read and interpreted in



conjunction with such supplement. This Prospectus will be updated in accordance with Luxembourg law or, where applicable, the AIFM Directive and its transposition and enforcement measures.

No one is authorised to give any information or make any representation concerning the Fund, the Sub-Funds or the offering of Securities other than the information contained in this Prospectus, and if such information or representation has been given or made, it should not be considered as reliable or authorised by the Managing General Partner, the Fund, the AIFM or a Service Provider.

The Managing General Partner has taken all reasonable steps to ensure that the information contained in this Prospectus is accurate in all material respects as of the date this Prospectus is issued (or any other date as may be mentioned in this document). Notwithstanding that which is described above, neither the Managing General Partner, the Fund nor the AIFM are under any obligation to update this Prospectus.

### **Jurisdiction, applicable law and recognition and enforcement of judgements**

Investors will commit to the Fund and the Managing General Partner in accordance with the terms of the Subscription Agreement. The rights and obligations of the Investors are as provided for in this Prospectus, the Articles of Association and the Subscription Agreement and shall be governed by the law of the Grand Duchy of Luxembourg. Through investing in the Fund and subscribing for Securities, Investors do not acquire any direct rights to the Fund's assets and investments. Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgements in civil and commercial matters (as amended from time to time) is directly applicable to the Grand Duchy of Luxembourg. In addition, the Grand Duchy of Luxembourg has also acceded to a number of international treaties and conventions on jurisdiction and the recognition and enforcement of judgements in civil and commercial matters and, in the absence of an EU regulation, or a treaty or convention, Luxembourg courts and tribunals may, under certain conditions, order the exequatur (enforcement) of a foreign judgement in Luxembourg. Investors have no direct contractual right of recourse against the Service Providers.

Finally, the Fund, the Managing General Partner, the Depositary and the AIFM are entitled (but not obliged, unless otherwise provided by statutory provisions) to submit to and accept the jurisdiction of foreign courts to rule on any disputes relating to the Fund, in particular, in disputes involving one or more Investors and before the courts and tribunals of the country in which such Investors are based.

### **Restrictions on marketing Securities**

#### *Eligible Investors*

Notwithstanding anything to the contrary in this Prospectus, Securities are strictly reserved for subscription by Eligible Investors and neither the Fund nor the Managing General Partner will accept to issue or transfer Securities to investors who are not Eligible Investors. The Fund may immediately forcibly redeem Securities which are issued or transferred to investors who are not Eligible Investors.

#### *General*

Distributing this Prospectus and investing privately in Securities may be subject to certain legal or regulatory restrictions in certain jurisdictions and this Prospectus is not and may not be used for, or in connection with, an offering or solicitation by anyone in any jurisdiction where such offers or solicitations are not authorised, or to a Person to whom it is illegal to make such an offer or solicitation. Subject to the statements below, neither the Managing General Partner nor the AIFM have taken nor will take any action that would enable the Securities to be listed publicly or for such information to be obtained or disseminated in a jurisdiction where such measures must be taken. It is therefore the responsibility of the Persons wishing to subscribe for Securities by virtue of this Prospectus to ensure that they

understand and comply with all applicable laws and regulations in the relevant jurisdictions. Potential investors must also ensure that they are aware of the applicable legal requirements, as well as the exchange control rules and taxes applicable in the country of which they are nationals or residents or where they operate.

#### *Prospectus Regulation - Member States of the European Economic Area (EEA)*

Additional sales restrictions may apply in any particular EEA Member State. Neither the Managing General Partner, the AIFM nor any Distributor may offer Securities in a specific EEA Member State, provided that in the relevant EEA Member State it is possible to make a public offering of the Securities:

- (a) at any time to a legal entity that is a qualified investor as defined by of the Prospectus Regulation;
- (b) at any time to less than 150 natural persons or legal entities (other than qualified investors as defined in the Prospectus Regulation), subject to the prior consent of the relevant Distributor or placement agents appointed by the Managing General Partner and, if applicable, the AIFM, for such an offering; or
- (c) at any time in circumstances that fall within the scope of paragraphs (2) et seq. of article 1 of the Prospectus Regulation,

it being understood that no offering of Securities will be made in the circumstances referred to in paragraphs (a) to (c) above which would require the Fund, the Managing General Partner or any Distributor to publish a prospectus in accordance with the provisions of article 1 of the Prospectus Regulation or a supplement to the prospectus in accordance with the provisions of article 23 of the Prospectus Regulation.

For the purposes of this provision, the term ‘public offering of Securities’ concerning any Security in any specific EEA Member State means communicating sufficient information on the terms of the offering and the Securities to be offered in any form and by any means whatsoever, such that an investor can decide whether or not to purchase or subscribe for such Securities, in accordance with the Prospectus Regulation.

#### *AIFM Directive - marketing to Professional Investors*

The Fund (and each Sub-Fund) is a Luxembourg AIF managed by Fuchs Asset Management S.A. as an AIFM within the meaning of article 4.1(a) of the AIFM Act. The AIFM may therefore market (or have marketed) the Securities of the Fund to Professional Investors in the EEA Member States in accordance with article 32 of the AIFM Directive. A list of the EEA countries in which the Securities may be marketed to Professional Investors in accordance with article 32 of the AIFM Directive is available on request from the AIFM.

#### **United States of America**

No Securities may be offered to US Persons. For the purposes of this Prospectus, the term American Person includes, but is not limited to, any person, including a company of persons, a company with share capital, a limited liability company, or a similar entity, which is a citizen of or resident in the United States of America or which is incorporated or exists under the laws of the United States of America or which qualifies as a ‘US national’ or ‘US person’ within the meaning of the US Securities Act or a ‘specified US Person’ within the meaning of FATCA (a **US Person**). The decision to offer Securities to a US Person will be at the sole discretion of the Managing General Partner and the Administration Agent. These restrictions also apply to any subsequent transfer to the United States or to a US Person. The Securities shall not be offered, sold, transferred or assigned directly or indirectly to the United States of America or in its territories or possessions or to any ‘US PERSON’ as defined in rule 902(k) of the U.S. Securities and Exchange Commission regulations.

The Securities offered under this Prospectus have not been registered under the *U.S. Securities Act of 1933* and the Company is not registered under the *U.S. Investment Company Act of 1940*.

By subscribing for any Securities, the Investor and/or any person acting on behalf of the Investor declares that the economic beneficiary is not a US Person.

Any holder of Securities that becomes a US Person may be subject to withholding tax and tax reporting requirements in the United States.

#### **FINRA rules 5130 and 5131**

The Fund may either subscribe for units/shares classes of target funds that may participate in the allocation of newly listed US securities (**US IPO**) or participate directly in US IPOs. In accordance with FINRA rules 5130 and 5131 (the **Rules**), the Financial Industry Regulatory Authority (**FINRA**) has banned certain persons taking part in the allocation of US IPOs when one or more economic beneficiaries of such accounts are financial services professionals (including, among others, an owner or employee of a FINRA member or the manager of a FINRA member) (a 'restricted person'), or an executive officer or director of a U.S. or non-U.S. company who may potentially do business with FINRA members (a '**covered person**'). Consequently, investors considered as restricted or covered persons within the meaning of the Rules are not eligible to invest in the Fund. If in doubt as to their status, investors must seek advice from their legal counsel.

#### **Personal data protection**

Some personal data of Investors, their economic beneficiaries or natural persons related to such persons (including, notably, the surname, address and amount invested by each Investor) may be collected, recorded, stored, adapted, transferred or processed in any way and used by the Fund, the Managing General Partner, the Administration Agent, Services Providers, the financial intermediaries of Investors and other third parties involved in the business relationship. The Fund and the Managing General Partner have prepared a data protection policy which is attached to the Subscription Agreement and complies with Regulation 2016/679 on the protection of individuals with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (**GDPR**) (the '**Data Protection Policy**'). By subscribing to Securities, each Investor approves the processing of the relevant personal data as described in the Personal Data Protection Policy.

#### **KID**

In accordance with Regulation 1286/2014 on Key Information Documents for Retail Packaged Insurance Based Investment Products (**PRIPs**), the Fund is required to issue a 'Key Information Document' (KID) to any potential investor who is not a Professional Investor and who is resident in an EEA Member State. Any KID which is therefore produced may be obtained at the registered office of the Fund or on request from the Managing General Partner or the AIFM.



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## DEFINITIONS

The following terms and definitions apply throughout the Prospectus, unless the context requires otherwise.

<b>Assets</b>	means all or part of the Fund's assets.
<b>Liquid Assets</b>	means cash or cash equivalents, including but not limited to investments in the units of monetary funds, short term bank deposits, as well as instruments traded regularly on the money market for which the residual maturity does not exceed 12 months, treasury bills and bonds issued by OECD Member States or their local authorities or by supranational institutions and EU organisations, bonds accepted for listing on a stock exchange or traded on a regulated market, issued by first-rank issuers who have higher liquidity, as long as these Assets have a minimum credit rating of A3/A- or a similar by a third-party credit rating agency (such as Moody's, S&P or Fitch).
<b>A Share:</b>	has the meaning ascribed to it in section 5.2(a)(i) of the General Section.
<b>C Share:</b>	has the meaning ascribed to it in section 5.2(a)(ii) of the General Section.
<b>GP Share</b>	means a share issued to the Managing General Partner in such capacity in accordance with section 5.2(a)(iii) of the General Section.
<b>Shareholder</b>	refers to a person or entity who holds Shares recorded in the Shareholders' register.
<b>Founding Shareholder(s)</b>	means the Shareholder(s) present when the Fund was established. It is provided that the Shares issued to Founding Shareholder(s) (with the exception of the Managing General Partner) when the Fund was established shall, following the first subscriptions for Shares by one or more third parties, be automatically transferred to such investor(s) in return for the payment of the Issue Price for such Shares which will then be reimbursed to the relevant Founding Shareholder(s) or redeemed by the Founding Shareholders at the Issue Price for such Shares, as determined by the Managing General Partner in accordance with the terms of this Prospectus.
<b>Shares</b>	means the shares of the Fund which may be issued by any Sub-Fund pursuant to the Articles of Association and this Prospectus.
<b>Administration Agent</b>	means EFG Bank (Luxembourg) S.A., in that capacity, or any other entity appointed as the central administration and transfer and registration agent of the Fund.
<b>General Meeting</b>	means the general meeting of the Shareholders of the Fund.
<b>Managing General Partner</b>	means OCITY Fund Management in its capacity as managing general partner of the Fund.
<b>Depository</b>	means EFG Bank (Luxembourg) S.A., in such capacity, or any other entity appointed as the Fund's depository.
<b>Approved Statutory Auditor</b>	means Ernst & Young or any other firm of approved statutory auditors appointed by the Fund.

<b>Share Class, Bond Class or Class</b>	means a class of Shares or depending on the context, a class of Bonds within the meaning ascribed to it in the 1915 Act.
<b>Carried Interest</b>	has the meaning ascribed to it in relevant Supplement.
<b>Operating Expenses</b>	has the meaning ascribed to it in section 16.1 of the General Section.
<b>Acquisition Fee</b>	has the meaning ascribed to it in section 16.3 of the General Section.
<b>Transfer Fee</b>	has the meaning ascribed to it in section 16.4 of the General Section
<b>Distribution Fee</b>	has the meaning ascribed to it in section 4.3(b) of the General Section.
<b>Financing Fee</b>	has the meaning ascribed to it in section 16.1 of the General Section.
<b>Management Fee</b>	means, for each Sub-Fund, the annual amount collected by the Managing General Partner (and, if applicable, any other Person entitled to all or part of this Management Fee), such as more fully described in the relevant Supplement.
<b>Investment Committee</b>	means, within each Sub-Fund which has an investment committee, the Investment Committee of such Sub-Fund, with the composition, the rights and duties as described in the Supplement of the relevant Sub-Fund.
<b>Sub-Fund</b>	means any sub-fund of the Fund established in compliance with the Articles of Association and described in detail in this Prospectus. Any reference to a Sub-Fund shall include, unless the context requires otherwise, reference to one or more Intermediary Vehicles through which the relevant Sub-Fund has made investments.
<b>Initial Sub-Fund</b>	means the OCITY– OCITY 1 Sub-Fund.
<b>Management Board</b>	means the Board of Managers of the Managing General Partner.
<b>AIFM Agreement</b>	means the alternative investment fund manager agreement entered into between the Fund and the AIFM whereby, among others, the AIFM is appointed as the Fund's external alternative investment fund manager, responsible for portfolio management and risk management on behalf of the Fund.
<b>Depository Agreement</b>	means the depository agreement entered into between the Depository, the AIFM and the Fund as may be amended upon agreement between the parties.
<b>Central Administration Agreement</b>	means the central administration agreement entered into between the Administration Agent and the Fund, as may be amended upon agreement between the parties.
<b>Service Agreements</b>	means the AIFM Agreement, Depository Agreement, Central Administration Agreement, and any other agreement between the Fund and any other Service Provider
<b>Subscription Agreement</b>	means the subscription agreement to be signed by any prospective Investor under which, after acceptance by the Fund, the Investor will subscribe for Securities identified in a relevant Sub-Fund for which it agrees to pay the price.
<b>CRS</b>	means <i>Common Reporting Standard</i> , (NCD or CRS) and due diligence for the automatic exchange of information relating to financial accounts developed by the OECD and incorporated into European Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU as regards the automatic and mandatory exchange of tax information. These provisions are transposed into Luxembourg law by the act of 18

	December 2015. The provisions of this regime, as well as any Luxembourg or foreign act, provision or regulation adopted pursuant to the provisions of the aforementioned Directive, will hereinafter be referred to as the 'CRS Legislation.'
<b>CSSF</b>	refers to the <i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg financial services regulator the financial sector.
<b>Accounting Date</b>	means 31 December of each year, and for the first time, 31 December 2021 for the last Accounting Period of the Fund, the Accounting Date is the date on which the Fund is liquidated and for the last Accounting Period, the date on which the Fund is liquidated.
<b>Valuation Date</b>	has the meaning ascribed to it in section 13.1(b) of the General Section.
<b>End Date of the Redemption Period</b>	has the meaning ascribed to it in section 7.1(b)(ii) of the General Section.
<b>Maturity Date</b>	has the meaning ascribed to it in corresponding Supplement.
<b>Redemption Date</b>	has the meaning ascribed to it in section 7.1(e) of the General Section.
<b>Extraordinary Decision of Shareholders</b>	means a resolution of the General Meeting of Shareholders taken under the conditions required for amending the Articles of Association, it being understood that any Extraordinary Decision of the Shareholders is subject to the approval of the Managing General Partner.
<b>Maximum Redemption Period</b>	has the meaning ascribed to it in the corresponding Supplement.
<b>Redemption Request</b>	means a written request of an Investor to the Managing General Partner and the Administration Agent to redeem all or part of its Securities, in accordance and subject to the terms of this Prospectus and, in particular, section 7.1 of the General Section. A Redemption Request for Bonds is a request for early redemption of these Bonds.
<b>Last Subscription Day</b>	means, for each Sub-Fund or, if applicable, each Class, the date on which the Managing General Partner decides that no further subscriptions in such Sub-Fund or Class will be accepted, as more fully described in each Supplement.
<b>Reference Currency</b>	means, with respect to a Sub-Fund or a Class, the reference currency of the Sub-Fund or a Class, as specified in the Supplement of the relevant Sub-Fund, it being understood that if a Supplement does not so specify, the Reference Currency will be the euro. The Reference Currency of the Fund is the euro.
<b>AIFM Directive</b>	means Directive 2011/61/EU of 8 June 2011 on alternative investment fund managers.
<b>MiFID Directive</b>	means Directive 2014/65/EC of 15 May 2014 on markets in financial instruments.
<b>Distributor</b>	means any distribution coordinator, distributor or business contributor to the Fund appointed by the Managing General Partner, subject to the AIFM completing the due diligence formalities .
<b>Term</b>	has, for each Sub-Fund, the meaning ascribed to it in relevant Supplement.
<b>EEA</b>	means European Economic Area.

<b>Accounting Period</b>	means a period up to and including an Accounting Date and beginning on the day following the previous Accounting Date, or, for the first Accounting Period, on the day the Fund is established.
<b>FATCA</b>	means the US <i>Foreign Account Tax Compliance Act</i> and its implementing provisions, including the intergovernmental agreement of 28 March 2014, (' <b>IGA Model</b> ') between the United States of America and Luxembourg and the FATCA Act of 24 July 2015 (as amended) and any reference to ' <b>FATCA Legislation</b> ' is a reference to the provisions of this regime, as well as any Luxembourg or foreign law, provision or regulation made pursuant to this mechanism.
<b>AIF</b>	means an alternative investment fund within the meaning of article 4.1(a) of the AIFM Directive.
<b>RAIF</b>	means reserved alternative investment fund.
<b>Fund</b>	means OCITY.
<b>Set-up Costs</b>	has the meaning ascribed to it in section 16.11(a) of the General Section.
<b>Operating costs</b>	has the meaning ascribed to it in section 16.9 of the General Section.
<b>Exit Costs</b>	has the meaning ascribed to it in section 7.1(h) of the General Section.
<b>Unrealised Transaction Costs</b>	has the meaning ascribed to it in section 16.9 of the General Section.
<b>Manager</b>	means a member of the Management Board.
<b>AIFM</b>	means Fuchs Asset Management S.A. in its capacity as alternative investment fund manager within the meaning of article 4.1(a) of the AIFM Act in accordance with the AIFM Agreement.
<b>Confidential Information</b>	has the meaning ascribed to it in section 19.1(a) of the General Section.
<b>INREV</b>	means the European Association for Investors in Non-Listed Real Estate Vehicles.
<b>Preferred Interest</b>	has the meaning ascribed to it in corresponding Supplement.
<b>Investment</b>	means any investment in a Sub-Fund which is in line with the objective, strategy and restrictions applicable to such Sub-Fund.
<b>Investor</b>	means a holder of Securities.
<b>Well-Informed Investor</b>	means any well-informed investor within the meaning of article 2 of the 2016 Act. There are three categories of Well-Informed Investors: Professional Investors, Institutional Investors and Experienced Investors. Managers and other persons involved in the management of the Fund are considered to be Well-Informed Investors for the purposes of article 2 of the 2016 Act
<b>Eligible Investor</b>	means any investor (i) who is a Well-Informed Investor as defined under article 2 of the 2016 Act and (ii) who is not an Unauthorised Person.
<b>Experienced Investor</b>	means any investor who (a) has confirmed in writing that he/she/it is a Well-Informed Investor and (b) either (i) invests a minimum of EUR125,000 in the Fund, or (ii) receives a certificate from a credit institution, another profession of the financial

	sector subject to a code of ethics that complies with Directive 2004/39/EC, a management company within the meaning of Directive 2009/65/EC or an alternative investment fund manager within the meaning of the AIFM Directive, certifying its expertise, experience and knowledge to properly assess its investment in the Fund.
<b>Institutional Investor</b>	means an institutional investor as defined by Luxembourg law.
<b>Professional investor</b>	means an investor considered to be a professional client or likely to be treated as a professional client, upon request, as defined by annex II to Directive 2004/39/EC.
<b>Subscription Day</b>	means any Business Day on which subscriptions may be accepted into a Sub-Fund and in respect of a Class, if applicable, by countersigning valid and completed Subscription Agreements on behalf of the Fund, in accordance with the terms of each relevant Supplement and Subscription Agreements.
<b>Business day</b>	means any day on which banks are generally open for business in Germany and Luxembourg throughout the day (excluding Saturdays, Sundays and public holidays).
<b>JV Partner</b>	has the meaning ascribed to it in section 3.1(e)(i) of the General Section.
<b>JV Vehicle</b>	has the meaning ascribed to it in section 3.1(e)(i) of the General Section.
<b>2013 Act</b>	means the Luxembourg act of 12 July 2013 on alternative investment fund managers, as amended.
<b>2016 Act</b>	means the Luxembourg act of 23 July 2016 on RAIFMs, as amended.
<b>1915 Act</b>	means the Luxembourg act of 10 August 1915 on commercial companies, as amended.
<b>Minimum Subscription Amount</b>	means the amount provided for in the relevant Supplement as being the total minimum subscription which a subscribe must pay in a Class of the relevant Sub-Fund, it being understood that the Managing General Partner may at its discretion, waive the application of this amount.
<b>Total Subscribed Amount</b>	means the total amount corresponding to the relevant Issue Price multiplied by the number of Shares or Bonds for which an Investor has subscribed in a Sub-Fund
<b>Bondholder</b>	means a holder of Bonds.
<b>Bond</b>	means a bond issued by the Fund, on behalf of a Sub-Fund, from time to time in accordance with the terms of this Prospectus and the Subscription Agreement applicable to such bonds and for which the terms and conditions are as described in this Prospectus (and the Subscription Agreement).
<b>OECD</b>	means the Organisation for Economic Co-operation and Development.
<b>General Section</b>	means the general section of this Prospectus applicable to all the Sub-Funds of the Fund, unless otherwise stated in one or more Supplements.
<b>Person</b>	refers to any natural person, legal person or partnership or any other organisation, association, trust or other entity.
<b>Affiliated Person</b>	means, in relation to the relevant Person, (i) any Person controlling, controlled by or under the joint control with such Person, or (ii) any personal or family holding company which is managed and/or advised by the relevant Person, by one of its beneficial owners, or (iii) any other type of company or entity for which the relevant Person is the beneficial owner or (iv) any beneficial owner of the relevant Person, it

	being understood that any reference to an Affiliated Person of the AIFM or the Managing General Partner excludes the Fund, any Intermediary Vehicle and any Investment.
<b>Indemnified Person</b>	has the meaning ascribed to it in section 20 of the General Section.
<b>Unauthorised Person</b>	has the meaning ascribed to it in section 11(a)(iii) of the General Section.
<b>Investment period</b>	has the meaning ascribed to it, for each Sub-Fund in relevant Supplement.
<b>Redemption period</b>	has the meaning ascribed to it in section 7.1(a) of the General Section.
<b>Distribution policy</b>	has the meaning ascribed to it in section 0 of the General Section.
<b>First Subscription Day</b>	means the date on which the first investor (other than a Founding Shareholder) is admitted to the Fund through the acceptance of its Subscription Agreement.
<b>Service Providers</b>	means the AIFM, the Depositary, the Administration Agent, the Approved Statutory Auditor, any Distributor, and any other Person providing services to the Fund.
<b>Issue price</b>	means the issue price of the Securities (which, unless otherwise specified in a Supplement, corresponds to the par value of these Bonds) in a Sub-Fund as provided for in the Supplement of such Sub-Fund, it being understood that in the absence of an Issue Price in a Supplement, the Issue Price of all the Securities issued in such Sub-Fund will be one thousand (1,000) euro.
<b>Redemption price</b>	has the meaning ascribed to it in section 7.1(h) of the General Section
<b>Distributable Income</b>	has the meaning ascribed to it in section 6.2 of the General Section
<b>Net income</b>	means the consideration received in cash and/or in kind by a Sub-Fund for the sale or redemption of all or part of an investment less any costs incurred by the Fund, on behalf of such Sub-Fund, in the context of the sale or distribution in kind of all or part of the investment.
<b>Prospectus</b>	means this Prospectus.
<b>Annual Report</b>	has the meaning ascribed to it in section 18.2 of the General Section.
<b>Semi-Annual Report</b>	has the meaning ascribed to it in section 18.3 of the General Section.
<b>RCSL</b>	means the Trade and Companies Register of Luxembourg.
<b>Regulation 2015/2365</b>	means Regulation (EU) 2015/2365 of the European Parliament and of the Council on the transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012.
<b>Level II Regulation</b>	means the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general conditions, depositaries, leverage, transparency and supervision.
<b>Prospectus Regulation</b>	means Regulation (EU) 2017/1129 of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC.

<b>RESA</b>	means the Luxembourg official gazette ( <i>Recueil Électronique des Sociétés et Associations</i> )
<b>SFDR</b>	means Regulation (EU) 2019/2088 of the European Parliament and of the Council dated 27 November 2019 on sustainability-related disclosures in the financial services sector.
<b>Reserve</b>	has the meaning ascribed to it in section 15(a) of the General Section.
<b>SCA</b>	means a corporate partnership limited by shares ( <i>Société en commandite par actions</i> ).
<b>Redemption Threshold</b>	has the meaning ascribed to it in each Supplement.
<b>SICAV</b>	means an investment company with variable capital ( <i>Société d'investissement à capital variable</i> ).
<b>Investment Holding Company</b>	means any company, any partnership or any other entity, regardless of the place in which it is established, registered or in which it has its professional address, in which the Fund, on behalf of one or more Sub-Funds, intends to make or holds an investment, directly or through one or more Investment Vehicles.
<b>Affiliated Vehicle</b>	means an investment vehicle other than the Fund or a Sub-Fund managed or advised by the Managing General Partner or by an Affiliated Person of the Managing General Partner.
<b>Supplement</b>	means each supplement of this Prospectus describing the specific characteristics of a Sub-Fund.
<b>Securities</b>	means all the Shares and Bonds issued by the Fund, in each relevant Sub-Fund.
<b>Securities (Class name - e.g. A, B, etc.)</b>	means all Shares and Bonds issued by the Fund in a particular Class as defined or described in this Prospectus.
<b>Security Eligible for Redemption</b>	has the meaning ascribed to it in section 7.1(a) of the General Section
<b>Transfer</b>	means the transfer of ownership of the Securities, in any form whatsoever, and in particular, but not limited to, by transfer, contribution, exchange, universal transfer of assets and liabilities, allocation in kind of assets, contractual or judicial security such as a pledge or donation.
<b>IRR</b>	means internal rate of return.
<b>EU</b>	means the European Union.
<b>Fixed Redemption Value</b>	has the meaning ascribed to it in relevant Supplement.
<b>GAV or Gross Asset Value</b>	corresponds to the sum of the NAV of the Fund or, if applicable, of a Sub-Fund, debts to credit institutions, current account advances, banking and financial debts of investments held directly or indirectly by the Fund in Investment Holding Companies, other financial commitments of a financing nature and the implicit value of financial debts of real rights held in its capacity as lessee relating to financial leasing agreements for buildings.
<b>Co-Investment Vehicle</b>	has the meaning ascribed to it in section 3.1(e)(ii) of the General Section.

<p><b>Intermediary Vehicle</b></p>	<p>means an entity (directly or indirectly) held by one or more Sub-Funds to structure the holding of an investment by such Sub-Fund(s) it being understood that any Intermediary Vehicle must:</p> <p>(a) be either (i) (directly or indirectly) majority held by the Fund so that the Fund is able to remove and appoint members of the management body of such Intermediary Vehicle if necessary or (ii) controlled by the Managing General Partner (where such Intermediary Vehicle is jointly held by the Fund with Affiliated Vehicles) such that the Fund or the Managing General Partner is able to remove and appoint the members of the management body of such Intermediary Vehicle if necessary);</p> <p>(b) be subject in principle to an accounting audit or an external audit by an affiliated entity of the Approved Statutory Auditor (or, where applicable, by a duly authorised chartered accountant or local auditor), it being understood that if an Intermediary Vehicle is not itself subject to an accounting audit, or an external audit, the Approved Statutory Auditor will carry out the checks and procedures on the accounting data relating to this Intermediary Vehicle which it deems useful in the context of its mandate to audit the annual accounts of the Fund.</p>
<p><b>Passive Breach</b></p>	<p>has the meaning ascribed to it in section 3.7 of the General Section.</p>
<p><b>NAV or Net Asset Value</b></p>	<p>means the net asset value of the Fund, any Sub-Fund or, as the context so requires, the relevant Class of Securities, as provided for under this Prospectus and the Articles of Association.</p>



## GENERAL SECTION

This General Section applies to all Sub-Funds. The specific characteristics of each Sub-Fund, each Class of Securities are described in the Supplements, if applicable. Each Supplement may, unless otherwise specified in this General Section, derogate from the terms of this General Section.

### 1. GENERAL INFORMATION

#### 1.1 Legal form - regulatory regime of the Fund

- (a) The Fund is a RAIF organised as an SCA with an umbrella structure subject to the 2016 Act, the 1915 Act (insofar as there are no exceptions instituted by the 2016 Act) and the Articles of Association. The Fund is an AIF for the purposes of the AIFM Directive and its AIFM within the meaning of article 5.1(a) of the AIFM Directive is the AIFM.
- (b) The Fund was incorporated on 7 October 2020 and is registered with the RCSL under number B247898. An SCA is incorporated by:
  - (i) one or more shareholders, indefinitely and jointly and severally liable for corporate commitments; together with
  - (ii) one or more shareholders who only commit to a specific investment.
- (c) The Managing General Partner is the shareholder which is indefinitely and jointly and severally liable for corporate commitments with the Fund. The Managing General Partner is also the sole manager of the Fund within the meaning of article 600-5 of the 1915 Act.
- (d) The share capital of the Fund is at all times equal to the sum of its net assets and equal to the sum of the net assets of all the Sub-Funds converted into euros based on the most recent known exchange rates.
- (e) The minimum share capital of the Fund is EUR 1,250,000. This minimum must be reached within twelve months of setting up the Fund. The initial capital of the Fund was thirty-three thousand euros (EUR 33,000) represented by thirty-two (32) A Shares and one (1) GP Share, all fully paid up and without par value.
- (f) Changes in the share capital shall be made automatically and without requiring the usual measures for publication and registration with the RCSL provided for in respect of increases and decreases in the capital of SCAs.

#### 1.2 Sub-Funds

- (a) The Fund is an umbrella company. An individual portfolio of assets is maintained for each Sub-Fund and invested in accordance with the objectives and the investment policy applicable to such Sub-Fund. The objectives, policy and other specific characteristics of each Sub-Fund are specified in the relevant Supplement for each Sub-Fund.
- (b) The Fund is a single legal entity. However, in accordance with article 49(5) of the 2016 Act, the rights of Shareholders and creditors (including Bondholders) with respect to a Sub-Fund or arising from the incorporation, existence and liquidation of a Sub-Fund are limited to the assets of such Sub-Fund. The assets of a Sub-Fund are exclusively dedicated to satisfying the rights of Shareholders or Bondholders of such Sub-Fund and the rights of creditors whose claims arose from the incorporation, existence or liquidation of such Sub-Fund, excluding any joint liability between the Sub-Funds.

- (c) Each Sub-Fund is treated as a separate entity and exists independently, each portfolio of assets being invested in the exclusive interest of such Sub-Fund. A subscription for Shares of a specific Sub-Fund does not give the holder of such Shares any right over any other Sub-Fund.
- (d) The capital of the Funds may include different Classes of Securities created and invested, unless otherwise provided for in a Supplement, jointly within a Sub-Fund, but subject to different cost and distribution structures, targeting different eligible investors, and having specific currencies or other characteristics. A Net Asset Value per Share and per Bond which may vary according to these different factors, will be calculated for each Class of Shares and each Class of Bonds.
- (e) The Managing General Partner may decide to issue Bonds in successive Classes, each having its own maturity and giving entitlement to its own coupon as determined at the discretion of the Managing General Partner when the Class of Bonds is issued subject to the terms provided for in the relevant Supplement.
- (f) Subject to the terms of this Prospectus, the Managing General Partner may at any time create additional Classes of Shares or Bonds for which the characteristics may be different from the existing Classes of Shares or Bonds and additional Sub-Funds for which the investment objectives may be different to those of the existing Sub-Funds. This Prospectus will be updated as necessary to reflect the creation of new Sub-Funds or new Classes of Securities.
- (g) The Fund currently has only one Sub-Fund OCITY– OCITY 1, i.e. the Initial Sub-Fund.
- (h) The Securities are exclusively reserved for Eligible Investors. The possibility of subscribing for Securities in certain Sub-Funds or Classes of Securities may be restricted by other criteria than that of being an Eligible Investor, thus making such subscription inaccessible to other Eligible Investors.

## **2. TERM OF THE FUND AND SUB-FUNDS**

- (a) The Fund is established for an indefinite period of time, it being understood that the Fund will nevertheless be automatically liquidated when a Sub-Fund is liquidated if no other Sub-Fund is active at that time. The Fund may in addition be liquidated in the following cases:
  - (i) by an Extraordinary Decision of the Shareholders, on the understanding that any Extraordinary Decision of the Shareholders is subject to the approval of the Managing General Partner;
  - (ii) in the cases provided for in section 21.1 of the General Section.
- (b) The Sub-Funds may be set up for an indefinite or fixed term, in which case they will be automatically be liquidated at the end of the term of the Sub-Fund under the conditions and subject to potential extensions, described in the relevant Supplement.

## **3. INVESTMENT OBJECTIVE, POLICY AND STRATEGY**

### **3.1 Investment objective, policy and strategy**

- (a) The investment policy and restrictions applicable to each Sub-Fund are described for each Sub-Fund in the relevant Supplement.
- (b) The Fund may (directly or indirectly) invest in any type of assets which are eligible in compliance with the 2016 Act.



- (c) Each Sub-Fund may resort to borrowing either directly or through an Intermediary Vehicle for any purpose whatsoever, subject to the specific restrictions provided for in each Supplement.
- (d) The Fund may invest through one or more Intermediary Vehicles, including, where applicable, jointly with one or more Affiliated Vehicles controlled, managed or advised by the Managing General Partner or any Affiliated Person. For the purposes of applying the investment restrictions provided in the following section, Intermediary Vehicles will be looked through.
- (e) Each Sub-Fund may also invest jointly with:
  - (i) one or more joint venture partners (**JV Partners**) who may provide technical, financial or other expertise in a particular segment of real estate through one or more joint-investment vehicles (each, a **JV Vehicle**) and, when the Fund enters into such an agreement, the Managing General Partner will endeavour to negotiate governance rights for the JV Vehicle or exit rights commensurate with its investment in the circumstances to protect the interests of the Sub-Fund and its Investors;
  - (ii) one or more joint-investors (including Shareholders, Bondholders, the Managing General Partner or Affiliated Persons of the Managing General Partner or controlled, managed or advised by such persons) via one or more co-investment vehicles (each, a **Co-Investment Vehicle**) which may, if applicable, be managed or controlled by the Managing General Partner, or its Affiliated Persons, subject to the provisions of section 18.8 of this General Section.
- (f) Each Sub-Fund is authorised to give security interests or grant guarantees on its own assets in order to secure its own obligations or on the assets of its Intermediary Vehicles to secure the obligations of the Sub-Fund or such Intermediary Vehicle, notably in the context of its investment or divestment transactions.

### 3.2 **SFDR – Risks on sustainability**

In accordance with SFDR, the AIFM draws the investors' attention to the fact that it analyses and assesses potential risks on sustainability within the meaning of SFDR as part of its procedures on investment decisions relating to investments made by the Sub-Funds, and has integrated such analysis in its internal procedures and policies. This analysis is carried out by the team in charge of portfolio management either at the time of the devising the Sub-Fund's policy and strategy and, thereafter, if those risks are relevant, on an ongoing basis when investments are made. If such risks are relevant, the team in charge of risk management carries out a regular analysis of such risks in the context of performing its duties.

### 3.3 **Assessment of risks on sustainability**

As part of the review performed in accordance with section 3.2 above, the AIFM considers that, unless otherwise indicated in the Supplement for a relevant Sub-Fund, the investments to be made by the Sub-Funds are not likely to be affected by sustainability risks and that those risk are not relevant in the context of relevant policies, i.e., that if any such risk arises, it is not likely to have a more materially adverse effect on the Sub-Funds' returns than any other normal market or external risk. Investors should note that it is very difficult to assess with any reasonable certainty whether there exists, or the likely outcome of, any sustainability risk on the investments and/or the risk of occurrence of any such risk.

### 3.4 **European criteria on sustainable economic activities**

Unless otherwise indicated in the Supplement for a relevant Sub-Fund, for the purposes of articles 8 and 9 of the SFDR Regulation and article 7 of the Regulation (EU) 2020/852 of the European Parliament and of the Council dated 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending the SFDR Regulation, the Managing General Partner and the AIFM consider that, based on the

investment objectives and policy of the Sub-Funds, the investments underlying this financial product do not take into account the European Union criteria for environmentally sustainable economic activities.

### 3.5 Principal adverse sustainability impacts

The AIFM considers that an extensive consideration of adverse impacts of investment decisions on sustainability factors within its investment process and strategy in relation to the Sub-Funds could undermine the objective of obtaining the best risk-adjusted returns by excluding certain opportunities, which would force the AIFM to ignore certain investment opportunities offering attractive risk-adjusted return possibilities. Therefore, the investment process is not primarily guided by the consideration of adverse impacts of investment decisions on sustainability factors and the AIFM may make investments despite potential such adverse impacts.

### 3.6 Investment restrictions

- (a) The Fund complies with the principle of risk diversification and will comply with the following diversification rules:
- (i) at the end of the relevant Investment Period, the value of none of the assets in a Sub-Fund calculated in compliance with Section 13 may represent more than 30% of the GAV of such Sub-Fund;
  - (ii) The Sub-Funds will in principle invest in different real estate asset classes, such as retail, office, hospitality, health and residential real estate.
- (b) No Sub-Fund will engage in short-selling transactions, transactions constituting securities financing transactions or total return swaps within the meaning of Regulation 2015/2365. However, the use of these instruments (except the use of total return swaps within the meaning of Regulation 2015/2365) is authorised on an ancillary or related basis, i.e. in the context of management via equity warrants or warrants, or for hedging purposes.

### 3.7 Passive Breach

If an investment restriction is breached for any reason other than the acquisition, sale or purchase of an investment, including the possibility that an investment restriction is breached due to an increase or decrease in the value of the investment (a **Passive Breach**), the AIFM, in consultation with the Managing General Partner, will attempt to resolve the Passive Breach, but only if it reasonably considers that it is in the best interests of the Fund. In addition, it will not engage in any new investment that may increase the Passive Breach. Similarly, investment restrictions will not be deemed to have been actively breached as a result of transferring an investment during the liquidation phase of the Fund. For the avoidance of doubt, the investment restrictions of a Sub-Fund do not apply during the period of creating the portfolio of a Sub-Fund (and will not be breached if they are exceeded during this period, solely due to the sale of assets in such Sub-Fund during this period).

## 4. MANAGEMENT AND ADMINISTRATION

### 4.1 The Managing General Partner and its Managers

- (a) OCITY Fund Management S.à r.l. is the general partner and sole statutory manager of the Fund (the **Managing General Partner**). OCITY Fund Management S.à r.l., is a company incorporated under Luxembourg law, constituted as a private limited liability company with a share capital of EUR 12,000 (twelve thousand euros). The articles of association of the Managing General Partner were published in the RCSL on 21 October 2020



and the Managing General Partner is registered there under number B247887. The Managing General Partner is responsible for implementing the investment policy and objectives of the Fund and Sub-Funds, and for managing and administering the Fund. The Managing General Partner will manage the assets of the Fund in accordance with the Articles of Association and the provisions of this Prospectus for the exclusive benefit and in the best interests of the Investors. To achieve this, the Managing General Partner may use service providers to whom it may delegate its functions.

- (b) The Managing General Partner is the Fund's sole managing general partner and is personally and jointly and severally liable with the Fund for all liabilities that cannot be met from the Fund's assets.
- (c) The Fund will issue at least one **GP Share** reserved for the Managing General Partner in each Sub-Fund, which will have the characteristics provided for in section 5.2(a)(iii) of this General Section.
- (d) The Management Board of the Managing General Partner will comprise the following members:
  - (i) Mr Christophe Nadal ;
  - (ii) Mr Laurent Olmedo; and
  - (iii) Mr. Frédéric Reichling.
- (e) The members of the Management Board are appointed by the shareholders of the Managing General Partner and the composition of the Management Board may be modified by its shareholders without the prior consent of the Investors. The members of the Management Board may be remunerated from the Managing General Partner's assets and are Indemnified Persons.

#### 4.2 **AIFM**

- (a) Fuchs Asset Management S.A. is the Fund's alternative investment fund manager in accordance with article 4.1 of the AIFM Act and pursuant to a management agreement with the Fund (the **AIFM Agreement**).
- (b) In its capacity as AIFM, Fuchs Asset Management S.A. will be responsible for (a) the portfolio management of the Fund and the Sub-Funds; (b) the risk management, and (c) assisting the Administration Agent in the valuation of the assets of the Fund and the Sub-Funds. The AIFM shall comply with all the obligations imposed on it, in particular, by the 2013 Act and by (the applicable transposition provisions of) the AIFM Directive and its transposition and enforcement measures and, in particular, the Level II Regulation. The Managing General Partner may use the services of one or more Distributors to market the Securities. The AIFM may, where applicable, issue any useful or required notices such that the Securities may be marketed by the Distributor in accordance with the provisions of article 32 of the AIFM Directive to Professional Investors or, where applicable, in accordance with article 43 of the AIFM Directive to Eligible Investors.
- (c) In accordance with the AIFM Agreement, and without prejudice to its legal and regulatory obligations, the AIFM will, in particular, be responsible for:
  - (i) the identification, valuation, selection and realisation of investments and divestments of the Sub-Funds within the limits provided for in this Prospectus. The AIFM will also exercise any voting rights related to investments made on behalf of the Sub-Funds; and
  - (ii) establishing and maintaining a risk management system relevant to the Fund's strategy in accordance with article 15 of the AIFM Directive and articles 38 to 42 of the Level II Regulations.
- (d) As at the date of this Prospectus, the share capital of the AIFM is EUR 700,000 and its equity meets the requirements of applicable Luxembourg regulations. The AIFM ensures compliance with the requirements of



article 9.7 of the AIFM Directive by providing civil liability insurance coverage, tailored to the insured risks, as part of its liability for professional negligence.

#### 4.3 Distributors

- (a) The Managing General Partner may appoint one or more Distributors to place the Securities of the Sub-Funds with Eligible Investors and to put potential investors in contact with the Managing General Partner.
- (b) In order to pay the relevant Distributors, the Managing General Partner will collect distribution and subscription management fees, if any, based on the Issue Price at a rate as described in the Supplement for the relevant Sub-Fund (the 'Distribution Fee'), it being specified that, unless otherwise specified in such Supplement, such Distribution Fee will be paid by the relevant Sub-Fund upon receipt of the Issue Price of the relevant Securities and will be recorded on the balance sheet of the Sub-Fund as an expense constituting a capitalised acquisition cost which will be depreciated from the date of the last Subscription Day to the term as provided for in the Supplement.
- (c) The Managing General Partner may, on behalf of the Fund, and in agreement with any Distributor, decide to pay all or part of the Distribution Fee due to a Distributor via an issuance of Securities, in accordance with Luxembourg law.

#### 4.4 Depositary

- (a) EFG Bank (Luxembourg) S.A. (**EFG**), a Luxembourg public limited liability company (société anonyme) having its registered office at 56, Grand Rue, L-1660, Luxembourg, Grand Duchy of Luxembourg and registered with the RCSL under number B113375, has been appointed as depositary of the Fund pursuant to the Depositary Agreement entered into for an indefinite period of time between the Fund, the AIFM and EFG (**the Depositary**).
- (b) The Depositary, which fulfils the obligations and duties prescribed by the Depositary Agreement, has been commissioned to hold the assets of the Fund. The Depositary and the Fund may terminate the Depositary Agreement at any time by giving 90 calendar days' written notice. If the Depositary agreement is terminated, the Fund will do its best to appoint a new depositary to assume the responsibilities and duties of the Depositary within 2 months of such termination. Until a new depositary is appointed, the Depositary must take all necessary measures to ensure that the interests of Investors are properly protected.
- (c) The Depositary is remunerated out of the Fund's assets in accordance with market practices in Luxembourg and the terms of the Depositary Agreement.

#### 4.5 Administration Agent

- (a) The Fund has delegated the performance of the tasks related to the central administration of the Fund to EFG Bank (Luxembourg) S.A. (**the Administration Agent**)
- (b) To this end, a service agreement has been entered into between EFG and the Fund for an indefinite period. Under the terms of this agreement, EFG fulfils the duties of domiciliary agent, administration agent and transfer agent of the Fund. In this context, it performs the administrative duties required under Luxembourg law, such as keeping of the company's accounts and books, including keeping of the register of Shareholders and Bondholders. The Administration Agent is also responsible for the periodic calculation of the Net Asset Value per Share and per Bond in each Sub-Fund and in each Share Class or Bond Class, where applicable. The Administration Agent assists the Managing General Partner in checking that the Investors have the status of Well-Informed Investors under the 2016 Act.

#### 4.6 **Approved Statutory Auditor**

Ernst & Young is the approved statutory auditor of the Fund and shall perform its duties under the 2016 Act and, where applicable, the AIFM Directive (and its transposition or enforcement measures).

### 5. **SHARES - BONDS - SUBSCRIPTION DAYS - ISSUE PRICE**

#### 5.1 **General - Eligible Investors**

- (a) All Shares are issued in nominative form and no certificate representing the Shares will be issued. The Shares are issued fully paid up at the Issue Price. The Shares have no par value and do not carry any preferential or pre-emptive rights.
- (b) The Bonds may be issued in different Categories at the Issue Price with the characteristics provided for in the relevant Sub-Funds and the Subscription Agreement.
- (c) The Securities are exclusively reserved for Eligible Investors. The Fund will not issue, accept or recognise any Transfer of Securities to a Person who is not an Eligible Investor. The Fund, the Managing General Partner, any Distributor, the AIFM and the Administration Agent reserve the right to request any information reasonably necessary to check and establish that an investor is, and remains, an Eligible Investor. At their discretion, the Fund and the Managing General Partner are moreover free to refuse any Subscription Agreement even from an Eligible Investor.

#### 5.2 **Classes of Shares**

- (a) Subject to additional or contrary provisions of the relevant Supplement, the following Classes of Shares will be issued in each Sub-Fund:
  - (i) **A Shares**, open for subscription by any Eligible Investor in accordance with the terms of each Supplement. The A Shares may be sub-divided into different Classes, in accordance with the terms of each relevant Supplement;
  - (ii) **C Shares**, (directly or indirectly) reserved at the time of their subscription for the Managing General Partner, its Affiliated Persons and their directors, shareholders, associates, corporate officers and employees (the **Eligible Holders of C Shares**) and entitling them to the payment of Carried Interest in accordance with the terms of this Prospectus, and each relevant Supplement;
  - (iii) **GP Share**, reserved for the Managing General Partner in its capacity as Managing General Partner of the Fund. At least one GP Share will be issued in each Sub-Fund. Unless stated otherwise in a Supplement, GP Shares will not give any entitlement to any distribution other than the reimbursement of its Issue Price in connection with the liquidation of the Fund supplemented by a fixed amount of EUR 100 per full year during which such GP Share existed.

#### 5.3 **Classes of Bonds**

- (a) Subject to additional or contrary provisions of the relevant Supplement, the following Bond Class will be issued in each Sub-Fund: **OB Bonds**, open for subscription by any Eligible Investor, subject to and in accordance with the terms of each Supplement and the Subscription Agreement. OB Bonds may be sub-divided into different Classes, in accordance with the terms of each relevant Supplement.

- (b) Subject to any contrary terms in a Supplement or relating to a Class of Bonds, Investors who subscribe for Bonds must accept that (i) the Bonds issued in the Sub-Fund will be of a 'limited recourse' type, with no security or guarantee granted to Bondholders in order to secure reimbursement of the principal or payment of interests and that such reimbursement and such payment will therefore be conditional upon the financial return of the relevant Sub-Fund and (ii) that no voting rights are granted to Bondholders, unless otherwise provided for in this Prospectus. The economic rights of Bonds in each Sub-Fund are described in more detail in the Supplements.

#### 5.4 **Subscription of Securities**

- (a) For each Sub-Fund and, if applicable, each Class of Securities, the Managing General Partner may decide to set the First Subscription Day, provided that the amount of potential subscriptions received from investors, if accepted, is at least equal to an amount deemed by the Managing General Partner to be sufficient to launch the relevant Sub-Fund or Class.
- (b) In each Sub-Fund and, if applicable, each Class of Securities, after the First Subscription Day and until the Last Subscription Day, the Managing General Partner may decide to organise one or more Subscription Days during which it may accept subscriptions from new investors or accept that existing Investors may make new subscriptions.
- (c) An investor wishing to subscribe for a Sub-Fund during a Subscription Day, must provide the Managing General Partner with a duly completed Subscription Agreement (including all the information and documents required in the context of anti-money laundering and terrorist financing measures) no later than seven calendar days prior to the relevant Subscription Day.
- (d) The Managing General Partner reserves the right to accept or reject any Subscription Agreement submitted to it and reserves the right to accept the Subscription Agreements in a different order from the date of receipt and to accept them on any Subscription Day determined by the Managing General Partner. In particular, the Managing General Partner shall have full discretion to refuse or postpone incomplete subscription requests to other subsequent Subscription Days, notably with respect to those which fail to comply with the requirements of the Administration Agent. Any investor whose Subscription Agreement has been accepted (in whole or in part) on a Subscription Day shall be notified promptly of such acceptance and (i) the amount of the accepted subscription, (ii) the time limit for paying such amount (in accordance with section 5.5 below) and (iii) the relevant Subscription Day. All subscriptions are for an amount, not a number of Shares or Bonds.
- (e) For the avoidance of doubt in relation to this section 5.4. and unless otherwise stated in the relevant Supplement, each Security of any Sub-Fund or of any Class is issued to the relevant Shareholders or Bondholders by the Funds with as reference date ("entry date") a Subscription Day as determined in accordance with the provisions of this General Section and the relevant Supplement.

#### 5.5 **Issue price**

- (a) All Shares other than GP Shares, if applicable, issued at any time by the Fund will be issued at a price equal to the Issue Price.
- (b) The payment of the Issue Price for issued Securities must be carried out within the time limit provided for in the relevant Supplement, it being understood that the Securities may be issued on a later date than such payment and the amount therefore paid is freely available to the Fund upon payment.
- (c) If payment is not made within the time limit provided for in accordance with section 5.5(b), the subscription will be performed on the following Subscription Day subject to completing the formalities provided for in section 5.5 below, without affecting any damages that the Fund, the Managing General Partner and their Affiliate Persons may be entitled to claim from the subscriber for non-payment.



- (d) The Managing General Partner may authorise an investor to make a contribution in kind to a Sub-Fund provided that (i) the relevant investment is in accordance with the strategy, objectives, limits and restrictions applicable to the relevant Sub-Fund, and (ii) such investment is contributed at a value which does not exceed a value checked by an independent auditor and (iii) unless the Managing General Partner agrees otherwise, the costs and expenses for this contribution will be borne by the relevant investor.

## 6. DISTRIBUTION POLICY

### 6.1 General

- (a) Within the limits provided by law and this Prospectus, the Fund may distribute dividends on Shares or make payments or prepayments of the principal or interest on Bonds in each Sub-Fund independently of any realised or unrealised capital gains or losses. In addition, the dividends or payments may include a distribution of capital respecting the limit of the minimum statutory capital as provided for by the 2016 Act (no distribution may be made if it has the effect of reducing the NAV of the Fund below the threshold of EUR 1,250,000).
- (b) The Shareholders registered into the Shareholders' register and the Bondholders registered into the Bondholders' register will be paid by wire transfer as per their instructions. Collection costs will be at the expense of the Shareholders or Bondholders. No interest will be paid on dividends, interests or any interim dividends payable that are held by the Fund on behalf of the Shareholders.
- (c) Dividends and interim dividends as well as interests and redemption payments on the Bonds that are not claimed within five (5) years from the date of payment will be time-barred and will revert to the relevant Sub-Fund.

### 6.2 Distributable Income

Any distribution, income (including rents, interests, dividends or other income) and any Net Income received by a Sub-Fund net of any Operating Expenses and Incorporation Costs; less amounts that are either:

- (i) allocated to the Reserve of the relevant Sub-Fund;
- (ii) reinvested during the Investment Period of the Sub-Fund at the discretion of the Managing General Partner and the AIFM;
- (iii) used or reserved by the Managing General Partner to satisfy Redemption Requests;

and increased, where applicable, by any amount that is no longer required to be held in Reserve represent the **Distributable Income**. Distributable Income may be distributed to Investors (notably in the form of instalments) upon the decision of the Managing General Partner and in accordance with the Distribution Policy.

### 6.3 Distribution Policy and allocation of income

The **Distribution Policy** for the Distributable Income that may be distributed to Shareholders and Bondholders of each Class in each Sub-Fund is as set out in the Supplement of the relevant Sub-Fund.

### 6.4 Limits on distributing Distributable Income

Notwithstanding any provision to the contrary in this Prospectus, the Managing General Partner shall not be obliged to make distributions of Distributable Income if this would render the Fund insolvent; or if, in the



opinion of the Managing General Partner, the share capital of the Fund would fall below EUR 1,250,000 as a result of such distribution.

#### 6.5 **Unauthorised Person**

- (a) An Unauthorised Person may be deprived of receiving all or part of the distributions on its Shares or payment on its Bonds permanently or temporarily in accordance with section 11.
- (b) The Managing General Partner is entitled to adjust the amounts distributable to Shareholders or the amounts payable to Bondholders in accordance with this section 6 to take into account the application of section 11 to Unauthorised Persons.

### 7. **REDEMPTIONS**

#### 7.1 **Redemption request**

- (a) Subject to additional or contrary provisions provided for in the relevant Supplements and the provisions of this section 7.1, an Investor may request that its Securities Eligible for Redemption be redeemed in whole or in part by the relevant Sub-Fund after the Redemption Period by sending a Redemption Request to the Administration Agent.
- (b) For the purposes this provision:
  - (i) **Securities Eligible for Redemption** means the Shares or, if applicable, the Bonds which have been issued in a Sub-Fund, unless otherwise stated in the relevant Supplement, at least twelve (12) months before the reception date of the Redemption Request and which are held by the relevant Shareholder or Bondholder; and
  - (ii) The **Redemption Period** is the period from the date on which the Redemption Request was received up to a date provided for in the Supplement of the relevant Sub-Fund (the **Redemption Period End Date**)
- (c) A Redemption Request is irrevocable, unless otherwise agreed by the Managing General Partner.
- (d) If, at any time, the sum of all Securities to be redeemed in a Sub-Fund in a calendar year pursuant to one or more Redemption Request(s) exceeds the Redemption Threshold applicable to the relevant Sub-Fund, the Managing General Partner shall have full and complete discretion to decide to only satisfy the Redemption Requests within such threshold and in proportion to the Investors' interests (a **Partial Redemption**). In addition, the Fund, the Managing General Partner and the AIFM will use their best effort to satisfy the Redemption Requests issued in accordance with item (a) above as soon as possible, it being understood that neither the Fund, the Managing General Partner nor the AIFM are under any obligation to satisfy a Redemption Request and that in exercising their best efforts to satisfy any Redemption Request, they will notably take due consideration of:
  - (i) the interests of the relevant Sub-Fund and the Fund and the Investors who have not issued a Redemption Request;
  - (ii) the need to ensure that the Sub-Fund continues to be able to meet its commitments and comply with and implement its investment strategy and policy (including through reinvesting investment income);
  - (iii) the possibility of borrowing funds to meet ongoing Redemption Requests;
  - (iv) implementing the Distribution Policy;

- (v) whether or not any Liquid Assets are available to satisfy this demand and/or whether there are new Investors requesting new subscriptions;

and, for the avoidance of any doubt, neither the Fund, the Managing General Partner nor the AIFM will be required to sell one or more assets in order to satisfy a Redemption Request.

- (e) Without prejudice to item (d) above, the Fund, the Managing General Partner and the AIFM will attempt to ensure that a Redemption Request concerning Securities Eligible for Redemption is generally satisfied in full within the Maximum Redemption Time Period applicable to the relevant Sub-Fund after the end of the Redemption Period. The date on which one or more Securities Eligible for Redemption are actually redeemed is the **Redemption Date**.
- (f) The Managing General Partner will keep any Investor who has submitted a Redemption Request regularly informed of the processing (in whole or in part) of the relevant Redemption Request and of the planned Redemption Date for all or part of the relevant Securities Eligible for the Redemption (without any guarantee that the redemption will take place on that date).
- (g) Every Investor must understand and accept:
  - (i) that there is no guarantee that a Redemption Request will be satisfied (in whole or in part);
  - (ii) that the Redemption Price of the Securities Eligible for Redemption on a Redemption Date will be the Redemption Price calculated with respect to the relevant Redemption Date (and not, for example, the Redemption Price on the date of the Redemption Request),
  - (iii) that, in principle, a Redemption Request submitted prior to a subsequent Redemption Request will have priority over such subsequent Redemption Request, but that the Managing General Partner may, in the best interests of the Fund and the Investors, decide to treat the Redemption Requests, which at any time have yet to be satisfied, differently, by considering the circumstances (and, in particular, the Managing General Partner may decide to treat all Redemption Requests in an equivalent manner, regardless of their respective issue dates);
  - (iv) that a Redemption Request can therefore be satisfied over a period of time extending over several Valuation/Redemption Dates and the Securities Eligible for Redemption corresponding to such Redemption Request may be redeemed at different Redemption Prices; and
  - (v) that a Redemption Request for Bonds will be treated in the same way and *pari passu* with a Redemption Request for Shares.
- (h) The redemption price of Securities Eligible for Redemption on a Redemption Date (the **Redemption Price**) will be determined in each relevant Supplement and will consider the exit costs applied in accordance with the provisions provided for in the relevant Supplement (the **Exit Costs**)
- (i) To determine the eligibility of Securities for redemption in the context of a Redemption Request, the 'first in, first out' (FIFO) rule will be applied such that the first Security of the corresponding Class issued to an Investor will be the first Security of such Class to be redeemed and so on.

## 7.2 **Mandatory redemption**

- (a) Securities of any Class may be redeemed, on a proportional basis among the Investors of such Class, for the purpose of distributing Distributable Income, upon the decision of the Managing General Partner, in accordance with the terms of this Prospectus and the Articles of Association.
- (b) The Fund may forcibly redeem Securities:



- (i) held by an Unauthorised Person in accordance with section 11(b);
- (ii) in any other circumstances, in accordance with the terms and conditions described in the relevant Subscription Agreement, this Prospectus and the Articles of Association.

### 7.3 Cancellation of redeemed Securities

Any Securities redeemed will be cancelled

## 8. PARTICIPATION IN VALUE CREATION - LIQUIDATION INCOME

Upon the liquidation of a Sub-Fund, the Distributable Income will be distributed to Shareholders and Bondholders in accordance with the terms provided for in the relevant Sub-Fund.

## 9. CONVERSION OF SECURITIES

Investors are not entitled to ask that their Securities of one Class be converted into Securities of another Class.

## 10. TRANSFER RESTRICTIONS

### 10.1 General

The provisions of this section 10 of this General Section apply to each Sub-Fund, unless this is expressly waived in one or more Supplements.

### 10.2 GP Shares

The Managing General Partner may not Transfer the GP Shares or its rights or obligations as Managing General Partner, or voluntarily withdraw from its position as Managing General Partner, except with the consent of the Shareholders by an Extraordinary Decision of the Shareholders.

### 10.3 Securities

- (a) No Transfer of all or part of an Investor's Securities, other than the GP Shares, whether voluntarily or involuntarily, will be valid or effective if:
  - (i) the Transfer results in a breach of any law or regulation applicable in Luxembourg, France, the United States, the United Kingdom or any other jurisdiction (including, without limitation, the US Securities Act, any laws regarding marketable securities in any of the states of the United States, or the US Employee Retirement Income Security Act and any act on mandatory disclosure for public listing of securities, in particular, the Prospectus Regulation) which could subject the Fund, a Sub-Fund or an Intermediary Vehicle to any additional tax burden, or unfavourable legal or regulatory consequence, as determined by the Managing General Partner; or
  - (ii) such Transfer results in a breach of the terms and conditions of the Articles of Association, the Subscription Agreement or this Prospectus; or
  - (iii) such Transfer would require the Fund, a Sub-Fund or an Intermediary Vehicle to register as an investment company under the US Investment Company Act of 1940, as amended;

and any Transfer (permitted or required) will be subject to the condition that:



- (iv) the Managing General Partner approves the Transfer in writing;
  - (v) the transferee certifies in an acceptable manner to the Fund that it is not an Unauthorised Person, and that the proposed Transfer does not breach any applicable acts and regulations (including, without limitation, marketable securities acts); and
  - (vi) the transferee enters into a Subscription Agreement; and
  - (vii) the transferee is not an Unauthorised Person.
- (b) The Managing General Partner or the AIFM may at their sole and complete discretion, give their consent to the Transfer provided that they obtain legal advice in a form and substance that is reasonably satisfactory to them.
- (c) The transferor will be liable for and will pay the costs and expenses (including any tax burden) resulting from any authorised Transfer, including the reasonable legal fees incurred by the Fund, the Managing General Partner or their Affiliated Persons, and the stamp duty and the stamp duty reserve tax (where applicable) to be paid. The transferor and the transferee will hold the Indemnified Persons harmless, in a way that meets the approval of the Managing General Partner for any claim or expense to which the Indemnified Persons may be subject as a result of or based on any false representation or warranty made or given, or any breach or failure to satisfy any agreement by such transferee or transferor in relation to such Transfer. In addition, each Investor gives its consent to hold the Fund and each Indemnified Person harmless from any claims and expenses resulting from a Transfer or an attempted Transfer in breach of the Articles of Association or this Prospectus (and the terms of the Subscription Agreement).

## 11. RESTRICTIONS FOR HOLDING SECURITIES

- (a) The Fund may restrict or prevent any Person from holding Securities if, in the opinion of the Managing General Partner:
- (i) such possession or holding may be detrimental to the Fund, an Intermediary Vehicle, the Managing General Partner or one of its Affiliated Persons;
  - (ii) it may result (either individually or jointly with other investors in the same circumstances) in one of the following consequences:
    - (A) the Fund, the Managing General Partner or an Affiliated Person or any potential investment or actual investment of the Fund breaches any law or regulation or if, as a result, the Fund, the Managing General Partner, the AIFM or an Affiliated Person or a potential investment or actual investment of the Fund bears an additional tax burden to which it would not have been exposed had such Person ceased to be an Investor;
    - (B) the Fund becomes subject to the US Employee Retirement Income Security Act of 1974; or
    - (C) the Fund or a Sub-Fund is obliged to register its Shares under the laws of any jurisdiction other than Luxembourg and other than in accordance with article 32 of the AIFM Directive (including, without limitation, the US Securities Act of 1937 or the US Investment Company Act of 1940) or publish a public offer prospectus, notably, if applicable, in accordance with the terms of the Prospectus Regulation;
    - (D) if this may result in the Fund, the Managing General Partner, the AIFM or an Affiliated Person being in breach of the Luxembourg or foreign statutory regulations applicable to this Person itself (including the statutory regulations concerning anti-money laundering and terrorist financing); or

(E) generally, if as a result of such holding or possession, the Fund, the Managing General Partner, the AIFM or an Affiliated Person or any potential investment or actual investment of the Fund or any Sub-Fund could be exposed to adverse regulatory, tax, legal or financial consequences;

(iii) this Person is not an Eligible Investor;

(these persons are to be determined by the Managing General Partner and are **Unauthorised Persons**). A Person who does not qualify as a Well-Informed Investor shall be considered an Unauthorised Person.

(b) For such purposes, the Managing General Partner may:

(i) refuse to issue any Securities and refuse to register or record any Transfers, where it deems that such registrations or Transfers would result in an Unauthorised Person becoming the owner or the beneficial owner of such Securities; and

(ii) at any time, request any Person whose name is entered in the Shareholders' or Bondholders' register or who attempts to register a Transfer in the Shareholders' or Bondholders' register to provide it with any information, together with a sworn statement, deemed necessary by the Managing General Partner to determine whether the beneficial owner of the Shares or Bonds is an Unauthorised Person, or whether an Unauthorised Person would become a beneficial owner of the Shares or Bonds following such registration.

(c) If it appears that a Shareholder or a Bondholder is an Unauthorised Person, the Managing General Partner is at its sole discretion, entitled to:

(i) refuse to accept the vote, and to suspend the voting rights of such Unauthorised Person at the General Meeting and to disregard their vote on any matter requiring the consent of Investors in accordance with this Prospectus or the Articles of Association; and/or

(ii) withhold all or part of the dividends paid or payable or other amounts distributed or to be distributed for the Securities held by the Unauthorised Person; and/or

(iii) order the Unauthorised Person to sell its Securities and to provide evidence that such sale has taken place within thirty (30) calendar days of sending the related notice, subject to the applicable Transfer restrictions described in section 10;

(iv) perform a forced redemption of all the Securities held by the Unauthorised Person at a price based on the lowest price between (i) the Issue Price and (ii) the Redemption Price, by applying a penalty less than or equal to 10%, at the full discretion of the Managing General Partner.

## 12. ANTI-MONEY LAUNDERING AND COUNTER TERRORIST FINANCING

(a) The Fund, the Managing General Partner, the AIFM and the Administration Agent are subject to laws, regulations and other circulars of European and Luxembourg law relating to anti-money laundering and counter terrorist financing and, notably and as amended from time to time, the EU Directive 2015/849 of the European Parliament and of the Council on the prevention of the use of the financial system for the purpose of money laundering or terrorist financing, the Luxembourg act of 12 November 2004 as amended, on anti-money laundering and counter terrorist financing (the **AML/CFT Act**), the act of 13 January 2019 on the register of economic beneficiaries, the Grand Ducal Regulation of 1 February 2010 specifying certain provisions of the AML/CFT Act (the **2010 Regulation**), the CSSF Circular 17/650 on the application of the AML/CFT Act (as completed by Circular 20/744) and the 2010 Regulation on primary tax offences and Circular CSSF 12-02 of 14 December 12-02 of 14 December 2012 on anti-money laundering and counter terrorist financing.

- (b) In addition, the Fund, the AIFM and the Administration Agent are required to identify the origin of funds paid by a financial institution or investor. Subscriptions may be temporarily suspended until the source of the funds has been properly identified.
- (c) In light of the above obligations, investors will be informed of the documents to be provided, in accordance with the Fund's procedures for identifying investors, depending on the investor's type of entity and jurisdiction. Any information transmitted in this context to the Fund, the Managing General Partner or the Administration Agent is collected exclusively for the purpose of complying with the anti-money laundering and counter terrorist financing measures. The Fund, the Managing General Partner, the AIFM or the Administration Agent may, in accordance with applicable law, delegate these identification procedures to Distributors.
- (d) The Fund, the Managing General Partner, the AIFM and the Administration Agent are entitled to freeze an Investor's accounts and assets and to take any other action if ordered to do so by a governmental authority. Any Investor whose accounts or assets are frozen by the Managing General Partner or the Administration Agent in accordance with the above-mentioned provision shall indemnify the Managing General Partner, the Fund, the AIFM, and their Affiliated Persons and other Service Providers for any costs or expenses resulting from this measure.

### 13. CALCULATION OF THE NET ASSET VALUE

#### 13.1 General

- (a) The Net Asset Value of the Fund, each Sub-Fund and each Class, Share and Bond will be determined in accordance with Luxembourg law, subject to any adjustments necessary to guarantee that investors are treated fairly in accordance with this Prospectus and the Articles of Association.
- (b) Unless otherwise specified in a Supplement, the Net Asset Value of the Fund, each Sub-Fund and each Class, Share and Bond will be calculated in good faith in Luxembourg in euros once a year by reference to the date of 31 December (the **Valuation Date**).
- (c) The NAV of each Class is calculated by the Administration Agent under the supervision of the Managing General Partner by reference to the Valuation Date as follows: each Class participates in the Fund and the relevant Sub-Fund based on the portfolio and distribution rights allocated to each Class. The value of the entire portfolio and the distribution rights allocated to a Class in particular with reference to a specific Valuation Date adjusted with the liabilities relating to this Class on this Valuation Date represents the total Net Asset Value allocated to this Class on this Valuation Date. A separate Net Asset Value per Security, which may vary according to such factors, will be calculated as follows: the Net Asset Value per Security of this Class on the Valuation Date divided by the total number of Securities of this Class issued on the Valuation Date and adjusted in accordance with the Distribution Policy and the financial entitlements of each Security as provided for in this Prospectus.
- (d) The total net assets of the Fund will be the result of the difference between the Fund's Assets and the Fund's obligations and liabilities. The Set-up Costs will be capitalised to the extent possible and depreciated on a straight-line basis over a five-year period, it being understood that the acquisition costs will be capitalised in the balance sheet of the Fund (or the balance sheet of Intermediate Vehicles) and will be considered as charges to be depreciated as from the Last Subscription Day until the Fund reaches its term and, in any case, over a maximum period of 5 years. The Set-up Costs during this five-year depreciation period will be allocated to the Sub-Funds on a reasonable, fair basis and, without prejudice to the foregoing, on a pro-rata basis to the Classes and the Securities issued, subject to the terms of section 16.11 of this General Section.

#### 13.2 Valuation Rules

- (a) The value of the assets of the Fund will be determined as follows:



- (i) the value of cash in hand or deposited, bills and notes payable on demand and accounts receivable, prepaid expenses, cash dividends and interest declared or due but not yet received will be the total value of the Fund, except where it is unlikely that payment will be made, in which case the value will be determined by deducting an amount deemed adequate to reflect the real value of such assets;
- (ii) any marketable securities and money market instruments listed or traded on a stock exchange or any other regulated market will be valued based on the last available price, unless this price is not representative, in which case the value of this asset will be determined based on the fair value which will be estimated in good faith by the AIFM with the agreement of the Managing General Partner;
- (iii) the financial instruments and securities held by the Fund are valued in good faith by the AIFM with the consent of the Managing General Partner and in accordance with the Luxembourg accounting regulations applicable to the Fund but taking into account tax consequences deriving from the structure of the Fund;
- (iv) Each real estate asset (other than financial interests in real estate companies) will be valued at least once a year and, in principle, but at the discretion of the Managing General Partner, upon each acquisition by a Sub-Fund, by an independent expert appointed by the Managing General Partner. Such independent valuations will then be reviewed and approved subject to adjustments, if applicable, by the AIFM and the Managing General Partner by considering the principles of precaution and good faith.
- (v) if the price determined in accordance with the above-mentioned provisions is not representative or, if the valuation concerns assets which are not mentioned above (including real estate assets), the value will be based on the predictable realisable value which will be estimated with precaution and in good faith by the AIFM with the agreement of the Managing General Partner, in accordance with generally accepted valuation principles and procedures.

### 13.3 Allocation of assets and liabilities

- (a) Assets and liabilities will be allocated as follows:
  - (i) the income from the issue Shares in each Class will be recorded in the books of the Fund corresponding to the Sub-Fund of such Class, it being understood that if there is more than one Class in such Sub-Fund, such amount will increase the proportion of the net assets of such Sub-Fund attributable to such Class;
  - (ii) the assets, liabilities, income and expenses for a Sub-Fund will be allocated to the Class(es) corresponding to that Sub-Fund;
  - (iii) when an asset is derived from another asset, in the Fund's books, that asset will be allocated to the same Class or Classes as the asset from which it is derived and each time the asset is revalued, the increase or decrease in value will be applied to the relevant Class or Classes;
  - (iv) where the Fund incurs a liability for an asset of a particular Class or Classes in a Sub-Fund or related to a transaction made in connection with an asset of a particular Class or Classes in a Sub-Fund, such liability will be allocated to the relevant Class or Classes in such Sub-Fund;
  - (v) in the event that within a Sub-Fund, an asset or liability of such Sub-Fund cannot be allocated to a particular Class, such asset or liability will be allocated to all Classes in proportion to their respective Net Asset Values or in such other manner as may be determined by the AIFM with the agreement of the Managing General Partner in good faith, it being understood that (i) where assets of more than one Class are held in an account and/or jointly managed as a segregated pool of assets by an agent of the Fund, the respective rights of each Class shall correspond to the proportionate share resulting from the contribution of the relevant Class to the account or pool and (ii) this right will vary in accordance with the allocations and withdrawals made on behalf of the Class, as described in this Prospectus;



- (vi) at the time when payments of distributions to Shareholders of any Class are made, the Net Asset Value of such Class will be reduced by the amount of such distributions.

#### 13.4 Price/valuation sources

- (a) In order to calculate the Net Asset Value of the Fund, and in view of the standards of care and diligence required for this purpose, the Administration Agent will exclusively use prices or valuations that may either:
  - (i) be provided by external, independent, specialised and reputable price sources, which are either used in current market practice, including, but not limited to:
    - (A) generally used information sources such as Reuters, Bloomberg, Telekurs and similar organisations;
    - (B) brokers, principal brokers or external depositaries;
    - (C) administration agents of investment vehicles and other assets, where such assets are valued by such administration agents, or who have been specifically appointed for this purpose by the Fund, the Managing General Partner or the AIFM;(the **Independent Price Sources**); or
  - (ii) established by the AIFM itself, in cooperation with the Managing General Partner, or by an independent external expert.
- (b) In such circumstances, in the absence of gross negligence, the Administration Agent may not be held liable for any loss suffered by the Fund or any Shareholder or Bondholder as a result of any error in the calculation of the Net Asset Value and the Net Asset Value per Share or Bond resulting from an inaccuracy in the information provided by the Independent Price Sources, by the AIFM itself or by any independent external expert.
- (c) In the event that one or more Independent Price Sources, the AIFM or the relevant independent external expert do not provide a price/valuation for the Assets or, for any reason, the price/valuation of the Assets cannot be determined as promptly or correctly as required, the Administration Agent shall promptly inform the Managing General Partner and the AIFM, and the Administration Agent will be provided with instructions enabling it to complete the calculation of the Net Asset Value of the Fund. The Managing General Partner together with the AIFM may decide to instruct the Administration Agent to suspend the calculation of the Fund's Net Asset Value, in accordance with the relevant provisions of this Prospectus and the Articles of Association. The Managing General Partner and the AIFM shall be required to inform Shareholders that the calculation of the Net Asset Value has been suspended, if necessary, or to request the Administration Agent to do so.

#### 13.5 Miscellaneous

- (a) Unless otherwise stated in relation to the time limit for publishing the NAV in a Supplement, the NAV will be made available to the relevant Investors as soon as the NAV for a Valuation Date is finalised, and in any case within 180 calendar days following the relevant Valuation Date.
- (b) All assets listed in a currency other than the Reference Currency of a Sub-Fund will be converted into the Reference Currency of such Sub-Fund at the prevailing foreign exchange rate as published by the *Banque Centrale de Luxembourg* on the Valuation Date.
- (c) For the purpose of determining the NAV only, the principal and accrued interests on the Bonds will not be deemed debts of the Fund and its Sub-Funds and the Bonds will be treated as if they were equity securities.

- (d) For the avoidance of any doubt, these provisions are rules for calculating the NAV per Share and do not purport to affect the assets or liabilities of the Fund or any Share issued by the Fund in accordance with applicable accounting or legal provisions.

#### 14. TEMPORARY SUSPENSION OF NAV CALCULATION

- (a) The Managing General Partner may suspend the calculation of the Net Asset Value in the following circumstances:
  - (i) during a state of affairs which, in the opinion of the Managing General Partner, constitutes an emergency situation as a result of which it would be impossible to dispose of, or to value assets held by the Fund;
  - (ii) if, as a result of trading or other restrictions on transferring funds, transactions on behalf of the Fund are impracticable;
  - (iii) when, for any reason, the prices of one or more of the Fund's investments cannot be determined promptly and accurately (including under the circumstances referred to in section 13.4(c));
  - (iv) when, in the opinion of the Managing General Partner, such suspension is in the best interest of the Investors or when such suspension is ordered by a competent administrative or judicial authority;
  - (v) as soon as a notice convening a General Meeting is published in order to decide to put the Fund into liquidation.
- (b) The Administration Agent will issue notice of any suspension to the persons likely to be affected by the suspension in such manner as it deems appropriate.

#### 15. RESERVE

- (a) The Fund is entitled to retain sufficient amounts in each Sub-Fund (constituting the **Reserve**) to enable it to:
  - (i) pay various expenses of such Sub-Fund, including the Management Fee and Operating Expenses;
  - (ii) pay any other sums or expenses (including any tax burden) that may be due by the Sub-Fund, including any sums that may be due to Indemnified Persons pursuant to section 20 of this General Section;
  - (iii) in the event of litigation brought on behalf of the Fund against third parties or against the Fund by third parties, guarantee the payment of the costs and financial consequences of such litigation;
  - (iv) in the context of a transaction involving an Investment in a relevant Sub-Fund, handle any financial commitment (including, for example, representations or warranties given to a third party) which may result in an obligation for such Sub-Fund to return all or part of the income from a sale which it has collected;
  - (v) deal with Redemption Requests or implement its Distribution Policy;
  - (vi) (during the Investment Period) reinvest these sums in accordance with the investment strategy and policy.
- (b) The sums invested in the Reserve account will be invested in risk-free monetary investments.



## 16. COSTS AND EXPENSES

### 16.1 Operating Expenses

- (a) Subject to the other provisions of this section 16, the Fund will pay out of the assets of each Sub-Fund the costs and expenses resulting from the operations and administration of such Sub-Fund, its Investments (and those of its Intermediary Vehicles), including, without limitation, all the costs and expenses relating to: the operations and administration of the relevant Sub-Fund, its Intermediary Vehicles and Investments; the fulfilment of obligations on behalf of the relevant Sub-Fund for each Service Provider and any other third party employed by the Fund or any Intermediary Vehicle with respect to this Sub-Fund; the services of professional advisers, including legal costs and expenses for negotiating, structuring, financing and the documentation for such acquisition, holding, developing, renovating and selling of any Investment (including brokerage, due diligence, legal and accounting fees, etc.); any third-party borrowing facilities; any interest on borrowing facilities (including any hedging transaction for interest or exchange rates); any insurance premium (including insurance premiums for terrorist risks and weather events), transfer tax, security premiums, brokerage fees and other closing costs and expenses payable or incurred in connection with acquiring, holding and realising any investment; filing any deposit or record or maintaining such record with any governmental, regulatory or tax authority; the liquidation of the relevant Sub-Fund, and/or a proportional share of the liquidation costs of the Fund or any Intermediary Vehicle; taxes, expenses and charges imposed by the State and other similar expenses and charges such as duties and expenses for movements of securities or cash, the Luxembourg subscription tax and other taxes which may be associated with its operations, fees payable to supervisory authorities in countries where its Shares are offered; printing and distribution of reports, accounts and offering documents, the publication of share prices and other costs incurred in connection with the periodic updating of any offering document and any other administrative expense of such kind; distribution and marketing activities, including translating relevant documents; organising and holding meetings of Shareholders; legal costs incurred in the interests of Investors or for any legal advice taken with respect to the Fund or a Sub-Fund; costs of organising and holding meetings or costs generally related to the Investment Committee as well as the Management Fee, Distribution Fee, the Operating Expenses, the Unrealised Transaction Costs, the Acquisition Fee, the Transfer Fee and the Financing Fee (the **Operating Expenses**).
- (b) Each Sub-Fund is allocated all the Operating Expenses attributable to it. Operating Expenses which cannot be allocated to a specific Sub-Fund are distributed between the Sub-Funds on an equitable basis in equal proportions or if the amounts so justify, in proportion to their respective net assets or in any another way that the Managing General Partner determines in good faith.

### 16.2 Management Fee

The Managing General Partner will collect from the Fund and each Sub-Fund a Management Fee which is described in more detail in each Supplement.

### 16.3 Acquisition fee

In the course of a real estate Investment of a relevant Sub-Fund, an acquisition fee may be paid to the Managing General Partner by the Sub-Fund based on the 'net vendor' acquisition price of the relevant asset at a rate described in the relevant Supplement (the Acquisition Fee). For the avoidance of doubt, the Acquisition Fee is due irrespective of the technical method employed to complete the relevant transaction (e.g. via a 'share deal' or an 'asset deal'). The Acquisition Fee will be recorded on the balance sheet of the Sub-Fund as a charge constituting a capitalised acquisition cost which will be depreciated as from the Last Subscription Day until the Term as provided for in the Supplement.

#### 16.4 **Transfer Fee**

When a real estate Investment for a relevant Sub-Fund is sold, the Sub-Fund may pay a transfer fee to the Managing General Partner based on the 'net vendor' sales price of the relevant asset at a rate detailed in the relevant Supplement (the **Transfer Fee**). For the avoidance of doubt, the Transfer Fee is due irrespective of the technical method employed to complete the relevant transaction (e.g. via a 'share deal' or an 'asset deal').

#### 16.5 **Financing fee**

The Managing General Partner will also receive a fee in any relevant Sub-Fund for which the rate is as described in the relevant Supplement and based on the value of any debt financing granted by one or more third parties to the Sub-Fund (or to any Intermediary Vehicle, JV Vehicle or Investment Holding Company) by one or more third-parties to the Fund (or to any Intermediary Vehicle, JV Vehicle or Investment Holding Company), regardless of the form of such financing, it being understood that the fee is calculated on the face value of the financing (whether or not such financing is immediately drawn down in full and regardless of the draw down that will be made on such financing) (the Financing Fee). The Financing Fee will be recorded on the balance sheet of the Sub-Fund as a charge constituting a capitalised acquisition cost which will be depreciated as from the Last Subscription Day until the Term as provided for in the Supplement.

#### 16.6 **Distribution Fee**

A Distribution Fee will be paid to the Managing General Partner (in order to then pay the Distributors) in accordance with the terms of section 4.3(b) above and the relevant Supplement.

#### 16.7 **AIFM Fee**

The AIFM will receive an annual alternative investment fund manager's fee as described in each Supplement, paid quarterly based on the assets of each Sub-Fund. The AIFM will also be reimbursed for all costs and expenses incurred in the Fund's interest in accordance with the AIFM Agreement and for ad-hoc fees per transaction or for reporting services.

#### 16.8 **Fees of the Depositary, the Administration Agent and the Approved Statutory Auditor**

The Depositary, the Administration Agent and the Approved Statutory Auditor are entitled to receive remuneration from the assets of the Fund in accordance with the practices and customs of the Luxembourg financial centre and to be reimbursed for costs and expenses incurred on behalf of the Fund, in accordance with and within the limits of their respective service agreements.

#### 16.9 **Operating Expenses and subscription management expenses**

When the subscription of an Investor enters into the Sub-Fund, operating expenses of such Sub-Fund may be payable by the Sub-Fund to the Managing General Partner or any Affiliated Person designated by the Managing General Partner to process the subscription application based on the Issue Price at a rate described in the relevant Supplement (the **Operating Expenses**).

#### 16.10 **Unrealised Transaction Costs**

Unless otherwise specified in a Supplement relating to a particular Sub-Fund, the costs and expenses relating to unrealized transactions of the Sub-Funds (the Unrealized Transaction Costs) will be borne by each Sub-Fund,

subject to the following. Unrealised Transaction Costs include all costs and expenses (including the VAT due) relating to locating, identifying, valuing, negotiating, acquiring, monitoring, holding, supervising, protecting and selling the Investments of each Sub-Fund, including intermediation and similar fees and all costs and expenses incurred in connection with unsuccessful Investment proposals, it being understood that Unrealised Transaction Costs will be borne by each Sub-Fund up to a maximum of EUR 75,000 per year and that the Unrealised Transaction Costs in excess of this amount will be borne by the Managing General Partner or its Affiliated Persons.

#### 16.11 **Set-up Costs**

- (a) The Fund will bear all costs incurred in connection with its establishment (the **Set-up Costs**) up to a maximum of EUR 100,000 (plus any VAT due on Set-up Costs) including, but not limited to, legal, tax and accounting costs, printing and postage costs, consultancy and audit fees and travel expenses. Any Set-up Costs in excess of EUR 100,000 (plus any VAT due for Set-up Costs) will be borne by the Managing General Partner or its Affiliated Persons.
- (b) The Set-up Costs will be borne by the Initial Compartment and will be depreciated, if applicable, over a maximum period of five (5) years. The costs incurred for setting up any other Sub-Fund will be borne by such Sub-Fund and will be depreciated over a period of five (5) years.

#### 16.12 **Subscription Fee**

- (a) The Managing General Partner reserves the right to require the payment of a subscription fee at a rate provided for depending on the Classes of Securities in each Supplement based on the Total Subscribed Amount of any Investor (the **Subscription Fee**). The Subscription Fee is payable in addition to the Issue Price for the subscribed Shares.
- (b) Any Subscription Fee paid will be paid to the relevant Sub-Fund.

### 17. **GENERAL MEETINGS**

- (a) The annual General Meeting is held in Luxembourg, at the registered office of the Fund, or at any other place in Luxembourg specified in the convening notice within six months from the end of the Financial Year.
- (b) Other general meetings may be held at the place and on the date specified in the convening notice.
- (c) Invitations to all General Meetings shall be sent by registered letter (or by any other means accepted by them, individually, including by email) to all Shareholders mentioned in the Shareholders' register, at their address indicated in the Shareholders' register at least eight days before the general meeting. Such invitations will state the time and place of the General Meeting and the conditions, agenda and requirements of Luxembourg law regarding the necessary quorum and majority voting.
- (d) Unless otherwise provided for in this Prospectus and the Articles of Association, each whole Share shall entitle its holder to one vote at any General Meeting. The requirements concerning participation, quorum and majority at any general meeting are those set out in the 1915 Act, in this Prospectus and the Articles of Association, on the understanding that any decision of the General Meeting must first be approved by the Managing General Partner.

### 18. **ACCOUNTING PERIOD AND FINANCIAL STATEMENTS – FAIR TREATMENT OF INVESTORS**



### 18.1 **Accounting Period**

The Accounting Period runs from 1 January to 31 December (i.e., the Accounting Date) of each year, on the understanding that the first Accounting Period runs from the date on which the Fund is incorporated to 31 December 2021.

### 18.2 **Annual Report**

Each year, the Fund will publish a detailed audited report on its business and the management of its assets and the assets of its Sub-Funds in accordance with the accounting principles generally applied in Luxembourg (the Annual Report). The Annual Report will be prepared within six months after the end of the Accounting Period and made available to Investors as soon as it is completed. The accounts of each Sub-Fund and the Fund will be kept in euros. The audited accounts will be prepared in accordance with Luxembourg law and regulatory requirements as well as the requirements of the AIFM Directive and Level II Regulation and made available to Investors who will be duly informed of their availability.

### 18.3 **Semi-Annual reports**

Unless otherwise provided for in a Supplement, Investors will receive a semi-annual report (the Semi-Annual Report) for each separate Sub-Fund prepared in accordance with the guidelines on such matters published by INREV, which will include, without limitation, key financial and other information relating to the relevant Sub-Fund and its investments, and any material events that have affected the Sub-Fund over the past period as well as any information which in accordance with this Prospectus, must appear in the Semi-Annual Report.

### 18.4 **Documents available to Shareholders**

The following documents will be made available to Shareholders at the registered office of the Fund:

- (i) Articles of Association;
- (ii) Annual Reports;
- (iii) Semi-Annual Reports (only available to Investors of the relevant Sub-Fund);
- (iv) Depositary Agreement;
- (v) Central Administration Agreement;
- (vi) AIFM Agreement; and
- (vii) this Prospectus

### 18.5 **Compliance with Chapters IV and V of the AIFM Directive**

The AIFM shall comply with the transparency requirements of the AIFM Directive and Level II Regulation and, in particular:

- (i) it will ensure that the content of the Annual Report complies with the requirements of article 22 of the AIFM Directive and articles 103 to 107 of the Level II Regulation;

- (ii) where applicable, with respect to unlisted companies in which the Fund may have an interest, it will ensure compliance with the notice and information requirements set out in Chapter V of the AIFM Directive;
- (iii) it will ensure that it provides Investors with the following information periodically through the Semi-Annual Reports and the Annual Report in accordance with the requirements of article 23 paragraph 4 of the AIFM Directive and article 108 of the Level II Regulation:
  - (A) the percentage of the Fund's assets that are subject to special treatment because of their illiquid nature (including, where applicable, an overview of existing special treatments, including whether they involve asset segregation, repayment instalments or similar arrangements, as well as the valuation method applied to the Fund's assets which are subject to such treatments and the management fees and commissions related to the results, which apply to them);
  - (B) any material changes to the Fund's liquidity management systems and procedures;
  - (C) the current risk profile of the Fund and the risk management systems used by the AIFM to manage them;
- (iv) it will ensure that it provides Investors with the following information regularly through the Semi-Annual Reports and the Annual Report in accordance with the requirements of article 23 paragraph 5 of the AIFM Directive and article 109 of the Level II Regulation:
  - (A) any change in the maximum level of leverage that the AIFM may use on behalf of the Fund, as well as any right to reuse the Fund's assets pledged as collateral and any guarantee provided for under the leverage arrangements;
  - (B) the total amount of leverage used by this Fund;
- (v) it will provide potential investors, upon request, with the information provided for in article 23.1 of the AIFM Directive which is not contained in this Prospectus, in particular:
  - (A) The AIFM's liquidity management policy and asset valuation policy;
  - (B) a description of any preferential treatment that may be granted (or from which an Investor may benefit) and the type of investors which benefit from such preferential treatment, and, where applicable, an indication of their legal or economic ties with the Fund or the AIFM (see also section 18.7);
  - (C) a description of any possible arrangements by the Depositary to contractually discharge its liability in accordance with article 21.13 of the AIFM Directive (or confirm that no such arrangement exists);
  - (D) the latest NAVs of the Fund and of the Shares of the various Classes;
  - (E) a description of any management function referred to in annex I of the AIFM Directive delegated by the AIFM and any conflicts of interest that may arise from such delegations, if applicable;
  - (F) the Fund's historical performance;
- (vi) before acting, it will provide Investors with a description of the general nature or source of any conflict of interest where its organisational arrangements for identifying, preventing, managing and monitoring

conflicts of interest are not sufficient to ensure, with reasonable certainty, that the risk of harming Investors' interests will be avoided;

- (vii) where applicable, it will comply with requirements to issue notice of material acquisitions and control of unlisted companies and disclosures, as well as asset stripping, relating to an interest in or control of an unlisted company provided for in Chapter V of the AIFM Directive; and
- (viii) it will comply with its reporting obligations to the AMF pursuant to article 24 of the AIFM Directive and under the conditions set out in articles 110 and 111 of the Level II Regulation.

#### 18.6 Risk profile of the Fund

- (a) The Sub-Funds each have their own investment policy, which generates a different risk/return profile based on the types of investments made, however all of them correspond to a medium to long term investment horizon. Investing in the Fund involves a risk of capital loss and investors have no guarantee that they will be able to redeem their Securities before the relevant Sub-Fund is liquidated.
- (b) Investors are advised to review the risk factors detailed in section 23 of this General Section, and to consult their advisers before making any decision to invest in the Fund.

#### 18.7 Fair treatment of holders of Securities and absence of special agreements

- (a) Within each Sub-Fund, the AIFM will ensure that it treats all Investors in such Sub-Fund fairly and that no Investor (or group of Investors) in the Fund can enjoy preferential treatment that would result in significant overall harm to the other Investors. In view of the fact that Investors within the same Class of Securities have the same rights, the AIFM considers that, subject to the provisions in section 18.7(b), the requirement of treating investors equally has been met.
- (b) The Managing General Partner, the Fund, the AIFM and their Affiliated Persons may enter into contractual arrangements with one or more Investors which will have the effect of supplementing the terms of this Prospectus in respect of such Investor(s). Such arrangements will be disclosed to all Investors who have subscribed for Securities of the relevant Class for a Total Subscribed Amount equal to or higher than that of the relevant Investor. No such arrangement will be entered into if the Managing General Partner or the AIFM considers that such arrangement may result in material overall prejudice to other Investors in the relevant Sub-Fund.

#### 18.8 Non-exclusivity and allocation of investment opportunities with Affiliated Vehicles

- (a) Each of the Managing General Partner, the AIFM and their Affiliated Persons provides and may continue to provide management or advisory services or any other service for which it is authorised to one or more Affiliated Vehicles and the services of such entities for the Fund are not provided on an exclusive basis. Investors must note that some Affiliated Vehicles may invest in similar assets or in the same assets as some Sub-Funds.
- (b) The Managing General Partner may, in agreement with the AIFM give one or more persons of its choosing (including Affiliated Vehicles) the opportunity to jointly invest alongside the Fund and any Sub-Fund (a **Co-Investment Opportunity**) insofar as, in principle:
  - (i) this allocation does not affect the deployment of the capital of the relevant Sub-Fund, subject to the Managing General Partner deciding to allocate a Co-Investment Opportunity even when the Sub-Fund is able to finance the entire investment if such allocation is in the best interests of the Sub-Fund (for



example, when the co-investor in question brings technical expertise, or any other added value to the relevant transaction (a **Strategic Co-investor**));

- (ii) the Managing General Partner will make its best effort to offer interested Investors the opportunity to participate in one or more Co-Investment Opportunities, subject to allocating it to a Strategic Co-Investor, and on the understanding that the Managing General Partner decides any allocation at its discretion (and may, for example, allocate a Co-Investment Opportunity to its Affiliated Persons, Affiliated Vehicles or any other interested third party).

## 19. CONFIDENTIAL INFORMATION

### 19.1 Non-disclosure

- (a) Subject to sections 19.1(b) and 19.1(c) of this General Section, Investors or their representatives, who receive the information contained in reports and other documents (in particular those referred to in section 18) or any other information relating to the Fund, a Sub-Fund, the Managing General Partner, the AIFM, the Service Providers or the investments or potential investments of the Fund or a Sub-Fund sent to them by the Managing General Partner, the AIFM or any other Person (the '**Confidential Information**') must keep such Confidential Information strictly confidential. Notably, and without the prior written approval of the Managing General Partner, Investors and their representatives undertake not to (i) disclose such Confidential information to any third party, or (ii) use such Confidential Information for any purpose other than managing their investment in the Fund, without the written consent of the AIFM.
- (b) The obligations of section 19.1 of this General Section do not apply to Investors for information:
  - (i) which must be disclosed pursuant to an act, rule or regulation of an internationally recognised financial market authority (but, in this case, only within the limits of the disclosure obligation);
  - (ii) which must be disclosed in order to protect the interest of the relevant Investor in the Fund (but, in this case, only within the limits of the disclosure obligation, and by notifying the Managing General Partner and the AIFM of such forced disclosure);
  - (iii) which was already known or disclosed to the general public other than by being disclosed by the relevant investor; or
  - (iv) which is known by or disclosed to the relevant investor by legitimate means, by a third party Person other than the Fund, the Managing General Partner or the AIFM.
- (c) Notwithstanding section 19.1, Investors may also send the information contained in the Annual Report to their shareholders, members of their advisory committees, unitholders, and their lawyers and internal auditors, financial and legal advisers and administrative regulatory authorities upon request, in accordance with their regulatory, statutory or contractual obligations, subject to:
  - (i) having obtained the written consent of the Managing General Partner and the AIFM; and
  - (ii) having made their best effort to ensure that the above-mentioned Persons, which are not subject to professional secrecy obligations, undertake not to disclose Confidential Information to third parties.

### 19.2 Withholding information



- (a) Notwithstanding any contrary provision in this Prospectus, in the Articles of Association or in any Subscription Agreement, to the extent that the Managing General Partner determines in good faith:
- (i) that an Investor is in breach or that there is a material risk that an investor would be in breach of the non-disclosure obligations regarding Confidential Information provided for in this Prospectus, in the Articles of Association or the Subscription Agreement; or
  - (ii) that there is a material risk that due to the application of mandatory statutory provisions applicable to an Investor, such as the 'freedom of information act' or similar, an Investor is obliged to send or disclose Confidential Information,
- in order to avoid such sending or disclosure of Confidential Information, the Managing General Partner may withhold all or part of the information or documents which otherwise would have been sent to such Investor or amend the terms under which such information or documents are made available.
- (b) The Managing General Partner may also not provide or disclose to any Investor (in whole or in part) any information or document which, in the reasonable discretion of the Managing General Partner, were it to be disclosed to such Investor would either (i) harm the interests of the Fund, the Managing General Partner or its Affiliated Persons or (ii) not be in the best interest of the Fund and its Investors or would be (iii) in breach of a non-disclosure obligation incumbent on the Fund, the Managing General Partner, an Intermediary Vehicle or an Investment.

### 19.3 Disclosing information

- (a) The Managing General Partner, the Fund and any Service Provider reserve the right to disclose any information about each Investor or potential investor (including the name of such Investor or potential investor, its beneficial owners and other information) to third parties in the following circumstances:
- (i) to the extent required in order to fulfil their legal, regulatory or tax obligations or any request of a competent governmental authority or to comply with any disclosure obligation, reporting or similar obligation imposed by any legal, regulatory or tax regime (including notably CRS or FATCA) applicable to the Fund, the Managing General Partner, their Affiliated Persons and the Service Providers;
  - (ii) when the Managing General Partner considers such disclosure as being in the best interest of the Fund and the Investors as a whole.
- (b) The Managing General Partner, the Fund and any Service Provider may also disclose the names of Investors or potential investors to (i) other Investors or potential investors or (ii) any banking or financial counterparty of the Fund or an Intermediary Vehicle (including any potential JV Partner or potential co-investor) in the context of purchasing, selling, managing or administering the Investments of a Sub-Fund and its Intermediary Vehicles.

## 20. INDEMNIFICATION

### 20.1 Indemnified Person

- (a) In relation to each relevant Sub-Fund on an individual basis, the Managing General Partner and the Managers, the members of the Investment Committee (as well as their corporate officers, officers, directors, shareholders, partners, representatives or employees) (each, the **Indemnified Person**) will be reimbursed and indemnified for all liabilities, indebtedness, lawsuits, proceedings, claims and demands, all damages, penalties and all related costs and expenses (including legal fees) incurred by them:

- (i) in the course of their respective duties as Managing General Partner, Manager, members of the Investment Committee or others, related to the business of the relevant Sub-Fund, including when it has ceased, or
- (ii) for any event or other circumstance related to or resulting from exercising their business as Managing General Partner, Manager, member of the Investment Committee or another role, or providing their services or those of any agent or representative they have appointed to the relevant Sub-Fund, or
- (iii) in any other manner related to the relevant Sub-Fund's operations, business or activities,

with the exception of those incurred by the Managing General Partner or a Manager or member of the Investment Committee in connection with disputes relating to the internal organisation of the Managing General Partner which they may have with any corporate officer, director, shareholder, agent, advisor or employee of the Managing General Partner, and any Person appointed by them to be an agent or representative in one of the relevant Sub-Fund's financial interests.

- (b) In addition, with respect to each relevant Sub-Fund on an individual basis, any corporate officer, officer, director, partner, shareholder, agent, adviser or employee of the Managing General Partner, and any Person appointed by the latter to be an agent or representative within an Investment Holding Company (each, also an **Indemnified Person**) shall be reimbursed and indemnified for any debt, liability, lawsuit, legal proceedings, claim and demand, any damages, penalties and all related costs and expenses (including legal fees) incurred:

- (i) for any event or other circumstance related to or resulting from supplying (or failing to supply) their services to or on behalf of the Sub-Fund;
- (ii) in any other way related to the relevant Sub-Fund's operations, business or activities, or
- (iii) in the context of a business of an agent or representative within an Investment Holding Company or an Intermediary Vehicle or any other ad-hoc committee or advisor of the relevant Sub-Fund;

with the exception of those incurred by such Indemnified Person for disputes relating to its internal organisation that it may have with any corporate officer, director, shareholder, agent, adviser or employee of the Managing General Partner or any Person appointed by the Managing General Partner to be an agent or representative in an Investment Holding Company or an Intermediary Vehicle.

## 20.2 Exclusions from the right to be indemnified

- (a) No Indemnified Person shall be indemnified when its liability results from gross negligence, wilful misconduct or fraud as determined by any competent jurisdiction. Where applicable, other Persons may be considered as Indemnified Persons in accordance with section 20.1(a) or section 20.1(b) in relation to a specific Sub-Fund, in which case such Persons will be mentioned in the relevant Supplement.

## 20.3 Indemnification procedure

- (a) Any Indemnified Person within the meaning of sections 20.1(a) and 20.1(b) shall be reimbursed and indemnified out of the amounts to be distributed by the relevant Sub-Fund to the Investors in such Sub-Fund.
- (b) Compensation payable under this section 20 will be paid even if any Indemnified Person has ceased to provide services to the Fund or to act in any other role on behalf of the Fund.
- (c) No compensation shall be paid if the Indemnified Person's claim is made more than 2 years after (i) the Indemnified Person's discovering or having knowledge of the event giving rise to compensation or (ii) (in all cases) after the Fund or the relevant Sub-Fund has been completely liquidated.

- (d) Any Indemnified Person entitled to be indemnified under this section 20 must make its best effort to first seek to be indemnified for any liability, debt, lawsuit, legal proceedings, claims, demands, damages, penalties and costs and expenses from the liable Person (whether this is, for example, an Investment or an Investment Holding Company), or from any insurance company or third party from which such indemnification may be sought. In this case, the compensation received will be deducted from the amount to which the Indemnified Person is entitled under this section 20. Consequently, the provisions of this section 20 will apply additionally, if compensation cannot be sought from insurers or third parties as indicated above.
- (e) Investors of the relevant Sub-Fund(s) will be notified in advance whenever compensation is implemented in accordance with this section 20.

## 21. DISSOLUTION/LIQUIDATION

### 21.1 Early Dissolution or liquidation of the Fund early,

- (a) The Fund may be dissolved by an Extraordinary Decision of the Shareholders (subject to the approval of the Managing General Partner). Any decision to dissolve the Fund will be published in RESA.
- (b) If the Fund's share capital is less than two thirds of the minimum capital provided for by Luxembourg law, a General Meeting will be convened by the Managing General Partner within forty days of such situation being known, which will submit the question of dissolving the Fund to the General Meeting. The General Meeting shall deliberate without any need for quorum and shall decide by a simple majority of the Shares represented. If the Fund's share capital is less than one quarter of the minimum share capital, the Managing General Partner must submit the question of dissolving the Fund to a General Meeting which must be held within forty days of this situation being known and which shall deliberate without any quorum requirements; the dissolution may be decided by Shareholders holding Shares representing one quarter of the share capital represented at the General Meeting.
- (c) If the Fund is dissolved, it will be liquidated by one or more liquidators, who may be natural or legal persons and who will be appointed by the General Meeting. The General Meeting will determine their powers and remuneration, on the understanding that the Managing General Partner must be appointed as liquidator by the General Meeting if the Fund is liquidated.
- (d) The liquidation will be performed in accordance with the 2016 Act specifying the allocation between the Shareholders and Bondholders of the net liquidation proceeds after deducting the liquidation costs: the liquidation proceeds will be distributed to Investors – within each Sub-Fund and Class - in proportion to their rights in accordance with the terms of this Prospectus and the Articles of Association. As from the day following the beginning of the Fund's liquidation, the Managing General Partner will be entitled to make distributions both in cash and in kind, provided that distributions in kind will be carried out in accordance with the procedures described for each Sub-Fund in the relevant Supplement (and if distributions in kind within a Sub-Fund are prohibited, which is notably the case if the Supplement does not contain any provisions in this regard, then no distribution in kind shall be carried out in connection with the liquidation of such Sub-Fund as a result of liquidating the Fund, unless the unanimous approval of the Shareholders and Bondholders of the relevant Sub-Fund is obtained).
- (e) Once the Fund has been liquidated, any sums payable that have not been claimed by the holders of Securities will be deposited with the Luxembourg *Caisse de Consignation*, which will keep them available for them for the statutory period. At the end of such statutory period, any balance will return to the State of Luxembourg.

### 21.2 Liquidation of the Sub-Funds and Classes



- (a) If, for any reason, the net asset value of a Sub-Fund or a Class has decreased to or has not reached an amount determined by the Managing General Partner as being the minimum threshold for such Sub-Fund or such Class to be effectively managed in economic or monetary terms or if a change to the economic, monetary or political situation in relation to the relevant Sub-Fund may have a material negative impact on its Investments or in the interest of an economic rationalisation objective, the Managing General Partner may decide to liquidate the relevant Sub-Fund or Class.
- (b) The Managing General Partner will send a written notice to the Shareholders and Bondholders affected by the liquidation, stating the reasons and the liquidation procedure which, in principle, will be carried out in accordance with section 22.1(c) of this General Section, provided that the liquidator of the Sub-Fund will be the Managing General Partner (and that no audited liquidation report is required).
- (c) The assets which cannot be distributed to their beneficiaries will be deposited with the Luxembourg *Caisse de Consignation* on behalf of the persons which are entitled to them, in accordance with the laws and regulations in force.
- (d) All the Securities redeemed following the procedure described above will be cancelled.

## 22. TAX REGIME

### 22.1 Luxembourg tax aspects

- (a) Under current legislation and practice, the Fund is not subject to any Luxembourg income tax or capital gains tax.
- (b) The Fund is subject to the subscription tax (*taxe d'abonnement*) of the Grand Duchy of Luxembourg, for which the annual rate is 0.01% of the Fund's net assets, calculated and payable quarterly, based on the Fund's Net Asset Value at the end of each quarter. An exemption from the subscription tax may be obtained in certain cases specified by the 2016 Act.
- (c) The dividends and interests paid by the Fund to Shareholders and Bondholders (other than natural persons domiciled in the Grand Duchy of Luxembourg for tax purposes and, subject to the act of 23 December 2005 introducing a withholding tax on certain interest generated by the real estate savings) are not subject to any withholding tax.
- (d) Certain portfolio income received by the Fund notably in the form of dividends and interests, as well as some capital gains may be subject to taxes varying in nature and rate and may be subject to a withholding tax in the countries from which they originate.
- (e) The Fund is deemed a Luxembourg tax resident insofar as the Fund has its registered office in the Grand Duchy of Luxembourg. However, the Fund cannot take advantage of all the tax treaties entered into by the Grand Duchy of Luxembourg.

### 22.2 Exchanging information for tax purposes

- (a) DAC 6
  - (i) DAC 6 introduces the obligation to report certain information on cross-border tax planning arrangements of a potentially aggressive nature, subject to an automatic exchange between Member States of the European Union. In principle, the intermediary that took part in setting up the system is subject to the reporting obligation. This applies to, among others, tax, accounting, legal, bank and financial advisers, who are involved in implementing such a system. If the relevant intermediary is

located outside of the EU or bound by professional secrecy, the reporting obligation falls on other intermediaries or the relevant taxpayer. The concept of a cross-border tax planning system is not expressly defined by DAC 6 but is evidenced through a list of characteristics and elements of transactions showing signs of abusive tax practices which are referred to as markers. If the transactions foreseen in this Prospectus were to fall within the scope of DAC 6, any Person considered as an intermediary within the meaning of DAC 6 would have an obligation to report such transactions to its local tax authority.

(b) FATCA and CRS

- (i) The provisions of the FATCA Legislation generally require financial institutions to notify the U.S. Internal Revenue Service (IRS) if any US Person holds any direct and indirect foreign accounts and entities and the income they collect through them.
- (ii) The CRS Legislation introduces the automatic exchange of financial account information in tax matters, between the Member States of the European Union (and the other partner jurisdictions of the Grand Duchy of Luxembourg). This mandatory international exchange of information between competent tax authorities covers financial accounts held with financial Institutions in the Grand Duchy of Luxembourg by tax residents in jurisdictions participating in the CRS, or held with financial Institutions in jurisdictions participating in the CRS by tax residents in the Grand Duchy of Luxembourg.
- (iii) The Fund shall be qualified as a Financial Institution according to the FATCA and CRS legislation, such that the Fund will be subject to certain due diligence obligations under such legislation and will be required to file certain information or documents annually with the Luxembourg tax authorities.
- (iv) Pursuant to FATCA legislation, any failure to comply with such an obligation on the part of the non-US Financial Institutions involved may, in particular, result in a withholding tax of 30% on certain financial income originating from the United States of America (including dividends and interests) and gross capital gains on the sale or other property transfers that may generate interests or dividends originating from the United States of America.
- (v) In order to comply with the corresponding obligations regarding the exchange of information and reasonable checks, the Fund may also require investors to provide written proof of their tax residency, any information relating to their identity and any other information necessary in this context and in accordance with such legislation.
- (vi) Upon the request of the Managing General Partner, the Investors agree to provide (and update on a regular basis) any information, document or form that the Managing General Partner deems necessary to comply with FATCA and CRS legislation, as well as any other similar legislation on the exchange of tax-related information. Investors acknowledge that if they do not provide written proof of their tax residency or any other information required by FATCA and CRS legislation or other applicable tax legislation, they must bear all financial consequences related to such breaches (e.g., excessive withholding tax or possible fines and penalties), and may:
  - (A) be considered as Unauthorised Persons;
  - (B) have withheld from their distribution entitlement any withholding tax or other tax burden borne by the Fund or any Intermediary Vehicle by reason of such breach.

22.3 POTENTIAL INVESTORS ARE ADVISED TO OBTAIN INFORMATION AND, IF NECESSARY, ADVICE ON THE LAWS AND REGULATIONS (SUCH AS THOSE RELATING TO TAXATION AND EXCHANGE CONTROLS) APPLICABLE TO THEM BY VIRTUE OF SUBSCRIBING, PURCHASING, HOLDING AND SELLING SECURITIES IN THEIR HOME COUNTRY, PLACE OF RESIDENCE OR TAX DOMICILE.

## 23. RISK FACTORS

### 23.1 Introduction

- (a) An investment in a Sub-Fund involves certain risks relating to the structure of the Fund and relevant Sub-Fund as well as the investment objective and investment strategy of the relevant Sub-Fund. Potential investors should assess these risks before deciding to invest in one or more Sub-Funds. The risk factors described in this General Section generally apply to the Sub-Funds. Other specific risk factors may also be provided for in one or more Supplements in which case the investors of the relevant Sub-Fund(s) must, in addition to the risk factors provided for in this section 23, consider these specific risks factors before deciding to invest the relevant Sub-Fund(s).
- (b) Among other factors, potential investors should carefully consider the points described below, each of which may have an adverse effect on the value of an investment in a Sub-Fund. As a result of these factors, as well as other risks inherent to an investment or mentioned in another part of this Prospectus, it is impossible to ensure or guarantee that a Sub-Fund will reach its investment objective or be able to achieve its investment strategy. The performance of the Sub-Funds may be unpredictable and an investment in one or more Sub-Funds is therefore not suitable as an investor's sole investment vehicle. An investor should only invest in the Fund as part of an overall investment strategy and only if it can bear the full loss of its investment.
- (c) Holders of Securities will only be able to draw for losses suffered on the assets of the relevant Sub-Fund in which they invest, and not against any other Sub-Fund or holder of Securities.
- (d) The following paragraphs are a concise description of certain factors, which should be read in conjunction with other points mentioned in this Prospectus. However, they do not purport to be an exhaustive summary of all the risks associated with an investment in a Sub-Fund.
- (e) Potential investors are also strongly advised to discuss their individual situation with their tax and financial advisers before investing in a Sub-Fund and to have an in-depth discussion with their professional advisers about the risks pertaining to a subscription for Shares or Bonds.

### 23.2 Powers of the Managing General Partner and the AIFM

- (a) All decisions relating to the Fund and the Sub-Fund(s) are taken exclusively by the Managing General Partner and/or the AIFM (and the directors of each Intermediary Vehicle or Investment Holding Company). Accordingly, no potential investor should subscribe for or purchase Shares or Bonds unless it agrees to entrust all matters relating to the operation and management of the Fund and Sub-Funds to the Managing General Partner and the AIFM. Any decision of the General Meeting is subject to the approval of the Managing General Partner.
- (b) **Investor may not, and are not in a position to, dismiss the Managing General Partner and any decision of the General Meeting is subject to the approval of the Managing General Partner. Investors who subscribe for Bonds must accept and note that they will have no voting rights at the General Meeting or generally, unless otherwise expressly stated in this Prospectus.**

### 23.3 Dependence on key personnel

The operation, management, promotion and acquisition of interests in investments as contemplated by the Sub-Funds, the Fund and each Sub-Fund depends on the efforts of certain key persons of the Managing General Partner. Although the Managing General Partner believes that it will be able to find replacements for such individuals, the loss of key personnel could have a detrimental effect on the Fund and each Sub-Fund.



#### 23.4 **No recourse against Service Providers**

Service agreements and other agreements relating to the Fund and Sub-Funds may limit the circumstances under which the Service Providers and the AIFM, including their officers, directors, partners, employees, shareholders, members and other agents, may be held liable with respect to the Fund and the Sub-Funds. As a result, investors (for lawsuits brought against the Fund or a Sub-Fund) and the Fund (for lawsuits brought against Service Providers or the AIFM) may have a more limited right to act in some cases than if such limitation did not exist. Any lawsuit that an investor seeks to bring directly against a Service Provider may lead to such Service Provider claiming compensation from the relevant Sub-Funds. Some persons, and in particular, the Managing General Partner are Indemnified Persons.

#### 23.5 **Diversified investor base**

Shareholders and Bondholders may have opposite or conflicting interests in terms of tax, financial and other matters relating to the nature of their investment in the Fund and its Sub-Funds. As a result, conflicts of interest may arise in relation to decisions made by the Managing General Partner and the AIFM that may be more beneficial to one investor group than another. The Managing General Partner and the AIFM will first consider the investment objectives of each Sub-Fund and, secondly, of the Shareholders or Bondholders as a group, rather than the objectives and interests of individual Shareholders or Bondholders.

#### 23.6 **Lack of control by investors**

- (a) Shareholders and Bondholders will not have the opportunity to evaluate the Investments made by a Sub-Fund nor the terms of any particular Investment. The Fund's discretionary investment powers over each Sub-Fund will generally be exercised by the Managing General Partner, the AIFM and the relevant Intermediary Vehicles and, accordingly, the Managing General Partner, the AIFM and the Intermediary Vehicles will have a significant discretionary power to manage Investments.
- (b) The rights and obligations of Shareholders will be subject to the limitations set out in the Articles of Association and this Prospectus and, except for the rights which are expressly reserved for them under the Articles of Association, this Prospectus and applicable laws, Shareholders will not have any role in managing or supervising the Sub-Funds.

#### 23.7 **Limited access to the assets in each separate Sub-Fund**

- (a) Each Sub-Fund is reserved for investors which are aware of the risks associated with investing in that Sub-Fund and which agree that they only have access to the assets of the Sub-Fund in which they have invested, as they exist at any time.
- (b) The assets of each Sub-Fund, including the investments made by that Sub-Fund and the cash held by it, are available to meet all liabilities and other obligations of such Sub-Fund. If such Sub-Fund has a liability, the parties seeking to discharge such liability may have access to the assets of such Sub-Fund and may not be limited to any particular asset, such as the asset representing the investment giving rise to the liability.
- (c) Investors in each Sub-Fund will only have access to the assets of that Sub-Fund, and not of any other Sub-Fund, to meet their outstanding obligations to that Sub-Fund.

#### 23.8 **Distributions**





The Sub-Funds will be dependent on payments it receives and which are generally derived from Investments made in order to distribute dividends or interests to investors. Applicable laws and regulations may set limits on the timing and ability of certain Intermediary Vehicles or Investment Holding Companies to make payments.

#### 23.9 **Restrictions on the redemption right and lack of liquidity - Redemption Price**

- (a) The Securities are subject to restrictions on transferability and resale under various laws on marketable securities and may only be transferred or resold in accordance with such laws. It is not expected that a significant secondary market will develop for the Securities. Investors may only Transfer their Securities as described in section 10 of this Prospectus.
- (b) In addition, no guarantee can be given that a Redemption Request will be fully satisfied such that investors may find themselves in a situation where they will only be able to exit the Sub-Fund at its maturity.
- (c) Investors are informed and should be aware that the Redemption Price is calculated in accordance with section 7.1(h) and that this price is in principle determined based on the capital invested and the holding period of the Securities (and therefore is not correlated with the NAV of the Securities).

#### 23.10 **Forced redemption**

The Managing General Partner has the right to redeem the Securities of an investor subject to holding restrictions in accordance with section 11 of this General Section (including by redeeming the Securities at a substantial discount to their value). The Managing General Partner also has the right to request information from any investor in order to determine whether it is subject to restrictions, and to use any other methods described in section 11 of this General Section to seek to ensure that the Securities are not held by or benefit an Unauthorised Person.

#### 23.11 **Valuations and Net Asset Value**

- (a) Due to the nature of the investments held by the Sub-Funds, the Fund will not have access to easily verifiable prices when preparing Investment valuations. However, as a result of the illiquid nature of a substantial portion of the Investments, the Managing General Partner cannot guarantee that a given investment may be sold at a price equal to the market value attributed to such investment by the Fund.
- (b) There can be no assurance that the price paid or received by the Fund for an Investment will be equal to or less than the value determined for such Investment.

#### 23.12 **Risks related to the Fund's objectives and strategies**

- (a) Any Investment can decrease as well as increase in value.
- (b) Investment Holding Companies, Intermediary Vehicles and real estate projects do not grant their shareholders or investors any guarantee against the risk of capital losses or poor performance in terms of profitability if their property development project fails. Therefore, investors should be aware that an investment in a Sub-Fund carries a risk of poor returns or capital loss.
- (c) Investments may be sensitive to downturns in the economic cycle of the sector in which they are built or developed.
- (d) During the first years of a Sub-Fund's life, the NAV of the Securities may be lower than their initial value, due in particular to the impact of the Management Fee and the fact that no distributions are made to investors.

- (e) The Securities are denominated in euros while some of the investments may be denominated in currencies other than the euro; their value may therefore vary in line with the exchange rate.
- (f) Past returns on similar investments do not necessarily give an indication of the returns that will be generated by the Investments, and no assurance can be given that the performance targets of the Fund or a Sub-Fund will be achieved.
- (g) The success of the Fund will depend on the ability of the Managing General Partner to identify, select and acquire appropriate investments under the right conditions; there is no guarantee that it will be able to or will make such investments, nor that its investments will be successful.

### 23.13 Risks related to investing in Real Estate

- (a) There are numerous risks related to investing in real estate, including:
  - (i) the cyclical nature of real estate assets;
  - (ii) risks related to general or local economic climate;
  - (iii) an excessive number of new construction projects and increased competition;
  - (iv) increase in property tax and operating costs;
  - (v) demographic trends and variations in rental income;
  - (vi) changes to regulations on spatial planning;
  - (vii) losses resulting from an accident or conviction;
  - (viii) environmental risks;
  - (ix) regulatory restrictions imposed on rents;
  - (x) changes in the attractiveness of a neighbourhood, city or region;
  - (xi) the risks inherent to stakeholders in real estate projects;
  - (xii) changes in the attractiveness of real estate for tenants;
  - (xiii) rising interest rates and other factors affecting the real estate market. In general, an increase in interest rates will result in an increase in the financing costs, which could, directly and indirectly, reduce the value of the Investments.
- (b) Over certain periods, the real estate market does not perform as well as the equity and bond markets. As the positive or negative performance of the real estate market is often uncorrelated to that of the equity or bond markets, these investments may have a positive or negative impact on the Fund's performance.
- (c) A government or government agency in a country in which a Sub-Fund invests in a real estate project may amend, repeal, enact or promulgate a new law or regulation, or a government agency or national court may publish a new interpretation of the existing law or regulation, which in each case may materially affect real estate projects and, as such, Investments in real estate projects and associated service companies.
- (d) Real estate projects, such as those in which a Sub-Fund will invest, are usually governed by a complex set of legal documents and agreements. As a result, the risk of litigation or disputes over the interpretation or

enforceability of documentation and agreements for such Investments may be greater for other capital Investments or debt Investments, despite the efforts and experience of the Managing General Partner.

- (e) Returns on equity or debt Investments in the Fund, Investment Holding Companies, Intermediary Vehicles or specific real estate projects or associated service companies may be positively or negatively affected by changes in the rate of inflation in the relevant economies.
- (f) Companies such as Investment Holding Companies which borrow money are potentially exposed to the consequences of interest rate fluctuations that may increase the financial risk inherent to such activities. Although this risk can be reduced by hedging interest rate risks, such as interest rate swaps or other mechanisms, a residual risk nevertheless remains. Interest rate fluctuations may affect the relevant discount rate to be used to value the Investments. The Managing General Partner may engage in interest rate hedging activities in connection with the Fund's Investments, if applicable, but is not required to do so.
- (g) '*Force Majeure*' is the terminology generally used to refer to an event beyond the control of a party, including fires, floods, war, terrorism and strikes. Certain *force majeure* risks are not insurable and, if such events occur, they may have adverse effects on a Sub-Fund and its underlying Investments. The Managing General Partner does not intend to require that the Investment Holding Companies or Intermediary Vehicles take out insurance to cover such risks, as many real estate projects are backed by governments in the event of *force majeure*, which may mitigate certain potential *force majeure* risks.
- (h) Some Sub-Funds may be actively involved in the setting up of consortia to prepare subscriptions or bids for real estate projects. The bidding or tendering process for a real estate project is long. Preparing and participating in calls for tenders involves significant resources in terms of time and expenses, which will be borne by the Fund. The Fund may not complete the bidding process it undertakes and, if unsuccessful, the costs incurred in connection with unsuccessful bids will not be recoverable.
- (i) A real estate project has two different risk phases: the construction (or development) phase and the operational phase. The risk profile is different during the two phases, the risk profile decreases significantly at the end of the construction phase and the first phase of operation; for housing projects, at the end of the transfer phase, full operational capacity is reached more quickly. The specific risks associated with performing and delivering real estate projects are mitigated by passing these risks on to subcontractors. This risk structure aims at minimising the level of risk, although the risk cannot be eliminated. In addition, the risks associated with the subcontractors' failure to perform their obligations to an appropriate standard should not be underestimated.
- (j) Generally, when developing a real estate project, the Fund, the Investment Holding Company or an Intermediary Vehicle will award a contract for the design and construction of the work, including a potential development phase. This contract will provide for either a fixed or indicative price and the risks related to the completion costs or costs overruns will be borne by the subcontractor. To cover the performance of their duties, the subcontractor will enter into an agreement to indemnify the investment instrument at accepted levels of reliability, weighted by the probability of losing a contract. Payments under this compensation are made in the form of damages to cover loss of revenue in the event of delay or reimbursement related to poor performance. Contractors must obtain the support of banks for such compensation or, if they are sufficiently rated, provide their own guarantees.
- (k) At the end of the construction phase, the Fund, Investment Holding Company or an Intermediary Vehicle will have awarded additional agreements to operate the facilities, on a short-term renewable basis, to operating companies rather than contractors. Any deductions from income related to the operator's poor performance, deducted as part of the contract concluded with the public sector, will be transferred to the operator, by contractual arrangement. Reliability levels will be set, as part of the operating agreement, at a level that is not likely to be exceeded.
- (l) If the Fund invests in Investment Holding Companies active in the real estate sector, it will be indirectly exposed to the risks relating to real estate investment described above.

#### 23.14 **Tax risks**

- (a) An investment in a Sub-Fund involves a significant number of complex tax considerations. Changes in tax law or its interpretation in any of the countries in which a Sub-Fund has investments, or changes to tax treaties negotiated by such countries, could adversely affect the Sub-Fund's returns. No assurance can be given regarding the actual level of taxes applied to the Fund, a Sub-Fund or Intermediary Vehicles. Shareholders and potential investors are strongly advised to consult their own tax advisers on the tax consequences of investing, holding and selling Securities of a Sub-Fund and, where applicable, receiving distributions for Shares or interest for Bonds.
- (b) The structure and taxes of the Fund and Sub-Funds depend on the application of certain non-double taxation treaties and the applicability of European directives. The taxes of the Fund and Sub-Funds will also depend on the application and interpretation of the local laws of the markets in which the Sub-Funds invest and the jurisdictions in which the Intermediary Vehicles are tax resident.

#### 23.15 **No operating history**

The Fund (and therefore also the Initial Sub-Fund) has been recently established and does not have a previous operating history that would allow an investor to make predictions about its future success or failure.

#### 23.16 **Past performance**

The past investment performance of previous funds promoted by the Managing General Partner or its Affiliated Persons, or projects or other investments made by the Managing General Partner or its Affiliated Persons or such funds, should not be taken as an indication of the future results of an investment in the Fund or in a Sub-Fund. The investment strategy of each Sub-Fund should be assessed on the basis that it is impossible to ensure that asset valuations will prove to be accurate or that the Fund will achieve its investment objective or an anticipated return.

#### 23.17 **Insolvency risks**

The insolvency of one or more Investment Holding Companies, Intermediary Vehicles or other Investments may have a detrimental effect on the Sub-Funds, their business and their ability to achieve their investment objectives. Although certain laws relating to corporate insolvency have been enacted in the countries in which the Sub-Funds intend to invest, there is no significant level of practical experience on how these laws will be applied or interpreted.

#### 23.18 **Money laundering**

There is a risk that the Fund or a Service Provider may be required by a public authority to freeze the account of a holder of Securities or take such measures as requested by such public authority. A Shareholder or Bondholder whose account is so frozen will be required to indemnify the Fund and the Sub-Fund(s) for the loss incurred.

### 24. **AMENDMENTS TO THIS PROSPECTUS**

#### **Amendments requiring the approval of investors**



- (a) Subject to items (b) and (c) below, the Managing General Partner, with the approval of the AIFM, may only amend this Prospectus in a manner that would adversely affect investors, with the approval of investors of the Fund representing at least, (i) if it adversely and materially affects the interests of the Shareholders, one-half (1/2) of the outstanding Shares, or (ii) if it adversely and materially affects the interests of the Bondholders, one-half (1/2) of the outstanding Bonds (or cumulatively (i) and (ii) if the Shareholders and Bondholders are affected) provided however that (i) any amendment to this section 24 requires the unanimous approval of investors and (ii) any change in the investment policy or investment strategy of a Sub-Fund will also be subject to the rules provided for in this section.

#### **Amendments not requiring the approval of investors**

- (b) The Managing General Partner, with the approval of the AIFM, may amend this Prospectus (including, for the avoidance of doubt and for the purposes of this section, the Supplements) without seeking the approval of Investors, provided that the proposed amendments do not adversely and materially affect the interests of the Shareholders or the Bondholders (where applicable, of the relevant Sub-Fund). In particular, but without limitation, the following changes will not be subject to investor approval:
- (i) any amendment to this Prospectus to transpose or reflect any legal, regulatory or tax change applicable to the Fund, a Sub-Fund, the Managing General Partner or the AIFM;
  - (ii) any amendment to resolve any ambiguity, correct or supplement any provision of this Prospectus that is incomplete or inconsistent with any other provision or correct any printing, stenographic or secretarial errors or omissions;
  - (iii) any amendment intended to reflect an agreement reached following negotiation with one or more Investors which subscribed after the First Subscription Day of such Sub-Fund and as long as such amendments do not adversely and materially affect the interests of existing Investors in such Sub-Fund.

#### **Impact on the Articles of Association**

- (c) Any change to this Prospectus that requires a change in the Articles of Association shall also require the holding of a General Meeting and an Extraordinary Decision of the Shareholders.

## SUPPLEMENT 1 – OCITY – OCITY 1

The information contained in this Supplement should be read in conjunction with the General Section. This Supplement relates exclusively to the OCITY – OCITY 1 Sub-Fund (in this Supplement, the ‘**Sub-Fund**’).

### 1. INVESTMENT OBJECTIVE AND STRATEGY

#### 1.1 Investment objective

- (a) The investment objective of the Sub-Fund is to provide Investors in each Class with a return replicating the form of capital growth representing the performance of real estate assets held by the Sub-Fund. The objective of the Sub-Fund is to provide Investors with a continuous income at fixed periods of time by applying the principle of risk diversification via direct or indirect investments through Intermediary Vehicles, with or without the participation of Co-Investment Vehicles or JV Vehicles in the targets. The use of leverage techniques, and in particular the use of borrowing, is intended to maximise such potential income. The expected performance targets for each of the Classes are as set out in sections 6 and 8 below.
- (b) In view of the investment opportunities identified and the current dynamics of the target market, the Managing General Partner also has the objective for the Sub-Fund to reach an estimated size of EUR 400 million.

#### 1.2 Investment strategy and policy

- (a) The Sub-Fund aims at achieving capital growth in the short/medium term by capitalising on investment opportunities existing in the real estate sectors in the Grand Duchy of Luxembourg.
- (b) In particular, the Managing General Partner is considering an investment strategy in real estate assets that are intended to become property development projects in the residential sector, as well as for office space and various types of real estate properties for commercial and hospitality operations and health care facilities (in the broadest sense) or real estate properties offering restructuring and repositioning opportunities.
- (c) The Managing General Partner plans to offer the Investors of the Sub-Fund an exposure to diversified and high-quality real estate assets notably including assets offering value-added potential which will be purchased on the market through auctions, estate breakups or due to arbitrages by the owners. The Sub-Fund may also acquire existing buildings or off-plan properties and repurchase mortgages in order to purchase a real estate asset and any other acquisition resulting in a positive valuation of a real estate asset in the medium term.
- (d) The Managing General Partner envisages the following key criteria to search for real estate assets on behalf of the Sub-Fund: high-density commercial region, with a high number of visitors and with a high household purchasing power, close to dynamic economic areas and enjoying reasonably good communication and transport infrastructures.
- (e) The search criteria defined by the Managing General Partner for value-added assets (as referred to in section 1.2(c) above) include the following:
  - (i) price per square metre (sq. m) of rental space estimated to be undervalued;
  - (ii) existence of vacant unused floor space;
  - (iii) possibilities for the price to be discounted for rapid acquisitions with sellers in very short sale cycles;

- (iv) the possibility of discounts being applied by landlords due to high risk or the occurrence of vacancies in leased properties due, in particular, to very short weighted average lease terms (WALT), as a result of poor management or a poor sales cycle for the seller;
  - (v) possible improvements that can be made in the quality of buildings left abandoned by lax managers/owners;
  - (vi) properties which provide opportunities for restructuring or improving floor area for expanding tenants with high occupancy rates and purchasing power.
- (f) The Investments may be offered for sale in the rental market and the Sub-Fund expects to generate periodic and regular income or income over the long term. Consideration will be given to selling off assets in the portfolio in order to generate occasional capital gains.

### 1.3 Geographical area of investments

the geographical investment area targeted by the Sub-Fund will be in the Grand Duchy of Luxembourg.

### 1.4 Exit/Sales strategy

- (a) Depending on the strategy envisaged in relation to each asset, the envisaged average holding period of the assets should be between 12 and 48 months, it being understood that the Managing General Partner's objective is that most Investments reach maturity no later than 36 months after their acquisition date.
- (b) The exit strategy of the Fund will be determined on a case-by-case basis in order to allow the Sub-Fund to consider a potential sale under the best conditions and thus avoid any time constraints that might lead to the value of the Investment being discounted.
- (c) If an opportunity arises and the conditions of the relevant real estate investment market are reasonably favourable, the Sub-Fund also reserves the right to sell one or more assets before the expiry of the 36-month maturity period, in order to generate capital gains, reduce or balance borrowings and make new Investments, with a view to selling them.
- (d) The Sub-Fund also reserves the right to sell one or more assets to Affiliated Vehicles in accordance with section 18.8 of the General Section.

### 1.5 ESG Policy

- (a) Since the building sector is one of the main consumers of energy and one of the largest emitters of greenhouse gases, the real estate business is subject to a number of regulations and standards that minimise the effects of buildings and their operations on the environment and society as a whole.
- (b) It is with this in mind that the Fund and the Managing General Partner, will establish and maintain several initiatives to reduce their carbon footprints.
- (c) To this end, the Fund and the Managing General Partner have chosen for their future real estate development and restructuring operations to encourage real estate projects that are environmentally friendly, meet the



latest energy standards and use natural, renewable and sustainable resources in the construction process in order to reduce the energy consumption of buildings and limit greenhouse gases.

## 2. ASSESSMENT OF RISKS ON SUSTAINABILITY

As part of the review performed in accordance with section 3.2 of the General Section, the AIFM considers that the investments made by the Sub-Fund are likely to be affected by risks on sustainability and that, should such risks arise, the returns on investments of the Sub-Fund might be negatively affected. The attention of investors is drawn to the fact that it is difficult to assess for certain the potential consequences of such risks and/or to determine the likely of such risks occurring. The investors should refer to section 23 of this Prospectus.

## 3. INVESTMENT RESTRICTIONS

(a) The Sub-Fund is subject to the investment restrictions set forth in section **Error! Reference source not found.** of the General Section, it being understood that such restrictions only apply after the end of the Investment Period and that, in addition, the Managing General Partner envisages that the Sub-Fund will not normally invest:

- (i) in assets other than real estate (provided that the Sub-Fund can repurchase mortgages in order to acquire real estate assets); and
- (ii) in categories other than the following categories of real estate assets and as described in section 1.2 of this Supplement: commercial real estate, offices, residential properties, hotels, health and logistics/storage.

(b) The Sub-Fund may borrow, either on a short or long-term basis, directly or through an Intermediary Vehicle, it being understood that:

- (i) the Managing General Partner envisages that the maximum average debt ratio of the portfolio must not exceed 80% of the total Acquisition Price of the assets, it being specified, however, that this does not prohibit a higher debt ratio in relation to one or more assets;
- (ii) the Sub-Fund may borrow in order to satisfy one or more Redemption Requests or for working capital purposes, provided that such borrowing is (a) temporary and (b) limited to a maximum of 50% of the Fund's NAV;

it being understood that, for the avoidance of doubt, the issue of Bonds by the Sub-Fund is not considered as resorting to borrowing for the purposes of this Supplement.

(c) In the course of its operations, the Sub-Fund may grant guarantees, real or personal security interests, sign pledge letters in favour of one or more Intermediary Vehicles or Investments.

(d) The Sub-Fund may not invest, primarily in, or enter into transactions relating to financial derivative instruments. However, the use of these instruments is permitted on an ancillary or related basis or for hedging purposes.

(e) The Sub-Fund does not intend to invest in Liquid Assets; it being understood that the Sub-Fund may invest in this type of asset: (i) as part of managing its liquidities, while awaiting to reinvest or use them for other purposes; (ii) as part of managing Redemption Requests, and the Sub-Fund is authorised to invest up to 10% of its assets in Liquid Assets (and to maintain such Investments) in order to support potential Redemption Requests.



#### 4. TERM OF THE SUB-FUND

The Sub-Fund is established for a term of fifteen years as from the First Subscription Day (the **Term**), except in the cases of early dissolution (i) provided for in section 21.2(a) of the General Section, and (ii) in the event of the liquidation of the Fund in accordance with section 2(a) of the General Section or (iii) upon decision of the Managing General Partner if such early dissolution is in the interest of the holders of Securities (in particular, if all of the Sub-Fund's assets have been realised and the Bonds redeemed).

#### 5. INVESTMENT COMMITTEE

(a) In order to achieve the Sub-Fund's investment and return objectives, the Management Board and the AIFM will be assisted by an Investment Committee.

(b) The Investment Committee is composed of at least five (5) and no more than ten (10) members appointed by the Managing General Partner. Members of the Investment Committee will not receive any remuneration but will be reimbursed by the Fund for reasonable expenses incurred by them in connection with their participation in Investment Committee meetings.

(c) The current members of the Investment Committee are:

(i) Christophe Nadal or, alternatively Bernd Von Manteuffel;

Bernd Von Manteuffel (BVM) and Christophe Nadal have worked for more than 35 years and 15 years respectively in the European real estate market. They are acknowledged players in real estate investment and re-development. They co-founded and manage several real-estate vehicles, including Mimco Capital, and the alternative investment funds Mercureim EF1, Everest One, Buildim and Ocity. Bernd Von Manteuffel and Christophe Nadal are among the co-founders and shareholders of Ocity.

(ii) Frédéric Reichling or, alternatively, Michael Reichling;

Frederic and Michael Reichling have developed top tier real estate projects in the Luxembourg investment market for more than 15 years. Since its beginnings in 2004, the family company has undergone significant expansion, especially thanks to the quality of its operations, but also because of their reputation. The Reichling family has been jointly developing many projects with the CreaHaus group since many years. Today, the Reichling family has been responsible for developing more than 35,000 sq.m. and more than 84,000 sq. m. are currently under development. The Reichling family are among the co-founders and shareholders of OCITY.

(iii) Laurent Olmedo or, alternatively, Bernard Olmedo;

Laurent and Bernard Olmedo have worked for more than 30 years in developing large-scale real estate projects in the Grand Duchy of Luxembourg. Founded in 1990, the CreaHaus group now has more than 45 employees, it has an excellent reputation and has become a major real-estate player in the residential real-estate sector in the Grand-Duchy of Luxembourg. In 30 years, it has been responsible for developing more than 74,000 sq. m. floor space and 1,200 houses, with a turnover exceeding EUR 450,000,000. Today, 47,523 sq. m. are under development. The Olmedo family are one of the co-founders and shareholders of OCITY.

(iv) Timothé Fuchs (FUCHS Asset Management) and Michael Verschuere (FUCHS Asset Management)

Benefiting from the entry into force of the AIFM Directive in 2013, Fuchs & Associés Finance S.A. ("Fuchs Group") has decided to take advantage of its existing structure and its long and recognized experience in asset management to set up a new subsidiary dedicated to the service of third party managers.

This is how Fuchs Asset Management was incorporated on 10 June 2014. Fuchs Asset Management operates in accordance with Chapter 15 of the Luxembourg law of 17 December 2010 on undertakings for collective investment and the Law of 12 July 2013. As a “Super ManCo”, Fuchs Asset Management offers a wide range of services to investment funds regulated by the UCITS and AIFM directives, including private equity funds and real estate funds. Fuchs Asset Management also offers solutions for structuring, risk management, compliance and relocation of funds. The services of Fuchs Asset Management are designed for fund managers, wealth managers, family offices and private banks as well as business leaders considering expansion projects in Luxembourg or abroad.

- (d) The Managing General Partner is responsible for setting up organisational procedures governing, among other things, the appointment and replacement of members of the Investment Committee. The Managing General Partner may, at any time, remove and replace any member of the Investment Committee with or without cause.
- (e) The main role of the Investment Committee is to identify Investment opportunities and make recommendations to the Management Board and the AIFM with respect to the various exit strategies for each Sub-Fund's Asset, it being understood that no recommendation to buy or sell an asset will be made to the AIFM without the prior approval (i) of the Managing General Partner and (ii) of the Investment Committee.
- (f) The Managing General Partner must consult the Investment Committee regarding potential or materialised conflicts of interest with respect to the Sub-Fund. If the Managing General Partner is informed of the existence of a conflict of interest, then the Managing General Partner must convene a meeting of the Investment Committee to decide on how to resolve the conflict of interest and/or any appropriate governance measures. Any decision of Investment Committee relating to a conflict of interest shall be binding on the Managing General Partner.
- (g) The Investment Committee meets when convened by the Managing General Partner. Notice of any meeting of the Investment Committee must be sent to all members at least ten (10) Business Days before the date scheduled for such a meeting except in case of emergency. Such notice must include the date and place of the meeting and the agenda of the meeting. The requirement to send a notice may be waived by written consent of each member of the Investment Committee, given by sending of the original, or by fax, e-mail, telegram or telex, or by any other suitable means of communication. The meeting will be validly held without prior notice if all members are present or validly represented. No specific notice is required for meetings held on the dates and in the places specified during meetings previously held by the Investment Committee.
- (h) All members of the Investment Committee present in person, by proxy or via representatives constitute a quorum. Any member of the Investment Committee may act at any time at any meeting of the Investment Committee by appointing another member of the Investment Committee as its proxy in writing or by fax, e-mail, telegram or telex.
- (i) The decisions of the Investment Committee are adopted on the unanimous vote of the members, present or represented. Each member of the Investment Committee is entitled to one vote, it being understood that each of the groups of persons mentioned in the respective points (c)(i) à (c)(ii) above will have only one vote notwithstanding the fact that such persons attend a meeting of the Investment Committee together.
- (j) Written resolutions, approved and signed by all members of the Investment Committee, will be as valid as resolutions adopted at a meeting of the Investment Committee. In such cases, resolutions or decisions are expressly made, formulated by circular resolutions and transmitted by ordinary post, e-mail or fax, telephone, video conference or any other suitable means of communication.

## 6. CLASSES



## 6.1 Share Classes

(a) The GP, A and C Share Classes described in section 5.2 of the General Section will be available in the Sub-Fund, it being understood that:

- (i) there will be at least one GP Share issued in this Sub-Fund at the Issue Price of EUR 1,000 which will be fully paid up before or no later than the First Subscription Day, which cannot be redeemed by the Compartment and which will have the same economic rights as A Shares;
- (ii) that A Shares are reserved for Founder Shareholders and their Affiliated Persons at the Issue Price of EUR 1,000 and may be issued and fully paid up during the Subscription Days decided by the Managing General Partner in accordance with sections 5.4 and 5.5 of the General Section and will give entitlement to the Preferred Distribution (as defined below);

that there will be a maximum of 300 C shares issued, fully paid up at the Issue Price of EUR 1 on the Subscription Days decided by the Managing General Partner (it being understood that any issue of C Shares will have a dilutive effect on Shareholders holding C Shares at the time of their issue).

## 6.2 Bond Classes

Two classes of Bonds are available in the Sub-Fund:

(a) The Class OB Bond

- (i) The OB Bond Classes described in section 5.3 of the General Section is available in the Sub-Fund, it being understood that this Class of Bonds will be divided into tranches (and such tranches may be, if required, sub-divided while retaining the same characteristics into sub-tranches (OB1, OB2, OB3, etc.)) which, in addition to the features described in the General Section, will have the following characteristics:

Tranche	OB
Sector (ISIN) Code:	LU2253067537
Minimum Subscription Amount (in euros)	250,000
Par value / Issue Price (in euros)	1,000
Maturity:	Determined OB Bond by OB Bond, it corresponds, in relation to each OB Bond issued, to the day which falls at the end of the 36th month following the Subscription Day of the relevant OB Bond, subject to the possibility for the Managing General Partner to extend this maturity date (i) at its discretion, by an additional 12-month period, and thereafter, (ii) for a further subsequent 12-month or 24-month period, subject to the consent of the OB Bondholders of any relevant Class by a simple majority of the votes validly cast by the OB Bondholders of the relevant Class (based on one vote per Bond) and finally (iii) by additional successive periods of 12 to 24 months, subject each time to the consent of the 3/4 of the OB Bondholders of the relevant Class (the <b>Maturity Date</b> ).
Preferred Interest	The objective of the Sub-Fund is to generate a return calculated per OB Bond from the Subscription Day of the relevant OB Bond until the Redemption Date or the Maturity Date of such OB Bond, based on the Issue Price (the <b>Preferred Interest</b> ), of 10% p.a.

Management Fee	As from the First Subscription Day and until the Sub-Fund's liquidation is closed, 1% p.a., based on the last GAV available and payable quarterly in advance.
Subscription Fee	If the Total Subscribed Amount is: between EUR 250,000 and EUR 1,000,000: 4% between EUR 1,000,000 and less than EUR 2,000,000: 2% more than EUR 2,000,000: N/A
Entry date	The relevant Subscription Date during the planned Subscription Period (see section 5.4 (e) of the General Section and section <b>Error! Reference source not found.</b> (a)(ii) below)

Planned subscription period*	OB Class Bond	Subscription Date (entry date)**
From 01/10/2020 to 30/11/2020	OB1	30/11/2020
From 01/12/2020 to 31/12/2020	OB2	31/12/2020
From 01/01/2021 to 30/03/2021	OB3	30/05/2021
From 01/04/2021 to 30/06/2021	OB4	30/08/2021
From 01/07/2021 to 30/09/2021	OB5	30/11/2021
From 01/10/2021 to 31/12/2021	OB6	01/03/2022
From 01/01/2022 to 30/03/2022	OB7	30/05/2022
From 01/04/2022 to 30/06/2022	OB8	30/08/2022
From 01/07/2022 to 30/09/2022	OB9	30/11/2022
From 01/10/2022 to 31/12/2022	OB10	01/03/2022

\* subject to adjustment by the Managing General Partner in accordance with item (ii) below.

\*\* date of the last Subscription Day and, where appropriate, in the absence of the organisation of other Subscription Days by the Managing General Partner during such Subscription Period (as notified by the Managing General Partner to the relevant Investors), the unique Subscription Day.

- (ii) The Managing General Partner may create sub-Classes corresponding to different subscription periods (each, a **Subscription Period**) and referred to as OB1, OB2, OB3 Class, etc., and determine the First and Last Subscription Days for each of these sub-Classes, it being understood that:
- (A) the Managing General Partner will inform potential Investors of the Subscription Period applicable to the relevant Class(es);
  - (B) each planned Subscription Period will in principle be of 3 months and that the Managing General Partner will not launch a Subscription Period for a sub-Class before having closed the subscription of the previous Class;
  - (C) the Managing General Partner may anticipate the end of a Subscription Period at any time, in which case the Last Subscription Day will be the date as determined by the Managing General Partner;

it being understood however that no Subscription Period may extend beyond 31 December 2022.

- (iii) The information set out above in relation to the Preferred Interest are deemed to reflect only an objective that the Sub-Fund will endeavour to achieve, but no assurance can be given as to the amounts which will actually be distributed to Investors and, for the avoidance of doubt:
- (A) Preferred Interest is calculated 'OB Bond by OB Bond' (rather than at the level of the Class of OB Bond) based on the Issue Price and depending on the issue date of each OB Bond;

- (B) although, in principle, the Preferential Interest is intended to be paid only when the OB Bonds are redeemed, the Managing General Partner reserves the right to pay OB Bondholders an interest equivalent to the Preferred Interest during any Accounting Period, in which case such payment will be reduced by the Redemption Price of the relevant OB Bonds. Unpaid Preferred Interest will not be considered as a reinvested amount to be capitalised and will henceforth bear interest;
- (C) nevertheless, the Managing General Partner reserves the right to anticipate the reimbursement of the principal of each OB Bond to OB Bondholders and undertake to pay the Preferred Interest calculated from the relevant subscription date until the reimbursement date of the principal of the relevant OB Bond no later than at the Maturity Date;
- (D) any available amount remaining after payment of the Redemption Price of the OB Bonds (which, in accordance with section 6.2, includes the payment of accrued Preferred Interest for such OB Bonds) will be allocated to the Shareholders of the Sub-Fund and the OB Bondholders will have no rights over such amounts, if applicable.

(b) The Class OBS Bond

- (i) The OBS Bond Class is available in the Sub-Fund, it being understood that this Class of Bonds will be divided into tranches (and such tranches may be, if required, sub-divided while retaining the same characteristics into sub-tranches (OBS1, OBS2, OBS3, etc.)) which, in addition to the features described in the General Section, will have the following characteristics:

Tranche	OBS
Sector (ISIN) Code:	LU2354276995
Minimum Subscription Amount (in euros)	250,000
Par value / Issue Price (in euros)	1,000
Maturity:	Determined OBS Bond by OBS Bond, it corresponds, in relation to each OBS Bond issued, to the day which falls at the end of the 48th month following the Subscription Day of the relevant OBS Bond, subject to the possibility for the Managing General Partner to extend this maturity date (i) at its discretion, by an additional 12-month period, and thereafter, (ii) subject to the OBS Bondholders consent, for a further subsequent 12-month or 24-month period (the <b>Maturity Date</b> ).
Preferred Interest	The objective of the Sub-Fund is to generate a return calculated OBS Bond by OBS Bond from the Subscription Day of the relevant OBS Bond until the Redemption Date or the Maturity Date of such OBS Bond, based on the Issue Price (the <b>Preferred Interest</b> ), of 7% p.a., with the objective to pay, subject to the availability of Distributable Income and any relevant adjustment to be made by the Managing General Partner at its discretion taking into account the best interest of the Sub-Fund: <ul style="list-style-type: none"> <li>- 5% p.a. pro rata (<i>temporis</i>) on a quarterly basis, as at the end of each calendar quarter, calculated as from the Subscription Day of the relevant OBS Bond;</li> <li>- the remaining 2% at the Redemption Date or the Maturity Date.</li> </ul>
Management Fee	As from the First Subscription Day and until the Sub-Fund's liquidation is closed, 1% p.a., based on the last GAV available and payable quarterly in advance.
Subscription Fee	If the Total Subscribed Amount is: between EUR 250,000 and EUR 1,000,000: 4%

	between EUR 1,000,000 and less than EUR 2,000,000: 2% more than EUR 2,000,000: N/A
Entry date	The relevant Subscription Date during the planned Subscription Period (see section 5.4 (e) of the General Section and section <b>Error! Reference source not found.</b> (b)(ii) below)

Planned subscription period*	OBS Class Bond	Subscription Date (entry date)**
From 11/06/2021 to 30/06/2021	OBS1	30/09/2021
From 01/07/2021 to 30/09/2021	OBS2	31/12/2021
From 01/10/2021 to 31/12/2021	OBS3	31/03/2022
From 01/01/2022 to 31/03/2022	OBS4	30/06/2022
From 01/04/2022 to 30/06/2022	OBS5	30/09/2022
From 01/07/2022 to 30/09/2022	OBS6	31/12/2022
From 01/10/2021 au 31/12/2022	OBS7	31/03/2023

\* subject to adjustment by the Managing General Partner in accordance with item (ii) below.

\*\* date of the last Subscription Day and, where appropriate, in the absence of the organisation of other Subscription Days by the Managing General Partner during such Subscription Period (as notified by the Managing General Partner to the relevant Investors), the unique Subscription Day.

- (ii) The Managing General Partner may create sub-Classes corresponding to different subscription periods (each, a **Subscription Period**) and referred to as OBS1, OBS2, OBS3 Class, etc., and determine the First and Last Subscription Days for each of these sub-Classes, it being understood that:
- (A) the Managing General Partner will inform potential Investors of the Subscription Period applicable to the relevant Class(es);
  - (B) each planned Subscription Period will in principle be of 3 months and that the Managing General Partner will not launch a Subscription Period for a sub-Class before having closed the subscription of the previous Class;
  - (C) the Managing General Partner may anticipate the end of a Subscription Period at any time, in which case the Last Subscription Day will be the date as determined by the Managing General Partner;

it being understood however that no Subscription Period may extend beyond 31 December 2022.

- (iii) The information set out above in relation to the Preferred Interest are deemed to reflect only an objective that the Sub-Fund will endeavour to achieve, but no assurance can be given as to the amounts which will actually be distributed to Investors and, for the avoidance of doubt:
- (A) Preferred Interest is calculated 'OBS Bond by OBS Bond' (rather than at the level of the Class of OBS Bond) based on the Issue Price and depending on the issue date of each OBS Bond;
  - (B) also, the Managing General Partner reserves the right to anticipate the reimbursement of the principal of each OBS Bond to OBS Bondholders and undertake to pay the Preferred Interest calculated from the relevant subscription date until the reimbursement date of the principal of the relevant OBS Bond no later than at the Maturity Date;
  - (C) any available amount remaining after payment of the Redemption Price of the OBS Bonds (which, in accordance with section 6.2, includes the payment of accrued Preferred Interest for such OBS Bonds) will be allocated to the Shareholders of the Sub-Fund and the OBS Bondholders will have no rights over such amounts, if applicable.

## 7. INVESTMENT PERIOD

The Investment Period of the Sub-Fund will start on the date of the First Subscription Day organised in the Sub-Fund and will end on 30 June 2025, subject to the Managing General Partner deciding to extend the Investment Period by an additional year.

## 8. DISTRIBUTION POLICY

- (a) Subject to and in accordance with section 6 of the General Section:
- (i) except with respect to distribution of Distributable Income to the OBS Bondholders as set out in Section 6.2(b)(i) of this Supplement, no distribution of Distributable Income is planned during the term of the Sub-Fund, subject to the Managing General Partner being entitled to pay Bondholders an interest equivalent to the Preferred Interest during any Accounting Period, in which case such payment will reduce the Redemption Price of the relevant Bonds by the amount of such payment;
  - (ii) After redeeming all the Bonds by paying the Redemption Price, any Distributable Income will be distributed between the Managing General Partner (including as holder of the GP Share) and the holders of A Shares in the Sub-Fund in proportion to the total number of their respective outstanding Shares until each A and GP Share receives the amount equivalent to its Issue Price and a preferred interest of 10% p.a. based on the Issue Price as from the Subscription Day of the relevant Share until the date on which the Issue Price has been fully reimbursed (the **Preferred Distribution**);
  - (iii) If the holders of the GP Share and the A Shares have received the Preferred Distribution, any remaining Distributable Income will be shared between the holders of C Shares in the Sub-Fund in proportion to the total number of their respective outstanding Shares.
- (b) All the Distributable Income will be allocated (including for the purpose of calculating the NAV) as a priority to the Bonds and to satisfying the rights of Bondholders such that in such Sub-Fund, the financial rights of Shareholders will be subordinated to those of the Bondholders. For the avoidance of doubt, there is no subordination between the Classes of Bonds in the Sub-Fund, so that the allocation of Distributable Income will be made at the same time and on a pro rata basis between each Class of Bonds.

## 9. REDEMPTIONS

### 9.1 Redemption of Shares

In this Sub-Fund, there are no rights for the Redemption of Shares. Shares may be transferred to the Founding Shareholders and their Affiliated Persons and in accordance with section 10.3 of the General Section, but may not in principle be redeemed by the Sub-Fund, it being understood, however, that Class A Shares may be redeemed by the Sub-Fund subject to the agreement of the Managing General Partner and the unanimous decision of the Shareholders of the relevant Class. Where applicable, the Redemption Price will be mutatis mutandis identical to what is provided for the Bonds as described in section 8.2 below.

### Redemption of Bonds

- (a) Bonds may be redeemed at the request of their holders in accordance with section 7 of the General Section and subject to the availability of Distributable Income, subject to the following points:



- (i) **Redemption Period End Date:** 1st April of each year at 3 pm (Luxembourg time);
  - (ii) **Redemption Price:** the Subscription Price, after deduction of the Exit Costs;
  - (iii) the **Redemption Threshold** is equal to 5% of the Bonds issued in the Sub-Fund;
  - (iv) the **Maximum Redemption Period** is 9 months;
  - (v) **Exit Costs:** 5%.
- (b) The Managing General Partner reserves the right to carry out an early redemption of all or part of the Bonds, it being understood that:
- (i) an early redemption of Bonds will be performed on a pro-rata basis within the Class or sub-Class of Bonds, and the Managing General Partner will ensure that the holders of Bonds are treated equally in this context;
  - (ii) in principle, an early redemption of Bonds will be based on the Subscription Period of these Classes, giving priority for early redemption to Bonds of a Class with the oldest Subscription Period;
  - (iii) an early redemption will be at the Subscription Price supplemented by accrued and unpaid Preferred Interest on the relevant Bonds.
- (c) Subject to the availability of Distributable Income for this purpose, each Bond will be redeemed at Maturity at the Subscription Price plus accrued and unpaid Preferred Interest on the relevant Bonds, determined on the relevant Redemption Date. In the absence of Distributable Income to satisfy the redemption, the Managing General Partner will have full discretion to decide to satisfy such redemption within the limits of the Distributable Income, it being understood that in such case, any Distributable Income available after this date will be allocated as a priority to redeeming the relevant Bonds.

## 10. FEES AND EXPENSES

### 10.1 Acquisition fee

When a Sub-Fund invests in real estate, the Sub-Fund may pay an acquisition fee to the Managing General Partner based on the 'net vendor' acquisition price of the relevant asset at a maximum rate of 3% (the **Acquisition Fee**). For the avoidance of doubt, the Acquisition Fee is due irrespective of the technical method employed to complete the relevant transaction (e.g. via a 'share deal' or an 'asset deal').

### 10.2 Transfer Fee

When the Sub-Fund sells a real estate investment, the Sub-Fund may pay a transfer fee to the Managing General Partner based on the 'net vendor' sale price of the relevant asset at a maximum rate of 3% (the **Transfer Fee**). For the avoidance of doubt, the Transfer Fee is due irrespective of the technical method employed to complete the relevant transaction (e.g. via a 'share deal' or an 'asset deal').

### 10.3 Financing fee

The Sub-Fund will also pay to the Managing General Partner a fee based on the value of any debt financing granted to the Sub-Fund (or any Intermediary Vehicle, JV Vehicle or Investment Holding Company) by one or more third parties to the Fund (or to any Intermediary Vehicle, JV Vehicle or Investment Holding Company),



regardless of the form of such financing, on the understanding that the fee is calculated on the face value of such financing (whether or not such financing is immediately drawn down in full and regardless of the draw down that will be made on such financing) (the **Financing Fee**). The rate of the Financing Fee for the Sub-Fund may not exceed 1%.

#### 10.4 **Distribution Fee**

A Distribution Fee will be paid to the Managing General Partner (to remunerate the Distributors) in accordance with the terms of section 4.3(b) of the General Section above and may not exceed 7%.

#### 10.5 **Operating Expenses and subscription management expenses**

When the subscription of an Investor enters the Sub-Fund, operating expenses for this Sub-Fund may be due to the Managing General Partner or any Affiliated Person appointed by the Managing General Partner, by the Sub-Fund for processing the subscription application, based on the Issue Price at a maximum rate of 3% (the **Operating Expenses**).

#### 10.6 **Subscription Fee**

- (a) The Managing General Partner reserves the right to request payment of a subscription fee at a rate based on the Total Subscribed Amount of each Investor, respectively, of 4% up to EUR 500,000 of the Total Subscribed Amount and 2% between EUR 500,000 and EUR 1,000,000 of the Total Subscribed Amount (the **Subscription Fee**). The Subscription Fee is payable in addition to the Issue Price for the subscribed Shares. No Subscription Fee is due if the Total Subscribed Amount is higher than EUR 1,000,000.
- (b) Any Subscription Fee paid will be paid to the Sub-Fund.

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Approved by the Managing General Partner:

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Title: Manager

Date: 10/06/2021



**OCITY Fund Management**

Name: Frédéric Reichling

Title: Manager

Date: 10/06/2021



**OCITY Fund Management**

Name: Christophe Nadal

Title: Manager

Date: 10/06/2021



Approved by the AIFM:

**FUCHS Asset Management**

Name: Timoté Fuchs

Title: CEO

Date: 10/06/2021



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2021-06-14

**FUCHS Asset Management**

Name: Michael Verschuure

Title: CFO

Date: 10/06/2021



Michael VERSCHUURE  
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Real estate development

