

GMG Fund

A contractual umbrella Fund under Swiss law, falling within the category of “other funds for traditional investments”

Prospectus with integrated Fund Contract

May 2020

The Fund Management Company
(CACEIS) Switzerland SA
Route de Signy 35
CH-1260 Nyon, Switzerland

The Custodian Bank
CACEIS Bank, Paris, Nyon Branch / Switzerland
Route de Signy 35
CH-1260 Nyon, Switzerland

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Part 1: Prospectus

This Prospectus with integrated Fund Contract, the Key Investor Information Document and the latest annual or semi-annual report (if published after the latest annual report) form the basis for all subscriptions to fund units.

Only the information contained in the Prospectus, the Key Investor Information Document or in the Fund Contract will be valid.

1. Information relevant to the Investment Fund

1.1 General information on the Fund

GMG Fund is a contractual umbrella Fund under Swiss law, falling within the category of “other funds for traditional investments” in accordance with the Swiss Federal Act on Collective Investment Schemes of 23 June 2006.

The Fund currently includes the following Sub-funds:

- GMG Fund - Swiss Small & Mid Caps

The Fund Contract was drawn up by CACEIS (Switzerland) SA, Nyon, in its capacity as the Fund Management Company, with the approval of CACEIS Bank, Paris, Nyon Branch / Switzerland, in Nyon, in its capacity as the Custodian Bank, submitted to the Autorité Fédérale de Surveillance des Marchés Financiers (the Swiss Financial Markets Supervisory Authority, FINMA) and approved by it for the first time on 4 February 2020.

The Sub-funds are based on a collective investment agreement (Fund Contract) under the terms of which the Fund Management Company undertakes to provide the Investor with a stake in the Sub-fund in question, in proportion to the units they have acquired, and to manage the Sub-fund in accordance with the provisions of the law and the Fund Contract, independently and in its own name. The Custodian Bank is a party to the Fund Contract by virtue of the tasks assigned to it by law and the Fund Contract.

Unit classes do not represent segmented assets. Therefore, the possibility that one unit class is responsible for the liabilities incurred by another cannot be ruled out, even if the costs are in principle charged only to the unit class benefiting from a specific service.

In accordance with the Fund Contract, the Fund Management Company is entitled to create, dissolve or merge unit classes at any time, subject to the consent of the Custodian Bank and the approval of the supervisory authority.

Each Sub-fund is divided into the following unit classes:

Unit classes:	Reference currency	Allocation of income	Minimum investment amount	Investors
Class "A"	CHF	Reinvestment	None	Open to any investor
Class "B"	CHF	Reinvestment	CHF 1,000,000	Reserved for any investor investing at least CHF 1,000,000 at the time of the initial subscription
Class "Z1"	CHF	Reinvestment	None	Reserved for any investor who has entered into a written asset management contract with GMG

				Institutional Asset Management SA
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1.2 Investment objectives and policy of the Sub-funds

Detailed information on the investment policy and its restrictions, as well as the permitted investment techniques and instruments, are contained in the Fund Contract.

1.2.1 Investment objectives

- **GMG Fund – Swiss Small & Mid Caps Sub-fund**

The investment objective of the Sub-fund is mainly to manage a portfolio of Swiss small and mid-cap shares, while observing the risk diversification policy.

The selection of companies mainly takes place in reference to the following criteria: strategic direction, strong market position, first-rate management, strong level of return and potential for growth. The achievement of the fund's investment objective is sought on the basis of an active selection of securities.

1.2.2 Investment policy

A) **GMG Fund – Swiss Small & Mid Caps Sub-fund**

a) The Fund Management Company invests at least two-thirds of the Sub-fund's assets:

aa) directly or indirectly, through collective investments schemes, in equity securities and uncertified securities (shares, dividend-right certificates, membership shares, participation certificates and similar) of small and medium-sized enterprises (Small & Mid Caps) with their headquarters or operating primarily in Switzerland;

b) On the other hand, the Fund Management Company may, directly or indirectly, through collective investment schemes, invest up to one third of the Fund's assets in:

ba) shares and other securities and equity securities (participation certificates, dividend-right certificates, etc.) of small and medium-sized enterprises with their headquarters in a European State other than Switzerland, but which are listed on the Swiss stock exchange;

bb) shares and other securities and equity securities (participation certificates, dividend-right certificates, etc.) of enterprises that are not considered to be small and medium-sized, headquartered in Switzerland or operating primarily in Switzerland or who possess (as a holding company) the majority of shareholdings in companies headquartered in Switzerland;

bc) bonds (including convertible bonds) with a minimum rating of A, convertible notes and notes, as well as in other fixed- or variable-income securities and rights to claim issued by private- and public-sector borrowers and denominated in Swiss francs or in euro;

bd) money market instruments, directly or indirectly through collective investment schemes;

be) sight and term deposits;

bf) In addition, the Fund Management Company must comply with the following investment restrictions:

- maximum 20% of the total assets of the Sub-fund concerning the investments referred to in ba) above

- maximum 25% of the total assets of the Sub-fund concerning the investments referred to in bc) above.

- c) The Fund Management Company may not invest more than 49% of the capital of the Sub-fund in units of collective investment schemes.

Companies with capitalisation corresponding to those of companies included in the SPI Extra Total Return Index (SPIEX Index) are considered to be "small and medium-sized enterprises".

The Fund Management Company may hold liquid assets in an appropriate amount in the accounting currency of the Sub-fund as well as in any other currency in which investments are permitted. Liquid assets comprise sight and term deposits as well as claims arising from securities repurchase and reverse repurchase agreements with maturities up to 12 months.

For the purposes of capital protection, the Fund Management Company may, on a temporary basis and as a result of specific circumstances, hold up to 100% of the net assets of the Sub-fund in cash while awaiting investment or redemption or for risk management purposes.

1.2.3. Investment restrictions

The Fund Management Company may invest up to 35% of the Fund's assets in securities or money market instruments of the same issuer when they are issued or guaranteed by a State or a public law corporation of the OECD or by international public law organisations, of which Switzerland or a Member State of the European Union is a member.

For GMG Fund, FINMA granted CACEIS (Switzerland) SA the authority to invest up to 100% of the Sub-fund assets in securities or money market instrument Sub-funds of the same issuer, provided these are issued or guaranteed by a State or a public law corporation of the OECD or by international public law organisations, of which Switzerland or a Member State of the European Union is a member.

The authorised issuers or guarantors are:

- OECD Member States;
- Public-law organisations: Inter-American Development Bank (IADB), African Development Bank (AfDB), Central American Bank for Economic Integration, Banque de Développement des Etats de l'Afrique Centrale, Bank for International Settlements (BIS), Organization of the Black Sea Economic Cooperation, Caribbean Development Bank, European Bank for Reconstruction and Development (EBRD), European Central Bank, European Investment Bank (EIB), Food and Agriculture Organization (FAO), Inter-American Development Bank (IADB), International Bank for Reconstruction and Development (IBRD), International Development Association (IDA), International Fund for Agricultural Development (IFAD), International Finance Corporation (IFC), Intergovernmental Authority on Development (IGAD), International Labour Organization (ILO), International Monetary Fund (IMF), Multilateral Investment Guarantee Agency (MIGA), Nordic Investment Bank (NIB), Council of Europe (CE), European Union, EuroFima;
- State-guaranteed entities: Kreditanstalt für Wiederaufbau (KfW), Deutsche Ausgleichsbank, Landwirtschaftliche Rentenbank, Treuhandanstalt, Autobahn Schnellstrassen Finanzierungs AG, Österreichische Kontrollbank, Development Bank of Japan, Trans-Tokyo Bay Highway, Japan Highway Public Corp, Japan Bank for International Cooperation, Japan Finance Corp. for Municipal Enterprises.

1.2.4 Collateral strategy

A. Financial derivative instruments

It is not intended that these transactions will involve the exchange of Collateral.

1.2.5 Essential risks

There are three kinds of essential risks involved in the Sub-funds: investment risks, market risks and foreign exchange risks. The risks associated with investments in the equity securities and uncertified securities of enterprises lie in the results of those enterprises. The risks related to bonds lies in the fact

the asset value and the income of the fund may vary depending on changes in interest rates on bonds and changes in the solvency of investments.

Secondly, there is a resulting market risk in the value of the investments, which refers to that which is common on the markets. Depending on general stock market trends and the securities in the Fund's portfolio, the asset value may be subject to considerable fluctuations. It cannot be ruled out that the value may fall. It is not guaranteed that the investor will earn income. The investor may also see a loss on their investment.

Finally, the currency risk from investments in securities denominated in currencies other than those of the Fund's account may be covered, partially covered or not covered against the currency of the Fund's account.

The value of investments refers to the value prevailing on the market. Depending on general stock market trends and the securities in the Fund's portfolio, the asset value may be subject to considerable fluctuations. The possibility that the value will fall for an extended period of time cannot be ruled out. There is no guarantee that the Investor will earn an income or that the units can be surrendered to the Fund Management Company at a fixed price.

In addition to the above risks, the GMG Fund – Swiss Small & Mid Caps Sub-fund involves the following specific risks:

- Geographic concentration – Since the Sub-fund is invested mainly in Switzerland, there is no geographical diversification. The evolution of the portfolio will therefore be determined mainly by the Swiss market and cannot be balanced by other markets.
- Market capitalisation concentration – As the Fund is invested primarily in the securities of small and mid-cap companies, portfolio developments may only be balanced and consolidated by investments in large market capitalisations to a lesser extent, and will therefore be subject to fluctuations in the stock market more strongly.

1.2.6 The use of derivatives

The Fund Management Company may use derivatives. However, even in exceptional market conditions, the use of derivatives must not result in a deviation from the investment objectives or a change in the investment character of the Investment Fund. Risk is assessed using Commitment Approach I.

Derivatives are an integral part of the investment strategy and are also used to hedge investment positions.

In terms of collective investment schemes, derivatives may be used only for foreign exchange hedging purposes. This rule does not apply to the hedging of market, interest rate and credit risks for collective investment schemes for which the risks can be determined and measured unequivocally.

Only basic types of derivatives may be used, i.e. forward call or put options, credit default swaps (CDS), swaps, and futures and forwards, as described in more detail in the Fund Contract (see § 12), provided that their underlying assets are eligible for investment under the investment policy. Derivatives may be traded on a stock exchange or on another regulated market that is open to the public, or be concluded OTC (over-the-counter).

Derivatives are subject to counterparty risk in addition to market risk; in other words, there is a risk that the contracting party will not honour its commitments and thus cause financial damage.

Through a CDS, credit risk is transferred from the risk seller to the risk buyer. The latter is compensated in the form of a premium. The amount of the premium depends, among other things, on the likelihood of damage occurring and the maximum amount of the damage; these two factors are normally difficult to assess, which increases the risk related to CDS. The investment fund may assume both the risk buyer and the risk seller roles.

The use of such instruments must not create a leverage effect on the Fund's assets, even in exceptional market conditions, nor must it represent short selling.

- **GMG Fund – Swiss Small & Mid Caps Sub-fund:**

The Fund Management Company does not make use of derivative financial instruments in the management of this Sub-fund.

1.3 Profile of the typical Investor

- **GMG Fund - Swiss Small & Mid Caps Sub-fund:**

The Sub-fund is an investment vehicle for investors:

- who wish to invest in Swiss shares of small and medium-sized enterprises;
- who are willing to take on large price changes and thus have a low risk aversion;
- who have a medium- to long-term investment horizon.

1.4 Tax regulations relevant to the Investment Fund

Neither the contractual Investment Fund nor any of its Sub-funds have any legal personality in Switzerland. It is not subject to tax on either income or capital.

The Swiss federal withholding tax deducted from the Investment Fund's domestic income can be reclaimed in full by the Fund Management Company.

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

Investors domiciled in Switzerland may reclaim the deducted withholding tax via their tax returns or by submitting a separate refund application.

Investors domiciled outside Switzerland may reclaim withholding tax under the terms of any double taxation treaty between Switzerland and their country of domicile. If no such treaty exists, then the withholding tax may not be reclaimed.

Moreover, income, such as capital gains, whether distributed or reinvested, may be partially or fully subject to a tax from the paying agent (including withholding tax in lieu of other taxes, taxation of income from EU savings, Foreign Account Tax Compliance Act) depending on the person directly or indirectly holding shares.

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

Taxation and other tax implications for Investors who hold, buy or sell fund units are defined by the tax laws and regulations in the Investor's country of domicile. Investors are encouraged to contact their tax advisors for further information on tax matters.

Automatic international exchange of information on tax matters (automatic exchange of information).

This Investment Fund is deemed to be a non-reporting financial institution for the purposes of the automatic exchange of information in accordance with the common standard for reporting and due diligence (CRS) of the Organisation for Economic Co-operation and Development (OECD) regarding information relating to financial accounts.

FATCA

This Investment Fund is registered with the US tax authorities as a Registered Deemed Compliant Financial Institution in accordance with sections 1471–1474 of the US Internal Revenue Code (the Foreign Account Tax Compliance Act, including any orders related to it, ("FATCA")).

2. Information on the Fund Management Company**2.1 General information on the Fund Management Company**

CACEIS (Switzerland) SA is responsible for the Fund Management Company. Its registered office is in Nyon.

The Fund Management Company's share capital has stood at CHF 5 million since 12 December 2006. The share capital is divided into registered shares, 100% of which have been paid up.

CACEIS SA is the sole shareholder of CACEIS (Switzerland) SA.

The Board of Directors of CACEIS (Switzerland) SA is as follows:

Mr Pierre Cimino	Chairman
Mr Yvar Mentha	Vice-Chairman
Mr Jacques Bourachot	Director
Mr Jean-François Deroche	Director
Mr Philippe De Cibeins	Director
Mr Guillaume Fromont	Director
Mr Philippe Bens	Director

The members of the Fund Management Company CACEIS (Switzerland) SA are:

Mr Oscar Garcia	Chief Executive Officer
Ms Sandra Czich	Manager
Mr Claude Marchal	Deputy Manager

The members of the Fund Management Company do not perform any relevant activities other than those performed as part of their role at CACEIS (Switzerland) SA.

As at 31 April 2020, the management company manages a total of 49 Sub-funds in Switzerland, with assets under management amounting to nearly CHF 4.249 billion.

(CACEIS) Switzerland SA
Route de Signy 35
CH-1260 Nyon, Switzerland
www.caceis.com

2.2 Delegation of investment decisions

The investment decisions of the investment fund are delegated to GMG Institutional Asset Management SA, rue Ferdinand-Hodler 23, 1207 Geneva, Switzerland (hereinafter the "Manager"). The Manager was established in 2019 as a *société anonyme* (French public limited company) with its headquarters in Geneva, and has a fully paid-up capital of CHF 710,000.

The Manager is a company specialised in asset management for institutional investors. It is a member of the Swiss Association of Asset Managers and a self-regulatory body active in the fight against money laundering. It has also been authorised as a collective investment scheme manager by the Autorité Fédérale de Surveillance des Marchés Financiers (Swiss Financial Markets Supervisory Authority) and is subject to its oversight.

Precise details of how its remit is to be fulfilled are laid down in an agreement between CACEIS (Switzerland) SA and GMG Institutional Asset Management SA dated 18 October 2019.

The Manager's audit company is KPMG SA, Geneva.

2.3 Exercise of membership and creditors' rights

The Fund Management Company exercises the membership and creditors' rights associated with the Investment Funds it manages independently and exclusively in the interests of the Investors. The Fund Management Company will, upon request, provide Investors with information on the exercise of membership and creditors' rights.

In the case of scheduled routine transactions, the Fund Management Company is free to exercise membership and creditors' rights itself or to delegate their exercise to the Custodian Bank or a third party.

In the case of all other events that might have a lasting impact on the interests of the Investors, such as, in particular, the exercise of membership and creditors' rights that the Fund Management Company holds as a shareholder or creditor of the Custodian Bank or another related legal entity, the Fund Management Company will exercise the voting rights itself or issue explicit instructions. In such cases, it may base its actions on information it receives from the Custodian Bank, the portfolio manager, the company or advisors on proxy voting and third parties, or that it ascertains from the media.

The Fund Management Company is free to waive the exercise of membership and creditors' rights.

3. Information on the Custodian Bank

The functions of the Custodian Bank are performed by CACEIS Bank, Paris, Nyon Branch / Switzerland, Route de Signy 35, CH-1260 Nyon, Switzerland. The Custodian Bank operates primarily as a credit institution, specifically as a Custodian Bank for collective investment schemes. Founded in 2015, the Custodian Bank is authorised by the Swiss financial markets supervisory authority, the Autorité Fédérale de Surveillance des Marchés Financiers (hereinafter referred to as "FINMA") as a Swiss branch of a foreign bank in accordance with the FINMA Foreign Banks Ordinance and as a Custodian Bank in accordance with the law regarding collective investments, and has its registered office in Nyon, Switzerland. The Custodian Bank is a branch of CACEIS Bank and is subject to French law.

The Custodian Bank may transfer the safekeeping of the Fund assets to third-party custodians and collective securities depositories in Switzerland and abroad, provided this is in the interests of proper safekeeping. In respect of financial instruments, such transfers may be made only to regulated third-party custodians and collective securities depositories. This does not apply to mandatory safekeeping at a location where the transfer of safekeeping to regulated third-party custodians and collective securities depositories is not possible, in particular owing to mandatory legal provisions or to the particular arrangements for the investment product in question. The Custodian Bank will be liable for any damage caused by the third-party custodian unless it is able to prove that it exercised the due diligence required in the circumstances in respect of selection, instruction, and monitoring.

The use of collective securities depositories and third-party custodians means that deposited securities are no longer owned solely by the Fund Management Company, which instead becomes only a co-owner. Furthermore, if the third-party custodian or the collective securities depository is not subject to supervision, they are unlikely to meet the organisational requirements imposed on Swiss banks.

The Custodian Bank is declared to the US tax authorities as a "Reporting Foreign Financial Institution" in accordance with Sections 1471–1474 of the US Internal Revenue Code (Foreign Account Tax Compliance Act, including any related legislation, "FATCA").

4. Information on third parties

4.1 Paying agent

The paying agent is: CACEIS Bank, Paris, Nyon Branch / Switzerland, Route de Signy 35, CH-1260 Nyon, Switzerland.

4.2 Audit firm

KPMG SA, Esplanade du Pont-Rouge 6, CH-1211 Geneva, Switzerland assumes the role of audit firm.

4.3 Distributors

The institutions mandated for the distribution of the Fund in Switzerland are:

- GMG Institutional Asset Management SA

5. Other information

5.1 Key data

Sub-fund	Class	Security no.	ISIN no.
GMG Fund – Swiss Small and Mid Caps	Class A	47754332	CH0477543323
	Class B	47754334	CH0477543349
	Class Z1	47754336	CH0477543364

Financial year from 1 January to 31 December
Duration indefinite period
Units units are not physically issued but are recorded in the accounts.

Accounting currency Swiss franc
Appropriation of income Reinvestment

5.2 Terms for the issue, redemption and conversion of Sub-fund units

Fund units will be issued or redeemed on every bank working day (Monday to Friday). No issues or redemptions will take place on Swiss public holidays (Easter, Whit Sunday, Christmas, New Year's Day, Swiss National Day, etc.), or on days when the exchanges and markets in the Fund's main investment countries are closed, or under exceptional circumstances as defined in § 17.4 of the Fund Contract.

Subscription and redemption requests must be sent to the Custodian Bank by 13:00 at the latest on a bank working day (the order day), in order for calculation to be made on the following bank working day (the valuation day) on the basis of the asset value as calculated on this day. The principle of Forward Pricing, according to which the net asset value used for the calculation is not yet known at the time the order is placed, must be observed at all times. It is calculated on the valuation day on the basis of the closing prices on the order day.

The net asset value of a unit is determined by the market value of the Fund assets, less any Investment Fund liabilities, divided by the number of units in circulation, rounded to the nearest cent (0.01).

The issue price corresponds to the net asset value calculated on the valuation day, plus the issuing commission. The issue fees are set out in Chapter 5.3 below.

The redemption price corresponds to the net asset value calculated on the valuation day. The redemption fees are set out in Chapter 5.3 below.

Incidental costs for the purchase and sale of investments (standard brokerage charges, commissions, fees, etc.) incurred by the Fund in connection with the investment of the amount paid in, or with the sale of a portion of investments corresponding to the redeemed unit(s), will be charged to the Fund assets.

The issue and redemption prices are rounded to the nearest cent (0.01). The payment will be made within a maximum of two bank working days after the valuation day (value date 2 days).

Fractions of units are issued up to 1/1,000 of a unit.

Units do not take the form of actual certificates, but exist purely as book entries. Investors are not entitled to demand that certificates are issued.

If certificates have been issued for units, they must be returned if redemption is requested.

Requests for conversion from one unit class to another will be processed at no charge to the Investor.

5.3 Fees and incidental costs

5.3.1 Fees and incidental costs charged to the Investor (excerpt from § 18 of the Fund Contract)

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Issue fee accruing to the Fund Management Company, Custodian Bank and/or Distributors in Switzerland and abroad	a maximum of 3% of the net asset value of the unit class
Redemption fee accruing to the Fund Management Company, Custodian Bank and/or Distributors in Switzerland and abroad	a maximum of 3% of the net asset value of the unit class
Conversion fee accruing to the Fund Management Company, Custodian Bank and/or Distributors in Switzerland and abroad	none
Redemption fee accruing to the Sub-funds	0.1% of the amount of each redemption

5.3.2 Fees and costs charged to the Sub-funds' assets (excerpt from § 19 of the Fund Contract)

Type of fee	GMG Fund – Swiss Small & Mid Caps
Maximum management fee of the Fund Management Company (calculated on the net asset value of the Fund). This is used to cover the administration, asset management and distribution of the Fund.	<p>Class A: Maximum 1.5% p.a.</p> <p>Class B Maximum 0.75% p.a.</p> <p>Class Z1: Maximum 0.05% p.a.*</p>

Maximum fee of the Custodian Bank (calculated on the net asset value of the Fund)	0.04%
Fee charged by the Fund Management Company for payment of proceeds of liquidation in the event of the dissolution of a Sub-fund	0.50% of the net asset value

* Only to pay for the activity of the Fund Management Company

The rates actually charged are stated in the annual and semi-annual reports.

Other fees and incidental costs

In addition, the other fees and incidental costs set out in § 19 of the Fund Contract may be charged to the Investment Fund.

5.3.3 Payment of retrocessions and granting of rebates

The Fund Management Company and its agents do not pay retrocessions as remuneration for distribution activity in respect of Fund units in or from Switzerland.

Furthermore, in respect of distribution in or from Switzerland, the Fund Management Company and its agents do not pay any rebates to reduce the fees or costs incurred by the Investor and charged to the Fund.

5.3.4 Total Expense Ratio

The ratio of total expenses commonly charged to the Fund's assets (Total Expense Ratio, TER) is not available on the date of issue of this Prospectus.

5.3.5 Commission sharing agreements and soft commissions

The Fund Management Company has not entered into commission sharing arrangements.

The Fund Management Company has not entered into soft commission arrangements.

5.3.6 Investments in related collective investment schemes

For investments in collective investment schemes managed directly or indirectly by the Fund Management Company or the manager, or by a corporation to which the Fund Management Company or the manager is linked, within the framework of a management community or a control community, or by a substantial direct or indirect holding, no issuance or redemption fee or management fee is collected (see § 19.7 of the Fund Contract).

5.4 Fund publications

Further information on the Investment Fund may be found in the latest annual or semi-annual report. The latest information can also be found on the Internet at www.caceis.ch.

The Prospectus with integrated Fund Contract, the Key Investor Information Document and the annual or semi-annual reports may be obtained free of charge from the Fund Management Company, the Custodian Bank and all Distributors.

In the event of an amendment to the Fund Contract, a change in the Fund Management Company or Custodian Bank, as well as the dissolution of the Investment Fund, the corresponding notice will be

published by the Fund Management Company on the Swiss Fund Data AG website (www.swissfunddata.ch).

Award publications are made daily on www.swissfunddata.ch and www.caceis.ch.

5.5 Sales restrictions

The regulations valid in the country in question apply to the issue and redemption of units of this Investment Fund outside Switzerland.

The fund is not authorised for distribution abroad as is.

The units of this Investment Fund may not be offered, sold or delivered within the United States or to “US persons” as defined in the United States of America Securities Act of 1933 (the “Securities Act”), or in the tax law of the United States of America. In addition, the offer or sale of the Fund units in the United States by a distributor may constitute a breach of the registration obligations set out in the Securities Act.

5.6 Detailed regulations

All further information on the Investment Fund, such as the method used for the valuation of the Fund’s assets, a list of all fees and incidental costs charged to the Investor and to the Fund, and the appropriation of net income, can be found in detail in the Fund Contract.

Part 2: The Fund Contract

I Basic principles

§ 1 Name of the Fund; name and registered office of the Fund Management Company, Custodian Bank and Asset Manager

1. A contractual Investment Fund falling within the category of “other funds for traditional investments” has been established under the name **GMG Fund** (hereinafter the “Investment Fund”) in accordance with Art. 25 et seq. in conjunction with Art. 53 et seq. of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 (CISA).

The Fund currently includes the following Sub-funds:

- GMG Fund - Swiss Small & Mid Caps
2. The Fund Management Company is CACEIS (Switzerland) SA, Nyon, Switzerland.
 3. The Custodian Bank is CACEIS Bank, Paris, Nyon Branch / Switzerland Nyon, Switzerland.
 4. The assets manager is GMG Institutional Asset Management SA.

II Rights and obligations of the parties to the contract

§ 2 The Fund Contract

The legal relationship between the Investor, on the one hand, and the Fund Management Company and the Custodian Bank, on the other hand, is governed by this Fund Contract and the applicable provisions of the Swiss act on collective investment schemes of 23 June 2006.

§ 3 The Fund Management Company

1. The Fund Management Company manages the Investment Fund at its own discretion and in its own name, but on behalf of the Investors. It decides, in particular, on the issue of units, the investments and their valuation. It calculates the net asset value and determines the issue and redemption prices of units, as well as distributions of income. It exercises all rights associated with the Investment Fund.
2. The Fund Management Company and its agents are subject to the duties of loyalty, due diligence and disclosure. They act independently and exclusively in the interests of the Investors. They implement the organisational measures that are necessary for proper management. They ensure the provision of transparent financial statements and provide appropriate information on this Investment Fund. They disclose all charges and fees incurred directly or indirectly by Investors and the appropriation of such charges and fees. They notify Investors of compensation for the distribution of collective investment schemes in the form of commissions, brokerage fees and other soft commissions in a full, truthful, and comprehensible manner.
3. The Fund Management Company may delegate investment decisions, as well as specific tasks, provided this is in the interests of proper management. It shall appoint only persons who are qualified to execute the task in a due and proper manner, and shall ensure that instructions are provided, as well as monitoring and control in respect of the task.

Investment decisions may be delegated only to asset managers who are subject to recognised supervision.

If foreign law requires an agreement on cooperation and the exchange of information with foreign supervisory authorities, the Fund Management Company may delegate investment decisions to asset managers abroad only if such an agreement exists between FINMA and the relevant foreign supervisory authorities for the investment decisions concerned.

4. Management shall submit amendments to this Investment Fund Contract, with the agreement of the Custodian Bank, to the supervisory authority for approval (see § 26).
5. The Fund Management Company may, in accordance with the provisions set down under § 24, merge the Investment Fund with other Investment Funds or dissolve it in accordance with the provisions set down under § 25.
6. The Fund Management Company is entitled to receive the fees stipulated in § 18 and § 19. It is further entitled to be exempt from any liabilities which may have arisen in the course of the proper execution of its duties, and to be reimbursed for expenses incurred in connection with such liabilities.

§ 4 The Custodian Bank

1. The Custodian Bank is responsible for the safekeeping of the Investment Fund assets. It handles the issue and redemption of Fund units as well as payment transfers on behalf of the Investment Fund.
2. The Custodian Bank and its agents are subject to the duties of loyalty, due diligence and disclosure. They act independently and exclusively in the interests of the Investors. They implement the organisational measures that are necessary for proper management. They ensure the provision of transparent financial statements and provide appropriate information on this Investment Fund. They disclose all charges and fees incurred directly or indirectly by Investors and the appropriation of such charges and fees. They notify Investors of compensation for the distribution of collective investment schemes in the form of commissions, brokerage fees and other soft commissions in a full, truthful, and comprehensible manner.
3. The Custodian Bank is responsible for keeping the accounts and for deposits into the accounts, but does not have independent access to their assets.
4. It guarantees that, for transactions that relate to the assets of the Investment Fund, the equivalent value is transmitted to it within the usual time periods. It notifies the Fund Management Company if this is not the case and, as far as possible, requests reimbursement for the asset item concerned from the counterparty.
5. The Custodian Bank keeps the necessary records and accounts so that it is able, at all times, to distinguish between the assets held in safekeeping for the individual collective investment schemes.

It verifies the ownership of the Fund Management Company for assets that cannot be held in safekeeping and maintains records on this matter.

6. The Custodian Bank may transfer the safekeeping of the Fund assets to a third-party custodian or to a central securities depository in Switzerland or abroad, as long as this is in the interests of proper safekeeping.

It shall monitor and verify whether the third-party custodian or central depository that it appoints:

- a) has an appropriate organisational structure, financial guarantees and the specialist qualifications required given the nature and complexity of the assets entrusted to it;
- b) is subject to regular external audits that ensure it has the financial instruments in its possession;
- c) holds the assets received from the Custodian Bank in safekeeping in such a manner that it is able, at all times, to clearly identify them as belonging to the Fund assets, by means of regular portfolio comparisons;
- d) complies with the provisions applicable to the Custodian Bank with respect to the performance of the tasks delegated to it and the avoidance of conflicts of interest.

The Custodian Bank is liable for damage or loss caused by its agents unless it is able to prove that it exercised the due diligence required in the circumstances in respect of selection, instruction and monitoring. The Prospectus contains information on the risks associated with the transfer of safekeeping to third-party custodians and collective securities depositories.

In respect of financial instruments, the transfer of safekeeping in accordance with the previous paragraph may be made only to regulated third-party custodians and collective securities depositories. This does not apply to mandatory safekeeping at a location where the transfer of safekeeping to regulated third-party custodians and collective securities depositories is not possible, in particular owing to mandatory legal provisions or to the particular arrangements for the investment product in question. . Investors must be informed in the Prospectus of safekeeping with regulated third-party custodians or collective securities depositories.

7. The Custodian Bank ensures that the Fund Management Company complies with the law and the Fund Contract. It verifies that the calculation of the net asset value and of the issue and redemption prices of the units, as well as the investment decisions, are compliant with the law and the Fund Contract, and that income is appropriated in accordance with the Fund Contract. The Custodian Bank is not responsible for the choice of investments which the Fund Management Company makes in accordance with the investment regulations.
8. The Custodian Bank is entitled to receive the fees stipulated in §§ 18 and 19. It is further entitled to be exempt from any liabilities which may have arisen in the course of the proper execution of its duties, and to be reimbursed for expenses incurred in connection with such liabilities.
9. The Custodian Bank is not responsible for the safekeeping of the assets of the target funds in which this Investment Fund invests, unless this task has been delegated to it.

§ 5 Investors

1. In principle, the circle of investors is not limited. For certain classes, limitations pursuant to § 6.4 are possible.
2. Upon concluding the contract and making a payment in cash, the Investor acquires a claim against the Fund Management Company in the form of a stake in the assets and income of the Investment Fund. The Investor's claim is evidenced in the form of Fund units.
3. Investors are obliged only to remit payment for the units they subscribe. They are not held personally liable for the liabilities of the Investment Fund.
4. Investors may obtain information concerning the basis of the calculation of the net asset value per unit from the Fund Management Company on request. If Investors assert an interest in more detailed information on specific business transactions effected by the Fund Management Company, such as the exercise of membership and creditors' rights, or on risk management, they must be given such information by the latter at any time. The Investors may request, before the courts of the registered office of the Fund Management Company, that the audit firm or another expert investigate the matter which requires clarification and furnish the Investors with a report.
5. The Investors may terminate the Fund Contract at any time and demand that their share in the Investment Fund be paid out in cash.
6. The Fund Management Company, in cooperation with the Custodian Bank, must make an enforced redemption of an Investor's units at the current redemption price if:
 - a) this is necessary to safeguard the reputation of the financial market, and specifically to combat money laundering;
 - b) the Investor no longer meets the legal, regulatory, statutory or contractual conditions for investing in this Investment Fund.

Unit certificates denominated as bearer securities must be presented to the fund management company or its agents by 30 June 2016, in order to be exchanged for units of the same class for accounting purposes. Provided that physical bearer units still exist on 1 July 2016, a redemption will take place automatically, in accordance with § 5.6, a). If such units were not redeemed during that period, an amount in Swiss francs equivalent to the exchange value of the unit certificate will be immediately recorded for the corresponding investor.

7. The Fund Management Company, in cooperation with the Custodian Bank, may also make an enforced redemption of the units of an Investor at the current redemption price if:

- a) the Investor's investment in an Investment Fund is such that it might have a significant detrimental impact on the economic interests of the other Investors, in particular if the investment might result in tax disadvantages for the Investment Fund in Switzerland and abroad;
- b) the investors have acquired or hold their units in violation of the provisions of a law to which they are subject either in Switzerland or abroad, of the present Fund Contract or of the Prospectus;
- c) there is a detrimental impact on the economic interests of the Investors, in particular in cases in which individual Investors seek, by way of systematic subscriptions and immediate redemptions, to achieve a financial benefit by exploiting the time differences between the setting of the closing prices and the valuation of the Fund's assets (Market Timing).

§ 6 Units and unit classes

1. The Fund Management Company may create, dissolve or merge unit classes at any time subject to the consent of the Custodian Bank and the approval of the supervisory authority. All unit classes embody an entitlement to a share in the assets of the Sub-fund, which are not segmented. This share may differ owing to class-specific costs, distributions or income and the various unit classes may therefore have different net asset values per unit. The assets of the Sub-fund as a whole are liable for class-specific costs.
2. Notification of the creation, dissolution or merger of unit classes is published in the medium of publication. Only mergers are deemed a change to the Fund Contract pursuant to § 26.
3. Within each Sub-fund, the various unit classes may differ from one another in terms of their cost structure, reference currency, currency hedging, distribution or reinvestment of income, the minimum investment required, and investor eligibility.

Fees and costs are charged only to those unit classes for which the service in question is performed. Fees and costs that cannot be allocated unequivocally to a specific unit class are charged to the individual unit classes on a pro rata basis in relation to their share of the Sub-fund assets.

4. There are currently the following unit classes, the reference currency of which is the Swiss franc:

Unit classes:	Reference currency	Allocation of income	Minimum investment amount	Investors
Class "A"	CHF	Reinvestment	None	Open to any investor
Class "B"	CHF	Reinvestment	CHF 1,000,000	Reserved for any investor investing at least CHF 1,000,000 at the time of the initial subscription
Class "Z1"	CHF	Reinvestment	None	Reserved for any investor who has entered into a written asset management contract with GMG Institutional Asset Management SA

5. Units do not take the form of actual certificates, but exist purely as book entries. Investors are not entitled to demand the delivery of a registered or bearer unit certificate. If certificates have been issued for units, they must be returned if redemption is requested.
6. The Fund Management Company and the Custodian Bank are obliged to instruct Investors who no longer meet the conditions for holding a unit class that, within 30 calendar days, they must redeem their units pursuant to § 17, transfer them to a person who does meet the aforementioned

conditions, or convert them into units of another unit class whose conditions they do meet. If an Investor fails to comply with this demand, the Fund Management Company must, in collaboration with the Custodian Bank, make an enforced conversion into another unit class pursuant to § 5 or, should this not be possible, enforce the redemption of the units in question.

III Investment policy guidelines

A Investment principles

§ 7 Compliance with investment restrictions

1. In selecting individual investments for each Sub-fund, the Fund Management Company must adhere to the principle of balanced risk diversification and must observe the percentage limits defined below. These percentages relate to the market value of the assets of each Sub-fund and must be complied with at all times. Each Sub-fund must have fulfilled the terms of the investment restrictions no later than six months after the expiry of the subscription period (launch).
2. If the limits are exceeded as a result of market-related changes, the investments must be restored to the permitted level within a reasonable period, taking due account of the Investors' interests. If the limits relating to derivatives pursuant to § 12 below are exceeded as a result of a change in the delta, this is to be rectified within three bank working days at the latest, taking due account of the Investors' interests.

§ 8 Investment policy

1. Under the investment policy specific to each Sub-fund, the Fund Management Company may invest the assets of this Fund in the following investments. The risks associated with these investments must be disclosed in the Prospectus.
 - a. Securities, i.e. transferable securities issued on a large scale and non-securitised rights with the same function (uncertified securities) that are traded on an exchange or another regulated market open to the public, and that embody a participation right or claim, or the right to acquire such securities and uncertified securities by way of subscription or exchange, for example, warrants.

Investments in securities from new issues are permitted only if their terms of issue provide for their admission to an exchange or another regulated market open to the public. If they have not been admitted to an exchange or another regulated market open to the public within one year after their acquisition, these securities must be sold within one month or included under the restriction set down in point 1g).

- b. Derivatives where (i) the underlyings are securities as defined in a); derivatives as defined in b); units in collective investment schemes as defined in d); money market instruments as defined in e), financial indices, interest rates, exchange rates, credits or currencies, and where (ii) their underlyings are permitted as investments in accordance with the Fund Contract. Derivatives are either traded on an exchange or another regulated market open to the public, or are traded OTC.

OTC transactions are permitted only if (i) the counterparty is a regulated financial intermediary specialising in such transactions; and (ii) the OTC derivative products can be traded daily or a return to the issuer is possible at any time. In addition, it must be possible for them to be valued in a reliable and transparent manner. Derivatives may be used pursuant to § 12.

- c. Structured products, if (i) the underlyings are securities as defined in a); derivatives as defined in b); structured products as defined in c); units in collective investment schemes as defined in d); money market instruments as defined in e); financial indices, interest rates, exchange rates, credits or currencies; and (ii) the underlyings are permitted as investments

in accordance with the Fund Contract. Structured products are either traded on an exchange or another regulated market open to the public, or are traded OTC;

OTC transactions are permitted only if (i) the counterparty is a regulated financial intermediary specialising in such transactions; and (ii) the OTC derivative products can be traded daily or a return to the issuer is possible at any time. In addition, it must be possible for them to be valued in a reliable and transparent manner.

- d. Units of other collective investment schemes (target funds), provided that (a) their documents restrict investments for their part in other target funds to a total of 30%; (b) these target funds are subject to provisions equivalent to those pertaining to securities funds or other funds for traditional investments in respect of the object, organisation, investment policy, investor protection, risk diversification, asset segregation, borrowing, lending, short-selling of securities and money market instruments, the issuing and redemption of fund units and the content of the annual and semi-annual report, provisions equivalent to those of a securities Fund or other traditional Investment Funds; and (c) these target funds are authorised as collective investment schemes in their country of domicile and are subject there to supervision which is equivalent to that in Switzerland and which serves to protect Investors, and that international administrative assistance is ensured.

Subject to the provisions of § 19, the Fund Management Company may acquire units in target funds managed directly or indirectly by the Fund Management Company itself or by a company to which the Fund Management Company is related by virtue of common management or control, or by a significant direct or indirect interest.

- e. Money market instruments, provided these are liquid, can be readily valued and are traded on an exchange or another regulated market open to the public. Money market instruments which are not traded on an exchange or another regulated market open to the public may be acquired only if the issue or the issuer is subject to provisions regarding creditor or investor protection and if the money market instruments are issued or guaranteed by issuers pursuant to CISO Art. 74, paragraph 2.
- f. Sight or time deposits with terms to maturity not exceeding 12 months with banks domiciled in Switzerland or in a member state of the European Union, or in another country provided that the bank is subject to supervision in that country which is equivalent to the supervision in Switzerland.
- g. Investments other than those mentioned in a) to f), up to a total maximum of 10% of the Fund's assets. The following are not permitted: (i) investments in precious metals, certificates in precious metals, raw materials and securities in raw materials, and (ii) actual short-selling of investments of all types.

2. Sub-fund investment policy

A. GMG Fund - Swiss Small & Mid Caps Sub-fund

- a) The Fund Management Company invests at least two-thirds of the Sub-fund's assets:
- aa) directly or indirectly, through collective investments of capital, in equity securities and uncertified securities (shares, dividend-right certificates, membership shares, participation certificates and similar) of small and medium-sized enterprises (Small & Mid Caps) with their headquarters or operating primarily in Switzerland;
- b) On the other hand, the Fund Management Company may, directly or indirectly, through collective investment schemes, invest up to one third of the Fund's assets in:
- ba) shares and other securities and equity securities (participation certificates, dividend-right certificates, etc.) of small and medium-sized enterprises with their headquarters in a European State other than Switzerland, but which are listed on the Swiss stock exchange;

- bb) shares and other securities and equity securities (participation certificates, dividend-right certificates, etc.) of enterprises that are not considered to be small and medium-sized, headquartered in Switzerland or operating primarily in Switzerland or who possess (as a holding company) the majority of shareholdings in companies headquartered in Switzerland;
 - bc) bonds (including convertible bonds) with a minimum rating of A, convertible notes and notes, as well as in other fixed- or variable-income securities and rights to claim issued by private- and public-sector borrowers and denominated in Swiss francs or in euro;
 - bd) money market instruments, directly or indirectly through collective investment schemes;
 - be) sight and term deposits
 - bf) in addition, the Fund Management Company must comply with the following investment restrictions:
 - maximum 20% of the total assets of the Sub-fund concerning the investments referred to in ba) above;
 - maximum 25% of the total assets of the Sub-fund concerning the investments referred to in bc) above.
- d) The Fund Management Company may not invest more than 49% of the capital of the Sub-fund in units of collective investment schemes.

Companies with capitalisation corresponding to those of companies included in the SPI Extra Total Return Index (SPIEX Index) are considered to be "small and medium-sized enterprises".

For the purposes of capital protection, the Fund Management Company may, on a temporary basis and as a result of specific circumstances, hold up to 100% of the net assets of the Sub-fund in cash while awaiting investment or redemption or for risk management purposes.

§ 9 Liquid assets

In addition, the Fund Management Company may hold, within each Sub-fund, liquid assets in an appropriate amount in the accounting currency of the Sub-funds as well as in any other currency in which investments are permitted. Liquid assets comprise sight and term deposits as well as claims arising from securities repurchase and reverse repurchase agreements with maturities up to 12 months.

B Investment techniques and instruments

§ 10 Securities lending

- **GMG Fund - Swiss Small & Mid Caps Sub-fund**

The Fund Management Company does not conduct securities lending transactions.

§ 11 Securities repurchase agreements

- **GMG Fund - Swiss Small & Mid Caps Sub-fund**

1. The Fund Management Company does not carry out any repurchase or reverse repurchase transactions.

§ 12 Derivatives – Commitment Approach I

1. The Fund Management Company may use derivatives. It ensures that, even in exceptional market conditions, the financial effect of using derivatives does not result in a deviation from the investment objectives set out in the Fund Contract, Prospectus and Key Investor Information Document, and that it does not change the investment character of the Investment Fund. Furthermore, the underlyings of the derivatives must be permissible investments in accordance with this Fund Contract.

- In connection with collective investment schemes, derivatives may be used only for currency hedging purposes. This rule does not apply to the hedging of market, interest rate and credit risks in the case of collective investment schemes for which the risks can be determined and measured unequivocally.
2. Commitment Approach I is applied to the assessment of risk. The use of derivatives therefore does not result in a leverage effect on the Fund assets and neither does it correspond to short selling.
 3. Only basic types of derivatives (in the strict sense) may be used. These comprise:
 - a) call or put options with an expiration value which is linearly dependent on the positive or negative difference between the market value of the underlying and the strike price, and which is zero if the difference is preceded by the opposite sign (+ or -);
 - b) a credit default swap (CDS);
 - c) a swap, whose payments depend linearly and in a “non-path dependent” way on the underlying value or absolute amount;
 - d) a term contract (future or forward), whose value depends linearly on the underlying value.
 4. The financial effect of the derivatives is similar to either a sale (exposure-reducing derivative) or a purchase (exposure-increasing derivative) of an underlying security.
 - a) In the case of exposure-reducing derivatives, subject to b) and d) below, the arising obligations must be hedged at all times by the underlyings of the derivative.
 - b) Hedging with investments other than the underlyings is permitted in the case of exposure-reducing derivatives that relate to an index which is
 - calculated by an independent external office;
 - representative of the investments used for hedging;
 - in adequate correlation to these investments.
 - c) The Fund Management Company must have unrestricted authority to dispose of these underlyings or investments at all times.
 - d) An exposure-reducing derivative may be weighted by the delta in the calculation of the corresponding underlyings.
 5. In the case of exposure-increasing derivatives, the underlying equivalents must be hedged at all times by near-money assets in accordance with CISO-FINMA Art. 34 para. 5. In the case of futures, options, swaps and forwards, the underlying equivalent is calculated in accordance with Appendix 1 to the CISO-FINMA.
 6. The Fund Management Company must take the following rules into account when offsetting derivatives positions:
 - a. Opposing derivative positions of the same underlying asset as well as opposing derivative and investment positions of the same underlying asset may be offset, notwithstanding the offsetting of derivatives (netting), if the derivative transaction was concluded solely for the purposes of hedging, to eliminate risks in relation to the derivatives or investments acquired, if significant risks are not overlooked, and if the attributable amount of the derivatives is calculated in accordance with CISO-FINMA Art. 35.
 - b. When, in hedging transactions, the derivatives do not have the same underlying asset as the assets to be hedged, the following conditions, in addition to those set out in a) above, must also be fulfilled for the purposes of offsetting (hedging): derivative transactions must not be based on an investment strategy used to achieve a profit. Furthermore, the derivative must result in a genuine risk reduction, the risks of the derivative must be offset, the derivatives, underlying assets or elements of the asset to be offset must relate to the same class of financial instrument and the hedging strategy must be as effective in exceptional market conditions.
 - c. Derivatives that are used solely for the purpose of hedging exchange rate risk and that do not have any leverage effect or involve additional market risks may be offset when calculating the total derivative exposure without having to comply with the requirements set out in b) above.

- d. Hedging transactions carried out using interest rate derivatives are permitted. Convertible borrowings do not need to be taken into account when calculating derivative exposure.
7. The Fund Management Company may use both standardised and non-standardised derivatives. It may conclude transactions in derivative financial instruments on an exchange or other regulated market open to the public, or in OTC (over-the-counter) trading.
8. a) The Fund Management Company may conclude OTC transactions only with regulated financial intermediaries specialised in transactions of this type, which guarantee the execution of the transactions in a due and proper manner. If the counterparty is not the Custodian Bank, the counterparty or its guarantor must have a good credit rating.
- b) It must be possible to reliably and verifiably value an OTC derivative on a daily basis and to sell, liquidate or close out the derivative at market value at any time.
- c) If there is no market price available for an OTC derivative, its price must be understandable at all times; it is determined using an appropriate assessment model that is recognised in the industry, on the basis of the current value of the underlying assets from which the derivative results. Before such a derivative contract is concluded, specific bids must generally be obtained from at least two counterparties. In principle, the contract must be concluded with the counterparty that submitted the most advantageous offer in terms of price. Derogation from this principle is, however, permissible for reasons of risk diversification or if another bid, which is overall more advantageous for Investors, emerges from consideration of other elements of the contract, such as the counterparty's credit rating or the range of services they offer. In addition, the requirement to obtain bids from at least two counterparties may be waived in exceptional circumstances if it is in the Investors' best interests to do so. The reasons for the waiver as well as the conclusion of the contract and the pricing must be clearly documented.
- d) For OTC transactions, the Fund Management Company, or its agents, may only accept collateral that meets the requirements of CISO-FINMA Art. 51. The issuer of the Collateral must have a good credit rating and Collateral may not be issued by the counterparty or by a company that is part of the counterparty's group or is dependent on it. The Collateral must be highly liquid, be traded at a transparent price on an exchange or on another regulated market open to the public and be valued on every trading day at least. In the context of Collateral management, the Fund Management Company, or its agents, must fulfil the obligations and requirements under CISO-FINMA Art. 52. In particular, they are required to ensure the Collateral is diversified appropriately in terms of country, market and issuer; issuer diversification is considered appropriate if the Collateral held by a single issuer does not exceed 20% of the net asset value. This rule does not apply to investments issued or guaranteed by public sector institutions in accordance with CISO Art. 83. In addition, the Fund Management Company, or its agents, must be able to obtain, at any time and without the intervention or agreement of the counterparty, the authority and the ability to access the Collateral in the event of default by the counterparty. The Collateral received must be held by the Custodian Bank. At the request of the Fund Management Company, the Collateral received may be held by a regulated third-party custodian if ownership of the Collateral is not transferred and the third-party custodian is independent of the counterparty.
10. In complying with the statutory and contractual investment restrictions (maximum limits), derivatives must be factored in accordance with the legislation on collective investment schemes.
11. The Prospectus contains further information on:
- the importance of derivatives as part of the investment strategy;
 - the effect of the use of derivatives on the risk profile of the Investment Fund;
 - the counterparty risks attached to derivatives;
 - credit derivatives;
 - the collateral strategy.

- **GMG Fund – Swiss Small & Mid Caps Sub-fund**

The Fund Management Company does not make use of derivative financial instruments in the management of this Sub-fund.

§ 13 Raising and granting loans

- **GMG Fund - Swiss Small & Mid Caps Sub-fund**

1. The Fund Management Company may not grant loans on behalf of the Sub-fund.
2. The Fund Management Company may borrow the equivalent of up to 10% of the Sub-fund's net assets on a temporary basis.

§ 14 Encumbrance of the Fund's assets

- **GMG Fund - Swiss Small & Mid Caps Sub-fund**

1. No more than 25% of the net assets of the Fund may be pledged or ownership thereof transferred as collateral by the Fund Management Company at the expense of the Sub-fund.
3. The assets of the Fund may not be encumbered with guarantees.

C Investment restrictions

§ 15 Risk diversification

- **GMG Fund – Swiss Small & Mid Caps Sub-fund**

1. The provision on risk diversification below must include the following:
 - a) investments pursuant to § 8; with the exception of index-based derivatives, provided that the index is sufficiently diversified, is representative of the market to which it relates and is published in an appropriate manner;
 - b) liquid assets pursuant to § 9;
 - c) claims against counterparties arising from OTC transactions.
2. Companies which form a group in accordance with international accounting standards are deemed to be a single issuer.
3. Including derivatives and structured products, the Fund Management Company may invest up to a maximum of 20% of the assets of the Sub-fund in securities and money market instruments from the same issuer. The total value of the securities and money market instruments from the issuers in which more than 10% of the assets of the Fund are invested may not exceed 60% of the Fund's assets. This is subject to the provisions of points 4 and 5 below.
4. The Fund Management Company may invest a maximum of 20% of the assets of the Fund in sight and term deposits held with the same bank. Both liquid assets pursuant to § 9 and investments in bank deposits pursuant to § 8 must be included in this limit.
5. The Fund Management Company may invest a maximum of 5% of the assets of the Fund in OTC transactions with the same counterparty. If the counterparty is a bank domiciled in Switzerland or in a member state of the European Union, or another country in which it is subject to supervision equivalent to that in Switzerland, this limit is raised to 10% of the assets of the Fund.

If the claims arising from OTC transactions are hedged using collateral in the form of liquid assets in accordance with CISO-FINMA Arts. 50 to 55, such claims are not included in the calculation of counterparty risk.

6. Investments, deposits and claims pursuant to points 3 to 5 above from the same issuer/borrower may not, in total, exceed 20% of the assets of the Fund.

7. Investments pursuant to point 3 above with the same group of companies may not, in total, exceed 20% of the assets of the Fund.
8. The Fund Management Company may invest a maximum of 20% of the assets of the Fund in units of the same target fund.
9. The Fund Management Company may not acquire equity securities which, in total, represent more than 10% of the voting rights in a company or which would enable it to exert a material influence on the management of an issuing company.
10. The Fund Management Company may acquire a maximum of 10% of non-voting equity securities, bonds and/or money market instruments from the same issuer, as well as a maximum of 25% of the units in other collective investment schemes.
These restrictions do not apply if the gross amount of the bonds, money market instruments or the units in other collective investment schemes cannot be calculated at the time of the acquisition.
11. The restrictions in points 9 and 10 above do not apply in the case of securities and money market instruments that are issued or guaranteed by a country or a public-law entity from the OECD or by an international public-law organisation to which Switzerland or a member state of the European Union belongs.
12. The limit in point 3 is increased from 20% to 35% if the securities or money market instruments are issued or guaranteed by an OECD country, a public-law entity from the OECD, or by an international public-law organisation to which Switzerland or a member state of the European Union belongs. The aforementioned securities or money market instruments will not be taken into account in the application of the 60% limit pursuant to point 3. However, the individual limits specified in points 3 and 5 may not be added to the existing limit of 35%.
13. The limit in point 3 is increased from 20% to 100% if the securities or money market instruments are issued or guaranteed by an OECD country, a public-law entity from the OECD, or by an international public-law organisation to which Switzerland or a member state of the European Union belongs. In this case, the Fund must invest in securities or money market instruments from at least six different issues; no more than 30% of the assets of the Fund may be invested in securities or money market instruments from the same issue. The aforementioned securities or money market instruments will not be taken into account in the application of the 60% limit pursuant to point 3.

The authorised issuers or guarantors are:

- OECD Member States;
- Public-law organisations: Inter-American Development Bank (IADB), African Development Bank (AfDB), Central American Bank for Economic Integration, Banque de Développement des Etats de l'Afrique Centrale, Bank for International Settlements (BIS), Organization of the Black Sea Economic Cooperation, Caribbean Development Bank, European Bank for Reconstruction and Development (EBRD), European Central Bank, European Investment Bank (EIB), Food and Agriculture Organization (FAO), Inter-American Development Bank (IADB), International Bank for Reconstruction and Development (IBRD), International Development Association (IDA), International Fund for Agricultural Development (IFAD), International Finance Corporation (IFC), Intergovernmental Authority on Development (IGAD), International Labour Organization (ILO), International Monetary Fund (IMF), Multilateral Investment Guarantee Agency (MIGA), Nordic Investment Bank (NIB), Council of Europe (CE), European Union, EuroFima;

State-guaranteed entities: Kreditanstalt für Wiederaufbau (KfW), Deutsche Ausgleichsbank, Landwirtschaftliche Rentenbank, Treuhandanstalt, Autobahn Schnellstrassen Finanzierungs AG, Österreichische Kontrollbank, Development Bank of Japan, Trans-Tokyo Bay Highway, Japan Highway Public Corp, Japan Bank for International Cooperation, Japan Finance Corp. for Municipal Enterprises.

IV Calculation of the net asset value, and the issue and redemption of units

§ 16 Calculation of net asset value

1. The net asset value of the Investment Fund is calculated in the Sub-fund's accounting currency at the market value as at the end of the financial year and for each day on which units are issued or redeemed, in Swiss francs.
The net asset value will not be calculated on days on which the exchanges or markets in the Fund's main investment countries are closed (e.g. bank and exchange holidays).
2. Securities traded on an exchange or a regulated market open to the public are to be valued at the current prices paid on the main market. Other investments or investments for which no current price is available are to be valued at the price that would probably have been obtained in a diligent sale at the time of the estimate. In such cases, the Fund Management Company will use appropriate, recognised valuation models and principles to determine the market value.
3. The value of money market instruments that are not traded on an exchange or other regulated market open to the public is determined as follows: the valuation price of such investments is gradually adjusted in line with the repayment price, taking the net purchase price as the basis and ensuring that the investment returns calculated in this manner are kept constant. If there are significant changes in market conditions, the valuation principles for individual investments will be adjusted in line with the new market returns. If there is no current market price in such instances, the calculations are, as a rule, based on the valuation of money market instruments with the same characteristics (quality and domicile of the issuer, issuing currency, term to maturity).
4. Bank deposits are valued at the amount of the claim plus accrued interest. If there are significant changes in market conditions or credit rating, the valuation principles for term deposits will be adjusted in line with the new circumstances.
5. The net asset value of a unit is determined by the market value of the Fund assets, less any Investment Fund liabilities, divided by the number of units in circulation. It is rounded to the nearest cent (0.01).

§ 17 Issue, redemption and conversion of units

1. Subscription and redemption requests must be sent to the Custodian Bank by 13:00 at the latest on a bank working day (the order day), in order for calculation to be made on the following bank working day (the valuation day) on the basis of the asset value as calculated on this day. The principle of Forward Pricing, according to which the net asset value used for the calculation is not yet known at the time the order is placed, must be observed at all times. It is calculated on the valuation day on the basis of the closing prices on the order day.
2. The issue and redemption price of units is based on the net asset value per unit, calculated pursuant to § 16 on the valuation day on the basis of the closing prices from the previous day. In the case of unit issues, an issuing commission may be added to the asset value pursuant to § 18. In the case of unit redemptions, a redemption commission may be deducted from the net asset value pursuant to § 18.
Incidental costs (specifically standard brokerage charges, commissions, taxes and fees) incurred by the Fund in connection with the investment of the amount paid in, or with the sale of that portion of investments corresponding to the redeemed unit(s), will be charged to the assets of the Fund.
3. The Fund Management Company may suspend the issue of units at any time, and may reject applications for the subscription or conversion of units.
4. The Fund Management Company may, temporarily and by way of exception, defer repayment in respect of Fund units in the interests of all Investors:
 - a) if a market which forms the basis of the valuation of a significant proportion of the assets of the Fund is closed, or if trading on such a market is restricted or suspended;
 - b) in the event of a political, economic, military, monetary or other emergency;

- c) if, owing to exchange controls or restrictions on other asset transfers, the Fund is no longer able to transact its business;
 - d) in the event of large-scale redemptions that might significantly impair the interests of the remaining Investors.
5. The Fund Management Company will immediately inform the audit firm and the supervisory authority of any decision to defer redemptions. It must also inform the Investors in a suitable manner.
 6. No units will be issued for the length of time that redemptions of units are deferred for the reasons stipulated under point 4 a) to c).
 7. Requests for conversion from one unit class to another will be processed at no charge to the Investor.

V Fees and incidental costs

§ 18 Fees and incidental costs charged to the Investor

1. When Fund units are issued, the Investors may be charged an issuing fee accruing to the Fund Management Company, the Custodian Bank and/or distributors in Switzerland and abroad, which may not exceed 3% of the net asset value of each class.
2. When Fund units are redeemed, the Investors may be charged a redemption fee accruing to the Fund Management Company, the Custodian Bank and/or distributors in Switzerland and abroad, which may not exceed 3% of the net asset value of each class.
3. Requests for conversion from one unit class to another will be processed at no charge to the Investor.
4. Upon redemption of the units, the Fund Management Company will, on the other hand, collect in favour of the assets of the Sub-fund the incidental costs incurred by the Sub-fund by the sale of the respective share of the investments of the redeemed unit (see § 17.2). The rate applied is 0.1% of the redemption amount, as indicated in the Prospectus.

§ 19 Fees and incidental costs charged to the assets of the Fund

1. To cover the administration, asset management and distribution of the investment fund, the fund management company charges the maximum annual fees to the fund on the net asset value of the Fund. These fees, which are listed in the table below, are charged to the assets of the Fund *pro rata temporis* each time the net asset value is calculated and paid at the end of each quarter (management fee).

Type of fee	GMG Fund – Swiss Small & Mid Caps
Maximum management fee charged by the Fund Management Company (calculated on the net asset value of the Fund). This is used to cover the administration, asset management and distribution of the Fund.	Class A: Maximum 1.5% p.a. Class B: Maximum 0.75% p.a. Class Z1: Maximum 0.05% p.a.*
Maximum fee of the Custodian Bank (calculated on the net asset value of the Fund)	0.04%

Fee charged by the Fund Management Company for payment of proceeds of liquidation in the event of the dissolution of a Sub-fund	0.50% of the net asset value
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*Only to pay for the activity of the Fund Management Company

The rates actually charged are stated in the annual and semi-annual reports.

2. Furthermore, the Fund Management Company and the Custodian Bank are entitled to reimbursement of the following costs incurred in the course of executing the Fund Contract:
 - a) the costs for the purchase and sale of investments, specifically standard brokerage fees, commissions, taxes and duties, as well as the costs of assessing and maintaining quality standards for physical investments;
 - b) the supervisory authority's fees in relation to the establishment, amendment, liquidation or merger of the Fund [or its Sub-funds];
 - c) the supervisory authority's annual fees;
 - d) the audit firm's fees for annual auditing, as well as certification in the case of establishment, amendments, liquidation or mergers of the Fund [or any of its Sub-funds];
 - e) fees for legal and tax advisors in connection with the establishment, amendment, liquidation or merger of the Fund [or any of its Sub-funds], as well as generally upholding the interests of the Fund and its Investors;
 - f) the cost of publishing the net asset value of the Fund [or any of its Sub-funds], together with all the costs of providing notices to Investors, including translation costs, provided such costs cannot be ascribed to any failure on the part of the Fund Management Company;
 - g) the cost of printing legal documents, as well as the Fund's annual and semi-annual reports;
 - h) the cost of any registration of the Fund with a foreign supervisory authority, and specifically the commissions levied by the foreign supervisory authority, translation costs, and remuneration for the representative or paying agent abroad;
 - i) costs relating to the exercise of voting rights or creditors' rights by the Fund, including the cost of fees paid to external advisors;
 - j) costs and fees relating to intellectual property registered in the name of the Fund or with rights of use for the Fund;
 - k) all costs incurred though any extraordinary steps taken to safeguard the interests of Investors by the Fund Management Company, Asset Manager of Collective Investment Schemes or Custodian Bank.
3. If units are acquired in other collective investment schemes that are managed directly or indirectly by the Fund Management Company or the Manager, or by a company to which the Fund Management Company or the Manager is related by virtue of common management or control or by a significant direct or indirect interest ("related target funds"), it may not charge any issue or redemption fees for the related target funds to the investment fund.

VI Financial statements and audit

§ 20 Financial statements

1. The Fund's accounting currency is the Swiss franc (CHF).
2. The financial year runs from 1 January to 31 December.
3. The Fund Management Company publishes an audited annual report for the Fund within four months of the end of the financial year.

4. The Fund Management Company publishes a semi-annual report within two months of the end of the first half of the financial year.
5. The Investor's right to obtain information under § 5.3 is reserved.

§ 21 Audit

The audit firm examines whether the Fund Management Company and the Custodian Bank have complied with the statutory and contractual provisions, and with the code of conduct of the Swiss Funds & Asset Management Association (SFAMA). The annual report contains a short report by the audit firm on the published annual financial statements.

VII Appropriation of net income

§ 22

1. The net income of the Fund will be added on an annual basis to the Fund assets for reinvestment, within four months of the end of the financial year at the latest. The Fund Management Company may also decide to proceed with interim income reinvestments. This is subject to any taxes and duties charged on the reinvestment.
2. Capital gains realised on the sale of assets and rights may be distributed by the Fund Management Company or retained for the purpose of reinvestment.

VIII Fund publications

§ 23

1. The Fund's publication medium is an electronic medium listed in the Prospectus. Notification of any change in a publication medium must be communicated in the publication medium.
2. The following information must, in particular, be published in this publication medium: summaries of material amendments to the Fund Contract, indicating the addresses from which the amended wording may be obtained free of charge; any change in the Fund Management Company and/or Custodian Bank; the creation, dissolution or merger of unit classes; and the liquidation of the Investment Fund. Amendments that are required by law that do not affect the rights of Investors or are of an exclusively formal nature may be exempted from the duty to publish subject to the approval of the supervisory authority.
3. Each time units are issued or redeemed, the Fund Management Company will publish the issue and redemption prices or its net asset value together with a note stating "excluding commissions" for all unit classes in the printed or electronic media specified in the Prospectus. Prices must be published at least twice each month. The weeks and weekdays on which publications are made are specified in the Prospectus.
4. The Prospectus with integrated Fund Contract, the Key Investor Information Document and the respective annual and semi-annual reports can be requested free of charge from the Fund Management Company – CACEIS (Switzerland) SA, 35 route de Signy, 1260 Nyon, Switzerland – from the Custodian Bank – CACEIS Bank, Paris, Nyon Branch / Switzerland, Route de Signy 35, 1260 Nyon, Switzerland – as well as from any distributor.

IX Restructuring and dissolution

§ 24 Mergers

1. Subject to the consent of the Custodian Bank, the Fund Management Company may merge Funds by transferring to the Fund the assets and liabilities of the Fund(s) being acquired as at the time of

the merger. The Investors of the Fund being acquired will receive the corresponding number of units in the Fund. The Fund being acquired is terminated without liquidation on the date of the merger, and the Fund Contract will also apply to the Fund being acquired.

2. Investment Funds may be merged only if:
 - a) provision for this is made in the relevant Fund Contracts;
 - b) they are managed by the same Fund Management Company;
 - c) the relevant Fund Contracts essentially correspond in terms of the following provisions:
 - the investment policy, investment techniques, risk diversification, and the risks associated with the investment;
 - the appropriation of net income and capital gains from the sale of assets and rights;
 - the type, amount and calculation of all fees, issuing and redemption fees, and the incidental costs for the purchase and sale of the investments (brokerage fees, charges and duties) that may be charged to the assets of the Fund or to the Investors;
 - the redemption conditions;
 - the duration of the contract and the conditions of dissolution;
 - d) the assets of the Funds are valued, the exchange ratio is calculated and the assets and liabilities are acquired on the same day;
 - e) no costs arise as a result for either the Investment Fund or the Investors, except for the costs set out in § 19.5.
3. If the merger is likely to take more than one day, the supervisory authority may approve the deferment of repayment for a specific period.
4. At least one month before the planned publication, the Fund Management Company must submit the proposed changes to the Fund Contract, the proposed merger and the merger schedule to the supervisory authority for review. The merger schedule must contain information on the reasons for the merger, the investment policies of the Funds involved and any differences between the acquiring Fund and the Fund being acquired, the calculation of the exchange ratio, any differences with regard to fees and any tax implications for the Investment Funds, as well as a statement from the audit firm responsible.
5. The Fund Management Company must publish a notice of the proposed changes to the Fund Contract pursuant to § 23.2, the proposed merger and its timing, as well as the merger schedule, at least two months before the planned date of merger, in the publication medium of the Investment Fund in question. In this notice, the Fund Management Company must inform the Investors that they may lodge objections to the proposed changes to the Fund Contract with the supervisory authority, or request the redemption of their units, within 30 days of the latest publication.
6. The audit firm must immediately verify that the merger is being carried out correctly, and must submit a report containing its opinion to the Fund Management Company and the supervisory authority.
7. The Fund Management Company must inform the supervisory authority without delay of the conclusion of the merger, of the audit firm's confirmation of the proper execution of the merger, and the exchange ratio, by means of a communication in the publication media of the Funds involved.
8. The Fund Management Company must make reference to the merger in the next annual report of the acquiring Fund, and in the semi-annual report if published prior to the annual report. If the merger does not take place on the last day of the usual financial year, an audited closing statement must be produced for the Fund(s) being acquired.

§ 25 Duration and dissolution of the Investment Fund

1. The investment fund is constituted for an indefinite period.
2. The Fund Management Company or the Custodian Bank may dissolve the Fund by terminating the Fund Contract without notice.

3. The Investment Fund may be dissolved by order of the supervisory authority, in particular if, at the latest, one year after the expiry of the subscription period (launch), or a longer extended period approved by the supervisory authority at the request of the Custodian Bank and the Fund Management Company, it does not have net assets of at least 5 million Swiss francs (or the equivalent).
4. The Fund Management Company must inform the supervisory authority of the dissolution immediately and must publish a notice in their publication media.
5. Once the Fund Contract has been terminated, the Fund Management Company may liquidate the Investment Fund immediately. If the supervisory authority has ordered the dissolution of the Investment Fund, it must be liquidated immediately. The Custodian Bank is responsible for the payment of liquidation proceeds to the Investors. If the liquidation proceedings are protracted, payment may be made in instalments. The Fund Management Company must obtain authorisation from the supervisory authority prior to the final payment.

X Amendments to the Fund Contract

§ 26

If any amendments are to be made to this Fund Contract, or if a change in Fund Management Company or in the Custodian Bank is planned, the Investors may lodge objections with the supervisory authority within 30 days of the most recent corresponding publication. In the publication, the Fund Management Company must tell the Investors which amendments to the Fund Contract are covered by FINMA's verification and check for compliance with the law. In the event of a change to the Fund Contract, including the merger of unit classes, the Investors may also demand the redemption of their units in cash, subject to the contractual notice period. Exceptions in this regard are cases pursuant to § 23.2 that have been exempted from the duty to publish with the approval of the supervisory authority.

XI Applicable law and place of jurisdiction

§ 27

1. The Investment Fund is subject to Swiss law, in particular the Swiss Federal Act on Collective Investment Schemes of 23 June 2006, the Ordinance on Collective Investment Schemes of 22 November 2006 and FINMA's Ordinance on Collective Investment Schemes of 27 August 2014.

The place of jurisdiction is the registered office of the Fund Management Company.

2. The French version is binding in all matters of interpretation relating to the present Fund Contract.
3. The present Investment Fund Contract takes effect on 27 May 2020.
4. When approving the Fund Contract, FINMA reviews only the provisions referred to in CISO Art. 35a, para. 1 a) to g) and ensures that they comply with the law.