Multi Manager Access
Société d'investissement à capital variable
33A, Avenue J.F. Kennedy, L-1855 Luxembourg
Grand Duchy of Luxembourg
R.C.S. Luxembourg B 115.445
(the **Company**)

NOTICE TO THE SHAREHOLDERS OF MULTI MANAGER ACCESS

Re: Performance fee

*Terms not defined herein shall have the meaning ascribed to them in the sales prospectus of the Company (the **Prospectus**).*

Dear Shareholders,

We are writing to you as a shareholder(s) of Multi Manager Access – European Equities, Multi Manager Access – EMU Equities and Multi Manager Access – US Equities (the **Sub-funds**).

We hereby would like to inform you that the board of directors of the Company (the **Board of Directors**) has resolved to allow the Company to pay each Portfolio Manager of the Company a variable investment performance fee out of the assets of the Sub-funds as part of the remuneration for portfolio management functions. In light of the foregoing, the Board of Directors decided to reflect the performance fee model agreed with the Company's service providers in the Prospectus and as further described in **Appendix 1** of this notice (the **Amendment**).

The Board of Directors considers that the Amendment is a material change to the Prospectus.

If you do not agree with these changes, you may redeem your shares free of charge during a period of one month starting on 28 July 2020 and ending on 28 August 2020 (the **Redemption Notice Period**). Redemptions during the Redemption Notice Period will be subject to the provisions of the Prospectus, but no redemption charge or fee will be payable.

The Amendment will be implemented by 31 August 2020.

Please note that the Board of Directors has taken this opportunity to perform a general update of the Prospectus. In this context, the attention of shareholders is drawn to the fact that the description above is not an exhaustive list of changes to the Prospectus and shareholders are advised to review the updated Prospectus, which will show all applicable changes.

A new visa-stamped Prospectus will be made available to the shareholders upon request and without charge at the registered office of the Company.

This letter shall be governed by, and construed in accordance with, the laws of the Grand Duchy of Luxembourg and the courts of the District of Luxembourg-City shall have exclusive jurisdiction in respect of any dispute arising out of this letter.

Yours sincerely,

The Board of Directors

APPENDIX 1 – The Amendment

<u>New section headed "Performance fee" of the Prospectus will read as follows:</u>

"Performance fee

As part of the remuneration for portfolio management, the Company may also pay each Portfolio Manager a variable investment performance fee as described in the section "Operation and administration expenses of the Company".

Each Portfolio Manager may manage a percentage of the sub-fund's net assets and each is a separate component in the calculation of the total performance of the sub-fund. As such, a sub-fund may pay a performance fee to certain Portfolio Managers even when the total relative performance of the sub-fund is negative. As each performance fee is subject to the corresponding benchmark hurdle, there may be instances when the corresponding benchmark return is negative and the Portfolio Manager generates a positive net excess return, resulting in a performance fee accrual even if the absolute performance of the portfolio is negative.

The prospect of a performance fee may create an incentive for a Portfolio Manager to make investments that are riskier than would otherwise be the case. In addition, the performance fee may be calculated and paid based on unrealised gains which may subsequently not be realised. Shareholders should also note that the performance fee is not calculated separately for each shareholder and is instead calculated by reference to performance of the sub-fund. This may result in a shareholder bearing a performance fee that is not in proportion to the gains experienced by that shareholder. Some shareholders may bear less and others more of the performance fee than is proportionate to the gains that they actually receive, depending on the timing of their subscriptions and redemptions."

<u>Section headed "Operation and administration expenses of the Company" will include a new sub-section "Performance fee" which will read as follows:</u>

[…]

"Performance fee

As part of the remuneration for portfolio management, the Company may also pay each Portfolio Manager a performance fee out of the assets of the relevant sub-fund. The performance fee will be calculated in respect of each financial year ending on 31 July (the "Calculation Period"). The performance fee will be calculated and accrued as an expense of the relevant sub-fund at each valuation date and will be crystallised at the end of each Calculation Period and payable to the Portfolio Manager in arrears within thirty (30) calendar days of the end of each Calculation Period upon the final determination of the Administrative Agent.

For the avoidance of doubt and subject to this section, a performance fee will be paid regardless of whether the Reference Benchmark Index itself has positive or negative performance for the applicable Calculation Period, and there may be instances when the Reference Benchmark Index return is negative and the Portfolio Manager generates a positive net excess return, resulting in a performance fee accrual even if the absolute performance of the sub-account is negative.

For each Calculation Period, the performance fee rate will be equal to 20 per cent of any New Net Relative Appreciation as at the end of such Calculation Period. The "New Net Relative Appreciation" *calculated at each valuation date with respect to the relevant sub-fund shall equal the amount by which the total net assets of the relevant Portfolio Manager's sub-account (after the deduction of any fixed portfolio management fee and before the deduction of any accrued performance fee) (the "Total Net Assets") exceeds the Aggregate Benchmark Amount, adjusted for any Loss Carry Forward.*

The "Aggregate Benchmark Amount" attributable to the relevant Portfolio Manager's sub-account, (either during such Calculation Period at each valuation date or as at the end of such Calculation Period), shall be equal to the sum of the Benchmark Capital Amount and the Period Benchmark Amount.

In respect of the first valuation date of each Calculation Period, the "Benchmark Capital Amount" shall be the Total Net Assets after the deduction of any performance fees ("Net Assets") of the Portfolio Manager´s sub-account as at the end of the previous Calculation Period (or the valuation date before the date of first implementation), increased for additional asset allocation inflows and reduced for asset allocation outflows from the relevant Portfolio Manager's sub-account as of the valuation date immediately before the relevant valuation date. For all other valuation dates, the Benchmark Capital Amount attributable to the relevant Portfolio Manager's sub-account is the Aggregate Benchmark Amount as at the end of the previous valuation date, increased by the amount of any additional asset allocation inflows to the relevant Portfolio Manager's sub-account and reduced proportionately for asset allocation outflows as of the valuation date immediately before the relevant valuation date from the relevant Portfolio Manager's sub-account by being multiplied by a fraction, the numerator of which is the Net Assets of the relevant Portfolio Manager's sub-account immediately after, and the denominator of which is the Net Assets of the relevant Portfolio Manager's sub-account immediately prior to, such asset allocation outflow.

The "Period Benchmark Amount" for each valuation date equals the Benchmark Capital Amount increased by the Loss Carry Forward and then multiplied by the Performance Fee Benchmark Return of the relevant Portfolio Manager's sub-account.

The "Loss Carry Forward" for the first valuation date of each Calculation Period shall be (i) where New Net Relative Appreciation as at the end of the previous Calculation Period for such Calculation Period is greater than zero, zero; and (ii) where New Net Relative Appreciation as at the end of the previous Calculation Period is less than zero, the New Net Relative Appreciation reduced proportionately for asset allocation outflows from the relevant Portfolio Manager's sub-account by being multiplied by a fraction, the numerator of which is the Net Assets of the relevant Portfolio Manager's sub-account immediately after, and the denominator of which is the Net Assets of the relevant Portfolio Manager's sub-account immediately prior to, such asset allocation outflow. For all other valuation dates, the Loss Carry Forward shall be the Loss Carry Forward as at the end of the previous valuation date proportionally reduced for any asset allocation outflows from the relevant Portfolio Manager's sub-account, as set out above, as at the relevant valuation date. For the avoidance of doubt, the Loss Carry Forward as at each valuation date in the first Calculation Period and at the end of the first Calculation Period shall be zero.

The "Performance Fee Benchmark Return" for each valuation date shall be the percentage return of the performance fee Benchmark Index or, if an index disruption event occurs with respect to such index, such other index or indices as the Management Company may determine, calculated over the relevant valuation date.

In the event of asset allocation outflows from the relevant Portfolio Manager's sub-account on a date other than the first valuation date of a Calculation Period, a performance fee (if accrued as of the valuation date immediately prior to the date of such asset allocation outflow) attributable to the portion of such asset allocation outflow shall be crystallised and payable to the Portfolio Manager at the end of the annual Calculation Period (or upon termination of the Portfolio Management Agreement, if earlier). If the appointment of a Portfolio Manager is terminated during a Calculation Period, the performance fee in respect of the then current Calculation Period will be calculated and *paid as though the date of termination were the end of the relevant period and the relevant Portfolio Manager shall not be reappointed during the same Calculation Period.*

The applicable Performance Fee Benchmark for each sub-fund shall be the following:

Sub-fund	***Performance Fee Benchmark***
Multi Manager Access - European Equities	*MSCI Europe Net Total Return EUR Index*
Multi Manager Access - EMU Equities	*MSCI EMU Net Total Return EUR Index*
Multi Manager Access - US Equities	*MSCI USA Net Total Return USD Index*

Investors should refer to Annex II – Examples of performance fee calculation for further information."