

RBC Diversified Fund

**AN INVESTMENT FUND WITH MULTIPLE SUBFUNDS
(Category « Securities Funds »)**

Subfunds: **SWISS FRANC FIXED INCOME
EURO FIXED INCOME
USD FIXED INCOME
NATURAL RESOURCES EQUITY
MONEY MARKET FUND USD**

Prospectus and fund contract
November 2011

The Fund Administrator of RBC DIVERSIFIED FUND has not applied for approval to distribute units of the Fund in any country other than Switzerland.

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The original French version shall take precedence in all cases.

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Part 1: Prospectus

This prospectus with integrated fund contract, the simplified prospectus and the most recent annual or semi-annual report (if published after the latest annual report) serve as the basis for all subscriptions of units in the subfunds.

Only the information contained in the prospectus, the simplified prospectus or in the fund contract will be deemed to be valid.

1. INFORMATION ON THE UMBRELLA FUND AND THE SUBFUNDS

1.1 General information on the umbrella fund and the subfunds

RBC Diversified Fund is an umbrella fund in contractual form under Swiss law of the "securities fund" type pursuant to the Swiss Federal Act on Collective Investment Schemes of 23 June 2006. It is divided into the following subfunds:

- SWISS FRANC FIXED INCOME
- EURO FIXED INCOME
- USD FIXED INCOME
- NATURAL RESOURCES EQUITY
- MONEY MARKET FUND USD

The fund contract was drawn up by SIF Swiss Investment Funds SA as fund management company and submitted to the Swiss Federal Banking Commission with the agreement of Royal Bank of Canada (Suisse) SA as custodian bank. The fund contract was first approved by the Swiss Financial Market Supervisory Authority FINMA on August 11, 2003.

The subfunds are based upon a collective investment agreement (fund contract), under which the fund management company undertakes to provide the investor with a stake in the corresponding subfund in proportion to the units acquired by the said investor, and to manage this subfund at its own discretion and for its own account in accordance with the provisions of the law and the fund contract. The custodian bank is party to the fund contract in accordance with the tasks conferred upon it by the law and the fund contract.

The investors' entitlement is in respect of the assets and income of only that subfund in which they participate. In the case of liabilities accruing to an individual subfund, only the said subfund is liable.

In accordance with the fund contract, the fund management company is entitled to establish, liquidate or merge other unit classes for each subfund at any time, subject to the consent of the custodian bank and the approval of the supervisory authority.

The subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD are not divided into unit classes.

1.2 Investment objective, investment policy and investment restrictions of the subfunds, as well as the use of derivatives by the subfunds

Investment objective and investment policy of the subfunds

For the subfund NATURAL RESOURCES EQUITY

The investment objective of this subfund is principally long term capital gains. However, within the selection of investments, the Management Company ensures a prudent risk diversification.

For the subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME and MONEY MARKET FUND USD:

The investment objective of these subfunds is principally medium term capital appreciation. However within the selection of investments, the Management Company ensures a prudent risk diversification.

The significant risks associated with the subfunds are that the value of the investments may fall as well as rise. The investor may, at redemption, receive less than the original amount invested, subject to market conditions prevalent at the time.

Investment policy

For the subfund NATURAL RESOURCES EQUITY:

The subfund invests at least two thirds of the subfund's assets in equities and other equity-type securities and rights (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) issued by companies domiciled in or carrying out the bulk of their business activities without geographical restriction in the energy, natural resources and materials sectors.

The reference currency is not necessarily the same as the currency of the underlying investments

For the subfund SWISS FRANC FIXED INCOME:

The subfund invests at least two thirds of the subfund's assets in bonds, notes, and other fixed or variable-interest debt instruments and rights denominated in Swiss Francs issued by private and public borrowers with a minimum rating of A+ given by Standard & Poors or of A1 given by Moody's. Duration (including cash) shall remain in the range of +/-2 years based on the benchmark Bloomberg/EFFAS Bond Indices Switzerland Govt 1-10 Yrs Total Return (SZ10TR).

The reference currency is not necessarily the same as the currency of the underlying investments

For the subfund EURO FIXED INCOME:

The subfund invests at least two thirds of the subfund's assets in bonds, notes, and other fixed or variable-interest debt instruments and rights denominated in Euros issued by private and public borrowers with a minimum rating of A+ given by Standard & Poors or of A1 given by Moody's. Duration (including cash) shall remain in the range of +/-2 years based on the benchmark Bloomberg/EFFAS Bond Indices EURO Govt 1-10 Yrs Total Return (EU10TR).

The reference currency is not necessarily the same as the currency of the underlying investments.

For the subfund USD FIXED INCOME:

The subfund invests at least two thirds of the subfund's assets in bonds, notes, and other fixed or variable-interest debt instruments and rights denominated in USD issued by private and public borrowers with a minimum rating of A+ given by Standard & Poors or of A1 given by Moody's. Duration (including cash) shall remain in the range of +/-2 years based on the benchmark Bloomberg/EFFAS Bond Indices US Govt 1-10 Yrs Total Return (US10TR).

The reference currency is not necessarily the same as the currency of the underlying investments

For the subfund MONEY MARKET FUND USD

The fund management company shall, after deduction of the liquid assets, invest at least 51% of the subfund's assets in money market instruments denominated in US dollar or in any convertible currency with hedging on the US dollar, issued by governments, other public-law entities or private borrowers with minimum rating of A+ / A-1 according Standard and Poors (long / short terms) or of A1 / P- 1 according Moody's (long/short terms). The name of the benchmark

used for the compartment is mentioned in the prospectus and in the simplified prospectus;

The reference currency is not necessarily the same as the currency of the underlying investments

Investment restrictions of the subfunds

1. The fund management company may invest the assets of the SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD in the following investments:

- a) Securities, i.e. securities issued in large quantities and non-securitized rights with the same function (uncertified securities) that are traded on a stock exchange or another 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 only permitted if their admission to a stock exchange or another regulated market open to the public is envisaged under the terms of issue. If they have not been admitted to a stock exchange or another regulated market open to the public within a year after their acquisition, these securities must be sold within one month or included under the restriction set down in prov. 1 lit. f.

- b) Derivatives, if (i) the underlying securities are securities pursuant to lit. a, derivatives pursuant to lit. b, units in collective investment schemes pursuant to lit. c, money market instruments pursuant to lit. d, financial indices, interest rates, exchange rates, credits or currencies, and (ii) the underlying securities are permitted as investments under the fund contract. Derivatives are either traded on a stock exchange or another regulated market open to the public, or are traded OTC;

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

- c) Units of other collective investment schemes (target funds), provided that (i) their documents restrict investments for their part in other target funds to a total of 10%; (ii) these target funds are subject to provisions equivalent to those pertaining to securities funds in respect of the purpose, organization, 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 semi-annual and annual reports; and (iii) these target funds are authorized 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 legal assistance is ensured.

In this regard the fund management company may invest up to a maximum of 30% of the assets of each individual subfund in units of target funds that are neither securities funds nor compliant with the pertinent European Union directives (UCITS).

- d) Money market instruments, provided these are liquid, can be readily valued and are traded on an exchange or other regulated market open to the public; money market instruments which are not traded on an exchange or other 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 Art. 74 para. 2 CISO.

- e) Sight or time deposits with terms to maturity not exceeding twelve 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 this country which is equivalent to the supervision in Switzerland.
- f) Investments other than those specified in a to e above up to a total of 10% of the assets of an individual subfund. The following are not permitted: (i) investments in precious metals, precious metals certificates, commodities and commodity certificates as well as (ii) short-selling of investments in accordance with a to d above.

For the NATURAL RESOURCES EQUITY subfund

2a) The fund management company shall, after deduction of the liquid assets, invest at least two thirds of the subfund's assets in:

- aa) equities and other equity-type securities and rights (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) issued by companies domiciled in or carrying out the bulk of their business activities without geographical restriction in the energy, natural resources and materials sectors.
- ab) units of other collective investment schemes which according to their documents invest their assets in accordance with the guidelines of the present subfund or parts thereof.
- ac) derivatives (including warrants) on the above investments.
- ad) Structured products in freely convertible currencies such as certificates issued by issuers worldwide on the above investments.

In the case of investments in other collective investment schemes pursuant to lit. ab above and structured products pursuant to lit. ad above, the fund management company shall ensure that at least two thirds of the subfund's assets on a consolidated basis are invested on a consolidated basis in investments pursuant to lit. aa above.

b) Subject to the provisions of lit. c, the fund management company may, after deduction of the liquid assets, also invest up to a maximum of one third of the subfund's assets in:

- equities and other equity-type securities and rights (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) issued by companies that do not meet the requirements specified in prov. 2 lit. aa);
- bonds, convertible bonds, convertible notes, bonds with warrants and notes, as well as other fixed or variable-interest debt instruments and rights issued by private and public borrowers domiciled in the OECD countries;
- money market instruments denominated in freely convertible currencies issued by Swiss and foreign issuers;
- derivatives (including warrants) on the above investments;
- units in other collective investment schemes that do not meet the requirements specified in prov. 2 lit. ab;

c) The fund management company must also comply with the following investment restrictions, which refer to the subfund's assets after the deduction of liquid assets:

- other collective investment schemes up to a total of 49%;
- convertible bonds, convertible notes and bonds with warrants up to 25%.

For the SWISS FRANC FIXED INCOME, EURO FIXED INCOME and USD FIXED INCOME subfunds

- 3a) The fund management company shall, after deduction of the liquid assets, invest at least two thirds of the subfund's assets in:
- aa) bonds, notes, and other fixed or variable-interest debt instruments and rights issued by private and public borrowers in Swiss Francs for the SWISS FRANC FIXED INCOME subfund. Other bonds or debt instruments in other currencies may be invested in the compartment. The Fund contract states that, the compartment may invest in debt securities with a minimum rating of A+ given by Standard & Poors or of A1 given by Moody's. (Duration shall remain in the range of +/-2 years based on the Bloomberg/EFFAS Bond Indices Switzerland Govt 1-10 Yrs Total Return (SZ10TR), in Euros for the EURO FIXED INCOME subfund, bonds, notes and other fixed or variable debt instruments mainly securitized debt instruments with or without option or conversion rights. Other bonds or debt instruments in other currencies may be invested in the compartment. The Fund contract states that, the compartment may invest in debt securities issued by private and public borrowers with a minimum rating of A+ given by Standard & Poors or of A1 given by Moody's. (Duration shall remain in the range of +/-2 years based on the benchmark Bloomberg/EFFAS Bond Indices EURO Govt 1-10 Yrs Total Return (EU10TR), and in United States' Dollars for the USD FIXED INCOME subfund, bonds, notes and other fixed or variable debt instruments, mainly securitized debt instruments with or without option or conversion rights. It aims to do so in bonds or debt instruments in US Dollars. Other bonds or debt instruments in other currencies may be invested in the compartment. The Fund contract states that, the compartment may invest in debt securities issued by private and public borrowers with a minimum rating of A+ given by Standard & Poors or of A1 given by Moody's. (Duration shall remain in the range of +/-2 years based on the benchmark Bloomberg/EFFAS Bond Indices US Govt 1-10 Yrs Total Return (US10TR)).
- ab) units of other collective investment schemes which according to their documents invest their assets in accordance with the guidelines of this subfund or parts thereof.
- ac) derivatives (including warrants) on the above investments.
- ad) structured products in Swiss Francs for the SWISS FRANC FIXED INCOME, in Euros for the EURO FIXED INCOME, and in United States' Dollars for the USD FIXED INCOME such as certificates issued by issuers worldwide on the above investments.

In the case of investments in other collective investment schemes pursuant to lit. ab above and structured products pursuant to lit. ad above, the fund management company shall ensure that on a consolidated basis at least two thirds of the subfund's assets are invested in investments pursuant to lit. aa above.

- b) Subject to the provisions of lit. c, the fund management company may, after deduction of the liquid assets, also invest up to a maximum of one third of the subfund's assets in:
- debt instruments and rights issued by Swiss and foreign borrowers that do not meet the requirements specified in prov. 2 lit. aa with regard to currency, investment country/region such as emerging markets ;
 - convertible bonds, convertible notes and bonds with warrants issued in freely convertible currencies carrying out the bulk of their business activity respectively in Switzerland, in the Euro zone or on the American continent all of this without exception with regard to the economic sector or business activity;

- equities and other equity-type securities and rights issued by companies where their head office or carrying out the bulk of their business activity respectively in Switzerland, in the Euro zone or on the American continent all of this without exception with regard to the economic sector or business activity;
- money market instruments denominated in freely convertible currencies issued by Swiss and foreign issuers;
- derivatives (including warrants) on the above investments;
- units in other collective investment schemes that do not meet the requirements specified in prov. 2 lit. ab;
- derivatives (including warrants) on the investments specified under a and b above.

- c) The fund management company must also comply with the following investment restrictions, which refer to the subfund's assets after the deduction of liquid assets:

- convertible bonds, convertible notes and bonds with warrants up to 25%;
- equities and other equity-type securities and rights as well as derivatives (including warrants) up to a total of 10%;
- other collective investment schemes up to a total of 49%.

MONEY MARKET FUNDS USD

- 4a) The fund management company shall, after deduction of the liquid assets, invest at least 51% of the subfund's assets in:
- aa) money market instruments denominated in US dollar or in any convertible currency with hedging on US dollar, issued by governments, other public-law entities or private borrowers with minimum rating of A+ / A-1 according Standard and Poors (long / short terms) or of A1 / P- 1 according Moody's (long/short terms). The name of the benchmark used for the compartment is mentioned in the prospectus and in the simplified prospectus;
- ab) cash at banks denominated in US dollar and held by Swiss and foreign banks;
- ac) bonds (excluding convertible bonds, convertible notes and bonds with warrants), notes, and other fixed or variable-interest debt instruments and rights issued by private and public borrowers denominated in US dollar or in any convertible currency and hedged on US dollar in debt securities with a minimum rating of A+ / A-1 from Standard and Poors (long/short terms) or a minimum rating of A1 / P-1 from Moody's (long/short terms);
- ad) units of other collective investment schemes that invest their assets exclusively in the aforementioned investments.
- ae) derivatives (including warrants) on the above investments.
- b) The fund management company shall, after deduction of the liquid assets, invest up to a maximum of 49% of the subfund's assets in:

- debt instruments and rights issued by Swiss and foreign borrowers that do not meet the requirements specified in prov. 2 lit. aa with regard to currency, investment country/region such as emerging markets ;
- convertible bonds, convertible notes and bonds with warrants issued in freely convertible currencies issued by borrowers carrying out the bulk of their business activity respectively in Switzerland, in the Euro zone or on the American continent and in Asia all of this without exception with regard to the economic sector or business activity;
- equities and other equity-type securities and rights issued by companies where their head office or carrying out the bulk of their business activity respectively in Switzerland, in the Euro zone or on the American continent and in Asia all of this

without exception with regard to the economic sector or business activity;

- money market instruments denominated in freely convertible currencies issued by Swiss and foreign issuers;
- derivatives (including warrants) on the above investments;
- units in other collective investment schemes that do not meet the requirements specified in prov. 2 lit. ab;
- derivatives (including warrants) on the investments specified under a and b above.

- c) The fund management company must also comply with the following investment restrictions, which refer to the subfund's assets after the deduction of liquid assets:
- other collective investment schemes up to a total of 49%.

5) Investments in collective investment schemes

The investor is aware that investing in collective investment schemes allows for the risks to be diversified across different strategies and across different managers. However, each of these underlying sub-investments has its own fees and commission structure to which are added the fees of the subfund.

If the fund management company acquires units of other collective investment schemes that are managed directly or indirectly by the fund management company itself or a company with which is related by virtue of common management or control or by way of a direct or indirect stake of more than 10% of the capital or votes ("related target funds"), only a reduced management fee of 0.25% may be charged to the assets of the subfunds in respect of such investments. Moreover, the fund management company may not charge to the subfunds any issuing or redemption commissions of the related target funds.

6) Use of derivatives by the subfunds

The fund management company uses derivatives for the efficient management of the assets of the subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD. However, even under extreme market circumstances, the use of derivatives may not result in a deviation from the investment objectives or a change in the investment character of the subfunds fund. Based on the envisaged use of derivatives, the subfunds fund qualifies as "simple securities fund". The Commitment I approach (simplified process) will be applied to the assessment of risk.

Derivatives form part of the investment strategy and are not used solely to hedge investment positions.

Only basic forms of derivatives may be used, i.e. call or put options, credit default swaps (CDS), swaps and futures and forward transactions, as described in more detail in the fund contract (cf. § 12), provided the underlying securities are permitted as investments under the fund contract. The derivative transactions may be concluded on either a stock exchange or another regulated market open to the public, or in OTC (over-the-counter) trading. In addition to market risks, derivatives are also subject to counterparty risk, i.e. the risk that the party to the contract may not be able to meet its obligations and may thus cause a financial loss.

With a CDS, the default risk of a credit position is transferred from the risk seller to the risk buyer. The latter receives a premium as compensation. The size of this premium depends, among other things, on the probability of a loss event occurring and the maximum size of the loss; both factors are generally difficult to assess, which increases the risk associated with the CDS. The subfunds may act as both risk buyers and risk sellers.

Even under extraordinary market circumstances, the use of these instruments may not result in the subfunds' assets being leveraged, neither may they correspond to a short sale.

Detailed information on the investment policy and its restrictions, as well as the permitted investment techniques and instruments (in particular derivative financial instruments and their scope) are contained in the fund contract (cf. Part 2, §§ 7-15).

1.3 Profile of the typical investor

The SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME and MONEY MARKET FUND USD subfunds are suitable for investors with a medium term investment horizon while the NATURAL RESOURCES EQUITY subfund is suitable for investors with a long term investment horizon. The investors understand that an investment in these funds may withstand large fluctuations and a prolonged period of decline affecting the net asset value of the units of the subfunds. The principal risks of investing in stocks and bonds are known to the investors.

1.4 Tax regulations relevant to the subfunds

The umbrella fund and the subfunds have no legal personality in Switzerland. They are not subject to tax on income or capital.

The Swiss federal withholding tax deducted from the subfunds' domestic income can be reclaimed in full for the corresponding subfund by the fund management company.

For the subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD :

Distributions of income made by the subfunds to investors domiciled in Switzerland are subject to Swiss federal withholding tax (source tax) at 35%. Any capital gains paid on a separate coupon are not subject to withholding tax. This is a distribution fund.

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

Distributions of income to investors domiciled outside Switzerland are made free of Swiss withholding tax, provided at least 80% of the income of the corresponding subfund stems from foreign sources, and subject to presentation of confirmation from a bank stating that the units in question are held at the bank in the custody account of an investor domiciled outside Switzerland, and that the distributions of income are credited to this investor's account (declaration of domicile / affidavit). No guarantee can be given that at least 80% of a subfund's income will stem from foreign sources.

If withholding tax is charged to an investor domiciled outside Switzerland owing to a failure to present a declaration of domicile, under Swiss law they may submit a refund application directly to the Swiss Federal Tax Administration in Bern.

The income distributed and/or the interest realised on the sale or redemption of units is subject in Switzerland to EU savings tax for the subfunds EURO FIXED INCOME, USD FIXED INCOME and MONEY MARKET FUND USD, but the SWISS FRANC FIXED INCOME and the NATURAL RESOURCES EQUITY are not subject in Switzerland to EU savings tax.

Based on the provisions of the directive issued by the Council of the European Union in respect of the taxation of interest income, and under the terms of the agreement reached between Switzerland and the EU as part of bilateral negotiations, Switzerland is obliged to retain tax on certain interest payments made by investment funds and subfunds, in the case of both distributions of income and the sale or redemption of units of funds and subfunds, in respect of natural persons whose tax domicile is in an EU member state. This tax is

retained at 15% (20% from 2008 and 35% from 2011). Subject to explicit instructions by the recipient of the interest payment, the recipient may make a voluntary disclosure to the fiscal authorities in their tax domicile instead of being subject to this tax retention.

This tax information is based on the current legal situation and practice. It is 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 units in funds and subfunds are defined by the tax laws and regulations in the investor's country of domicile.

2. INFORMATION ON THE FUND MANAGEMENT COMPANY

2.1 General information on the fund management company

SIF Swiss Investment Funds SA is responsible for the management of the umbrella fund and subfunds. The fund management company, which is domiciled in Geneva has been active in the fund business since its formation as an Aktiengesellschaft (joint-stock company) in 1997.

On December 31, 2007, the subscribed share capital of the fund management company amounted to CHF 2.5 million. The share capital is divided into registered shares, and 100% has been paid up.

The Fund Management Company holds no permanent holdings shares.

The Board of Directors is composed as follows:

- Mr. Jean-Marc REBOH, General Manager, SIF Swiss Investment Funds SA, Chairman;
- Mr. Ian COOKSON, Vice President ; Independent consultant
- Mr. Alain DIRIBERRY, CEO EFG Bank, Geneva, member of the Board

The management team is headed by Mr. Jean-Marc REBOH, General Manager and Mr Sylvain PIANETTI, Vice President.

As of October 31, 2007, the fund management company managed a total of ten collective investment schemes in Switzerland, with assets under management totaling CHF 950 million.

Furthermore, as of October 31, 2007 the fund management company also provided the following specific services:

- management of collective funds as per Art. 29 (CISA)

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2.2 Delegation of investment decisions

Investment decisions in respect of the subfunds have been delegated to Royal Bank of Canada (Suisse) SA, Geneva. Royal Bank of Canada (Suisse) SA, Geneva has many years of experience in managing wealth for international private clients, in the providing of investment advice and in a variety of other banking services.

Precise details of how its remit is to be fulfilled are laid down in an asset management agreement between the fund management company SIF Swiss Investment Funds SA, Geneva and Royal Bank of Canada (Suisse) SA, Geneva, on June 17, 2003 for the subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME and USD FIXED INCOME, on May 20, 2005 for the subfund NATURAL RESOURCES EQUITY and on March 20, 2009, for the compartment MONEY MARKET FUND USD.

2.3 Delegation of other specific tasks

The fund management company has not delegated any partial tasks

2.4 Exercise of membership and creditors' rights

The fund management company exercises the membership and creditors' rights associated with the investments of the subfunds 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 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 concerned or from third parties or published in the media.

The fund management company is free to waive the exercise of membership and creditors' rights.

3. INFORMATION ON THE CUSTODIAN BANK

Royal Bank of Canada (Suisse) SA acts as the custodian bank. Its main activity is wealth management for individuals. The bank was founded on January 4, 1982 date of the purchase of the Banque Occidentale pour l'Industrie et le Commerce (Suisse) by the Royal Bank of Canada group. The capital of Royal Bank of Canada (Suisse) SA is held by Royal Bank of Canada Finance B.V. Amsterdam, a holding company held by Royal Bank of Canada, Toronto.

BOARD OF DIRECTORS

Mike Lagopoulos, President	Sr Vice President, RBC, Toronto
Me Jean P. Patry, Vice President	Attorney-at-law Pestalozzi, Lachenal, Patry, Geneva
Pierre-Alain Bracher	Certified Public Accountant
Management Karen Simpson,	General Manager
Juan Francisco Carrizosa Jean-Christophe Claude Antonello Francescato Markus Hanselmann	Gordon McCulloch René Morgenthaler Thomas Roiz Alexis Silva

Francisco **Lucar**

Rodrigo **Soares**

The bank is active mainly in the fields of:

- Discretionary Portfolio Management
- Providing investment advice
- Fund Management
- Custodial services for Swiss domiciled investment funds.

The custodian bank may delegate the safekeeping of the fund's assets to third-party custodians and collective securities depositaries in Switzerland or abroad. In such cases, it is liable for applying due diligence when choosing and instructing the third parties, as well as for monitoring their constant compliance with the selection criteria.

The use of third-party custodians and collective securities depositaries means that deposited securities are no longer owned solely by the fund management company, which instead becomes only a co-owner.

4. INFORMATION ON THIRD PARTIES

4.1 Paying agent

The paying agent is: Royal Bank of Canada (Suisse) SA, 6 Rue Diday, 1204 Geneva

4.2 Distributors

The following institutions have been appointed as distributors for the subfunds:

- Royal Bank of Canada (Suisse) SA, 6 Rue Diday, 1204 Geneva
- SIF Swiss Investment Funds SA, 26 quai du Seujet, 1211 Geneva 2

4.3 Auditors

PriceWaterhouseCoopers, Geneva have been appointed as the auditors.

5. FURTHER INFORMATION

5.1 Key data

For the subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD

Swiss securities numbers:

1665782
(ISIN CH0016657824) for the SWISS FRANC
FIXED INCOME subfund

1665783
(ISIN CH0016657832) for the EURO
FIXED INCOME subfund

1665784
(ISIN CH0016657840) for the USD
FIXED INCOME subfund

2317063
(ISIN CH0023170639) for the NATURAL
RESOURCES EQUITY subfund

103254758
(ISIN CH0103254758) for the MONEY MARKET
FUND USD subfund

Financial year November 1st to October 31st
For the compartment MONEY MARKET FUND
USD the first financial year will end October 31st,
2010.

Term to Maturity The duration of the fund compartments is
unlimited.

Unit currency SWISS FRANC FIXED INCOME, Swiss Francs
EURO FIXED INCOME, Euro
USD FIXED INCOME, US dollar
NATURAL RESOURCES EQUITY, US dollar
MONEY MARKET FUND USD, US dollar

Initial value for one unit CHF 100.- for SWISS FRANC FIXED INCOME
EUR 100.- for EURO FIXED INCOME
US DOLLAR 100.- for USD FIXED INCOME,
NATURAL RESOURCES EQUITY and MONEY
MARKET FUND USD

Units Bearer securities; Certificates are issued on
demand; fractions of units cannot be issued.

Appropriation of income Income is distributed no later than four
months following each semester (semiannual
distribution as of April 30th and October 31st
every year).

Minimum value of Initial subscription For the subfunds SWISS FRANC FIXED
INCOME, EURO FIXED INCOME, USD FIXED
INCOME, NATURAL RESOURCES EQUITY and
MONEY MARKET FUND USD one unit.

5.2 Terms for the issue and redemption of subfund units

Subfund units will be issued and redeemed on every bank working day (Monday to Friday). No issues or redemptions will take place on Swiss public holidays (Easter, Whitsun, Christmas, New Year, 1 August, etc.), or on days when the stock exchanges and markets in the main investment countries of a subfund are closed, or under the exceptional circumstances defined under §17.4 of the fund contract.

Subscription and redemption orders received by the custodian bank by 16:00 (Geneva time) at the latest on a given bank working day (order day) will be settled on the next bank working day (valuation day) on the basis of the net asset value calculated on this day. The net asset value taken as the basis for the settlement of the order is therefore not known when the order is placed (forward pricing). 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 of a subfund is determined by the market value of that subfund's assets, minus all that subfund's liabilities, divided by the number of units of that subfund in circulation. It will be rounded up/down as per the specified convention, i.e. to the closest centime for the SWISS FRANC FIXED INCOME and to the closest cent for EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD.

The issue price corresponds to the net asset value calculated on the valuation day, plus the issuing commission. The amount of the issuing commission and other fees is specified in Section 5.3 below.

The redemption price of the units corresponds to the net asset value of calculated on the valuation day. No redemption commission or other commissions are charged.

Incidental costs attached to the process and sale of investments (standard brokerage charges, fees, taxes, etc.) incurred by a subfund 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 corresponding subfund.

As a rule, units will not take the form of actual certificates but will exist purely as book entries. However, investors may demand the issue of a unit certificate from the custodian bank. The custodian bank will charge the investor a commission of CHF300.- for unit certificates of the SWISS FRANC FIXED INCOME subfund, Euros 200.- for unit certificates of the EURO FIXED INCOME subfund, and USD 200.- for unit certificates of the USD FIXED INCOME NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD subfunds, for each delivery to the investor.

If unit certificates are issued, they must be returned when the units are redeemed.

5.3 Fees and incidental costs

For the subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD

Fees and incidental costs charged to the investor (excerpt from § 18 of the fund contract):

Issuing commission accruing to the fund management company, custodian bank and/or distributors in Switzerland and abroad
a maximum of 2%

Neither redemption commissions nor other commissions are charged in favour of the Management Company, the Custodian Bank and/or the distributors of the funds in Switzerland or abroad.

Costs for the physical delivery of subfund unit certificates
SWISS FRANC FIXED INCOME subfund CHF 300.-
EURO FIXED INCOME subfund EUR 200.-
USD FIXED INCOME subfund USD 200.-
NATURAL RESOURCES EQUITY subfund USD 200.-
MONEY MARKET FUND USD USD 200.-

Incidental costs accruing to the subfunds' assets in connection with the investment of the amount paid in or with the sale of investments (§ 17.2 of the fund contract)

Surcharge on net asset value: a maximum of 0.25%
Deduction from net asset value: a maximum of 0.25%

Fees and incidental costs charged to the subfunds' assets (excerpt from § 19 of the fund contract):

Management fee charged by the fund management company:

Units of SWISS FRANC FIXED INCOME, EURO FIXED INCOME and USD FIXED INCOME subfunds:

a maximum of 1.00%

Units of NATURAL RESOURCES EQUITY subfund:

a maximum of 1.15%

Units of MONEY MARKET FUND USD subfund:

a maximum of 0.65%

This covers the administration, asset management and distribution of the subfunds.

Information on the rates actually charged per subfund can be found in the annual and semi-annual reports.

Custodian bank fees charged by the custodian bank:

Units of SWISS FRANC FIXED INCOME, EURO FIXED INCOME

and USD FIXED INCOME subfunds:

a maximum of 0.25%

Units of NATURAL RESOURCES EQUITY subfund:

a maximum of 0.35%

Units of MONEY MARKET FUND USD subfund

a maximum of 0.10%

Information on the rates actually charged per subfund can be found in the annual and semi-annual reports.

Furthermore, the fees and incidental costs listed under § 19 of the fund contract may also be charged to the subfunds.

For the distribution of annual income to the investors, the custodian bank does not charge the subfunds a commission.

The fund management company may pay reimbursements from the distribution component to the following institutional investors who, from a commercial perspective, hold the fund units for third parties:

- life insurance companies
- pension funds and other retirement provision institutions
- investment foundations
- Swiss fund management companies
- foreign fund management companies and providers
- investment companies

The fund management company may also pay trailer fees from the distribution component to the following distributors and sales partners:

- authorized distributors
- fund management companies, banks, securities dealers, Swiss Post and insurance companies.
- Distributors who place fund units exclusively with institutional investors with professional treasury facilities
- Asset managers

Total Expense Ratio (TER) and Portfolio Turnover Rate (PTR)

The coefficient of the total costs charged to the subfunds' assets on an ongoing basis (total expense ratio, TER) was:

	2010	2009	2008
SWISS FRANC FIXED INCOME	1.28%	1.25%	1.27%
EURO FIXED INCOME:	1.05%	1.07%	1.06%
USD FIXED INCOME:	1.03%	1.06%	1.06%
NATURAL RESOURCES EQUITY	1.58%	1.59%	1.58%
MONEY MARKET FUND USD	0.38%	n/a	n/a

The portfolio turnover rate (PTR) was:

	2010	2009	2008
SWISS FRANC FIXED INCOME	57.00%	129.89%	158.65%
EURO FIXED INCOME:	164.76%	178.09%	152.79%
USD FIXED INCOME:	67.11%	82.79%	195.62%
NATURAL RESOURCES EQUITY	196.28%	245.60%	166.82%
MONEY MARKET FUND USD	224.62%	n/a	n/a

(as per EU norms)

Investments in related collective investment schemes

In the case of investments in other collective investment schemes that are managed directly or indirectly by the fund management company itself or a company with which it is related by virtue of common management or control or by way of a direct or indirect stake of more than 10% of the capital or votes, no issuing and redemption commissions and only a reduced management fee are charged pursuant to §19 provision 7 of the fund contract.

Fee splitting agreements and non-pecuniary benefits ("soft commissions")

The fund management company has concluded no fee splitting agreements.

The fund management company has not concluded any agreements in respect of soft commissions.

5.4 Publication of official notices by the umbrella fund or subfunds

Further information on the umbrella fund and the subfunds may be found in the latest annual or semi-annual report. The latest information can also be found on the Internet at www.swiss-if.ch.

The prospectus with integrated fund contract, the simplified prospectus and the latest 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 a change to the fund contract, a change in the fund management company or the custodian bank, as well the dissolution of the subfunds, the corresponding notice will be published by the fund management company in the *Feuille Officielle Suisse du Commerce* (Swiss Commercial Gazette) as well as in the newspaper *Le Temps*.

Prices are published of each subfund on each day on which the corresponding units are issued or redeemed, in *Le Temps* and the *Neue Zuercher Zeitung* as well as any other Swiss and international newspapers, electronic media, etc.

5.5 Sales restrictions

With respect to the issue and redemption of units of the subfunds outside Switzerland, the regulations valid in the country in question apply.

- a) No authorization has been obtained for the distribution abroad of the subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD
- b) Units of the subfunds may not be offered, sold or delivered within the United States.

5.6 Detailed regulations

All further information on the umbrella fund and subfunds, such as the method used for the valuation of the subfunds' assets, a list of all fees and incidental costs charged to the investor and the subfunds, and the appropriation of net income, can be found in detail in the fund contract.

PART 2: FUND CONTRACT

I Basic principles

§ 1 RBC Diversified Fund; SIF Swiss Investment Funds SA, Geneva as the fund management company and Royal Bank of Canada (Suisse) SA, Geneva, as the custodian bank

1. A contractual umbrella fund of the type 'securities funds' has been established under the name of RBC Diversified Fund (referred to below as the "umbrella fund") in accordance with Art. 25 et seq. in conjunction with Art. 53 and seq. and Art 92 et seq. of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 (CISA). The umbrella fund is split into the following subfunds:

- SWISS FRANC FIXED INCOME
- EURO FIXED INCOME
- USD FIXED INCOME
- NATURAL RESOURCES EQUITY
- MONEY MARKET FUND USD

2. The fund management company is SIF Swiss Investment Funds SA, Geneva.
3. The custodian bank is Royal Bank of Canada (Suisse) SA, Geneva.

2 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 shall be governed by the present fund contract and the applicable provisions of the legislation on collective investment schemes.

§ 3 The fund management company

1. The fund management company manages the subfunds at its own discretion and in its own name, but for the account of the investors. It decides in particular on the issue of units, the investments and their valuation. It calculates the net asset value of the subfunds and determines the issue and redemption prices of units as well as distributions of income. It exercises all rights associated with the umbrella fund and subfunds.
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 organizational measures that are necessary for proper management. They ensure the provision of transparent financial statements and provide appropriate information on the umbrella fund and subfunds.
3. The fund management company can delegate investment decisions as well as specific tasks for all subfunds or for individual subfunds provided this is in the interests of efficient management. It shall commission only persons who are qualified to execute the task properly, and shall ensure the provision of instructions as well as monitoring and controlling in respect of the tasks.

The fund management company shall be liable for the actions of its agents as if they were its own actions.

4. The fund management company may with the consent of the custodian bank submit a change to the present fund contract to the supervisory authority for approval (cf. § 26).
5. The fund management company can merge the individual subfunds with other subfunds or with other investment funds pursuant to the provisions set down under § 24 and can dissolve the individual subfunds pursuant to 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 released from the liabilities assumed in the proper execution of its tasks, 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 assets of the subfunds. It handles the issue and redemption of fund units as well as payments on behalf of the subfunds.
 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 organizational measures that are necessary for proper management. They ensure the provision of transparent financial statements and provide appropriate information on the umbrella fund and subfunds.
 3. The custodian bank may delegate the safekeeping of the assets of the subfunds to third-party custodians and collective securities depositaries in Switzerland or abroad. It is liable for applying due diligence when choosing and instructing the third parties, as well as for monitoring constant compliance with the selection criteria. The prospectus shall contain information on the risks involved.
 4. The custodian bank ensures that the fund management company complies with the law and the fund contract. It checks whether the calculation of the net asset values and of the issue and redemption prices of the units as well as the investment decisions are in compliance with the law and the fund contract, and whether the 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.
 5. The custodian bank is entitled to receive the fees stipulated in §§18 and 19. It is further entitled to be released from the liabilities assumed in the proper execution of its tasks, and to be reimbursed for expenses incurred in connection with such liabilities.
 6. The custodian bank is not responsible for the safekeeping of the assets of the target funds in which the subfunds invest, unless this task has been delegated to it.
- laid down in the law or the fund contract in respect of participation in a subfund. Furthermore, they are obliged to inform the fund management company, the custodian bank and their agents immediately once they no longer meet these prerequisites.
7. The fund management company in conjunction with the custodian bank must make an enforced redemption of the units of an investor at the current redemption price if:
 - a) this is necessary to safeguard the reputation of the financial market, specifically to combat money laundering;
 - b) the investor no longer meets the statutory or contractual requirements for participation in a subfund.
 8. The fund management company in conjunction with the custodian bank can also make an enforced redemption of the units of an investor at the current redemption price if:
 - a) the participation of the investor in a subfund is such that it could have a significant detrimental impact on the economic interests of the other investors, in particular if the participation could result in tax disadvantages for the umbrella fund or a subfund in Switzerland or abroad;
 - b) the investor has acquired or holds their units in violation of provisions of a law to which they are subject either in Switzerland or abroad, of the present fund contract or the prospectus;
 - c) there is a detrimental impact on the economic interests of the investors, in particular in cases where individual investors seek by way of systematic subscriptions and immediate redemptions to achieve a pecuniary gain by exploiting the time differences between the setting of the closing prices and the valuation of the subfund's assets (market timing).

§ 5 The investor

1. On concluding the contract and making a payment in cash, the investor acquires a claim against the fund management company in respect of a participation in the assets and income of a subfund of the umbrella fund. The investor's claim is evidenced in the form of fund units.
2. Investors are entitled to participate in the assets and income of only that subfund in which they hold units. Liabilities that are attributable to an individual subfund will be borne solely by the said subfund.
3. The investors are obliged only to remit payment for the units of the subfund they subscribe. They shall not be held personally liable for the liabilities of the umbrella fund or the subfund.
4. Investors may at any time request that the fund management company supply them with the necessary information regarding the basis on which the net asset value per unit is calculated. If investors express an interest in more detailed information on specific business transactions effected by the fund management company, such as the exercising of membership and creditors' rights, they must be given such information by the fund management company at any time. The investors may request at the courts of the registered office of the fund management company that the auditors or another expert investigate the matter which requires clarification and furnish the investors with a report.
5. The investors may terminate the fund contract on a daily basis and demand that their share in the subfund concerned be paid out in cash.
6. If requested, the investors are obliged to provide the fund management company, the custodian bank and their agents with proof that they comply with or continue to comply with the provisions

§ 6 Units and unit classes

1. The fund management company can establish different unit classes and can also merge or dissolve unit classes for each subfund 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 undivided assets of the subfund concerned, which are not segmented. This share may differ due to class-specific costs or distributions or class-specific income and the various classes may therefore have different net asset values per unit of a given subfund. Class-specific costs are covered by the assets of the subfund as a whole.
2. Notification of the establishment, dissolution or merger of unit classes shall be published in the media of publication. Only mergers shall be deemed a change to the fund contract pursuant to § 26.
3. The various unit classes of the subfunds may differ from one another in terms of their cost structure, reference currency, currency hedging, policy with regard to distribution or reinvestment of income, the minimum investment required and investor eligibility.

Fees and costs are only charged to the unit class for which the respective service is performed. Fees and costs that cannot be unequivocally allocated to a unit class shall be charged to the individual unit classes on a pro rata basis in relation to their share of the subfund's assets.
4. The subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD are not divided into unit classes.

5. As a rule, units shall not take the form of actual certificates but shall exist purely as book entries. Investors may request delivery of a bearer unit certificate at their own expense. The current costs are stated in the prospectus and simplified prospectus. They are not, however, entitled to demand that fractions of units be issued in the form of certificates. If unit certificates were issued, they must be returned at the latest with the application for redemption.
6. The fund management company is obliged to instruct investors who no longer meet the prerequisites for holding a unit class to ensure within 30 calendar days that their units are redeemed pursuant to § 17, transferred to a person who does meet the aforementioned prerequisites, or switched into units of another unit class of the subfund concerned whose prerequisites they do meet. If an investor fails to comply with this demand, the fund management company may, in cooperation with the custodian bank, make an enforced switch into another unit class of the subfund concerned, should this not be possible, enforce the redemption of the units in question pursuant to § 5 prov. 7.

3 Investment policy guidelines

A Investment principles

§ 7 Compliance with investment regulations

1. In selecting individual investments of each subfund, 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 assets of the individual subfunds at market value and must be complied with at all times. The individual subfunds 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 due to 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. Within the framework of the specific investment policy of each subfund pursuant to prov. 2, the fund management company may invest the assets of the SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD in the following investments. The risks involved in these investments must be disclosed in the prospectus.
 - a) Securities, i.e. securities issued in large quantities and non-securitized rights with the same function (uncertified securities) that are traded on a stock exchange or another 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 only permitted if their admission to a stock exchange or another regulated market open to the public is envisaged under the terms of issue. If they have not been admitted to a stock exchange or another regulated market open to the public within a year after their acquisition, these securities must be sold within one month or included under the restriction set down in prov. 1 lit. f.
 - b) Derivatives, if (i) the underlying securities are securities pursuant to lit. a, derivatives pursuant to lit. b, units in collective investment schemes pursuant to lit. c, money market

instruments pursuant to lit. d, financial indices, interest rates, exchange rates, credits or currencies, and (ii) the underlying securities are permitted as investments under the fund contract. Derivatives are either traded on a stock exchange or another regulated market open to the public, or are traded OTC;

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

- c) Units of other collective investment schemes (target funds), provided that (i) their documents restrict investments for their part in other target funds to a total of 10%; (ii) these target funds are subject to provisions equivalent to those pertaining to securities funds in respect of the purpose, organization, 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 semi-annual and annual reports; and (iii) these target funds are authorized 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 legal assistance is ensured.

In this regard the fund management company may invest up to a maximum of 30% of the assets of each individual subfund in units of target funds that are neither securities funds nor compliant with the pertinent European Union directives (UCITS).

- d) Money market instruments, provided these are liquid, can be readily valued and are traded on an exchange or other regulated market open to the public; money market instruments which are not traded on an exchange or other 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 Art. 74 para. 2 CISO.
- e) Sight or time deposits with terms to maturity not exceeding twelve 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 this country which is equivalent to the supervision in Switzerland.
- f) Investments other than those specified in a to e above up to a total of 10% of the assets of an individual subfund. The following are not permitted: (i) investments in precious metals, precious metals certificates, commodities and commodity certificates as well as (ii) short-selling of investments in accordance with a to d above.

NATURAL RESOURCES EQUITY investment policy:

- 2.1 a) The fund management company shall, after deduction of the liquid assets, invest at least two thirds of the subfund's assets in:
 - aa) for the NATURAL RESOURCES EQUITY subfund: equities and other equity-type securities and rights (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) issued by

companies domiciled in or carrying out the bulk of their business activities without geographical restriction in the energy, natural resources and materials sectors.

- ab) units of other collective investment schemes which according to their documents invest their assets in accordance with the guidelines of the present subfund or parts thereof.
- ac) derivatives (including warrants) on the above investments.
- ad) Structured products in freely convertible currencies such as certificates issued by issuers worldwide on the above investments.

In the case of investments in other collective investment schemes pursuant to lit. ab above and structured products pursuant to lit. ad above, the fund management company shall ensure that at least two thirds of the subfund's assets on a consolidated basis are invested in investments pursuant to lit. aa above.

b) Subject to the provisions of lit. c, the fund management company may, after deduction of the liquid assets, also invest up to a maximum of one third of the subfund's assets in:

- equities and other equity-type securities and rights (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) issued by companies that do not meet the requirements specified in prov. 2 lit. aa);
- bonds, convertible bonds, convertible notes, bonds with warrants and notes, as well as other fixed or variable-interest debt instruments and rights issued by private and public borrowers domiciled in the OECD countries;
- money market instruments denominated in freely convertible currencies issued by Swiss and foreign issuers;
- derivatives (including warrants) on the above investments;
- units in other collective investment schemes that do not meet the requirements specified in prov. 2 lit. ab;

c) The fund management company must also comply with the following investment restrictions, which refer to the subfund's assets after the deduction of liquid assets:

- other collective investment schemes up to a total of 49%;
- convertible bonds, convertible notes and bonds with warrants up to 25%.

SWISS FRANC FIXED INCOME, EURO FIXED INCOME and USD FIXED INCOME investment policy

2.2 a) The fund management company shall, after deduction of the liquid assets, invest at least two thirds of the subfund's assets in:

- aa) bonds, notes, and other fixed or variable-interest debt instruments and rights issued by private and public borrowers in Swiss Francs for the SWISS FRANC FIXED INCOME subfund with a minimum rating of A+ given by Standard & Poors or of A1 given by Moody's. (Duration (including cash) shall remain in the range of +/-2 years, in Euros for the EURO FIXED INCOME subfund bonds, notes, and other fixed or variable-interest debt instruments mainly securitized debt instruments and rights issued by private and public borrowers with a minimum rating of A+ given by Standard & Poors or of A1 given by Moody's. Duration (including cash) shall remain in the range of +/-2 years, and in United States' Dollars for the USD FIXED INCOME subfund. in bonds and other debt instruments and rights issued by private and public borrowers with a minimum rating of A+ given by Standard & Poors or of A1 given by Moody's. (Duration (including cash) shall remain in the range of +/-2 years. The names of the benchmarks used for the compartments SWISS FRANC FIXED INCOME, EURO

FIXED INCOME and USD FIXED INCOME are mentioned in the prospectus and in the simplified prospectus.

- ab) units of other collective investment schemes which according to their documents invest their assets in accordance with the guidelines of this subfund or parts thereof.
- ac) derivatives (including warrants) on the above investments.
- ad) structured products in Swiss Franc for the SWISS FRANC FIXED INCOME, in Euros for the EURO FIXED INCOME, and in United States' Dollars for the USD FIXED INCOME such as certificates issued by issuers worldwide on the above investments.

In the case of investments in other collective investment schemes pursuant to lit. ab above and structured products pursuant to lit. ad above, the fund management company shall ensure that on a consolidated basis at least two thirds of the subfund's assets are invested in investments pursuant to lit. aa above.

b) Subject to the provisions of lit. c, the fund management company may, after deduction of the liquid assets, also invest up to a maximum of one third of the subfund's assets in:

- debt instruments and rights issued by Swiss and foreign borrowers that do not meet the requirements specified in prov. 2 lit. aa with regard to currency, investment country/region such as emerging markets ;
- convertible bonds, convertible notes and bonds with warrants issued in freely convertible currencies issued by borrowers carrying out the bulk of their business activity respectively in Switzerland, in the Euro zone or on the American continent all of this without exception with regard to the economic sector or business activity;
- equities and other equity-type securities and rights issued by companies where their head office or carrying out the bulk of their business activity respectively in Switzerland, in the Euro zone or on the American continent all of this without exception with regard to the economic sector or business activity;
- money market instruments denominated in freely convertible currencies issued by Swiss and foreign issuers;
- derivatives (including warrants) on the above investments;
- units in other collective investment schemes that do not meet the requirements specified in prov. 2 lit. ab;
- derivatives (including warrants) on the investments specified under a and b above.

c) The fund management company must also comply with the following investment restrictions, which refer to the subfund's assets after the deduction of liquid assets:

- convertible bonds, convertible notes and bonds with warrants up to 25%;
- equities and other equity-type securities and rights as well as derivatives (including warrants) up to a total of 10%;
- other collective investment schemes up to a total of 49%.

MONEY MARKET FUNDS USD investment policy

2.3 a) The fund management company shall, after deduction of the liquid assets, invest at least 51% of the subfund's assets in:

- aa) money market instruments denominated in US dollar or in any convertible currency with hedging on US dollar, issued by governments, other public-law entities or private borrowers with minimum rating of A+ / A-1 according Standard and Poors (long / short terms) or of

A1 / P- 1 according Moody's (long/short terms). The name of the benchmark used for the compartment is mentioned in the prospectus and in the simplified prospectus;

- ab) cash at banks denominated in US dollar and held by Swiss and foreign banks;
 - ac) bonds (excluding convertible bonds, convertible notes and bonds with warrants), notes, and other fixed or variable-interest debt instruments and rights issued by private and public borrowers denominated in US dollar or in any convertible currency and hedged on US dollar dollar in debt securities with a minimum rating of A+ / A -1 from Standard and Poors (long/short terms) or a minimum rating of A1 / P -1 from Moody's (long/short terms).
 - ad) units of other collective investment schemes that invest their assets exclusively in the aforementioned investments.
 - ae) derivatives (including warrants) on the above investments.
- b) The fund management company shall, after deduction of the liquid assets, invest up to a maximum of 49% of the subfund's assets in:
- debt instruments and rights issued by Swiss and foreign borrowers that do not meet the requirements specified in prov. 2 lit. aa with regard to currency, investment country/region such as emerging markets ;
 - convertible bonds, convertible notes and bonds with warrants issued in freely convertible currencies issued by borrowers carrying out the bulk of their business activity respectively in Switzerland, in the Euro zone or on the American continent and in Asia all of this without exception with regard to the economic sector or business activity;
 - equities and other equity-type securities and rights issued by companies where their head office or carrying out the bulk of their business activity respectively in Switzerland, in the Euro zone or on the American continent and in Asia all of this without exception with regard to the economic sector or business activity;
 - money market instruments denominated in freely convertible currencies issued by Swiss and foreign issuers;
 - derivatives (including warrants) on the above investments;
 - units in other collective investment schemes that do not meet the requirements specified in prov. 2 lit. ab;
 - derivatives (including warrants) on the investments specified under a and b above.
- c) The fund management company must also comply with the following investment restrictions, which refer to the subfund's assets after the deduction of liquid assets:
- other collective investment schemes up to a total of 49%.
3. Subject to the provisions of § 19, the fund management company may acquire units of target funds that are managed directly or indirectly by the fund management company itself or a company with which it is related by virtue of common management or control or by way of a direct or indirect stake of more than 10% of the capital or votes.

Investments in collective investment schemes

The investor is aware that investing in collective investment schemes allows for the risks to be diversified among investments across different strategies and across different managers. However, each of these underlying investments has its own fee structure to which are added the fees of the subfund.

- 4) Derivatives are subject to counterparty risk in addition to market risk; in other words there is the risk that the contracting party may not be able to meet its obligations and thus may cause a financial loss,

§ 9 Liquid assets

The fund management company may also hold liquid assets for each subfund in an appropriate amount in the accounting currency of the subfund concerned and in any other currency in which investments for the subfund concerned are permitted. Liquid assets comprise bank deposits at sight or on demand with maturities of up to twelve months.

3.4 Investment techniques and instruments

§ 10 Securities lending

1. The fund management company may lend all types of securities which are traded on an exchange or a regulated market open to the public for the account of the subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD. However, it may not lend securities acquired under a reverse repo transaction.
2. The fund management company may lend securities and rights in its own name and for its own account to a borrower ("principal") or appoint an intermediary to put the securities at the disposal of the borrower either indirectly on a fiduciary basis ("agent") or directly ("finder").
3. The fund management company shall carry out securities lending transactions only with first-class borrowers or intermediaries which are specialized in transactions of this type, such as banks, brokers and insurance companies, as well as recognized securities clearing organizations that guarantee the proper execution of the security lending transactions.
4. If the fund management company must observe a notice period, which may not be more than 10 bank working days, before it can legally repossess the loaned securities, it may not lend more than 50% of the eligible holding of a particular security per subfund. However, should the borrower or the intermediary contractually guarantee to the fund management company that it may legally repossess loaned securities on the same or following bank working day, then the entire eligible holding of a particular security may be lent.
5. The fund management company shall conclude an agreement with the borrower or intermediary whereby the latter shall pledge or transfer collateral to the fund management company for the purposes of guaranteeing restitution in accordance with Article 8 CISO-SFBC. The value of the collateral must at all times be equal to at least 105% of the market value of the loaned securities or at least 102% if the collateral consists of (i) liquid assets or (ii) fixed or variable-interest securities that have a current long-term rating of at least "AAA", "Aaa" or the equivalent from a ratings agency recognized by the SFBC. Moreover, the borrower or intermediary is liable for ensuring the prompt, unconditional payment of any income accruing during the lending period, as well as for the assertion of other proprietary rights and for the contractually agreed return of securities of the same type, quantity and quality.
6. The custodian bank shall ensure that the securities lending transactions are handled in a secure manner in line with the agreements and in particular shall monitor compliance with the requirements relating to collateral. For the duration of the lending transactions it shall also be responsible for the administrative duties assigned to it under the custody account regulations and for asserting all rights associated with the loaned securities, provided these have not been ceded under the terms of an applicable framework agreement.

§ 11 Securities repurchase agreements

The fund management company does not engage in transactions relating to securities repurchase agreements in the SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD.

§ 12 Derivatives

1. The fund management company may use derivatives for the efficient management of the assets of the subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD. It shall ensure that even under extreme market circumstances, the financial effect of the use of derivatives does not result in a deviation from the investment objectives set out in the fund contract, the prospectus and the simplified prospectus, and that it does not change the investment character of the subfunds. Furthermore, the underlyings of the derivatives must be permitted as investments for the subfund concerned according to the present fund contract.

The collective investment schemes legislation envisages three risk assessment processes for the use of derivatives: the Commitment Approaches I and II for "simple securities funds" and the model approach combined with stress tests for "complex securities funds".

Commitment Approach I is a simplified process and its defining characteristic is that the use of derivatives may not have a leverage effect on the assets of a subfund or correspond to short selling. Commitment Approach II is an extended process. Both leverage and short selling are permitted. The overall exposure of a subfund may thus be up to 200% of its net assets (taking into account borrowing even up to 210%). In the case of the model approach, the risk of a subfund is measured daily as the value-at-risk (VaR) with a 99th percentile confidence interval and a holding period of 20 trading days; it may not exceed twice the VaR of a derivative-free benchmark portfolio. Stress tests are also to be carried out on a periodic basis.

2. Based on the envisaged use of derivatives, the subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD qualify as "simple securities funds". For the assessment of risk, Commitment Approach I shall be applied. The use of derivatives therefore does not result in a leverage effect on the subfunds' assets, nor does it correspond to short selling.

The provisions of this paragraph apply to the individual subfunds.

The fund management company must at all times be able to meet the payment and delivery obligations entered into in respect of the derivatives from the assets of the subfund in question in accordance with the collective investment schemes legislation.

3. Only basic types of derivative may be used. These comprise:
- Call or put options whose value at expiration is linearly dependent on the positive or negative difference between the market value of the underlying and the strike price and is zero if the difference is preceded by the opposite algebraic sign.
 - Credit default swaps (CDS).
 - Swaps whose payments are dependent on the value of the underlying or on an absolute amount in both a linear and a non-path dependent manner.
 - Future and forward transactions whose value is linearly dependent on the value of the underlying.
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.

- In the case of exposure-reducing derivatives, the arising obligations subject to provs. b and d must be covered at all times by the underlyings of the derivative.
 - Cover with investments other than the underlyings shall be 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 serving as cover;
 - has an acceptable correlation to these investments.
 - The fund management company must have unrestricted access to these underlyings or investments at all times. Underlyings may be used to cover several exposure-reducing derivative positions at the same time if they are subject to a market risk, credit risk or currency risk and are based on the same underlyings.
 - An exposure-reducing derivative can be weighted by the delta in the calculation of the corresponding underlyings.
6. In the case of exposure-increasing derivatives, the underlying equivalents must at all times be covered by near-money assets. In the case of futures, forwards and swaps, the underlying equivalent is determined by taking the product of the number of contracts and the contract value. In the case of options, it is determined by taking the product of the number of contracts, the contract value and the delta (provided one has been calculated). Near-money assets can be used to cover several exposure-increasing derivative positions at the same time, provided these are subject to a market risk or credit risk and are based on the same underlyings.
7. The fund management company may use both standardized and non-standardized derivatives. It can conclude transactions in derivative financial instruments on an exchange or another regulated market open to the public or in OTC (over-the-counter) trading.
- The fund management company may conclude OTC transactions only with regulated financial intermediaries specialized in such types of transactions, subject to regulations and that ensure proper execution of the contract. If the counterparty is not the custodian bank, the former or the guarantor must meet the minimum credit rating requirements laid down in collective investment schemes legislation under Art. 33 CISO-FINMA.
 - 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.
 - If no market price is available for an OTC-traded derivative, it must be possible to determine the price at any time using appropriate valuation models that are recognized in practice, based on the market value of the underlyings. Moreover, before the conclusion of such transactions, specific offers must be obtained from at least two potential counterparties and the most favorable offer be accepted, under due consideration of the price, credit rating, risk distribution and the range of services offered by the counterparties. The conclusion of the transaction and pricing shall be clearly documented.
9. In respect of compliance with the statutory and contractual restrictions (maximum and minimum limits), derivatives shall be factored in accordance with the legislation on collective investment schemes.
10. The prospectus shall contain 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 subfunds;
- the counterparty risks of derivatives.

§ 13 Taking up and extending loans

Lending and granting of loans

1. The fund management company may not grant loans for the subfunds' account.
2. The fund management company may for each subfund borrow the equivalent of up to 10% of the net assets of the said subfund on a temporary basis.

§ 14 Encumbrance of the subfunds' assets

1. No more than 25% of the net assets of any subfund may be pledged or ownership thereof transferred as collateral by the fund management company at the expense of the subfund concerned.
2. The subfunds' assets may not be encumbered with guarantees.

§ 15 Risk diversification

For the subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD:

1. The regulations on risk diversification shall include the following:
 - a) investments pursuant to § 8, with the exception of index-based derivatives, provided the index is sufficiently diversified, is representative of the market it relates to and is published in an appropriate manner;
 - b) liquid assets pursuant to § 9;
 - c) claims against counterparties arising from OTC transactions.

The regulations on risk distribution apply to each subfund individually.

2. Companies which form a group in accordance with international accounting regulations are deemed to be a single issuer.
3. Including derivatives, the fund management company may invest up to a maximum of 10% of the assets of a subfund in securities and money market instruments issued by the same issuer. The total value of the securities and money market instruments of issuers in which more than 5% of the assets of a subfund are invested may not exceed 40% of the assets of the corresponding subfund. Subject to the provisions under provisions 4 and 5.
4. The fund management company may invest up to a maximum of 20% of the assets of a subfund in sight and term deposits with the same bank. Both liquid assets pursuant to § 9 and investments in bank deposits pursuant to § 8 shall be included in this limit.
5. The fund management company may invest up to a maximum of 5% of the assets of a subfund 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 shall be increased to 10% of the assets of the subfund concerned.
6. Investments, deposits and claims pursuant to provs. 3 to 5 above and issued by the same issuer/borrower may not in total exceed 20%

of the assets of a subfund with the exception of the higher limits pursuant to provs. 12 and 13 below.

7. Investments pursuant to prov. 3 above of the same group of companies may not in total exceed 20% of the assets of a subfund with the exception of the higher limits pursuant to provs. 12 and 13 below.
8. The fund management company may invest a maximum of 20% of the assets of a subfund 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, unless an exception is granted by the supervisory authority.
10. The fund management company may acquire for the assets of a subfund up to a maximum of 10% of the non-voting equity and debt instruments and/or money market instruments of the same issuer as well as a maximum of 25% of the units of other collective investment schemes.

These restrictions do not apply if the gross amount of the debt instruments, money market instruments or the units of other collective investment schemes cannot be calculated at the time of the acquisition.

11. The restrictions in provisions. 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 organization to which Switzerland or a member state of the European Union belongs.
12. The limit in prov. 3 above is increased from 10% 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 organization 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 40% limit pursuant to prov. 3. However, the individual limits specified in provisions. 3 and 5 may not be added together with the existing limit of 35%.
13. The limit in prov. 3 above is increased from 10% 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 organization to which Switzerland or a member state of the European Union belongs. In this case, the subfund concerned must invest in securities or money market instruments from at least six different issues; no more than 30% of the assets of the subfund concerned 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 40% limit pursuant to prov. 3.

The aforementioned authorized issuers / guarantors are members of the OECD.

4 Calculation of the net asset values and issue and redemption of units

§ 16 Calculation of the net asset values

1. The net asset value of each subfund is calculated in the accounting currency of the subfund concerned at the market value as of the end of the financial year and for each day on which units are issued or redeemed. The assets of a subfund will not be calculated on days when the stock exchanges / markets in the

main investment countries of the subfund concerned are closed (e.g. bank and stock exchange holidays).

2. Securities traded on a stock exchange or another regulated market open to the public shall be valued at the current prices paid on the main market. Other investments or investments for which no current market value is available shall be valued at the price which would probably be obtained in a diligent sale at the time of the valuation. In such cases, the fund management company shall use appropriate and recognized valuation models and principles to determine the market value.
3. Open-ended collective investment schemes are valued at their redemption price / net asset value. If they are regularly traded on a stock exchange or another regulated market open to the public, the fund management company can value such funds in accordance with prov. 2.
4. The value of money market instruments that are not traded on a stock exchange or another regulated market open to the public is determined as follows: the valuation price of such investments is successively 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 the market conditions, the valuation principles for the 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).
5. Bank deposits are valued on the basis of the amount due plus accrued interest. If there are significant changes in the market conditions or the credit rating, the valuation principles for time deposits will be adjusted in line with the new circumstances.
6. The net asset value of a unit of a subfund is determined by the market value of this subfund's assets, minus all this subfund's liabilities, divided by the number of units in circulation. It will be rounded up/down to the nearest centime for the SWISS FRANC FIXED INCOME, and rounded up/down to the nearest cent for the EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD.

§ 17 Issue and redemption of units

1. Subscription and redemption orders for units of the subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD are accepted up to a certain cut-off time specified in the prospectus on the day the orders are placed. The definitive price of the units for the issues and redemptions is determined at the earliest on the bank working day following the day the order is placed (valuation day; Forward Pricing). The detailed modalities are set down in the prospectus.
2. The issue and redemption price of units is based on the net asset value per unit calculated on the valuation day on the basis of the closing prices from the previous day as defined under § 16. In the case of unit issues, the incidental costs (standard brokerage fees, commissions, taxes etc.) incurred on average by the subfund concerned in connection with the investment of the amount paid in will be added to the net asset value. In the case of unit redemptions, the incidental costs incurred on average by the subfund concerned in connection with the sale of a portion of investments corresponding to the redeemed units will be deducted from the net asset value. The applicable rate is stated in the prospectus and simplified prospectus. Furthermore, in the case of unit issues, an issuing commission may be added to the net asset value pursuant to § 18.

3. The fund management company may suspend the issue of units at any time, and may reject applications for the subscription or switching of units.
4. The fund management company may temporarily and by way of exception defer repayment in respect of units of a subfund in the interests of all investors:
 - a) if a market which is the basis for the valuation of a significant proportion of the assets of the subfund concerned 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 subfund can no longer transact its business;
 - d) in the event of large-scale redemptions of units of the subfund that could significantly affect the interests of the remaining investors of this subfund.
5. The fund management company shall immediately apprise the auditors and the supervisory authority of any decision to suspend redemptions. It shall also notify the investors in a suitable manner.
6. No units of a subfund shall be issued as long as the repayment in respect of units of this subfund is deferred for the reasons stipulated under prov. 4 lit. a to c.

5 Fees and incidental costs

§ 18 Fees and incidental costs charged to the investor

For the subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD

1. On the issue of fund units, the investors can be charged an issuing commission accruing to the fund management company, the custodian bank and/or distributors in Switzerland and abroad, which in total shall not exceed 2% of the net asset value for the SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD. The currently applicable maximum rate is stated in the prospectus and the simplified prospectus.
2. The fund management company elects not to charge a redemption commission.
3. When units are issued and redeemed, the fund management company shall also charge the incidental costs incurred by the subfund on average in the investment of the amount paid in or the sale of a portion of the investments corresponding to the units redeemed (cf. § 17 prov. 2), this accruing to the assets of the subfund concerned. The applicable rate is stated in the prospectus and simplified prospectus.
4. The custodian bank shall charge investors the normal bank charges and fees for the delivery of unit certificates. The current costs are stated in the prospectus and simplified prospectus.

§ 19 Fees and incidental costs charged to the subfunds' assets

1. For the administration, asset management and distribution of the subfunds, the fund management company shall charge a commission not exceeding 1.00% p.a. of the net asset value in the case of the subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME and USD FIXED INCOME, in the case of the NATURAL RESOURCES EQUITY subfund a commission not

exceeding 1.15% p.a. of the net asset value and in the case of the subfund MONEY MARKET FUND USD a commission not exceeding 0.65% p.a. of the net asset value will be charged to the assets of the subfunds concerned on a pro rata basis every time the net asset value is calculated, and paid at the end of each quarter (management fee).

The fund management company shall disclose the intended use of the management fee in the prospectus. It shall also disclose if it makes reimbursements to investors and/or remuneration to distributors.

The rate of the management fee actually charged per subfund shall be stated in the annual and semi-annual reports.

2. For the safekeeping of the assets of the subfunds, the handling of the subfunds' payment transactions and performance of the other tasks of the custodian bank listed under § 4, the custodian bank shall charge a commission not exceeding 0.25% p.a. of the net asset value in the case of the subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME and USD FIXED INCOME, in the case of the NATURAL RESOURCES EQUITY subfund a commission not exceeding 0.35% p.a. of the net asset value and in the case of the subfund MONEY MARKET FUND USD a commission not exceeding 0.10% p.a. of the net asset value will be charged to the assets of the subfund concerned on a pro rata basis every time the net asset value is calculated and paid at the end of each quarter (custodian bank fee).

The rate of the custodian bank fee actually charged per subfund shall be stated in the annual and semi-annual reports.

3. For the distribution of annual income to the investors the custodian bank shall not charge the subfunds a commission.
4. Furthermore, the fund management company and the custodian bank shall be entitled to reimbursement of the following costs incurred in the course of executing the fund contract:
 - annual fees for the supervision of the umbrella fund and subfunds in Switzerland;
 - printing the annual and semi-annual reports;
 - publishing prices and notices to investors;
 - fees charged by the auditor for regular auditing of the fund;
 - costs incurred for extraordinary actions undertaken in the interests of the investors.
5. The subfunds shall also bear all incidental costs for the purchase and sale of investments (standard brokerage fees, commissions, taxes etc.) incurred in the management of the subfunds' assets. These costs will be offset directly against the stated acquisition or saleable value of the respective investments.
6. If the fund management company acquires units of other collective investment schemes that are managed directly or indirectly by the fund management company itself or a company with which it is related by virtue of common management or control or by way of a direct or indirect stake of more than 10% of the capital or votes ("related target funds"), only a reduced management fee of 0.25% may be charged to the assets of the subfunds in respect of such investments. Moreover, the fund management company may not charge to the subfunds any issuing or redemption commissions of the related target funds.

If the fund management company invests in units of a related target fund pursuant to the above paragraph which has a lower actual (flat-rate) management fee than the actual management fee pursuant to prov. 1, the fund management company may - instead of charging the aforementioned reduced management fee on the assets invested in this related target fund - charge the difference between the actual management fee of the investing subfund and the actual (flat-rate) management fee of the related target fund.

7. Fees may be charged only to the subfund for which the specific service is performed. Costs that cannot be unequivocally allocated to a subfund shall be charged to the individual subfunds on a pro rata basis in relation to their share of the fund's assets.

6 Financial Statements and Audits

§ 20 Financial statements

1. The accounting currencies of the individual subfunds are as follows:
 - SWISS FRANC FIXED INCOME: Swiss Franc
 - EURO FIXED INCOME: Euro
 - USD FIXED INCOME: United States Dollar
 - NATURAL RESOURCES EQUITY: United States Dollar
 - MONEY MARKET FUND USD: United States Dollar
2. The financial year shall run from November 1st to October 31st.
3. The fund management company shall publish an audited annual report for the umbrella fund and subfunds respectively within four months of the end of the financial year.
4. The fund management company shall publish a semi-annual report for the umbrella fund and subfunds respectively within two months following the end of the financial year.
5. The investor's right to obtain information under § 5 prov. 4 is reserved.

§ 21 Audits

The auditors shall each year examine whether the fund management company and the custodian bank have acted in compliance with the provisions of the fund contract, the CISA and the code of conduct of the Swiss Funds Association SFA. The annual report shall contain a short report by the auditors on the published annual financial statements.

7 Appropriation of Net Income

§ 22

1. Income on the subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD is distributed no later than four months following each semester (semiannual distribution as of April 30th and October 31st every year).

The fund management company may make additional interim distributions from the income.

Up to 50% of the net income of the subfunds SWISS FRANC FIXED INCOME, EURO FIXED INCOME, USD FIXED INCOME, NATURAL RESOURCES EQUITY and MONEY MARKET FUND USD may be carried forward to the new account. If the net income in a financial year including income carried forward from previous financial years is less than 5% of the net assets of a subfund, a distribution may be waived and the entire net income may be carried forward to the new account of the subfund concerned.

2. Capital gains realized on the sale of assets and rights can be distributed by the fund management company or retained for the purpose of reinvestment.

8 Publication of official notices by the umbrella fund and subfunds

§ 23

1. The media of publication of the umbrella fund and subfunds are deemed to be the print media or electronic media specified in the prospectus. Notification of any change in a medium of publication shall be published in the media of publication.
2. The following information shall in particular be published in the media of publication: summaries of material amendments to the fund contract, indicating the offices from which the amended wording may be obtained free of charge, any change of fund management company and/or custodian bank, the creation, dissolution or merger of unit classes, as well as the liquidation of individual subfunds. 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 shall for each subfund publish both the issue and the redemption prices or the net asset value together with a footnote "excluding commissions" for all unit classes in the media listed in the prospectus. The prices shall be published at least twice per month. The weeks and weekdays on which publications are made shall be specified in the prospectus.
4. The prospectus including the fund contract, the simplified prospectus, and also the annual and semi-annual reports may be obtained free of charge from the fund management company, the custodian bank and all distributors.

9 Restructuring and dissolution

§ 24 Mergers

1. Subject to the consent of the custodian bank, the fund management company can merge individual subfunds with other subfunds or other investment funds by transferring – as of the time of the merger - the assets and liabilities of the subfund(s) or fund(s) being acquired to the acquiring subfund or fund. The investors of the subfund(s) or fund(s) being acquired shall receive the corresponding number of units in the acquiring subfund or fund. The subfund(s) or fund(s) being acquired is/are terminated without liquidation when the merger takes place, and the fund contract of the acquiring subfund or fund shall also apply for the subfund(s) or fund(s) being acquired.
2. Subfunds and 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 are basically identical in terms of the following provisions:
 - the investment policy, risk diversification, as well as the risks associated with the investment;
 - the appropriation of net income and capital gains;
 - the type, amount and calculation of all fees, the issue and redemption commission together with the incidental costs for the purchase and sale of the investments (brokerage fees, charges, duties) that may be charged to the assets of the funds or subfunds or to the investors;
 - the redemption conditions;
 - the duration of the contract and the conditions of dissolution;
 - d) the valuation of the fund and/or subfunds assets, the calculation of the exchange ratio and the transfer of the assets and liabilities of the funds or subfunds must take place on the same day;
 - e) no costs shall arise as a result for either the funds or subfunds or the investors.

3. If the merger is likely to take more than one day, the supervisory authority may approve limited deferment of repayment in respect of the units of the funds or subfunds involved.
4. The fund management company must submit the proposed merger together with the merger schedule to the supervisory authority for review at least one month before the planned publication of the intended changes to the fund contract. The merger schedule must contain information on the reasons for the merger, the investment policies of the of the funds or subfunds involved and any differences between the acquiring fund or subfund and the fund(s) or subfund(s) being acquired, the calculation of the exchange ratio, any differences with regard to fees and any tax implications for the funds or subfunds, as well as a statement from the statutory auditors.
5. The fund management company must publish a notice of the proposed changes to the fund contract pursuant to § 23 prov. 2 and the proposed merger and its timing together with the merger schedule at least two months before the planned date of merger in the media of publication of the funds or subfunds in question. In this notice, the fund management company must inform the investors that they may lodge objections against the proposed changes to the fund contract with the supervisory authority within 30 days from the final publication or request redemption of their units.
6. The auditors must check directly that the merger is being carried out correctly, and shall submit a report containing their comments in this regard to the fund management company and the supervisory authority.
7. The fund management company shall inform the supervisory authority of the conclusion of the merger and shall publish notification of the completion of the merger, the confirmation from the auditors regarding the proper execution of the merger and the exchange ratio without delay in the media of publication of the funds or subfunds involved.
8. The fund management company must make reference to the merger in the next annual report of the acquiring fund or subfund 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) or subfund(s) being acquired.

§ 25 Duration of the subfunds and dissolution

1. The subfunds have been established for an indefinite period.
2. The fund management company or the custodian bank may dissolve individual subfunds by terminating the fund contract subject to a one-month period of notice.
3. Individual subfunds 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, the subfund does not have net assets of at least 5 million Swiss francs (or the equivalent).
4. The fund management company shall inform the supervisory authority of the dissolution immediately and shall publish notification in the media of publication.
5. Once the fund contract has been terminated, the fund management company may liquidate the subfund concerned forthwith. If the supervisory authority has ordered the dissolution of a subfund, it must be liquidated forthwith. 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 installments. Prior to the final payment, the fund management company must obtain authorization from the supervisory authority.

10 Changes to the fund contract

§ 26

If changes are made to the present fund contract, or if a change of the fund management company or of the custodian bank is planned, the investors may lodge objections with the supervisory authority within 30 days after the last corresponding publication. In the event of a change to the fund contract the investors can also demand the redemption of their units in cash subject to the contractual period of notice. Exceptions in this regard are cases pursuant to § 23 prov. 2 that have been exempted from the duty to publish with the approval of the supervisory authority.

11 Applicable law and place of jurisdiction

§ 27

1. The umbrella fund and the individual subfunds are 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 the Ordinance of the Swiss Financial Market Supervisory Authority FINMA on Collective Investment Schemes of 21 December 2006.

The place of jurisdiction is the court at the fund management company's registered office.

2. The French version is binding for the interpretation of the present fund contract.
3. The present fund contract shall take effect on July 9th, 2010.
4. The present fund contract replaces the fund contract dated June 29th, 2009.

The fund management company:
SIF Swiss Investment Funds SA

The custodian bank:
Royal Bank of Canada (Suisse) SA