

Jolimont Value Fund

Jolimont Value Fund (Euro)

An investment fund
under Swiss law
(belonging to the category "Other funds")

Prospectus
and Fund Regulations
January 2006

No action has been taken to offer or sell units of this fund to natural persons or legal entities domiciled in the United States. Under US law, persons or entities domiciled in the US are not allowed to buy or hold JOLIMONT VALUE FUND units. SIF Swiss Investment Funds SA, in its capacity as Fund Administrator, reserves the right to buy back all units, which may be held in contravention of this legislation at their current market price.

Furthermore, the Fund Administrator of JOLIMONT VALUE FUND has not applied for approval to distribute units of the Fund in any country other than Switzerland.

Fund Administrator:
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Custodian Bank:
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Fund Management:
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This Prospectus, which includes the Fund Regulations, and the Fund's most recent annual report (or semi-annual report if published after the most recent annual report) shall form the basis for all fund unit subscriptions.

Only information contained in the Prospectus and Fund Regulations and the documents mentioned in the Prospectus shall be deemed valid. The original French version shall take precedence in all cases.

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PART I PROSPECTUS

1. About the Fund

This Prospectus, which includes the Fund Regulations, and the Fund's most recent annual report (or semi-annual report if published after the most recent annual report) shall form the basis for all fund unit subscriptions.

Only information contained in the Prospectus and Fund Regulations and the documents mentioned in the Prospectus shall be deemed valid.

1.1. General information on the Fund

JOLIMONT VALUE FUND hereinafter referred to as "the Fund", is an investment fund with multiple compartments (umbrella fund) under Swiss law belonging to the category "Other funds" in the sense of the Swiss Federal Investment Funds Act of 18 March 1994. This Prospectus, which includes the Fund Regulations, is published by SIF Swiss Investment Funds SA in its capacity as Fund Administrator and EFG Bank, in its capacity as Custodian Bank. It was approved by the Swiss Federal Banking Commission on January 24th, 2005.

JOLIMONT VALUE FUND has the following compartments, which exist as autonomous entities:

- JOLIMONT VALUE FUND (EURO)

The Fund is based on a collective investment contract. Under the terms of this contract, the Fund Administrator undertakes to allow investors a participation in the Fund commensurate with the number of units purchased and to manage the Fund's investments within the scope of the applicable law and the Fund Regulations. The Custodian Bank is party to the contract in accordance with the responsibilities conferred upon it by the law and the Fund Regulations.

In accordance with the Fund Regulations, the Fund Administrator reserves the right to create new compartments or to discontinue existing compartments at any time.

Each compartment issues only one class of units.

1.2. Fund objectives and investment policy

The objectives and investment policies of the Fund's compartments are as follows:

For the compartment JOLIMONT VALUE FUND (EURO)

The compartment seeks long-term growth of capital and income from investments in marketable stocks and bonds. The Investment Advisor employs the specific technique called "Value-based investment" for evaluating the intrinsic value of the companies before deciding which are the most attractive. This method aims to identify the companies whose stock exchange price is noticeably lower than their intrinsic or core value. The companies are selected on the basis of their value and not according to sector. The approach consists of identifying undervalued companies by analyzing their core value on the basis of their long-term growth prospects.

The compartment invests, without restrictions in countries or economic sectors, in listed or traded securities on a stock exchange or any other regulated market open to the public, and also by taking into account a strong risk diversification.

[At least 51% of the compartment's total assets will be invested in EUR-denominated securities. Other freely convertible currencies may also be included in its investment universe. When investments are made in a currency other than the compartment's reference currency, a systematic hedge transaction is applied to cover the currency risk.](#)

This compartment invests:

- a minimum of 30% of the compartment's total assets in securities and the rights attached to securities (shares, bonus shares, partnership shares, participation and related certificates);
- a minimum of 10% of the compartment's total assets in bonds, convertible bonds, notes, option bonds, other debt securities, and "high yield bonds";
- [a maximum of 35% of the compartment's total assets in money market instruments in Euro denominated currency or in other freely convertible currencies.](#)

For the purpose of diversification, the Fund Administrator reserves the right to invest

- up to a maximum of 20% of the total assets in precious metals;
- up to maximum 20% of the total assets in funds (collective investment undertakings), which invest their assets according to the compartment investment objective and policy.

The Fund Administrator may not trade "short sale" transactions.

The Fund Administrator may invest up to maximum 20% of the total compartment's assets (derivative instruments included) in securities from a same issuer. Assets in securities invested in the same issuers and representing more than 10% of the compartment's assets may not exceed 60% of the total assets of the compartment. The above limit of maximum of 20% in securities from a same issuer may rise up to 35% when the securities are issued or guaranteed by a national government or a government body of any OECD member state or by any international public entity, which includes Switzerland or any European Union member state among its members.

The above maximum limit of 20% in securities from a same issuer may rise up to 100% when the securities are issued or guaranteed by a national government or a government body of any OECD member state or by any international public entity, which includes Switzerland or any European Union member state among its members. In this case, the compartment has to be invested in six different securities (issuers) at least. These securities are comprised in the calculus of the 60% limit mentioned above.

The following are permitted as issuers or guarantors: OECD member states.

The Fund Administrator may use standard or non-standard financial derivative instruments to assist in the implementation of its investment policy. It may carry out transactions via stock exchanges, other regulated markets which are open to the public or directly with banks or financial institutions, which act as specialized counter parties in such business (over-the-counter trading).

The use of such instruments must not involve any leverage effect on the Fund's assets, even under exceptional market circumstances, and short selling is strictly forbidden.

Detailed information on the investment objectives, policy, limits, techniques and authorized instruments (in particular financial derivative instruments and the scope of their use) of the Fund are contained in the Fund Regulations (see Part II §§ 7-15).

1.3. Useful tax details regarding the Fund

Investment funds have no legal personality in Switzerland. They are subject to neither corporate income tax nor capital gains tax.

Income and capital gains realized abroad may be subject to the relevant withholding tax deductions imposed by the country of investment. These taxes will, as far as possible, be reclaimed by the Fund Administrator on behalf of investors resident in Switzerland under the terms of double taxation treaties or other such agreements.

Distributions of income made by the fund to investors domiciled in Switzerland are subject to Swiss federal withholding tax (source tax) at 35%. Capital gains are not subject to withholding tax provided they are paid on a separate coupon.

Investors domiciled in Switzerland may reclaim Swiss withholding tax by stating in their tax declarations or by submitting a separate application for a refund.

Distributions of income to investors domiciled outside Switzerland are made free of Swiss withholding tax subject to presentation of a bank declaration (affidavit) stating that the units in question are held at the bank in the safekeeping account of an investor domiciled outside Switzerland, and that the distributions are credited the account of the said investor.

If withholding tax is charged to an investor resident outside Switzerland due to the failure to present a bank declaration, he or she may submit a claim for reimbursement under Swiss law directly to the Swiss Federal Tax Administration in Berne.

The tax details discussed above are based on the common legal practice at the time of writing. The applicable legislation, jurisprudence and policies of tax authorities may change at any time. Direct taxes and all other fiscal implications resulting from the purchase, ownership or sale of investment fund units are determined by the tax legislation in force in the investor's country of domicile.

2. Fund Administrator

2.1. General information on the Fund Administrator

The Fund Administrator is SIF Swiss Investment Funds SA, Geneva. The Fund Administrator has been administering investment funds since it was formed as a joint stock company in 1997 with its head office in Geneva.

The Fund Administrator's share capital was CHF 2,500,000 on 31 December 2003. This capital is fully paid-up and divided into registered shares. The Fund Administrator does not hold any participation (permanent holdings).

The company currently manages seven Swiss mutual funds amounting to CHF 637 million as at 31 December 2003.

The Board of Directors is composed as follows:

- Mr. Jean-Marc REBOH, Senior Vice President, SIF Swiss Investment Funds SA, Chairman;
- Mr. Ian COOKSON, Senior Vice President, EFG Bank European Financial Group, Geneva, Vice President;
- Mr. Jacob ZGRAGGEN, Attorney-at-Law, Secretary of the board.

The management team is headed by Christian RIZZI, Executive Director.

2.2. Delegation of investment responsibilities

In order to ensure that the Fund's assets are managed appropriately, investment decisions are delegated to **KRAEMER, SCHWAB & CO. AG, Zug**.

The precised duties involved are set out in an asset management agreement signed between SIF Swiss Investment Funds SA, Geneva and KRAEMER, SCHWAB & CO. AG, Zug on August 26th, 2004.

KRAEMER, SCHWAB & CO. AG, Zug is an independent asset management and investment advisory company, specialized in wealth management for a Swiss and international clientele. All partners have completed higher education in the field of Finance.

Their services are focused on asset management and portfolio supervisory.

KRAEMER, SCHWAB & CO. AG is specialised in asset management and offers services mainly in:

- discretionary portfolio asset management;
- portfolio supervisory;
- investment counselling.

The primary aim is to achieve an above-average capital appreciation through investments in the capital markets in a diversified portfolio for our clients. Together with our clients, the company individually tailor portfolios to meet their needs and objectives, taking into consideration aspects such as their risk profile and tax planning requirements.

There is no intercompany participation between the Fund administrator and Kraemer, Schwab & CO. AG, Zug.

3. About the Custodian Bank

The function of custody bank is performed by **EFG Bank**, whose main activity in Geneva is the management of assets on behalf of private customers. The custody bank is a member of EFG Group, Geneva.

EFG Bank has been in business since 4 January 1995, and has developed and extended its activities through offices in Miami in 1996, in Asia and South America in 2000, and in Scandinavia in 2001.

EFG Bank, whose tax year ends on 31 December each year, had an equity capital amounting to CHF 207.9 million, and a shareholders' equity amounting to CHF 56.4 million as at December 31st, 2003.

EFG Bank offers services mainly in:

- discretionary portfolio asset management
- investment counselling
- mutual funds
- brokerage activities and custody bank for Swiss funds with special risk.

4. Third-party information

4.1. Paying agent

EFG Bank, Bahnhofstrasse 16, 8001 Zurich with a branch in Geneva, is the designated paying agent.

4.2. Distributors

The following institutions are in charge of distributing the Fund:

- EFG Bank, Zurich
- SIF Swiss Investment Funds SA, Geneva

The Fund Administrator may entrust the distribution of the Fund to other distributors as authorised by Art. 22 of the Swiss Federal Investment Fund Act (LFP).

4.3. Auditor

The Fund is audited by PricewaterhouseCoopers SA, Geneva.

5. Additional information

5.1 Useful notes

Securities number:
2053958 (ISIN CH0020539588) JOLIMONT VALUE FUND (EURO)

Publication of net asset value per unit:

The net asset value (to which an issuing commission is added on subscription) is communicated to Le Temps, Neue Zürcher Zeitung, Telekurs, Reuters and Bloomberg subscribers. The Fund Regulations permit the Fund Administrator to publish the net asset values in any other newspaper or other medium – or to discontinue its publication in any of the newspapers mentioned above – at its own discretion. An up-to-date list of all the relevant publications is included in the Fund's annual report. In addition, the Fund Administrator may supply information to investors on request.

Accounting year :
January 1st to December 31st

Currency of account:
– JOLIMONT VALUE FUND (EURO), EUR

Units :
Bearer securities
Certificates are not issued for fractions of units.

Unit certificates :
1 certificate representing one or more units.
Unit certificates of Euro 100.- for the compartments JOLIMONT VALUE FUND (EURO).

Income distribution:
Income is distributed no later than four months after the close of the accounting year.

5.2. Issuing and redemption conditions

The issuing price or the redeeming price of a unit corresponds to the net asset value, will be calculated every bank working day in Geneva (Monday to Friday). Units shall not be issued or redeemed on Swiss or Geneva public holidays, i.e. Good Friday, Easter Monday, Whit Monday, Christmas Day, New Year's Day, Swiss National Holiday, etc., or on days when the stock exchanges of the main countries in which the Fund invests are closed, or in the event of exceptional circumstances as described in article 17, para 4 of the Regulations.

The issuing price of a unit corresponds to the net asset value, plus subscription commission, calculated on the calculation date. The issuing commission amount can be found under point 5.3 below.

Units are issued as bearer securities. Investors may request the custody bank to issue registered certificates. For any registered certificate issued, the bank is entitled to charge fees.

Before redeeming any registered certificate issued, each certificate has to be returned to the custody bank.

The redemption price of a unit corresponds to the net asset value, calculated on the calculation date. There is no redemption commission calculated.

Ancillary costs incurred by the Fund in connection with the purchase of investments when investors buy units or the sale of investments when investors sell units (the usual brokerage fees, commissions, taxes etc.) are charged to the Fund's assets.

Cut-off time for orders:
In order to be taken into consideration, orders must be received by the Custodian Bank no later than 12h00 (AM) on the day preceding the net asset value calculation (every bank working day in Geneva, Monday to Friday). Orders received after this cut-off will be automatically executed when the next calculation takes place.

The value of the compartment JOLIMONT VALUE FUND (EURO) is rounded up and down to the nearest 1 cent.

Issuing :
The Fund units are issued on a daily basis – every bank day in Geneva (Monday to Friday) providing this day is a bank working day in Geneva.

If a public holiday falls on this day, the issue day will be the following bank working day.

Payment of the issue price :
The value date for payment of the issue price is three days after the issue price is calculated, not including the calculation date itself.

Restrictions :
Within the scope of their normal sales activities, the Fund Administrator and the Custodian Bank may reject subscription orders and also block or limit the direct/indirect sale or transfer of fund units to natural persons/legal entities in certain countries or territories.

The Fund Administrator may decide at any time to impose a temporary or permanent suspension on the issuing of units.

Redemption :
All redemption orders must be accompanied by any certificates, which were issued for the units in question and instructions for payment of the proceeds. This product consists of the net asset value of the units redeemed. Redemption orders must reach the Custodian Bank by 12h00 (AM) at the latest on the bank working day preceding the net asset value calculation (every bank working day in Geneva from Monday to Friday). In any case, the proceeds will not be paid until the Custodian Bank receives the units in question. Additional fees may apply for units redeemed via intermediaries, which are domiciled outside Switzerland.

Payment of the redemption price :
The value date for payment of the redemption price is three days after the redemption price is calculated, not including the calculation date itself.

Suspension of net asset value calculation, issuing and redemption:
Under extraordinary circumstances as defined in the Fund Regulations, the Fund Administrator may provisionally suspend the calculation of the Fund's net asset value as well as the issuing and redemption of units.

5.3. Commissions and fees

For the compartment JOLIMONT VALUE FUND (EURO)

Commissions and fees charged to the investor (cf. Art. 18 of the Fund Regulations)

Subscription commission paid to the Fund Administrator, Custodian Bank and/or distributors in Switzerland and abroad

maximum 2.00%

There is no redemption fee charged.

For any registered certificate issued and physical delivery of units, the custody bank is entitled to charge CHF 250.- per certificate.

The rates applied are published in the Fund's annual and semi-annual reports.

Commissions and fees charged to the Fund (cf. Art. 19 of the Fund Regulations)

Management fee paid to the Fund Administrator for the management, administration and marketing of the Fund, calculated annually

maximum 1.20%

The Fund Administrator is entitled to charge a **yearly** performance fee of 10%, calculated on the net profits realized at the end of the **year** and above the "LIBOR 3 months" plus 300 basis points. The calculation is based on the net asset value of the assets at the end of the **year**, in accordance with the high-watermark principle. This principle aims to ensure that investors in the Fund pay a performance fee only on the new profits, after the complete recovery of any previous losses.

Custodian Bank fee charged by the custodian bank

maximum 0.30%

The additional commissions and fees listed in Art. 19 of the Fund Regulations may also be charged to the Fund.

The rates applied are published in the Fund's annual and semi-annual reports.

5.4. Official Fund publications

More information on the Fund can be found in the most recent annual or semi-annual report.

This Prospectus, which includes the Fund Regulations, and the Fund's most recent annual or semi-annual report, are available free of charge from the Fund Administrator, the Custodian Bank and all the Fund's distributors.

All information on the Fund (e.g. changes to the Fund Regulations, advance notice of changes to the Fund Administrator or Custodian Bank or liquidation of the Fund) is published in the Fund's official publications, namely *La Feuille officielle suisse du commerce* and *Le Temps*.

The Fund Administrator publishes the price of the units on a daily basis in *Le Temps* and *Neue Zuercher Zeitung*.

5.5. Sales restrictions

Investors are reminded that the Fund Administrator has not applied for approval to sell the Fund in any country other than Switzerland. Non-Swiss investors are responsible for their own compliance with the legal and fiscal provisions in force in their country of domicile.

In accordance with US legislation, units of the Fund may not be offered, sold or delivered in the US. US legislation places highly restrictive conditions on the offering, sale and ownership of investment fund units, and the fund JOLIMONT VALUE FUND does not meet these conditions. The Fund Administrator therefore reserves the right to buy back all units, which may be held by US persons at their current market price.

5.6. Detailed information on the Fund

All other information regarding the Fund (e.g. valuation of its assets, the various fees charged to the Fund and how its income is used) is specified in detail in the Fund Regulations.

PART II FUND REGULATIONS

1. Fundamentals: JOLIMONT VALUE FUND; SIF Swiss Investment Funds SA, Geneva as Fund Administrator and EFG Bank, Zurich, as Custodian Bank.

Article 1

1. JOLIMONT VALUE FUND (hereinafter referred to as the Fund) is an investment fund with multiple compartments (umbrella fund) belonging to the category "Other funds" in the sense of Art. 2 and Art. 35 of the Swiss Federal Investment Fund Act (LFP) of 18 March 1994.

The Fund is divided into the following compartment:

JOLIMONT VALUE FUND (EURO)

2. The Fund Administrator is SIF Swiss Investment Funds SA, Geneva.
3. The Custodian Bank is EFG Bank, Zurich.

2. Rights and obligations of contracting parties

2.1. Collective investment contract

Article 2

The legal relationship between investors on the one hand and the Fund Administrator and Custodian Bank on the other is governed by these Fund Regulations as well as the applicable legal provisions, in particular those concerning collective investment contracts in the sense of Art. 6ff of the LFP.

2.2. Fund Administrator

Article 3

1. The Fund Administrator administers the Fund for the account of the investors, independently and in its own name. It has the power of decision in particular over the issuance of units, the Fund's investments and the liquidity position. It calculates the net asset value, sets the issue and redemption prices of units and determines how the Fund's income is distributed. The Fund Administrator exercises all the rights pertaining to the Fund.
2. The Fund Administrator and its contracting partners act exclusively in the interests of the investors.
3. The Fund Administrator may delegate investment decisions or other tasks in order to ensure that the Fund's assets are managed appropriately. It is responsible for the actions of its contracting partners as for its own actions.
4. The Fund Administrator may, by agreement with the Custodian Bank, apply for approval from the regulatory authority to change these Fund Regulations.
5. The Fund Administrator may create new compartments or close existing compartments, and may also merge the Fund with other investment funds under the terms of Art. 24 or liquidate it under the terms of Art. 25.
6. The Fund Administrator shall be entitled to receive the fees stipulated in Articles 18 and 19 of the Regulations. It shall further be entitled to be released from the liabilities assumed in the proper performance of the pooled investment agreement, and to receive refunds for expenses incurred in connection with such liabilities.

2.3. Custodian Bank

Article 4

1. The Custodian Bank is responsible for the custody of the Fund's assets.
2. The Custodian Bank and its contracting partners act exclusively in the interests of the investors.
3. The Custodian Bank may mandate third parties in Switzerland or abroad to take custody of the Fund's assets. If it does so, it does not relinquish any responsibility for this custody.
4. The Custodian Bank is responsible for ensuring that the Fund Administrator respects the law and the Fund Regulations, in particular as regards investment decisions, the calculation of net asset value per unit and the use of the Fund's income. The Custodian Bank bears no responsibility for the Fund Administrator's choice of investments insofar as these investments comply with the relevant rules.

5. The Custodian Bank issues and redeems units of the Fund and provides payment services for the account of the Fund.
6. The Custodian Bank also has the right to charge the fees specified in Art. 18 and Art. 19 of these Fund Regulations, to be released from commitments made under the collective investment contract and to be reimbursed for any additional costs incurred in making such commitments. The investors have no personal liability in connection with the Fund; all liabilities are charged to the Fund itself.

2.4. Investors

Article 5

1. By investing in the Fund, investors become creditors of the Fund Administrator to the value of their participations in the Fund's assets and income. These participations are determined by the number of units purchased.
2. The investors' commitment is entirely restricted to payment of the counter-value of the fund units subscribed. They have no personal liability whatsoever in connection with the Fund's investments.
3. Investors may terminate the collective investment contract at any time and demand cash payment of the value of their investment. Any certificates, which may have been issued, must be returned together with the said demand.
4. Investors may at any time ask the Fund Administrator to provide any information they require on the method by which issue and redemption prices per unit are calculated. If an investor is able at any time to demonstrate a justifiable need for more detailed information on the operations carried out in previous accounting periods, the Fund Administration shall provide the required information.

2.5. Units and unit classes

Article 6

1. The Fund only has one class of units per compartment.
2. The Fund Administrator may create new unit classes or compartment at any time. The Fund Regulations must be changed if any new unit classes are created.
3. Units exist in principle as accounting entries; no physical securities are issued. Investors may request a bearer certificate at their own expense. However, investors are not entitled to request certificates for fractions of units.

3. Investment policy guidelines

3.1. Investment principles

Article 7

1. The Fund Administrator observes the principle of risk diversification when selecting investments, while also respecting the percentage limits specified below. These limits, which apply to the estimated total market value of the Fund's assets, must be respected at any time. Any newly created segments must comply with the stated investment limits six months after the payment date of its first offering.
2. In cases where fluctuations in the markets or the Fund's assets cause the Fund's investments to exceed or fall below these limits, investment volumes must be adjusted to bring them back into line with the limits within a reasonable amount of time, taking the investors' interests into account.

3.2. Investment objective and policy

Article 8

For the compartment JOLIMONT VALUE FUND (EURO)

1. The Fund Administrator invests the Fund's assets in large-volume securities and non-securitized rights traded on a stock exchange or any other regulated market, which is open to the public.
2. The compartment seeks long-term growth of capital and income from investments in marketable stocks and bonds. The Investment Advisor employs the specific technique called "Value-based investment" for evaluating the intrinsic value of the companies before deciding which are the most attractive. This method aims to identify the companies whose stock exchange price is noticeably lower than their intrinsic or core value. The companies are selected on the basis of their value and not according to sector. The approach consists of identifying under-valued companies by analyzing their core value on the basis of their long-term growth prospects.
3. The compartment invests, without restrictions in countries or economic sectors, in listed or traded securities on a stock exchange or any other regulated market open to the public, and also by taking into account a strong risk diversification. **At least 51% of the compartment's total assets will be invested in EUR-denominated securities. Other freely convertible currencies may also be included in its investment universe. When investments are made in a currency other than the compartment's reference currency, a systematic hedge transaction is applied to cover the currency risk.**

This compartment invests in

- a minimum of 30% of the compartment's total assets in securities and the rights attached to securities (shares, bonus shares, partnership shares, participation and related certificates);
- a minimum of 10% of the compartment's total assets in bonds, convertible bonds, notes, option bonds, other debt securities, and "high yield bonds";
- a maximum of 35% of the compartment's total assets in money market instruments in Euro denominated currency or in other freely convertible currencies.

For the purpose of diversification, the Fund Administrator reserves the right to invest

- up to a maximum of 20% of the total assets in precious metals;
- up to maximum 20% of the total assets in funds (collective investment undertakings), which invest their assets according to the compartment investment objective and policy.

4. The Fund Administrator may not trade "short sale" transactions.
5. Administrator may invest a maximum of 10% of the Fund's total assets in other securities or rights, which do not meet the conditions mentioned in para. 3 above or in debt rights which do not represent money-market instruments, but which have similar characteristics to securities in that they are transferable and their value can be determined in connection with the issue or redemption of fund units.
6. The Fund invests in newly issued securities, admission of the said securities to a stock exchange or other regulated market which is open to the public must be a condition of their issue and must occur within 12 months of the issue date, otherwise the securities must either be sold within one month or brought into line with the limits specified in para. 5 above.
7. The Fund Administrator Company may invest in units of other securities funds it manages or which an associated company, provided the fund regulations of the latter funds, manages permitted funds to be concentrated in a certain geographic or economic area.

No costs or commissions pursuant to article 19 of the present regulations may be charged to the fund assets in this cases. Furthermore, any fund in which such investments are made may not charge any issue or redemption commissions, unless these accrue to the fund assets.

3.3. Liquidity

Article 9

For the compartment JOLIMONT VALUE FUND (EURO)

The Fund Administrator may hold adequate liquidity in the Fund's currency of account or any other permitted investment currency. Liquidity is understood in this context to mean bank deposits and monies relating to securities repo/reverse repo transactions (sight and term) with terms to maturity of no more than 12 months.

3.4. Investment techniques and instruments

Article 10

Securities lending

For the compartment JOLIMONT VALUE FUND (EURO)

1. The Fund Administrator may lend to third parties all types of securities, which are listed on a stock exchange or traded regularly on any other regulated market, which is open to the public. However, the securities underlying all types of derivative financial instruments or reverse repo transactions may not be lent.
2. The Fund Administrator may lend securities to a borrower ("principal") or mandate an intermediary to make securities available to such a borrower, either in a fiduciary capacity as an indirect representative ("agent") or as a direct representative ("finder").
3. The Fund Administrator must only lend securities to first-class borrowers or intermediaries specialized in this type of transaction, such as banks, brokers and insurance companies, or to recognized securities clearing organizations, which guarantee perfect execution of securities lending transactions.
4. If the Fund Administrator has to give notice (maximum 10 bank working days) before retaking legal possession of the lent securities, it may not lend more than 50% of the Fund's holdings in each of the categories of securities permitted for lending and the duration of the loan must not exceed 30 calendar days. If the borrower or intermediary contractually guarantees that the Fund Administrator will be able to retake legal possession of the lent securities on the same bank working day or the next bank working day, the Fund's holdings in each of the categories of securities permitted for lending may be lent in their entirety. In such cases, there is no limit on the duration of the loan.
5. The Fund Administrator agrees with the borrower or intermediary in each case that the latter shall pledge or transfer in its favour collateral of the same type, quality and quantity in order to guarantee the repayment of the loan. The value of the collateral pledged or transferred must equal at least 105% of the market value of the lent securities at any time. Furthermore, the borrower or intermediary is responsible for the punctual payment of income due on the lent securities during the loan period and for exercising any other rights pertaining to the said securities.
6. The Custodian Bank undertakes to ensure that securities lending transactions are conducted properly and reliably and in accordance with contractual terms and in particular that the collateral requirements are met. During the loan period, the Custodian Bank carries out all the administrative tasks stipulated in the custody regulations and exercises all the rights pertaining to the lent securities.

Article 11

Repo/reverse repo transactions involving securities

For the compartment JOLIMONT VALUE FUND (EURO):

The Fund Administrator does not engage in securities repurchase agreements

Article 12

Financial derivative instruments

For the compartment JOLIMONT VALUE FUND (EURO)

1. The Fund Administrator may use derivatives within the usual limits for responsible management of the Fund's assets and to hedge exchange-rate risks. It undertakes to ensure that the economic effects of using derivatives do not cause the Fund's investment characteristics to deviate from those specified in the Prospectus and Fund Regulations, even under extraordinary market circumstances.

2. The economic effect of using derivatives corresponds either to a sale (derivatives positions which reduce holdings) or to a purchase (derivatives positions which increase holdings) of the underlying.

If the use of a derivative instrument corresponds to the sale of the underlying, the contractual obligations entered into must be covered at all times by the said underlying in the Fund's inventory, subject to the conditions specified in point 8. The Fund Administrator must have unrestricted access to the underlying at all times. The underlying may not be used for securities lending or repo transactions.

If the use of a derivative instrument corresponds to a purchase of the underlying, both the said underlying (a permitted investment instrument in the sense of Art. 8) and the contractual obligations entered into must be hedged at all times by liquidity-like reserves, subject to the conditions specified in point 8 below. The sum of all derivatives positions must never exceed 49% of the Fund's total assets.

3. The investment restrictions with regard to risk diversification as specified below in Art. 15 must also be observed in connection with the use of derivatives. Overall, the use of derivatives must not exert any leverage effect on the Fund's assets or correspond to short selling.
4. The Fund Administrator may use standardized and non-standardized (customized) derivative instruments. It can conduct transactions in derivative instruments on a stock exchange or another regulated market open to the public or in OTC (over-the-counter) trading.
5. The Fund Administrator may conduct OTC transactions only with banks and financial institutions, which specialize in these transactions and can ensure proper execution of the transactions. If the counter part is not the custodian bank, the said counterpart must have the minimum credit ratings required by the supervisory authority.
6. If no market prices are available for an OTC-traded derivative financial instruments, there must be a transparent means of determining the price at the time of the purchase and sale and on each valuation day, and the price must be verifiable using recognized and appropriate valuation models on the basis of the market value of the underlying securities. Moreover, before concluding such transactions, the Fund Administrator must obtain specific offers from at least two potential counterparts and must accept the most favourable offer, taking into account the credit rating, risk distribution and the range of services offered. The

conclusion of the transaction and the setting of the price are to be documented.

7. The Fund Administrator company may in particular use basic forms of derivatives such as call options, put options, forward transactions (futures), swaps, forward exchange transactions and forward rate agreements. In addition to these transactions, it may also use "exotic" derivatives, i.e. combinations of basic derivatives and derivative financial instruments whose effect cannot be equated with one of the basic forms of derivatives, as well as structured products.
8. The Fund Administrator may use a delta weighting when covering derivative positions, which increase or reduce exposure. Furthermore, and contrary to point 2 the Fund Administrator may use interest-rate derivatives which are not fully covered by means of the underlying or by cash equivalents in order to strategically reduce or increase the duration of a bond portfolio. However, when hedging derivatives positions, which serve to increase or decrease the Fund's securities holdings, it does not weight such positions according to their delta, although law allows this.

Article 13

Borrowing and lending

For the compartment JOLIMONT VALUE FUND (EURO)

1. The Fund Administrator is not authorized to grant loans on the Fund's account.
2. The Fund Administrator may temporarily take out loans, provided the said loans account for no more than 10% of the total assets of a particular compartment.

Article 14

Pledging of fund assets

For the compartment JOLIMONT VALUE FUND (EURO)

1. The Fund Administrator may encumber the Fund's assets or pledge them as collateral only within the limits of typical asset management. Neither the Fund Administrator nor the Custodian Bank may pledge or provide as collateral more than 25% of the Fund's assets.
2. The fund's assets may not be deposited as security for bank guarantees.

3.5 Limitations to the diversification of investments

Article 15

In the context of the investment policy described above, the Fund Administrator respects the following limitations to the diversification of its investments.

1. The principle of risk diversification includes the following:
 - a) investments according article Nr. 8;
 - b) liquidity according article Nr. 9;
 - c) financial derivative instruments (including warrants);
 - d) claims on counterparties.
2. Up to 20% of the total assets of a particular compartment may be invested in securities from the same issuer. However, when more than 10% of the total assets of a particular compartment are invested in securities from a single issuer, the total value of all such investments must never exceed 60% of that compartment's total assets.

3. Up to 20% of the total assets of a particular compartment may be invested in cash or deposits from the same bank of financial institute.
4. The Fund Administrator may not invest more than 5% of the total asset of a particular compartment in financial derivatives "Over-the-counter" (OTC) to a single issuer. The limit is increased to 10% of the total asset of a particular compartment if the single issuer is a bank with headquarters in Switzerland or in any European Union member state.
5. The Fund Administrator may invest in cash, securities or debts up to 20% maximum of the total asset of the compartment from a single issuer according points 2 and 4 above. Other restrictions may be applied according points 9 and 10 below.
6. Equities representing more than 10% of an issuer's voting rights or allowing the Fund to exert a significant influence on the issuer's operations must not be purchased, unless the regulatory authority grants an exception.
7. The Fund Administrator must never purchase more than 10% of the bonds in a single issue or all of the non-voting shares of a single issuer, or maximum 25% of issued shares of other third party funds. If the total issue volume is not known, this restriction applies in respect of the indicated maximum volume.
8. Limits defined in points 6 and 7 are not applicable to securities issued or guaranteed by a national government or a government body of any OECD member state or any international public entity which includes Switzerland or any European Union member state among its members.
9. The limit of 20% mentioned in point 2 increases to 35% when the securities are issued or guaranteed by a national government or a government body of any OECD member state or by any international public entity includes Switzerland or any European Union member state among its members. Such securities are not included in the 60% limit stipulated in point 2 above. Limits in point 2 and 4 may not be cumulated the abovementioned 35% limit. The following are permitted as issuers or guarantors: OECD member states.
10. The limit of 20% mentioned in point 2 increases to 100% when the securities are issued or guaranteed by a national government or a government body of any OECD member state or by any international public entity includes Switzerland or any European Union member state among its members. In this case, the compartment has to be invested in minimum six different issuers; up to maximum 30% of the total asset of the individual compartment may be invested in securities from the same issuer. Such securities are not included in the 60% limit stipulated in point 2 above. Limits in point 2 and 4 may not be cumulated the abovementioned 35% limit. The following are permitted as issuers or guarantors: OECD member states.

The conditions concerning the various types of investment apply to each compartment.

4. Fund and unit net asset value and unit issue and redemption price data

Article 16

Valuation of the Fund's assets and units

1. The market value of the assets of the compartment JOLIMONT VALUE FUND (EURO) is determined in Euro at the end of the accounting year and on each day when units are issued or redeemed. On days on which the stock exchanges of the major countries in which the Fund is invested are closed (e.g. public holidays), the value of the Fund's assets is not calculated.

2. For investments listed or traded on a regulated market that is open to the public, the market value is equal to the market price. Other objects, rights or investments for which there is no current price available are to be valued at the likely price that would be received if they were sold with due diligence at the moment of valuation. In order to determine the market value, the Fund Administrator uses appropriate and recognized valuation models and principles.
3. The net asset value per unit is obtained by deducting the Fund's liabilities from the market value of its total assets and then dividing the remainder by the number of units in circulation.

Article 17

Issue and redemption of units

1. The Fund units are issued and redeemed every bank working day of the month and every last day of the month providing it is a bank working day. Bank working days are the days on which the banks in Geneva are open. A redemption request must be accompanied by the unit certificates if they have been physically delivered.
2. The issue or the redemption price of a unit is based on the asset value per unit calculated on the valuation day as defined under Art. 16. In the case of unit issues, an issuing commission may be added to the net asset value pursuant to Art. 18. There is no redemption fee charged to the investors.

Transaction costs (standard brokerage charges, fees, taxes etc.) incurred in connection with the investment of the amount paid in, or with the sale of a redeemed portion of investments corresponding to the unit, will be charged to the fund's assets.

3. The Fund Administrator may decide at any time to impose a temporary or permanent suspension on the issuing of units.
4. Under the following extraordinary circumstances, the Fund Administrator may provisionally defer the redemption of units if this is in the interests of all the Fund's investors:
 - a) when a market which forms the basis for valuing a significant proportion of the Fund's assets is closed, or when trading on such a market is either restricted or suspended;
 - b) during emergencies of a political, economic, military, monetary or other nature;
 - c) when, due to foreign exchange controls or restrictions imposed on the transfer of other assets, the Fund is unable to conduct certain normal operations;
 - d) in cases where mass redemptions are likely to have a substantial impact on investors' interests.
5. The Fund Administrator shall inform the auditor, the regulatory authority and the investors immediately of any decision to defer the redemption of units.
6. No units shall be issued while redemption is deferred for any of the reasons mentioned in 4a) to 4c) above.

5. Commissions and fees

Article 18

Commissions and fees charged to the investor

For the compartment JOLIMONT VALUE FUND (EURO)

1. In order to cover the costs incurred in the printing of the Prospectus, the Regulations, the unit certificates and documents intended for

investors, the Fund Administrator may charge an issuing commission of a maximum of 2%, calculated on the value of the issued units.

2. The Fund Administrator does not charge redemption commission.
3. The custodian bank will charge the investor the industry-standard commissions and fees for the delivery of unit certificates.

The actual costs are shown in the prospectus.

Article 19

Commissions and fees charged to the Fund's assets

For the compartment JOLIMONT VALUE FUND (EURO)

1. For the management of the Fund, the Fund Administrator charges a yearly maximum management fee of 1.20%. The management fee is calculated on the net asset value of the Fund's assets. The management fee is charged at the end of each quarter.
2. For the safekeeping of the fund assets, the handling of the fund payment transactions and performance of the other tasks of the custodian bank listed under article 4, the custodian bank shall charge the fund an annual commission of 0.30% maximum of the net asset value of the fund assets (custodian fee).
3. The Fund Administrator is also entitled to charge a maximum **yearly** performance fee of 10%, calculated on the net profits realized at the end of the **year** and above the reference rate indicated in the Prospectus. The calculation is based on the net asset value of the assets at the end of the **year**, in accordance with the high-watermark principle. This principle aims to ensure that investors in the Fund pay a performance fee only on the new profits, after the complete recovery of any previous losses.
4. For the distribution of annual income to the investors no fee will be charged by the custodian bank.
5. Furthermore, the Fund Administrator and the Custodian Bank shall be entitled to be reimbursed for the following costs incurred in the course of executing the collective investment contract:
 - costs for the daily publication of the prices in the press; rising from the drafting, and costs arising from the publication of information for unit holders in the Fund's official publications as well as any other daily or financial newspapers or other electronic media selected by the Fund Administrator;
 - printing annual and semi-annual reports;
 - the auditor's charges for regular audits;
 - fees charged by the regulatory authority;
 - costs arising as a result of any extraordinary measures that become necessary, including costs for legal consultation incurred by the Fund Administrator and the Custodian Bank following measures taken in the interest of the unit holders of the Fund.
6. The compartments of the fund shall also bear all transaction costs for the purchase and sale of investments (standard brokerage fees, commissions, taxes etc.) incurred in the management of the fund's assets. These costs will be charged directly on the acquisition or selling price of the respective investment.

Remuneration may only be attributed to the compartment that receives a given service. Costs that cannot be attributed to specific compartment shall be attributed to the various compartments in proportion to their share of the fund's assets.

In the annual and semi-annual reports, the Fund Administrator informs unit holders of details of the valid additional charges and commissions charged, whose maximum levels are defined in Articles 18 and 19.

6. Reporting and auditing of accounts

Article 20

Account reporting

1. The Fund's currency of account is the Euro for the compartment JOLIMONT VALUE FUND (EURO).
2. The Fund's accounting year runs from January 1st to December 31st.
3. The Fund Administrator publishes an annual report on the Fund within four months of the end of the accounting year.
4. This does not affect investors' right to information as per Art. 5, point 4.

Article 21

Auditing

1. The auditor verifies each year that the Fund Administrator and the Custodian Bank have observed the terms of these Fund Regulations and the LFP. A brief report of their findings appears in the annual report.
2. The Fund Administrator publishes a semi-annual report within two months of the end of the first half of the accounting year.

7. Use of income

Article 22

1. The net income of the fund will annually be distributed to the investors within four months after the close of the accounting period, in EURO for the compartment JOLIMONT VALUE FUND (EURO).

Up to 50% of the Fund's net income may be retained.

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

8. Official Fund publications

Article 23

1. The Fund's official publications are *La Feuille officielle suisse du commerce* and *Le Temps*. The Fund Administrator may also publish information on the Fund in any other newspaper or medium of its choice.
2. Any changes to the Fund Regulations, as well as advance notice of changes to the Fund Administrator or Custodian Bank or of the Fund's liquidation, shall be published in the Fund's official publications.
3. Whenever units of the Fund are issued or redeemed, the Fund Administrator publishes the issue/redemption price or the net asset value ("plus commission") in *Le Temps* and the newspapers mentioned in the Prospectus. These prices must be published at least twice a month.
4. The Prospectus and Fund Regulations, as well as the Fund's most recent annual and semi-annual reports, are available free of charge from the Fund Administrator, the Custodian Bank and all the Fund's distributors.

9. Merger and liquidation of investment funds

Article 24

Merger conditions and procedure

1. The Fund Administrator may, with the agreement of the Custodian Bank, merge funds by transferring the assets and commitments of one or more funds to another fund. Investors who hold units of a fund subsumed in this way are given units of the merged fund to the value of their units of the subsumed fund. When such mergers occur, the subsumed fund(s) is/are instantly wound up without liquidation, and the regulations of the merging fund apply in place of those of the subsumed fund(s).
2. Funds may only be merged under the following circumstances:
 - a) when the funds concerned are administered by the same Fund Administrator and custody of their assets is entrusted to the same Custodian Bank;
 - b) when the funds concerned have largely similar investment policies;
 - c) when the funds concerned concur in principle on the following points:
 - use of net income and capital gains arising from the sale of assets and rights;
 - nature and calculation of all payments to the Fund Administrator and the Custodian Bank, including issuing and redemption commission and any other commissions or fees;
 - official publications and form of fund publications;
 - fund duration and prior notice of termination from the Fund Administrator and Custodian Bank;
 - the investor's right to terminate.
 - d) when the valuation of the assets of all funds concerned, the calculation of the exchange ratio and the transfer of assets and liabilities take place on the same day.
3. At least one month before the intended publication of the merger, the Fund Administrator must present the merger to the regulatory authority for verification, together with a merger plan. The merger plan must contain detailed information on the motives behind the merger, the investment policy of the funds concerned and any differences between the subsumed fund and the merging fund. It must also include details of the exchange ratio calculation, any differences in terms of charges or tax implications and a statement of the auditor's position regarding the merger, the latter being required by law.
4. The Fund Administrator must publish planned changes to the Fund Regulations, notice of the merger and the planned date of the merger, together with the merger plan, on two occasions at least two months before the merger date in the usual publications of the funds concerned. The Fund Administrator must in particular draw investors' attention to their right to oppose the merger before the regulatory authority within 30 days of the final publication of the merger details or to demand a cash refund of the value of their investment in accordance with the provisions contained in the regulations of the funds concerned.
5. Mergers do not result in any charges to the funds concerned or their unit holders.
6. The auditor must immediately verify that the merger has been conducted correctly and submit a report to this effect to the Fund Administrator and the regulatory authority.
7. The Fund Administrator must publish the following without delay in the publications of the funds concerned: notice that the merger has

been completed, confirmation from the auditor that it was conducted correctly and the exchange ratio.

8. The Fund Administrator must mention the merger in the next annual report of the merged fund, as well as in the next semi-annual report if it is published before the annual report. A revised closing report must be published for the subsumed fund(s) if the merger does not take place at the same time as the close of the accounting year.

Article 25

Duration of the Fund and reasons for liquidation by the Fund Administrator and Custodian Bank

1. The duration of the Fund is unlimited.
2. Both the Fund Administrator and the Custodian Bank may call for the Fund to be liquidated by terminating the collective investment contract, provided that they give 1 month's notice. The Fund Administrator must publish notice of such liquidation in the Fund's official publications.
3. The Fund Administrator may liquidate the Fund's assets immediately once the collective investment contract has been terminated. The Custodian Bank is responsible for paying out the proceeds of the liquidation to investors. If it takes a long time to liquidate the Fund's assets, the proceeds may be paid out in instalments. The Fund Administrator must request the regulatory authority's permission before proceeding with the final redemption of the Fund's units.

10. Changes to Fund Regulations, Fund Administrator and Custodian Bank

Article 26

If any changes to these Fund Regulations, to the Fund Administrator or to the Custodian Bank are planned, investors may oppose such plans before the regulatory authority within 30 days of the final publication of such planned changes or demands a cash refund of the value of their investment.

11. Applicable law and place of jurisdiction

Article 27

1. The Fund is governed by Swiss law in particular the Swiss Federal Investment Fund Act (LFP) of 18 March 1994.
2. The place of jurisdiction is the location of the Fund Administrator's head office.
3. For the interpretation of these Fund Regulations, the original French version shall take precedence in all cases.
4. These Fund Regulations enter into force on February 1st, 2006.

The fund regulations was approved by the Swiss Federal Banking Commission on December, January 24th, 2005.

The Fund Administrator:
SIF Swiss Investment Funds SA
Geneva

The Custodian Bank:
EFG Bank
Zurich