

## VECTOR

*Société d'Investissement à Capital Variable*

Registered office: 20, boulevard Emmanuel Servais, L-2535 Luxembourg

R.C. S. Luxembourg B 88.004

(the "**Company**")

Luxembourg, 30 December 2019

### NOTICE TO THE SHAREHOLDERS OF THE COMPANY

Dear shareholder,

The board of directors of the Company (the "**Board**") would like to inform you that the following changes will be made as regards the Company:

#### **1. Change of services providers**

The Board, after having conducted thorough due diligence and market investigations, has decided to replace, as from 13 January 2020 (the "**Effective Date**"), some services providers of the Company (the "**Migration**") as follows:

- (i) Edmond de Rothschild (Europe) ("**EdR**") will no longer be the Depositary and Domiciliary Agent (as defined in the current prospectus of the Company) of the Company and will be replaced by RBC Investor Services Bank S.A. ("**RBC**"); and
- (ii) Edmond de Rothschild Asset Management (Luxembourg) ("**EdRAM**") will no longer act as Administrative Agent, Registrar and Transfer Agent and Paying Agent (as defined in the current prospectus of the Company) of the Company and will be replaced by RBC.

In addition, RBC will be appointed as listing agent of the Company.

The Board, after careful review and consideration, has indeed concluded that RBC would be better positioned to provide the Company with effective, cost efficient and enhanced services and that the Migration would therefore be in the best interest of the Company's shareholders.

The Migration will have no impact on the portfolio management of the Company's assets as the management company of the Company, namely Vector Asset Management S.A., will remain unchanged.

The Board also expects that, the Migration will trigger an actual overall decrease of the fees supported by the Company to the extent that the assets of the Company either remain broadly unchanged or increase, especially in light of the corresponding change of brokerage model, which will entail an important decrease of the brokerage fees supported by the Company post-Migration. However, considering that the fee set-up of RBC differs from those put in place by EdR and EdRAM, the maximum overall depositary and central administration fee and the related minima disclosed in the new prospectus of the Company will, formally speaking and with effect from 1 February 2020, be

higher (max 0.50% p.a. and minima of 35,000€ per sub-fund and 24,000€ at Company level.) than those currently disclosed in the last visa-stamped prospectus (max 0.14% p.a. with minimum of 70,000€). Further details on the depositary and administrative fees can be found in the prospectus of the Company dated January 2020, a draft of which is available upon request at the current registered office of the Company (the "**Prospectus**"), and the actual level of such fees applied will be disclosed in the future (semi-)annual reports of the Company.

In order to ensure a smooth transition of the services providers, the following freeze periods will apply:

- (i) freeze period of transactions in any assets in custody prior to the Migration (except in cases of urgency) from 3 January 2020 to 10 January 2020;
- (ii) freeze period of shareholder dealings between 27 December 2019 at 11 a.m. to 10 January 2020 up to 11 a.m. for the sub-fund Vector – Top Managers Mixed and between 31 December 2019 at 11 a.m. to 10 January 2020 up to 11 a.m. for the sub-funds Vector – Navigator and Vector – Flexible.

Any requests for dealing in shares until the start of the freeze periods must be submitted to Edmond de Rothschild Asset Management (Luxembourg). Thereafter, any such requests will have to be addressed to RBC (for placing orders you can use fax number +352 2460 9500; for a customer query you can use CustomerServices@rbc.com or phone number +352 2605 9730).

## **2. Change of the registered office of the Company**

As a result of the appointment of RBC as Domiciliary Agent, the registered office of the Company will be moved to 11-13 Boulevard de la Foire, L-1528 Luxembourg, Grand Duchy of Luxembourg, as from the Effective Date.

## **3. Change of the performance fee calculation**

As from 1 February 2020 and in order to allow maximal automation of the performance fee calculation process within RBC, the following changes (i.e. insertions underlined and deletions strikethrough) will be made for the sub-funds Vector – Navigator and Vector – Flexible as regards the subscription and/or redemption related adjustments to be made in the performance fee calculation:

“In case of subscription and/or redemption, the performance fee calculation is adjusted for any proceeds received on subscriptions and/or for any amounts paid on redemptions in accordance with the following formula which gives the net increase/decrease per share as a result of subscriptions and/or redemptions:

$$\frac{([Net\ Asset\ Value\ (before\ performance\ fee)\ per\ share\ of\ the\ Sub-Fund\ at\ the\ end\ of\ the\ year\ adjusted\ with\ crystallization\ on\ redemption\ +\ cumulated\ dividends\ per\ share\ paid\ during\ the\ month\ (if\ any)]/[adjusted\ High\ Water\ Mark\ of\ the\ previous\ Valuation\ Day\ x\ outstanding\ shares\ of\ the\ previous\ Valuation\ Day\ +\ net\ subscriptions\ (i.e.\ subscriptions\ -\ adjusted\ High\ Water\ Mark\ of\ previous\ Valuation\ Day\ x\ number\ of\ redeemed\ shares)]/outstanding\ shares\ on\ the\ Valuation\ Day)-1\} x\ Adjusted\ High\ Water\ Mark\ x\ outstanding\ shares\ on\ the\ Valuation\ Day}$$

~~In case of subscription, the performance fee calculation is adjusted to avoid that this subscription impacts the amount of performance fee accruals. To perform the adjustment in relation with the subscribed shares, the outperformance of the Net Asset Value per share against the Benchmark before the subscription date is not taken into account in the performance fee calculation. This adjustment amount is based on the product of the number of subscribed shares by the positive difference between the subscription price and, the High Water Mark adjusted by the Benchmark at the date of the~~

~~subscription. This cumulated adjustment amount is used in the performance fee calculation until the next High Water Mark determination date and is adjusted in case of subsequent redemptions during the period.”~~

\*\*\*

The above changes will be reflected in the Prospectus.

This letter is purely for regulatory notification purposes and no action is required on your part, unless you do not agree with the change of the performance fee calculation and the formal increase of depositary and administrative fees as detailed above, in which case you have the opportunity to request the redemption of your shares, free of charge as consistently applied for those sub-funds, during a one-month period starting from the date of the present notice.

Should you require further information, please contact your financial advisor.

Yours faithfully,

On behalf of the Board