GALLOWAY FEEDER FUND

Société Anonyme

Société d'Investissement à Capital Variable

Registered office: 106, Route d'Arlon, L-8210 Mamer

Grand Duchy of Luxembourg

R.C.S. Luxembourg: B.181.869

(the "**Fund**")

Notice to the Shareholders of Class A2 Shares (LU0972097231) and of Class B (USD) ACC Shares (LU0972237696) of Quasar Emerging Markets Bond Fund (the "Sub-Fund") of Galloway Feeder Fund

Sent by email

Re: Restructuring of the Fund, merger of Class B (USD) ACC Shares (the "Merged Class") into Class A2 Shares (the "Receiving Class"), change of name of the Fund and further amendments to the Prospectus

Luxembourg, 26 April 2022

Dear Shareholders,

*Except as otherwise indicated, terms capitalized herein shall have the meaning ascribed to them in the last visa stamped version of the prospectus of the Fund (the "**Prospectus**").*

This letter is to inform you that the board of directors of the Fund (the "**Board**") and the management company of the Fund, *i.e.* Lemanik Asset Management S.A. (the "**ManCo**") have decided, in order to rationalize and minimize the costs for the investors of the Fund, to simplify the structure of the Fund and the master fund, *i.e.* Galloway Master Fund (the "**Master Fund**", together with the Fund, the "**Funds**"). To this end, the ManCo and the Board have decided to proceed to the liquidation of the Master Fund in accordance with the Law of 17 December 2010 relating to undertakings for collective investment, as amended from to time to time (the "**2010 Law**"), and the internal conduct of business rules of the Funds (the "**Restructuring**").

In accordance with the 2010 Law, once the Master Fund is liquidated, the sole sub-fund of the Fund that invests into to such Master Fund (*i.e.* "**Quasar Emerging Markets Bond Fund**" or the "**Sub-Fund 1**") should normally be liquidated, unless the CSSF approves the amendment of the relevant Fund documents in order to allow the Fund to be converted into a undertakings for the collective investment in transferable securities (UCITS) which is not a feeder UCITS.

The liquidation of the Master Fund shall take place no sooner than three (3) months after the Master Fund has informed all of its unitholders and the CSSF of the binding decision to liquidate. Such information has been provided on 26 May 2021. The liquidation of the Master Fund is contemplated on 1 June 2022 (the "**Liquidation**").

It should be noted that settlement cycles and payment details for redemptions of units of the Master Fund including the terms on which the Master Fund may settle redemption requests by a transfer of assets in kind to the Feeder Fund, notably in cases of liquidation of the Master Fund as further details in article 79 (4) of the 2010 Law, have been agreed between the Funds.

The Master Fund will settle the redemption requests of the Fund by a transfer of assets in kind to the Fund, *i.e.* to the Sub-Fund 1, as agreed between the Funds. Indeed, the investment policy of the Sub-Fund 1 after Restructuring will mainly follow the investment policy of Galloway Global Fixed Income Master Fund, the sole sub-fund of the Master Fund, which allows an orderly redemption in kind to the Fund. It has also been decided to widen the investment policy of the Sub-Fund 1 as further detailed hereafter.

Additionally we wanted to inform you that further to the acquisition of Quasar International Gestora De Recursos Ltda., the investment manager of the Sub-Fund 1 (the "**Investment Manager**") and Quasar International Capital Management Ltd., the investment advisor of the Sub-Fund 1 (the "**Investment Advisor**") by Quasar Asset Management, the Fund will change its name to **Quasar Global Fund**.

We would like to assure you that such changes of the status of the Fund shall have no negative impact on your shareholding and are considered in your best interest.

The new version of the Prospectus has been substantially formatted. For your ease, please find attached in Annex 1 the Prospectus in track changes version and in addition, please find below the main amendments to the Prospectus and its supplement regarding the Sub-Fund 1 (the "**Supplement**"):

I. Amendments of the main part of the Prospectus

As a result of the Restructuring, the following main changes have been introduced in the main part of the Prospectus (the "**Amendments of the Main Part**"):

1) The Fund, previously referred to as "Galloway Feeder Fund", has been renamed to "**Quasar Global Fund**". All references to "Galloway Feeder Fund" have been replaced by Quasar Global Fund;

2) All references to the master - feeder structure have been deleted throughout the Prospectus to reflect the fact that **the Fund converts into an UCITS stand-alone which is not a feeder UCITS**;

3) Precisions regarding the investment restriction, diversification and loans of the Fund are described in the appendix I of the Prospectus;

4) Precisions regarding the risk of investments are described in the appendix II of the Prospectus;

5) Additional information regarding financial derivative instruments and efficient portfolio management techniques as described in the appendix III of the Prospectus;

6) Readjustment of the section “ESG & SUSTAINABLE FINANCE PHILOSOPHY” as none of the Sub-Funds are classified as Article 8 or Article 9 SFDR;

7) Additional information regarding the use of ancillary liquid assets by the Fund and its Sub-Fund;

8) Update of the definitions in the Glossary;

9) Specification regarding the consideration of the Principal Adverse Impacts;

10) Insertion of the section regarding the “**Global Exposure**” to provide more information on how it is monitored and calculated as follows:

“The Management Company monitors the exposure of each Sub-Fund to market, liquidity, operational and counterparty risk.

The Management Company will calculate the global exposure of each Sub-Fund by using the Value-at-Risk (“VaR”) methodology or the commitment approach depending on the assessment of the risk profile of the relevant Sub-Fund. The Fund has determined that the commitment approach is to be used to monitor the global exposure of each Sub-Fund unless otherwise stated differently in the supplements for a particular Sub-Fund.

The commitment approach measures the global exposure related to positions on FDIs and other EPM Techniques to the extent required by applicable regulations. Unless otherwise stated with respect to a particular Sub-Fund, the global exposure may not exceed the total net value of the relevant Sub-Fund’s portfolio. Limits are checked and controlled on a daily basis. The Management Company has an in-house built system that comprises several features regarding risk management, including market, liquidity, exposure and credit risk control.

The commitment conversion methodology (as detailed in the ESMA Guidelines 10-788) takes into account the market value of the equivalent position in the underlying asset of the FDI or the FDIs’ notional value, as appropriate. This commitment conversion methodology allows in certain circumstances and in accordance with the provisions of the CSSF Circular 11/512 (i) the exclusion of certain types of non-leveraged swap transactions or certain risk free or leverage free transactions and (ii) the consideration of netting and hedging transactions to reduce the global exposure.”

11) Amendments of the subscription section to reflect the possibility to subscribe via contractual settlement as follows:

“The Registrar and Transfer Agent accepts no responsibility for any loss caused as a result of non-receipt of any application sent by facsimile transmission or email. Any delay in receipt of a duly completed Subscription Application Form will result in the relevant application being processed on the next Subscription Day. Unless indicated otherwise specified in the relevant

Supplement for any Sub-Fund, the contractual settlement date for the subscription will be the date no later than three (3) Business Days after the Subscription Day (the "Settlement Date"). If the Registrar and Transfer Agent or Paying Agents settlement systems in the local country are closed or not operational on the Settlement Date, settlement will be delayed until they are open and operating. Any day within the settlement period that is not a Valuation Day for a Sub-Fund will be excluded when determining the Settlement Date. Normally, Shares are issued upon acceptance of the Subscription Application Form on the condition that cleared funds are credited to the relevant subscription account (details of which are set out in the Subscription Application Form) on the Settlement Date. Until cleared payment for the Share is received from the investor, the Shares are pledged for the benefit of the relevant Sub-Fund. During this period, voting rights and entitlements to dividend payments are suspended, and the investor cannot converse, redeem or transfer the Shares. If full payment by the investor for Shares does not arrive by the Settlement Date, or if prior the Settlement Date, the Fund, the Registrar and Transfer Agent or the Management Company become aware of any reasons why, in their opinion, that full and timely payment will not occur, Shares can be cancelled (redeemed) without prior notice to the investor at its own costs. Any net surplus, after costs incurred, that remains after such cancellation will be credited to relevant Sub-Fund. Any shortfall, including any costs and investment losses, that remains after such cancellation must be paid to the Fund by the investor upon written demand. The Fund may also, at any time and at its absolute discretion, enforce the Fund's rights in the Shares under the pledge, bring an action against the investor or deduct the costs or losses incurred by the relevant Sub-Fund from other existing holding of the investor in the Fund. In all cases any money returnable to the investor will be held by the Fund without payment of interest pending receipt of the remittance. If the redemption proceeds and any amounts effectively recovered from the investor are less than the subscription price, the difference will be borne by the investor. For any problem regarding the Subscription Application Form, the applicant should contact the Registrar and Transfer Agent at the address set forth in the Subscription Application Form or by telephone on +352 279199 99000 to ascertain the status of its subscription."

12) Specification regarding the possibility of issuing in certain Sub-Funds **hedged Classes of Shares** denominated in major international currencies (including but not limited to EUR, USD) different from the Reference Currency of the relevant Sub-Fund;

13) Section 10.5.1 "**Fees of the Administrative Agent and Registrar and Transfer Agent**" has been amended to reflect that in case of increase in the asset under management, the Fund will be less charged, as follows:

    "The Administrative Agent shall charge pro rata each Sub-Fund an administration fee as follows:

    - ***11 bps of NAV from USD 0 to USD 100 million;***
    - ***10 bps of NAV from USD 100 million to USD 250 million; and***
    - ***9 bps of NAV above USD 250 million;***

    With a minimum of USD 120,000 per annum per Sub-Fund, excluding out-of-pocket expenses."

14) Section 10.2 "**Fees of the Management Company and Domiciliary Agent**" has been amended to reflect that the Management Company is entitled to receive an annual variable management company fee, applicable per brackets, of up to 0.3%, based on the net assets of the Sub-Fund,

with a minimum of EUR 20,000 for the first Sub-Fund and EUR 6,000 for the following ones per annum.

In addition with the fees aforementioned, the Management Company will receive from the Fund, for domiciliary duties, an annual fee of EUR 1,500 plus up to EUR 5,000 per annum per Sub-Fund;

15) Section 10.5.2 "**Fees of the Depositary Bank**" has been amended to reflect that in case of increase in the asset under management, the Fund will be less charged, as follows:

"The Depositary Bank shall charge pro rata each Sub-Fund a depositary fee as follows:

- ***5 bps of NAV from USD 0 to USD 100 million;***
- ***4 bps of NAV from USD 100 million to USD 250 million; and***
- ***2 bps of NAV above USD 250 million;***

With a minimum of USD 35,000 per annum per Sub-Fund, excluding out-of-pocket expenses."

16) Please find attached in Annex 3 a comparative table indicating the fees of the service providers before the Restructuring and after the Restructuring;

17) **New section regarding the Net Asset Value Adjustment** (or the "**Swing Pricing**") as follows:

"If on any Valuation Day, the aggregate transaction in Shares result in a net increase or decrease of Shares which exceeds a threshold of 2% of the Net Asset Value, the Net Asset Value per Share may be adjusted upwards or downwards to mitigate the effect of transaction costs attributable to net inflows and net outflows respectively, in order to reduce the effect of "dilution" on the relevant Sub-Fund.

The net inflows and net outflows will be determined by the Administrative Agent based on the latest available information at the time of calculation of the Net Asset Value. Dilution occurs when the actual cost of purchasing or selling the underlying assets of a Sub-Fund, deviates from the carrying value of these assets in the Sub-Fund's valuation due to dealing charges, taxes and any spread between the buying and selling prices of the underlying assets. Dilution may have an adverse effect on the value of the Sub-Fund and therefore impact the Shareholders.

Typically, such adjustment will increase the NAV per Share when there are net inflows into the Sub-Fund and decrease the Net Asset Value per Share when there are net outflows. As this adjustment is related to the inflows and outflows of money from the Sub-Fund, it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently, it is also not possible to accurately predict how frequently the Fund will need to make such adjustments.

The swing pricing mechanism may be applied across all Sub-Funds. Where the Management Company with the Board of Directors, based on the prevailing market conditions and the level of subscriptions or redemptions requested by Shareholders or potential Shareholders in relation to the size of the relevant Sub-Fund, have determined for a particular Sub-Fund to apply an alternative Net Asset Value calculation method, the Sub-Fund may be valued either on a bid or offer basis.

Such adjustment may vary from Sub-Fund to Sub-Fund and, based on normal dealing and other costs for the particular assets in which a Sub-Fund is invested, will not exceed 2% of the original Net Asset Value per Share. However, under exceptional market conditions (such as high market *volatility), the adjustment applicable to a specific Sub-Fund may, on a temporary basis and at the discretion of the Board of Directors (taking into account the best interest of the Shareholders) and upon prior Shareholder's notification, exceed 2% of the original NAV per Share. The adjustment of the NAV per Share will apply equally to each Class of Shares in a specific Sub-Fund. The Board of Directors with the Management Company reserve the right to increase the threshold to 5% of the original NAV in exceptional circumstances. In such case, a notice will be sent to the shareholders of the relevant Sub-Fund.*

The swing pricing mechanism is based on a daily subscription/redemption threshold per Sub-Fund. However, where trends are identified or anticipated, a non-threshold based approach may be utilised in order to protect existing Shareholders against any adverse cumulative impact whereby the swing pricing mechanism would be applied over a period of time even though the daily threshold may not be exceeded every single day. For the avoidance of doubt, the swing pricing mechanism is applied on the capital activity at the level of the Sub-Fund and does not address the specific circumstances of each individual investor transaction.

Shareholders are advised that the volatility of the Sub-Funds' NAV might not reflect the true portfolio performance as a consequence of the application of swing pricing.

Further information in relation to swing pricing is available upon request from the Management Company."

18) **Addition of risk warnings** in the appendix II of the Prospectus **to more accurately reflect the investments policy of the Fund** in respect of:
- Termination Risk;
- Liquidity Risk;
- Currency Exchange Risk;
- Risk regarding Hedged Classes of Shares;
- Market and Sub-Fund Suspension Risk;
- Portfolio Turnover Risk;
- Settlement Risk;
- Volatility Risk;
- Credit Risk;
- Interest rate Risk;
- Performance based compensation to the Investment Manager;
- Selection of Broker and dealers;
- Sovereign bonds;
- Corporate bonds;
- Restriction on Foreign Investment;
- Risks involved in investing in Brazil;
- Risks involved in investing in China;
- Risks involved in investing in Russia;
- Risks involved in investing in India;
- Swaps; and
- CoCos Risk.

19) Removal of risk warnings regarding:

- Risk Management Process;
- Master – Feeder Structure Risk;
- Warrants;
- Fund Investing in Smaller Companies;
- Funds investing in the Securities of Property and Real Estate Companies;
- Initial Public Offerings; and
- Custody and Bankruptcy Risk.

20) Other typo corrections, formatting, and wording adjustments in order to reflect the new structure of the Fund. Such corrections and adjustment do not change terms and conditions of your shareholding in the Fund.

II. Sub-Fund 1's Amendments

Due to whole Restructuring and the Amendments of the Main Part as specified above, the changes below regarding the Sub-Fund 1 have been introduced in the Supplement (the "**Sub-Fund 1's Amendments**"). In addition, the Investment Manager of the Sub-Fund 1 has analyzed that it will not be able, for the time being, to properly consider all environmental, social and governance ("**ESG**") factors for promoting ESG characteristics in the Sub-Fund 1 in relation to the Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (the "**Taxonomy Regulation**") and therefore has decided that the Sub-Fund 1 will be reclassified under article 6 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector (the "**SFDR Regulation**") as the invested emerging market green bonds are not necessarily compliant with European regulations and due to the lack of relevant data regarding the ESG factors of such bonds.

Therefore, please find below the Sub-Fund 1's Amendments:

1) Removal of the definition section and insertion of such definitions throughout the Supplement or in the glossary in the main part of the Prospectus;
2) All references to the sub-fund of the Master-Feeder structure, *i.e.* Galloway Global Fixed Income Master Fund, have been deleted throughout the Supplement to reflect the fact that **the Fund will be converted into an UCITS stand-alone which will not be a feeder UCITS**;
3) As a result of the foregoing, insertion of an updated investment objective of the Sub-Fund 1 (such investment objective is quite similar to the investment objective of the prior Master Fund into which the Sub-Fund 1 was invested, except for the possibility which is now opened to the Sub-Fund 1 to invest in certain type of CoCos) as follows:
"Quasar Emerging Markets Bond Fund is an active high-yield long-only fund specialized in emerging markets corporate and sovereign bonds.
The Sub-Fund 1 is designed to provide investors with the opportunity of investing primarily in global fixed income instruments, including but not limited to government bonds, corporate bonds, high yield bonds, convertible bonds including CoCos.

The Sub-Fund 1 aims for consistent risk-adjusted returns by focusing on global emerging markets. The Sub-Fund 1 looks for issuers and Eurobonds denominated in hard currencies through a disciplined investment process. Its multi-approach due diligence is composed of country macroeconomic outlook, geopolitics and sector overview, company and country credit metrics analysis. The Sub-Fund 1 has a highly diversified strategy, being able to invest in all categories of assets to the extent permitted by the 2010 Law and as further described in this Supplement.

The Sub-Fund 1 is Actively Managed and is not managed in reference to a benchmark. The Sub Fund 1 will be managed by Quasar International Capital Management Ltd. (the "Investment Manager"). The Investment Manager will be advised by Quasar International Capital Management Ltd (the "Investment Advisor").

Classification of the Sub-Fund 1 under SFDR:

The Sub-Fund 1 is not a financial product subject to Article 8 or Article 9 of SFDR.

The Sub-Fund 1 does not have as its objective or commitment to invest in Sustainable Investment nor promotes ESG characteristics (i.e. ESG aspects, if any, are not binding for the investment decision process) for the purposes of article 8 and 9 of SFDR. However, the Investment Manager considers Sustainability Risks relevant as a mean of identifying investment opportunities, managing and monitoring investment risk, and enhancing risk-adjusted returns for the Shareholders and therefore integrates ESG in the investment decisions as early as in their due diligence policies in order to maximize the long-term risk-adjusted return. Indeed, building more resilient portfolios linked to ESG and Sustainable Investments shall normally create more stable and higher long-term returns, but this cannot be guaranteed. Please refer to the section "ESG Risk" in the appendix 2 of the Prospectus "Risks of Investments". For instance, before investing, the Investment Manager screens and scores companies against sustainability indicators including greenhouse gas emissions, energy performance, biodiversity, water utilization, waste management, social and employee matters, social diversity, human rights and anti-corruption and bribery among others. The Investment Manager may exclude any investment that represents a low ESG score as well as any investment linked to a company that exposes high ESG controversies (such as involved in controversial sectors). When deciding whether ESG data are material for a particular investment, the Investment Manager shall evaluate the relevance of the information and the likely impact on the financial health of the investment in the context of the Sub-Fund 1's investment strategy. However, the Investment Manager has the entire discretion in relation to method by which it integrates the Sustainability Risks into its investment selection decision and the final decision to select such an investment or not. There is no guarantee that the Investment Manager will select for the account of the Sub-Fund 1 investments that are ESG aligned, or in the case that the Investment Manager does select such investments, that such investments will contribute to the positive performance of the Sub-Fund 1. In addition of the foregoing, the Sub-Fund 1 may occasionally and partially invest in assets that are Sustainable Investments or has ESG objective with an environmental objective in economic activities that qualify as environmentally sustainable under the Taxonomy Regulation.

Finally, the Investment Manager will also pay particular attention to the desire of the Shareholders to have ESG targets integrated in the future in the investment objectives. The *investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

Further details on the ESG policy and strategy of the Investment Manager are available on www.qam.com.br.

There can be no assurance that the Sub-Fund 1's investment objective will be achieved. Past results of the Investment Manager or its respective principals, are not necessarily indicative of the future performance of the Sub-Fund 1."

4) As a result of the foregoing, insertion of an updated investment policy of the Sub-Fund 1 as follows:

"The Sub-Fund 1 invests mainly in emerging markets corporate and sovereign Eurobonds (i.e. in bonds denominated in USD) traded on a Regulated Market (all trades will be settled through Euroclear).

The Sub-Fund 1 invests, amongst others without being limited to, in the following emerging markets countries: Brazil, Russia, India, China, Argentina, Mexico, Nigeria, Colombia, Chile and Turkey.

The Sub-Fund 1 will invest in accordance with and within the limit of the 2010 Law:

- *a maximum of 40% of its Net Asset Value into Eurobonds giving exposure to Brazilian companies, governments and agencies;*
- *a maximum of 20% of its Net Asset Value into Eurobonds giving exposure to Russian companies, governments and agencies;*
- *a maximum of 40% of its Net Asset Value into Eurobonds giving exposure to Indian companies, governments and agencies;*
- *a maximum of 40% of its Net Asset Value into Eurobonds giving exposure to Chinese companies, governments and agencies;*
- *a maximum of 20% of its Net Asset Value into Eurobonds giving exposure to companies, governments and agencies worldwide.*

There is no specific restriction regarding the percentage of corporate and sovereign Eurobonds nor regarding the type of global fixed income instruments into which the Sub-Fund 1 may be invested at a time. The asset allocation of the Sub-Fund 1 is intended to be flexible and the Sub-Fund 1 will maintain the ability to switch exposure as market conditions and other factors dictate.

The Sub-Fund 1 may make investments in Russia, subject always to the 10% limit referred to in the "Risks involved in investing in Russia" section except for investment in securities listed on MICEX-RTS, which has been recognized as being a Regulated Market.

The Sub-Fund 1 may invest up to 20% of its net assets in CoCos.

The remaining part of the Sub-Fund 1's assets (up to 25%) may be invested, to the full extent and within the limits set by law, in all eligible assets as defined under Article 41 of the 2010 Law, with no geographical constraint in accordance with Appendix I - "Investment Restriction, Diversification and Loans". In particular the Sub-Fund 1 may invest into bank deposits, Money Market Instruments or money market funds for investment purpose, cash management or in case of unfavourable market conditions.

Financial Derivatives Instruments

In particular, the Sub-Fund 1 is authorised to use, on an ancillary basis, transactions in FDI (in particular but not limited to options, futures contracts, swaps (such as interest rate swaps and credit default swaps), forward commitments, including equivalent cash-settled instruments, dealt in on a Regulated Market or on an Other Regulated Market as referred to in article 41 (1), a), b), c) of the 2010 Law and/or OTC Derivatives), provided that:

i) *the underlying consists of instruments covered by article 41(1) of the 2010 Law, financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Fund 1 may invest according to its investment objectives:*
  - *the counterparties to OTC Derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF; and*
  - *the OTC Derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative.*

ii) *under no circumstances shall these operations cause the Sub-Fund 1 to diverge from its investment objectives.*

For further details concerning FDI, please refer to Appendix III - "Additional Information relating to FDIs and EPM Techniques".
To the extent permitted by the CSSF Circular 14/592 implementing the guidelines of the European Securities and Markets Authority ("ESMA") on ETFs and other UCITS issues, the Sub-Fund 1 may use, on an ancillary basis, FDI for hedging purposes and for the purpose of EPM as well as for investment purposes. EPM includes reduction of risk, reduction of cost, or generation of additional capital or income for the Sub-Fund 1 with an appropriate level of risk, taking into account the risk profile of the Sub-Fund 1 and related practices (for instance, maintaining 100% investment exposure while also keeping a portion of assets liquid to handle redemptions of shares and the buying and selling of investments). Transactions entered into for EPM must be economically appropriate, which implies that they are realised in a cost-effective way. EPM does not include any activities that create leverage at the overall portfolio level. It should be noted that in relation to EPM, the Sub-Fund 1 will not engage in SFTs. The Sub-Fund 1 may use, without being limited to, the following FDIs for EPM: call options, put options, swaps and futures on currencies etc.

All revenues arising from EPM Techniques, net of direct and indirect operational costs and fees, will be returned to the Sub-Fund 1. In particular, fees and cost may be paid to agents of the Fund and other intermediaries providing services in connection with EMP Techniques as normal compensation of their services. Such fees may be calculated as a percentage of gross revenues earned by the Fund through the use of such techniques and do not include hidden revenue.

THE GEARING EFFECT OF USING SOME FDI AND THE VOLATILITY OF SUCH INSTRUMENTS MAY DETERMINE THE RISK OF INVESTMENT IN THE SUB-FUND 1 BE HIGHER THAN IN THE CASE OF CONVENTIONAL INVESTMENT POLICIES, THEREFORE APPENDIX II "RISKS OF INVESTMENTS" IN THE PROSPECTUS AND SECTION 17 "RISK WARNINGS" OF THIS SUPPLEMENT SHOULD BE CAREFULLY STUDIED BEFORE MAKING ANY INVESTMENT DECISION.

Borrowing policy

As a general rule, the Sub-Fund 1 shall not borrow cash. However, should such a need occur, the Sub-Fund 1 could borrow provided that such borrowing is on a temporary basis and it represents no more than 10% of its assets (collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed to constitute "borrowings" for the purpose of this restriction).
In any event, the Sub-Fund 1 may acquire foreign currency by means of back-to- back loans. A "back-to-back" loan refers to the case whereby a UCITS borrows foreign currency in the context of the acquisition and safekeeping of foreign transferable securities and deposits with the lender, its agent or any other person designated by it, an amount in domestic currency equal to or greater than the amount borrowed.

Investment restrictions

The Sub-Fund 1 will not invest in structured products, assets issued by securitization vehicles, Mortgage Backed Securities (MBS) / Asset Backed Securities (ABS) / Total Return Swaps (TRS) / SFTs.
The aggregate investments by the Sub-Fund 1 in distressed or defaulted securities (i.e. securities which are highly vulnerable to non-payment and the rating of which is below "CCC" according to S&P's or the equivalent by any other agency) and defaulted (rated "D" by S&P's or the equivalent by any other agency) securities) would, under normal market conditions, typically represent no more than 10% of the Fund's net assets.
The Sub-Fund 1 may be invested up to 20% of its net assets in Ancillary Liquid Assets in order to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets provided under article 41(1) of the 2010 Law or for a period of time strictly necessary in case of unfavourable market conditions. However, such 20% limit may be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and where such breach is justified having regard to the interests of the investors. In such case, the Sub-Fund 1 may be invested up to 100% in Ancillary Liquid Assets."

5) As a result of the foregoing, insertion of an updated investment process of the Sub-Fund 1 as follows:
"The Sub-Fund 1 uses a long only strategy which is mainly composed of emerging markets corporate, sovereign and fixed income Eurobonds.

Prior to investing in emerging markets corporate, sovereign and fixed income Eurobonds, the Investment Manager upon recommendation of the Investment Advisor will validate the investment ideas based on the multi-approach due diligence performed by the Investment Advisor. The approach followed by the Investment Advisor is mainly composed of 7 steps:

Country Macroeconomic Outlook	*It is paramount for companies and/or sovereign issues to be in countries that have a positive growth outlook.*
Geopolitics	*Companies have to be aligned with local governments.*
Sector	*Thoughtful analysis to understand the sector's importance to the country (subsidies, too big to fail, too big to save, number of jobs created, etc); and its relative value to global peers.*
Credit Metrics	*The Investment Advisor looks at the company's leverage, its cash flow and ownership.*
Local Network	*The company and/or country has to be checked through our local network of contacts (sell and buy side).*
Technical Analysis	*There will be a careful selection of entry and exit points, new issuance outlook and relative value.*
The Golden Rule	*It is fundamental that the cost of a company/country not paying its obligations be "higher" than if it pays.*

For the evaluation of credit risk and category, the Investment Manager relies on its own methodology and teams which incorporates, inter alia factors, rating issued by the main rating agencies. The downgrade of issuer rating by one or several rating agencies does not systematically result in the transfer or sale of the concerned securities. The Investment Manager relies on its internal evaluation to estimate the opportunity to keep securities in the Sub-Fund 1 or not. In such case, such securities will not be considered as investments into distressed or defaulted securities under normal market conditions.

Sustainability Risks (Article 6 SFDR)

The Board of Directors and the Investment Manager consider Sustainability Risks relevant as a means of identifying investment opportunities, managing investment risk, and enhancing risk-adjusted returns for the Shareholders and therefore integrates them in their investment decisions. Indeed, Sustainability Risks are environmental, social, or governance factors that pose a material risk to the value of the investment. When deciding whether ESG data are material for a particular investment, the relevance of the information and the likely impact on the financial health of the investment in the context of the Sub-Fund 1's investment strategy are evaluated. Risks are still managed in accordance with the risks related to bonds investments but with a particular focus on Sustainability Risks. However, the Board of Directors and the Investment Manager consider that as the legal and regulatory framework governing sustainable *finance and ESG is still under development, Sustainability Risks may be developed over time along with the evolution of the investment objective, in light of the expected legal and regulatory framework. As the case may be, this Prospectus will be updated accordingly. The Board of Directors will also pay particular attention to the desire of the Shareholders of the Fund to have sustainable targets integrated in the future in the investment objectives.*

As a consequence of the foregoing, Sustainability Risk analysis is integrated in the fundamentals and valuation analysis before selecting an investment, where relevant, and consequently may result in the Investment Manager to refrain to invest in target companies/issuers. Although, as mentioned above, due to the fact that Sustainability Risk is still under development certain investments may create Sustainability Risk despite the prior screening performed by the Investment Manager. The Investment Manager shall undertake its best efforts to mitigate the Sustainability Risk, whilst considering the investors best interests.

The investment objectives and strategies summarized herein represent the Board of Directors and the Investment Manager's current intentions with regard to the Sub-Fund 1.

The discussion herein includes and is based upon numerous assumptions and opinions of the Investment Manager concerning world financial markets and other matters, the accuracy of which cannot be assured. There can be no assurance that the investment strategy of the Sub-Fund 1 will achieve the intended investment objective. The Sub-Fund 1's investment program is speculative and involves a high degree of risk, including without limitation the risk of loss of the entire amount invested."

6) Addition of a new section "Swing Pricing Adjustment for redemptions" as follows:

"While the Sub-Fund 1 will not charge a Redemption Fee, the Fund may apply a swing adjustment, not exceeding 2% of the Net Asset Value per Share, in accordance with section 7.4.2 of the Prospectus, at its absolute discretion on each Redemption Day where there are redemptions. Such costs will be for the benefit of the Sub-Fund 1 and will reflect an approximation of current dealing and other costs associated with trading the redemption."

7) Precisions regarding the gating provision related to the redemption section as follows:

"If Shares representing more than ten percent (10%) of the Net Asset Value of the Sub-Fund 1 are tendered in a given Redemption Day, the excess may be rolled forward to the next Redemption Day. To the extent that any application for redemption is not given full effect on such Redemption Day as a consequence of the foregoing paragraph, provided however that any scale back of an application for redemption must be made on a pro rata basis with other applications for redemptions validly received in respect of the same Redemption Day, such application shall be treated with respect to the unsatisfied balance thereof as if a further request had been made by the Shareholder in question ("Gated Shareholders") in respect of the next Redemption Day and, if necessary, subsequent Redemption Days, until such application shall have been satisfied in full. The Gated Shareholder may however withdraw its Redemption Request within ten (10) Business Days after the relevant Redemption Day and only with the consent of the Board of Directors. With respect to any application for redemption received in respect of such Redemption Day, to the extent that subsequent applications shall be received in respect of following Redemption Days, such later applications shall be postponed in priority to

the satisfaction of applications relating to such Gated Shareholder, but subject thereto shall be dealt with as set out above."

8) Section "**Global Exposure**" has been amended as follows:

"As part of its risk management process and in view of the long-only strategy that is pursued, the global exposure of the Sub-Fund 1 is measured and controlled by the commitment approach. The global exposure of the Sub-Fund 1 does not exceed 100% of its total net assets. The global exposure of the Sub-Fund 1 is not expected to exceed 100% of its total net assets.

In accordance with the CSSF Circular 11/512, the Sub-Fund 1 uses a commitment approach to monitor its global exposure resulting from the use of FDI."

9) Section "**Profile of a Typical Investor**" has been amended as follows:

"Quasar Emerging Markets Bond Fund is suitable for investors wishing to attain defined investment objectives in emerging markets corporate and sovereign bonds. The investor must be able to accept significant losses, The Sub-Fund 1 is intended for all type investors (i.e. retail investors, professional investors and institutional investors).

An investment in the Sub-Fund 1 is designated to be a medium to long term investment. Investors should not expect to obtain short-term gains from such investment. The Sub-Fund 1 is suitable for investors who can afford to set aside the capital for the medium to long term and who seek a medium investment risk."

10) Other typo corrections, formatting and wording adjustments in order to reflect the new structure of the Sub-Fund 1. Such corrections and adjustment do not change terms and conditions of your shareholding in the Sub-Fund 1.

For sake of clarity, please find attached hereto a copy of the Supplement with the Prospectus in track changes version in <u>Annex 1</u> as well as the Key Investor Information Document (the "**KIID**") in respect of your Class in <u>Annex 2</u>.

III. <u>The Merger</u>

Furthermore, please note that the Board in concertation with the Management Company have together decided to merge the Class B (USD) ACC Shares (with the ISIN code "LU0972237696") of the Sub-Fund 1 (the "**Merged Class**") into Class A2 Shares (with the ISIN code "LU0972097231") of the Sub-Fund 1 (the "**Receiving Class**") followed by a name change into Class B (USD) ACC Shares (the "**Merger**") with effect as of 30 May 2022 (the "**Effective Date**"). Indeed, the Board considers that for economy of scale, the existence of two separate class is no longer in the best interest of shareholders of the Merged Class and the Receiving Class since both classes have the same features. As of the Merger, the Merged Class will cease to exist and will be transferred into the Receiving Class. The result of the Merger will be the **Class B (USD) ACC Shares** ("LU0972097231").

The main characteristics are set out in the below table:

Merged Class	**Receiving Class**	**Result of the Merger**

Class B (USD) ACC Shares (LU0972237696)	Class A2 Shares (LU0972097231)	Class B (USD) ACC Shares (LU0972097231)
Currency: USD	Currency: USD	Currency: USD
Income: Accumulation	Income: Accumulation	Income: Accumulation
Management Fee: 0.76% per annum calculated on each Valuation Day	Management Fee: 0.76% per annum calculated on each Valuation Day	Management Fee: 0.76% per annum calculated on each Valuation Day
Advisory Fee: 0.74% per annum calculated on each Valuation Day	Advisory Fee: 0.74% per annum calculated on each Valuation Day	Advisory Fee: 0.74% per annum calculated on each Valuation Day
Performance Fee: 15% of the increase in the Net Asset Value per Share	Performance Fee: 15% of the increase in the Net Asset Value per Share	Performance Fee: 15% of the increase in the Net Asset Value per Share

Operationally, the Merger will consist of a re-allocation of the assets and liabilities of the Merged Class to the Receiving Class.

Please be advised that as a result of the Merger, the structure of the Sub-Fund 1 will be simplified. The Board and the Management Company consider the Merger and the related changes to be in your best interest as well as in the interest of the Sub-Fund 1. The Receiving Class will bear the legal, advisory and administrative costs and expenses (excluding disinvestment costs) associated with the preparation and completion of the Merger, *i.e.* 2925 euros.

The Fund ensures equal treatment of all the Shareholders in respect of the calculation and the payment of the Performance Fee.

Summary of the Merger

(i) The Merger shall become effective and final between the Merged Class and the Receiving Class and vis-à-vis third parties on the Effective Date.

(ii) On the Effective Date, all assets and liabilities of the Merged Class will be transferred to the Receiving Class. The Merged Class will cease to exist as a result of the Merger and thereby will be closed on the Effective Date.

(iii) The name of the Receiving Class will change into Class B (USD) ACC Shares.

(iv) No general meeting of Shareholders shall be convened in order to approve the Merger and Shareholders are not required to vote on the Merger.

(v) Shareholders who do not agree with the Merger have the right to request the redemption of their Shares, without redemption charges, as described below. On the Effective Date, all Shares of

Shareholders of the Merged Class who have not redeemed their Shares will be exchanged for Shares in the Receiving Class and such Shareholders will become Shareholders of the Receiving Class.

(vi) Shareholders of the Merged Class will automatically be issued, at the Effective Date and in exchange for their Shares in the Receiving Class, a number of registered Shares in the Receiving Class.

(vii) The ratio for the exchange of Share is Net Asset Value of the Merged Class / Net Asset Value of the Receiving Class * number of shares of Merged Class.

For sake of clarity, please find attached hereto a copy of the Supplement with the Prospectus in Annex 1 as well as the KIID in respect of your Class in Annex 2.

IV. Additional information

Please kindly note that the KIID following the Merger and the Restructuring will not present information in a different manner, especially any synthetic risk or reward indicators will not be presented in deferent categories and there will be no different material risks identified.

There shall be no changes in the charges, fees and expenses borne by the Shareholders, unless expressly otherwise indicated above. Any such changes, as the case may be, shall be in the best interest of Shareholders and decrease costs associated with the investment in the Fund.

The only expected effects of the Merger and the Restructuring are simplification of the structure of the Fund and, as a consequence, reduction of costs. No other material changes are expected as a result of the Merger and the Restructuring, especially in respect of expected outcome, periodic reporting, dilution in performance or tax treatment of the Shareholders.

The Board can take a decision about the Merger if the interest of Shareholders so requires. The conditions of the Merger and final approval for such Merger are at the discretion of the Board. Therefore, no active intervention of Shareholders is required in the process of Merger.

The Merged Class and the Receiving Class will suspend the issuance and the redemption of shares of the Merged Class and the Receiving Class for one (1) Business Day, on the Effective Date of Merger, in order to ensure that the Merger is completed without any disruptions. The Merger does not include any provisions for cash payments as a direct result of the Merger.

An up-to-date version of the KIID with the conditions of the Class B (USD) ACC Shares following the Merger and Restructuring is attached hereto in Annex 2. The Board strongly advises you to carefully read this KIID.

We would like to reassure you that the Restructuring and the Merger shall have no negative impact on your shareholding.

Please be advised that the Board and the Management Company consider the Restructuring and the Merger and the above indicated changes to be in the best interest of the Fund and its Shareholders.

The Board hereby informs you that (i) the Amendments of the Main Part, Sub-Fund 1's Amendments and the Merger (together the "**Amendments**") will take effect on the Effective Date and that (ii) as existing Shareholders, if you do not agree with the above Amendments, you have one (1) month from the date of receipt of this notice to inform the Fund and request the redemption of your Shares without charge (i.e. the redemption price will be based on the Net Asset Value per Share of the relevant Class on the relevant Redemption Day) and that after the expiry of such one (1) month period, the above mentioned Amendments will also be applicable to your holding in the Fund.

If you elect to redeem your Shares, may we kindly ask you to send a written request for redemption to the attention of:

GALLOWAY FEEDER FUND
c/o Apex Fund Services S.A.
3, rue Gabriel Lippmann
L-5365 Munsbach,
Grand Duchy of Luxembourg
Fax : (+352) 27 9199 99020
E-mail: investor.services@apexfs.com

Requests may be accepted by facsimile transmission or in the form of a PDF attached to an email to the number or e-mail address stated on the redemption request provided that the original redemption request is forwarded to the Registrar and Transfer Agent forthwith.

The Registrar and Transfer Agent accepts no responsibility for any loss caused as a result of non-receipt of any application sent by facsimile transmission or email.

Final confirmation of completed redemptions will normally be dispatched on the Business Day following finalization of the relevant Net Asset Value per Share.

No redemption payments will be made until the original redemption request and all the necessary anti-money laundering checks have been completed. Redemption proceeds will be paid into the account in the name of the Shareholder specified by the Shareholder in the original Subscription Application Form submitted (or such other replacement account in the name of the Shareholder as may be notified to, and accepted by, the Registrar and Transfer Agent). Any amendments to the Shareholder's registration or account details can only be effected upon receipt of original documentation.

Should you wish to receive a new copy of the Prospectus and of the KIID, please contact Nathan.shor@qam.com.br. Such updated version of the Prospectus will also be available at the registered office of the Fund.

For additional information in relation to this communication, please do not hesitate to get in touch with your financial advisor.

We thank you in advance for your kind attention to this matter and remain,

Yours faithfully,

GALLOWAY FEEDER FUND

Annex 1

Prospectus and Supplement

Annex 2

KIID

Annex 3

Comparative Table Fee