

# MC Equities DBI

"Sub-Fund of the SICAV governed by Belgian law Merit Capital Global Investment Fund

*The Sub-fund's objective is to achieve capital growth at a recommended minimum investment period of 7 years by investing in equities quoted on recognised stock exchanges in Europe and the United States.*

The fund focuses on companies with a growth focus that are market leaders in their segment. The selection is based on a combination of fundamental and technical analysis. These are shares with a large market capitalization.

## Benchmark

The benchmark for this fund consists of 50% of the return of the Morningstar Developed Markets Europe Large-Mid Cap (expressed in Euro) and 50% of the return of the Morningstar US Large Cap (expressed in Euro). This benchmark is only used for the calculation of the performance fee and not for the composition of the portfolio.

## Risk and reward profile



This risk and reward indicator reflects the historical volatility of the fund over a period of 5 years. Historical data used to calculate the above indicator may not be a reliable indicator of the fund's future risk profile. The lowest category (category 1) does not mean that the investment is risk-free. It is always the case that the price of shares can rise or fall. There is no guarantee that the risk and reward categories will remain unchanged. The layout may vary over time. The fund belongs to category 5 because its value is subject to relatively large fluctuations. This means that the chance of profit and the risk of loss can be high. The following risk may not be (sufficiently) reflected by the above indicator:

\*Foreign exchange risk: a significant portion of the fund may be invested in equities denominated in another currency. As these currencies are in principle not hedged, there is an exchange rate risk. For a complete overview of the risks and costs of this fund, please refer to the prospectus and the key investor information, which are available on the website and free of charge at our offices.

## Initial subscription price

The minimum subscription price during the initial subscription period is in accordance with the prospectus Euro 100. The initial subscription period runs until 28 September 2018.

## Existence

This sub-fund is of unlimited duration.

## Costs (Class R)

You pay these costs to cover the day-to-day operation of the fund, including marketing and distribution costs. These costs limit the growth potential of your investment.

One-off costs that are charged before or after your investment.

**Entry fee** 1.00%

**Withdrawal charge** 0.00%

A stock exchange tax is charged on exit: it amounts to 1.32% for capitalization shares with a maximum of EUR 4,000. For distribution shares, this is 0.00%.

**Modification of sub-fund** 1.00%

This is the maximum amount that could be deducted from your money before it is invested. Charges taken from the fund over a period of one year.

**Management costs** 1.50%

**Ongoing charges** 1.95%

Charges taken from the fund under certain specific conditions.

**Performance fee** 10.00% per annum of the outperformance against the reference index 50% Morningstar Developed Markets Europe Large-Mid Cap (expressed in Euro) and 50% Morningstar US Large Cap (expressed in Euro). No performance fee was charged to the fund in the last year.

The mentioned entry and exit charges are maximums. In some cases you will pay less, you can check this with your financial advisor. As the fund does not yet have a full year in existence, the ongoing charges have been based on the cost statement as shown in the prospectus. This figure may vary from year to year. The percentage of running costs does not take into account: performance fees as well as portfolio transaction costs except in the case of entry and exit fees paid by the fund when purchasing shares of another collective investment undertaking.

For more information on costs, including information on performance fees and how to calculate them, please refer to the prospectus.

**withholding tax** on dividends distributed by the distribution shares: 30%

**Other taxation applicable to individuals resident in Belgium:** Less than 10% of the assets of the Sub-Fund MC EQUITIES DBI is invested in debt-claims as referred to in Article 19bis of the Income Tax Code 1992. When repurchasing his capitalization shares, the investor, as a natural person, in the framework of the normal management of his private assets, will not be subject to a 30% withholding tax on the part of the amount obtained from the **income (interest, capital losses and capital gains) originating from** debt claims as referred to in article 19bis of the Law92.

#### **Tax information specific to the sub-fund:**

Results on shares held by corporate investors are in principle subject to corporate income tax, unless certain conditions are met. The sub-fund's primary objective is to provide shareholders with the best possible tax returns on shares.

Within the framework of the applicable legislation, on the one hand, dividends paid by the sub-fund under the system of definitively taxed income (FDI regime), as provided for in articles 202 and 203 of the Income Tax Code 1992 (CIR 92), will accrue to the shareholders to the extent that the dividends qualify as "good" dividends. A "good" dividend is deemed to have been paid as soon as the conditions for valuation as required by Article 203, §1, 1°-4° of the Income Tax Code 92 have been met. A dividend is also deemed to be a "redemption bonus" within the meaning of Articles 18 in conjunction with Article 186 of the Income Tax Code (allocations made on the occasion of the repurchase of own shares by the sub-fund from the shareholder). On the other hand, capital gains on shares distributed by the sub-fund will accrue to the shareholders tax-free to the extent that the conditions of article 192, §1 CIRE 92 are complied with.

The above tax regime is applicable as the articles of association of the sub-fund provide for an annual distribution of at least 90% of the income realised by the sub-fund, after deduction of salaries, commissions and expenses.

The tax regime of the sub-fund's distributions is applicable to the following shareholders/investors:

- Domestic companies are subject to corporation tax;
- Foreign companies with a permanent establishment in Belgium to the extent that the dividends or capital gains received can be allocated to the Belgian permanent establishment.

The above regime does not apply to shareholders/investors other than those referred to in the previous paragraph and does not apply to the capitalization shares issued by the sub-fund.

## Practical information

**Custodian:** CACEIS Bank, Belgium Branch is the custodian of this fund.

**Additional information:** Further information about MC Equities DBI, as well as the prospectus and the most recent (semi-)annual report can be obtained free of charge at the registered office, at the financial service provider CACEIS Belgium, Havenlaan 86C bus 320, 1000 Brussels. On the website you will also find the most recent NIW and any additional information.

**Tax legislation:** This fund is subject to the tax legislation in Belgium, which may have an impact on your personal tax situation. The tax treatment depends on your specific status and may change. For more details, we advise you to contact professional advisors.

**Specific Information:** describes one class of one sub-fund of the Merit Capital Global Investment Fund Sicav. The prospectus and the (semi-)annual reports are drawn up for the entire SICAV. Merit Capital Global Investment Fund is a Sicav under Belgian law with several sub-funds that meet the requirements of the UCITS Directive. In order to protect investors, the assets and liabilities of each sub-fund of the SICAV are legally separated from those of other sub-funds.

**Fund information:** Under certain conditions, you have the right to exchange your shares for shares in another sub-fund. For more information, please refer to the relevant section in the prospectus.

**Publication of the net asset value:** the net asset value is published in the financial press (De Tijd and l'Echo) and can also be obtained from Merit Capital NV, from the institution that performs the financial service and from the registered office of the Sicav. The Board of Directors has the right, within the limits set by law, to decide to extend or limit the places of publication.

**We recommend that you read the key investor information document and the prospectus before making the decision to invest.**

For complaints:

Contact Merit Capital's Compliance Department in writing (by letter, fax or e-mail).

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