IW4Me
Fonds Commun de Placement

Open-ended
Governed by Part I of the amended Law of December 17, 2010 on
Undertakings for Collective
Investment

Annual Report, including Audited Financial Statements, as at December 31, 2018

R.C.S.: Luxembourg n° K953

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Board of Directors’ Report

2018 Annual Report

Macro-economic highlights

While 2017 was characterized by robust and synchronized growth among the various geographical areas, in 2018 global economic activity, while holding up quite well, became less homogeneous showing increasing signs of deceleration of its upward trend. Global inflation has come under pressure in the wake of rising oil prices but, during the final part of the year, the price of oil went down remarkably. When excluding the most volatile components, inflation has shown a very moderate upward trend, which tended to stabilize towards the end of the period under consideration. Overall, financial conditions have remained accommodative in the advanced countries while some economies in emerging countries have shown some tightening.

During the year the US economy exhibited high growth rates, driven primarily by a sharp expansion of domestic demand. The labour market continued to be strong overall, with unemployment stabilizing below 4%. A gradual acceleration of wage dynamics has occurred, leading to an average growth of slightly more than 3 per cent on an annual basis. Consumption dynamics remained quite strong, exhibiting fairly high rates with retail sales reaching an annualized growth rate of almost 4% during the final part of the year. As for industrial activity, growth has continued at quite significant rates thanks, primarily, to a remarkable expansion of the mining industry and a sharp increase in the production of raw materials and energy products as well as to a pickup in manufacturing output. Turning now to forward-looking indicators, the ISM indices have remained at the peak levels reached during the previous cycles for most of the year and started to show some signs of slowing down towards the end of the year, especially with regard to the manufacturing activity component. As for inflation dynamics, the Consumer Price Index reported various increases during the mid part of the year on the back of rising energy commodity prices. Towards the final part of the year, however, the CPI gradually eased, reaching an annualized level of 1.9% in December. The core component of inflation showed a more stable trend, hovering around 2%. Against this backdrop, the Federal Reserve embarked on an interest rate normalization strategy, which materialized in four rate hikes of 25 basis points each and in the benchmark fed funds rate reaching a range between 2.25-2.5%. At the December meeting during which the last rate hike of the year was decided, the FED officials reiterated that, in establishing the timing and extent of future hikes, they will consider and assess economic conditions in the light of the stated targets of full employment and of a 2% inflation rate. Following new FED estimates, growth expectations for 2019 have been revised downward from the previous 2.5% to 2.3% while growth expectations for 2020 have been confirmed at 2%. Also inflation projections have been revised slightly downward, from 2% to 1.9% in 2019. As for the political picture, during the year various protectionist measures have been implemented under the Trump administration, triggering fairly moderate reactions especially on the part of China. These measures have acted more as negotiation tools aimed at reaching an agreement between the parties rather than as weapons of a "trade war" that could lead to a dangerous escalation for the entire global economy. The results of the US mid-term elections confirmed the pre-election expectations. The Democrats regained control of the lower House of Representatives while the Republicans ultimately kept control of the Senate. During the final part of the year, though, the sharp divergences between Trump and the Democratic Party over the construction of the wall on the border to Mexico prevented the passing of a bill to fund federal government operations, causing a government shutdown.

As for the Eurozone, data released during the first half of the year pointed to a stabilization of growth around high rates compared with the area’s historical average but below the particularly high levels reported in the final part of 2017. Compared to the last two expansionary cycles in the Eurozone where growth was fuelled primarily by the foreign component, this time domestic demand has been the main driver of growth. During the second half of the year a mixed growth picture emerged and expansion continued at rates below those seen in the first part of the year. Overall, forward-looking indicators have reported lower readings in all the main countries of the area but remain in expansionary territory with the exception of some Italian economy indicators which have moved into recessionary area. A gradual improvement in employment dynamics was observed and unemployment fell to a level of 7.9% (the lowest in the last decade), albeit with significant differences from country to country. Industrial output, which reported moderate improvements during most of the year, started to deteriorate in the second part of the reference period, most probably as a consequence of weaker international trade. Germany was the epicentre of the slowdown: its automotive industry was hit by uncertainties over the new emission regulations and by continuing trade tensions. Inflation dynamics strengthened moderately towards the mid part of the year, reaching values that were, in some cases, slightly above 2%, only to weaken again towards year end with a December reading of 1.6% on an annualized basis. Core inflation remained stable at 1% almost during the entire year without showing any significant upward pressure. As for the ECB, in its January meeting it confirmed its intention to cut its monthly bond-buying programme from 60 to 30 billion Euro. At its March meeting the ECB modified its final statement dropping all reference to a possible stepping up of QE in case that the economic outlook becomes less favourable. The potentially less accommodating implications of this change in wording were somewhat attenuated by Draghi in his statements where he reiterated the need to keep interest rates low for an extended period of time and added that the ECB will reinvest the principal payments from maturing securities purchased under APP ‘‘for an extended period of time’’. In its June meeting, the ECB surprisingly announced that it will extend the bond-buying programme from September until the end of December, scaling the amount of purchases from 30 to 15 billion Euro, and that it will terminate at the end of the year. At the December meeting, the ECB reiterated that they will keep key interest rates unchanged at least until the summer of 2019 and, in any case, for as long as necessary to ensure the continued sustained convergence of inflation to levels that are below, but close to, 2% over the medium term. Furthermore, the ECB confirmed that it would continue to make net purchases under the Asset Purchase Program until December. The Governing Council added that it intends to continue reinvesting the principal payments from maturing securities for an extended period of time past the date when it will start raising the key ECB interest rates and, in any case, for as long as necessary to maintain favourable liquidity conditions and an ample degree of monetary accommodation.

Moving now to the United Kingdom, the pace of growth continued to be moderate during the year and domestic demand remained low. Economic dynamics, and especially business investments, were adversely affected by the uncertainties stemming from the Brexit process. Against this backdrop, the Bank of England decided to raise its benchmark rate by 25 basis points, bringing it to 0.75% in the month of August following a flare-up in inflation that occurred during the summer. At the following meetings, the BOE kept interest rate levels unchanged and confirmed the corporate bond buying programme up to a maximum amount of 10 billion pounds and the government bond purchase programme for a total amount of 435 billion pounds. With regard to growth, monetary policy officials acknowledged that the escalation of uncertainties in the Brexit process coupled with the slowdown of the global economy have negatively affected short-term growth prospects for the UK economy.

Board of Directors' Report (continued)

During the year Japan's growth dynamics have been quite volatile against a backdrop of moderate inflationary pressures. The labour market improved further and the rate of unemployment remained stable at the lowest levels since the early 90ies, fuelling a moderate pickup in consumption. Investments have held up well, supported by favourable corporate earnings dynamics and boosted by new activity in the run-up to the 2020 Olympic Games. As for monetary policy, the Bank of Japan, which saw the re-election of Haruhiko Kudora at the helm of the institute for a further five-year term, maintained a very accommodating stance which envisages maintaining negative rates of 0.1% on part of the excess bank reserves held by financial institutions at its treasury department and controlling the yield curve in order to keep an around zero interest rate for the 10-year bond yield. On top of this, the Central bank confirmed that it will keep buying Japanese government bonds at the yearly rate of about 80 trillion yen as well as ETFs and securities linked to the real estate market.

In emerging countries growth has further stabilized on rates that are, on average, lower than those experienced in the past.

As for China, after a fairly positive start at the beginning of the year, growth has shown some signs of slowdown primarily in the wake of unfolding trade tensions at global level. During the summer, the Government announced a mix of measures which included tax incentives - among which corporate tax cuts and investments in infrastructures - in order to tackle the uncertainties surrounding the economic outlook caused by trade tensions with the United States. What's more, in order to boost growth, the Chinese Central Bank embarked on a monetary policy easing path by repeatedly cutting reserve requirement ratios for banks.

In Brazil, growth exhibited a downward trend during the first half of the year while in the second part of the period under consideration strong domestic demand and a marked resumption of investments provided a significant boost to growth. Business and consumer confidence indicators picked up sharply in November. Expectations of improving economic conditions were also fuelled by the victory of far-right candidate Bolsonaro at the October presidential elections, a result that was favourably welcomed by financial markets given Bolsonaro's announced reform of the pension system and his willingness to open up the country to the markets by engaging in a state enterprise privatization process.

Economic recovery continued in Russia driven primarily by rising oil prices during the first part of the year and stronger domestic demand against a background characterized by increasing disposable income and credit. Inflation soared during the last months of the year, reaching 3.8% in November. In an effort to keep inflationary pressures in check, the Central Bank made two rate hikes, raising the official key interest rate to 7.75%.

During the year India continued to grow at a sustained pace, driven mainly by domestic demand. The Central Bank intervened twice, notably in June and August, by hiking key interest rates in an effort to counteract rising inflationary pressures during the spring period. Over the final months of the year, inflationary pressures gradually eased. In December, Central Bank governor Urjit Patel resigned, a decision that was allegedly due to continuous tensions with Prime Minister Modi over the government's repeated attempts at interfering with the Central Banks's monetary policy decisions.

Market Trends

2018 has been a very complex year for financial markets, which revealed some vulnerabilities as a result of investors being more focused on exogenous factors than on the real dynamics of global economies. These factors, already present in the global economic landscape in the first part of the year, gradually took on increasing importance, prompting market players to become more and more pessimistic about future growth prospects. These factors concerned primarily the political arena and were linked, in particular, to trade tensions and the risks of a trade war between the US and China, the uncertainties on Italian public debt management and the difficult Brexit negotiations. These tensions were further exacerbated by concerns over emerging markets' growth dynamics, especially during the summer when the area experienced a tightening of financial conditions, an increase in bond yields, currency depreciations and stock market corrections in some countries.

Stock Markets[1]

During the month of January the main stock markets have trended upward overall, favoured by a steady improvement of macro-economic conditions both globally and at regional level. At the beginning of February this trend was interrupted by a sharp correction of stock prices triggered, most probably, by fears of rising inflation, particularly in the US, and by adjustments of monetary policy expectations. After a brief recovery, stock markets resumed their downward trend amid growing uncertainty over the trade policy undertaken by the Trump administration and its potential spill-overs, among which a weakening of global growth trends. Starting from April, the main stock markets resumed their upward path, albeit with several ups and downs. At the beginning of the second half of the year, however, market sentiment changed quite significantly on the back of a stronger US dollar and escalating trade tensions, which led to a dis-homogeneous tightening of financial conditions at global level. This phase was marked by a divergence in the performance of global stock markets with US stocks accelerating their uptrend and the stock markets of the other advanced and emerging countries taking in new losses. This phenomenon took place in a context marked by mixed signals coming from economic activity and, at least in the first half of October, by fears that the FED would become less accommodating in its monetary policy.

Zooming in on the US stock market, after the correction reported in early February US equities resumed an upward trend and in September the S&P 500 Index outperformed the record high reached at the end of January. At the beginning of October, however, growing concerns over a possible tightening of the country's monetary policy and increasing uncertainties over earnings growth sustainability had a significant impact on US stocks. In early December, after a brief recovery of the stock market driven, most probably, by expectations of easing trade tensions, another wave of heavy selling began and the S&P500 Index closed the year with a 6% loss.

Moving now to the Euro area, the Euro Stoxx Index reported a 14.7% decline over the year. During the second half of the year, European stock markets experienced a heavier wave of sell-off than the US equity market. This was most probably due to the escalation of political risks represented by the difficult negotiation process between the Italian government and the European Commission over the Italian Budget law and by the uncertainties deriving from a possible no-deal Brexit.

[1] Note: index variations are expressed in local currency

At sector level, the selloff hit the banking sector particularly hard, leading to heavy losses, especially in Italy where the FtseMib lost 16%. With regard to other countries, Germany turned in a slightly worse performance with the DAX index reporting annual losses in excess of 18% against a backdrop characterized by political uncertainties within the Germany and, above all, by fears that the new trade policy undertaken by Trump might negatively impact the German manufacturing industry which is heavily dependent on exports. As for the stock exchanges of other advanced countries, the Japanese Nikkei lost about 12.5% while the British Ftse 100 posted a minus of 11.5%.

During the period under scrutiny, stock markets in the emerging world posted a negative trend as shown by the MSCI Emerging Markets index in Dollars, which lost about 17%. The fears over a possible deceleration of economic activity in China on the back of continuous trade tensions with the United States contributed to undermining investors’ confidence in emerging markets. The crises in Argentina and Turkey, which were mainly caused by a collapse of the respective currencies, contributed to the shift of investors’ sentiment towards emerging assets.

Bond Markets

Government bond markets have seen quite a bit of volatility during the year with significant differences in terms of performance in the various geographical areas. The US yield curve, for example, closed the period under consideration with higher yields, an increase that was more pronounced at the short end of the curve compared with the long end of the curve. The German curve, by contrast, reported a decline in yields that affected exclusively longer-dated government bonds. Looking now specifically at the US bond market, the phases of rising yields occurred almost always concomitantly with the release of better-than expected macro-economic data, which favoured an upward revision of monetary policy rate expectations. The yields’ upward trend reached a peak after the first days of October following the publication of positive hard data on the US economy and governor Powell’s speech, which was largely seen as the prelude to the adoption of a more tightening monetary policy. During this phase, the 2-year Treasury rose to nearly 3% while the 10-year bond exceeded the level of 3.2%. Afterwards, towards the end of the year, following a general increase in risk aversion caused mainly by diverging signals on the evolution of the macro-economic picture coupled with persistent uncertainties over the trade disputes between Washington and Beijing, rates reported a significant downward correction. In terms of annual variation, the 2-year bond gained 60 basis points from 1.89% at the end of 2017 to 2.49% at the end of 2018, while the 10-year treasury reported a more moderate total increase, from 2.74 to 3.02%. With regard to Euro area core bond issues, the German 2-year Bund moved within a fairly tight range between a -0.65 and -0.50%, while the 10-year bond showed a higher degree of volatility. The initial upward movement which brought yields above the level of 0.75% was followed by several phases of decline, most of which coincided with periods of higher risk aversion and escalating political tensions within the EU. At the end of the period under consideration, the 10-year bond had reached 0.24%, 19 basis points below the level reported at the end of 2017.
Moving now to Eurozone peripheral bond issues, the first part of the semester was characterised by a general downward movement in rates. During this phase, the spreads of peripheral bond issues, especially of Italian, Spanish and Portuguese bonds, tightened. The situation changed quite substantially after the first half of May when the uncertainties surrounding the political scenario in Italy brought about a phase of high volatility. The release of a preliminary draft of the government ‘‘contract’’ between the League and the Five Stars movement caused a strong reaction on the financial markets causing them to actually re-price the possibility of a debt redenomination with the exit of the country from the Monetary Union (an event that had been almost completely removed from investors’ projections). Although there was no explicit mention of the government’s intention to leave the common currency in the contract struck between the League and the M5S movement, foreign investors inferred such a possibility from the fact that the main chapters of the general policy statement actually envisage spending commitments which, if maintained, would lead to public accounts breaching the parameters established by the European institutions. Markets were actually concerned about an ‘‘indirect’’ rather than a ‘‘direct’’ exit from the Euro. During that phase, the massive sell-off on Italian bond issues caused the 2-year rate to increase from a -0.27% to 2.75% and the 10-year bond to spike to over 3% (from a prior level of 1.8%). Afterwards, spreads receded to lower levels as the risk of Italy leaving the European Monetary Union started to subside after the main leaders of the new government ruled out this possibility and pointed out, under the newly elected Minister of Economy Mr. Giovanni Tria, that Italy’s public finances would be managed, as a whole, in compliance with European rules. The Italian government bond’s spread versus the German bund climbed again in September when the draft budget plan was released and then tightened in the following weeks. A new spread widening occurred in mid-November when the Italian government first refused to amend the draft budget law after it was rejected by the EU Commission. In the final part of the year, after an agreement was reached between the Italian political authorities and the EU officials, yields started to decline. At the end of the year being examined, the Italian yield curve was showing quite a homogeneous and significant increase across all maturities; in particular, the 2-year rate was up 77 basis points (from -0.24 to 0.53%), while the 10-year rate had increased by 74 basis points (from 2.01 to 2.75%).

Against a background of heightened uncertainty surrounding the evolution of the economic cycle and the outcome of the Brexit negotiations, the UK yield curve has shown an increase in yields especially at the shorter end of the curve; in particular, the two-year rate climbed from 0.44 to 0.75% while the 10-year rate moved up from 1.19 to 1.28%. In Japan, government bond yields closed the year at rates that are substantially in line with previous ones, with the 2-year rate and the 10-year rate yielding -0.14% and 0.0% respectively.

With regard to spread products, most of the year was characterized by a widening of yield spreads on emerging countries debt versus the government bonds of the most reliable advanced countries. The combined effect of increasing US interest rates and a stronger dollar has contributed to the tightening of financial conditions in the economies of those countries.
During the last part of the year, the impact of a stronger US dollar diminished and financial conditions become more stable, probably in the wake of the sharp decline in oil prices. During this phase the currencies of some emerging economies recovered part of their losses. With regard to corporate bonds, spreads have widened for both investment-grade and high-yield bonds during the period under consideration, despite some differences in terms of magnitude and intensity among the different categories. The spread widening movement that began in December 2017 was most probably favoured, during the first part of the year, by the monetary policy normalization path initiated by the main Central Banks, which fuelled rate hike expectations.

Board of Directors’ Report (continued)

During the last quarter, against a background characterized by a strong risk aversion and by sizable stock market losses, credit spreads widened further for both investment grade and high yield bonds. In this phase, European spreads widened more than US ones. The impact of this trend proved particularly negative for financial companies’ corporate bonds.

Currencies and Commodities

The Euro’s upward march against the US dollar, which had characterized the second half of 2017, has continued into the first months of this year. At the start of 2018, the Euro/dollar exchange rate decidedly confirmed its upward movement by remaining steadily above 1.20 and even reaching 1.25 (the highest level in the last three years). During the second quarter, however, the common currency started to progressively weaken while the US dollar reported a marked recovery, favoured by the intensification of the pace of US rate hikes and a further consolidation of the macro-economic outlook. In the second part of the year, the Euro trended mainly sideways but reported a further depreciation and closed the year at 1.145, down 4.5% from the previous year’s closing level. The Euro also weakened against the Japanese Yen (-7.0%) but marginally gained in value against the Sterling (+1.2%).
Turning now to oil prices, the year has been characterized by quite a bit of volatility. Until October, oil prices have been on an upward trend, with Brent oil reaching a level slightly above 86 dollars a barrel. These upward pressures were generated mainly by expectations of a significant reduction of exports from Iran along with repeated statements by oil-producing countries that they would not step up production. During the last three months of the year, however, the outlook for the oil market changed completely in the wake of stronger downward pressures caused, most probably, by positive news coming from the supply side and by expectations of weaker demand at global level. In the same period Brent oil prices plunged from a peak of 86 dollars a barrel to 50.5 dollars, hitting the lowest level recorded during the year. At the end of the period under consideration, the price of crude oil had closed at a level 19.3% below that recorded at the closing of the previous year. The price of gold dropped by 2.14% hitting a level of 1,281 dollar per ounce.

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REPORT OF THE *RÉVISEUR D'ENTREPRISES AGRÉÉ*

To the Unitholders of
IW4Me FCP
37/A, Avenue J.F. Kennedy
L-1855 Luxembourg

Opinion

We have audited the financial statements of IW4Me and of each of its sub-funds (the «*Fund*»), which comprise the statement of net assets and the statement of investments as at December 31, 2018 and the statement of operations and changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of IW4Me and of each of its sub-funds as at December 31, 2018, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Law of July 23, 2016 on the audit profession (Law of July 23, 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "*Commission de Surveillance du Secteur Financier*" (CSSF). Our responsibilities under those Law and standards are further described in the "Responsibilities of *Réviseur d'Entreprises Agréé* for the Audit of the Financial Statements" section of our report. We are also independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the Management Company is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of *Réviseur d'Entreprises Agréé* thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we concluded that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regards.

Responsibilities of the Board of Directors of the Management Company for the Financial Statements

The Board of Directors of the Management Company is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Management Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Management Company is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Société à responsabilité limitée au capital de 35.000 €
RCS Luxembourg B 67.895
Autorisation d'établissement : 10022179

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REPORT OF THE *RÉVISEUR D'ENTREPRISES AGRÉÉ* (continued)

Responsibilities of the *Réviseur d'Entreprises Agréé* for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of *Réviseur d'Entreprises Agréé* that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Management Company.

- Conclude on the appropriateness of Board of Directors of the Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the *Réviseur d'Entreprises Agréé* to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the *Réviseur d'Entreprises Agréé*. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For Deloitte Audit, *Cabinet de Révision Agréé*

Emmanuelle Miette, *Réviseur d'Entreprises Agréé*
Partner

April 29, 2019

Statement of Net Assets as at December 31, 2018

	Notes	IW4Me - Care EUR	IW4Me - Smart EUR	IW4Me - Dynamic EUR	IW4Me - Active EUR
ASSETS					
Investments in securities at market value	(2)	1,095,717.15	962,072.43	1,282,492.27	440,818.09
Cash at bank and brokers	(2)	27,615.64	24,396.84	31,083.98	7,985.58
Capitalised formation expenses	(2)	7,676.03	7,676.03	7,676.03	7,676.03
Capitalised placement fees	(2)	8,441.31	7,918.67	10,225.07	3,827.83
Other assets		2,876.96	1,768.83	1,978.45	858.24
TOTAL ASSETS		**1,142,327.09**	**1,003,832.80**	**1,333,455.80**	**461,165.77**
LIABILITIES					
Management and distribution fees payable	(3)	2,564.01	1,608.67	2,030.64	1,097.15
Other liabilities		3,168.12	3,824.15	3,415.16	1,231.03
TOTAL LIABILITIES		**5,732.13**	**5,432.82**	**5,445.80**	**2,328.18**
TOTAL NET ASSETS		**1,136,594.96**	**998,399.98**	**1,328,010.00**	**458,837.59**
Net asset value per unit					
Class A		4.692	4.832	4.974	4.419
Number of units outstanding					
Class A		242,229.779	206,643.076	267,000.981	103,821.519

The accompanying notes form an integral part of these financial statements.

Statement of Net Assets
as at December 31, 2018 (continued)

	Notes	Combined EUR
ASSETS		
Investments in securities at market value	(2)	3,781,099.94
Cash at bank and brokers	(2)	91,082.04
Capitalised formation expenses	(2)	30,704.12
Capitalised placement fees	(2)	30,412.88
Other assets		7,482.48
TOTAL ASSETS		**3,940,781.46**
LIABILITIES		
Management and distribution fees payable	(3)	7,300.47
Other liabilities		11,638.46
TOTAL LIABILITIES		**18,938.93**
TOTAL NET ASSETS		**3,921,842.53**

The accompanying notes form an integral part of these financial statements.

Statement of Operations and Changes in Net Assets for the year ended December 31, 2018

	Notes	IW4Me - Care EUR	IW4Me - Smart EUR	IW4Me - Dynamic EUR	IW4Me - Active EUR
NET ASSETS AT THE BEGINNING OF THE YEAR		**1,461,900.93**	**1,226,324.97**	**1,397,061.31**	**717,300.24**
INCOME					
Bank interest		-	494.08	-	-
Other income		156.14	-	9.25	-
TOTAL INCOME		**156.14**	**494.08**	**9.25**	**-**
EXPENSES					
Management fees	(3)	4,210.63	3,641.75	2,620.89	714.52
Domiciliary, paying agent and transfer agent fees		671.80	741.42	801.31	586.11
Central administration services fees	(4)	1,507.09	1,371.59	1,503.35	1,038.68
Audit fees, printing and publication expenses		10,046.35	9,494.59	10,463.34	3,907.94
Subscription tax	(5)	26.03	25.86	26.88	12.24
Formation expenses amortization	(2)	2,625.45	2,625.45	2,625.45	2,625.45
Legal fees		2,202.44	2,238.98	5,116.05	741.57
Placement fees amortization	(2)	8,849.62	8,212.40	9,650.13	3,730.61
Other charges		5,896.83	6,325.80	4,006.77	2,463.40
TOTAL EXPENSES		**36,036.24**	**34,677.84**	**36,814.17**	**15,820.52**
NET PROFIT / (LOSS) FROM INVESTMENTS		**(35,880.10)**	**(34,183.76)**	**(36,804.92)**	**(15,820.52)**
Net realised profit/(loss) on sale of investments	(2)	766.80	7,470.80	12,309.93	(11,482.23)
Net realised profit/(loss) on foreign exchange	(2)	(0.09)	-	0.01	-
NET REALISED PROFIT/(LOSS)		**(35,113.39)**	**(26,712.96)**	**(24,494.98)**	**(27,302.75)**
Change in net unrealised appreciation/ (depreciation) on:					
- investments		(36,782.13)	(42,977.46)	(95,672.92)	10,311.34
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS		**(71,895.52)**	**(69,690.42)**	**(120,167.90)**	**(16,991.41)**
EVOLUTION OF THE CAPITAL					
Issue of units		132,856.00	238,984.09	328,759.37	49,870.00
Redemption of units		(386,266.45)	(397,218.66)	(277,642.78)	(291,341.24)
NET ASSETS AT THE END OF THE YEAR		**1,136,594.96**	**998,399.98**	**1,328,010.00**	**458,837.59**

The accompanying notes form an integral part of these financial statements.

Statement of Operations and Changes in Net Assets for the year ended December 31, 2018 (continued)

	Notes	Combined EUR
NET ASSETS AT THE BEGINNING OF THE YEAR		**4,802,587.45**
INCOME		
Bank interest		494.08
Other income		165.39
TOTAL INCOME		**659.47**
EXPENSES		
Management fees	(3)	11,187.79
Domiciliary, paying agent and transfer agent fees		2,800.64
Central administration services fees	(4)	5,420.71
Audit fees, printing and publication expenses		33,912.22
Subscription tax	(5)	91.01
Formation expenses amortization	(2)	10,501.80
Legal fees		10,299.04
Placement fees amortization	(2)	30,442.76
Other charges		18,692.80
TOTAL EXPENSES		**123,348.77**
NET PROFIT / (LOSS) FROM INVESTMENTS		**(122,689.30)**
Net realised profit/(loss) on sale of investments	(2)	9,065.30
Net realised profit/(loss) on foreign exchange	(2)	(0.08)
NET REALISED PROFIT/(LOSS)		**(113,624.08)**
Change in net unrealised appreciation/ (depreciation) on:		
- investments		(165,121.17)
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS		**(278,745.25)**
EVOLUTION OF THE CAPITAL		
Issue of units		750,469.46
Redemption of units		(1,352,469.13)
NET ASSETS AT THE END OF THE YEAR		**3,921,842.53**

The accompanying notes form an integral part of these financial statements.

Changes in the Number of Units for the year ended December 31, 2018

	IW4Me - Care	IW4Me - Smart	IW4Me - Dynamic	IW4Me - Active
Class A				
Number of units outstanding at the beginning of the year	294,313.142	238,483.523	257,465.286	157,088.370
Number of units issued	26,848.987	46,615.404	61,212.618	10,895.871
Number of units redeemed	(78,932.350)	(78,455.851)	(51,676.923)	(64,162.722)
Number of units outstanding at the end of the year	242,229.779	206,643.076	267,000.981	103,821.519

IW4Me

Statistics

	IW4Me - Care	IW4Me - Smart	IW4Me - Dynamic	IW4Me - Active
	EUR	EUR	EUR	EUR
Total Net Asset Value				
December 31, 2018	1,136,594.96	998,399.98	1,328,010.00	458,837.59
December 31, 2017	1,461,900.93	1,226,324.97	1,397,061.31	717,300.24
NAV per unit of the end of the year				
December 31, 2018				
Class A	4.692	4.832	4.974	4.419
December 31, 2017				
Class A	4.967	5.142	5.426	4.566

IW4Me

IW4Me - Care

Statement of Investments
as at December 31, 2018

(expressed in EUR)

Description	Quantity	Currency	Cost	Market Value	% net assets
Investments Funds					
Pramerica Global Multiasset 15 Ic Shs -I- Eur /Cap	221,357	EUR	1,120,272.59	1,095,717.15	96.40
Total - Investments Funds			**1,120,272.59**	**1,095,717.15**	**96.40**
TOTAL INVESTMENT PORTFOLIO			**1,120,272.59**	**1,095,717.15**	**96.40**

The accompanying notes form an integral part of these financial statements.

IW4Me - Care

Geographical and Economic Classification of Investments as at December 31, 2018

(expressed as a percentage of net assets)

Economic breakdown	**%**
Investment Funds	96.40
Cash and Other Assets / (Liabilities)	3.60
	100.00

Geographical breakdown	**%**
Luxembourg	96.40
Cash and Other Assets / (Liabilities)	3.60
	100.00

IW4Me

IW4Me - Smart

Statement of Investments as at December 31, 2018

(expressed in EUR)

Description	Quantity	Currency	Cost	Market Value	% net assets
Investments Funds					
Pramerica Global Multiasset 30 Shs -I- Cap	193,537	EUR	975,312.17	962,072.43	96.36
Total - Investments Funds			**975,312.17**	**962,072.43**	**96.36**
TOTAL INVESTMENT PORTFOLIO			**975,312.17**	**962,072.43**	**96.36**

The accompanying notes form an integral part of these financial statements.

IW4Me - Smart

Geographical and Economic Classification of Investments as at December 31, 2018

(expressed as a percentage of net assets)

Economic breakdown	%
Investment Funds	96.36
Cash and Other Assets / (Liabilities)	3.64
	100.00

Geographical breakdown	%
Luxembourg	96.36
Cash and Other Assets / (Liabilities)	3.64
	100.00

IW4Me - Dynamic

Statement of Investments as at December 31, 2018

(expressed in EUR)

Description	Quantity	Currency	Cost	Market Value	% net assets
Investments Funds					
Pramerica Global Dynamic Allocation Shs -I- Cap	192,914	EUR	1,303,605.61	1,282,492.27	96.57
Total - Investments Funds			**1,303,605.61**	**1,282,492.27**	**96.57**
TOTAL INVESTMENT PORTFOLIO			**1,303,605.61**	**1,282,492.27**	**96.57**

The accompanying notes form an integral part of these financial statements.

IW4Me - Dynamic

Geographical and Economic Classification of Investments as at December 31, 2018

(expressed as a percentage of net assets)

Economic breakdown	%
Investment Funds	96.57
Cash and Other Assets / (Liabilities)	3.43
	100.00

Geographical breakdown	%
Luxembourg	96.57
Cash and Other Assets / (Liabilities)	3.43
	100.00

IW4Me

IW4Me - Active

Statement of Investments
as at December 31, 2018

(expressed in EUR)

Description	Quantity	Currency	Cost	Market Value	% net assets
Investments Funds					
Pramerica Long Short Euro Shs -I- Cap	87,516	EUR	460,741.89	440,818.09	96.07
Total - Investments Funds			**460,741.89**	**440,818.09**	**96.07**
TOTAL INVESTMENT PORTFOLIO			**460,741.89**	**440,818.09**	**96.07**

The accompanying notes form an integral part of these financial statements.

IW4Me - Active

Geographical and Economic Classification of Investments as at December 31, 2018

(expressed as a percentage of net assets)

Economic breakdown	%
Investment Funds	96.07
Cash and Other Assets / (Liabilities)	3.93
	100.00

Geographical breakdown	%
Luxembourg	96.07
Cash and Other Assets / (Liabilities)	3.93
	100.00

Notes to the Financial Statements as at December 31, 2018

Note 1 – General

IW4Me (the "Fund") is organized under the laws of the Grand Duchy of Luxembourg as a mutual investment fund ("*fonds commun de placement"*) with separate sub-funds constituting each a separate portfolio of assets and liabilities (‘‘sub-funds’’).

The Fund is registered pursuant to Part I of the amended Law of December 17, 2010 on undertakings for collective investment in transferable securities (the ‘‘Law’’).

The Fund is managed in the interest of its unitholders by Pramerica Management Company S.A. as its designated Management Company, a public limited company ("*société anonyme*") incorporated under the laws of Luxembourg and having its registered office in Luxembourg.

The assets of the Fund are separate from those of the Management Company and from those of other funds managed by the Management Company.

The minimum capital is laid down under the Law. The currency for the combined financial statements of the Fund is Euro (EUR).

The Management Company manages the assets of the Fund in accordance with the management regulations of the Fund (the "Management Regulations") effective on August 24, 2016 modified on December 17, 2016. The Management Regulations are deposited with the *Registre de Commerce et des Sociétés* ("RCS") in Luxembourg, where they may be inspected and copies may be obtained. A notice advising of the deposit of the Management Regulations with the registry is published in the *Recueil électronique des Sociétés et Associations* (‘‘RESA’’).

In accordance with the Management Regulations, the Board of Directors of the Management Company may issue Units in each sub-fund. A separate pool of assets is maintained for each sub-fund and is invested in accordance with the investment objectives applicable to the relevant sub-fund as provided in the Prospectus' supplement devoted to each of the sub-funds. The net proceeds from the subscription to each sub-fund are invested in the specific portfolio of assets constituting that sub-fund. As a result, the Fund is an "umbrella fund" enabling investors to choose between one sub-fund(s) may be most appropriate for their specific risk and return expectations as well as their diversification needs.

All sub-funds are denominated in Euro and all assets and liabilities of each sub-fund are valued in Euro.

As at December 31, 2018, four sub-funds were active:

IW4Me - Care (the sub-fund is a feeder fund (the **‘‘Feeder Fund’’**) of Pramerica Sicav – Global Multiasset 15, a sub-fund of Pramerica Sicav)
IW4Me - Smart (the sub-fund is a feeder fund (the **‘‘Feeder Fund’’**) of Pramerica Sicav – Global Multiasset 30, a sub-fund of Pramerica Sicav)
IW4Me - Dynamic (the sub-fund is a feeder fund (the **"Feeder Fund"**) of Pramerica Sicav – Global Dynamic Allocation, a sub-fund of Pramerica Sicav)
IW4Me - Active (the sub-fund is a feeder fund (the **"Feeder Fund"**) of Pramerica Sicav – Long/Short Euro, a sub-fund of Pramerica Sicav)

Pramerica Sicav (formerly "UBI SICAV") (the "Master UCITS") is a UCITS authorized by CSSF and incorporated as a company with limited liability as an open-ended investment company with variable capital under the laws of Luxembourg.

The Master UCITS is an open-ended investment fund incorporated on March 27, 1991 under Luxembourg laws as a *"Société d'Investissement à capital variable"* for an unlimited period of time. The Master UCITS is governed by the provisions of Part I of the Luxembourg amended Law of December 17, 2010 (the "Law") relating to undertakings for collective investment in transferable securities ("UCITS V") The Master UCITS is an open-ended investment company with multiple sub-funds, i.e. it is composed of several sub-funds separately invested in accordance with their respective investment policies and objectives.

The Master UCITS is managed by Pramerica Management Company S.A. as its designated Management Company governed by the Chapter 15 of the Law.

The objective of the Master UCITS is to offer its shareholders easy access to the various investment markets, while abiding by the principle of the spreading of risks. In principle, all the securities acquired are quoted on an official stock exchange or traded on a regulated, recognised market which operates legitimately and is open to the public. The reporting date of the Master UCITS is December 31 in line with the Fund.

The Master UCITS undertakes to comply with the investment limits as described in the Law. In the context of its objectives, the Master UCITS will be able to offer a choice of several sub-funds, which are managed and administered separately. The investment objectives and policies to be pursued in each sub-fund are described in each of the supplements relating to each sub-fund in the prospectus; the Fund's prospectus, in relation of each feeder fund, include the objectives of the master sub-funds.

The sub-funds offer the following share classes categories (only share class A is active as at December 31, 2018):

IW4Me - Care:
Capitalization units
- Class ‘‘A’’ units that are intended for retail and institutional investors
- Class ‘‘B’’ units that are intended for retail and institutional investors

Notes to the Financial Statements as at December 31, 2018 (continued)

Note 1 – General (continued)

IW4Me - Smart:
Capitalization units
- Class ''A'' units that are intended for retail and institutional investors
- Class ''B'' units that are intended for retail and institutional investors

IW4Me - Dynamic:
Capitalization units
- Class ''A'' units that are intended for retail and institutional investors
- Class ''B'' units that are intended for retail and institutional investors

IW4Me - Active:
Capitalization units
- Class ''A'' units that are intended for retail and institutional investors
- Class ''B'' units that are intended for retail and institutional investors

Note 2 – Significant Accounting Policies

a) Presentation of the financial statements

The financial statements are prepared in accordance with Luxembourg legal and regulatory requirements and generally accepted accounting principles relating to UCITS.

The combined figures are derived by adding up the different sub-funds.

b) Net asset value

The net asset value of the units in each class, type or sub-type of units for each sub-fund is expressed in the currency set by the Board of Directors of the Management Company. This net asset value is in general, calculated at least twice a month, but a daily calculation is tried to be achieved as described in the sub-fund supplements of the current prospectus. The Board of Directors of the Management Company sets the valuation days (hereinafter called "Valuation Day") and the methods whereby the net asset value is made public, in compliance with the legislation in force. Details of the frequency of calculation of the net asset value appear in the sub-fund information supplements of the current prospectus.

The value of any cash in hand or on deposit, discount notes, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received, shall be deemed the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Board of Directors of the Management Company may consider appropriate in such case to reflect the true value thereof.

The value of all portfolio securities and money market instruments or derivatives that are listed on an official stock exchange or traded on any other regulated market is based on the last available price on the principal market on which such securities, money market instruments or derivatives are traded, as furnished by a recognized pricing service approved by the Board of Directors of the Management Company. If such prices are not representative of the fair value, such securities, money market instruments or derivatives as well as other permitted assets may be valued at a fair value at which it is expected that they may be resold, as determined in good faith by and under the direction of the Board of Directors of the Management Company.

The value of securities and money market instruments which are not quoted or dealt in on any regulated market is based on the last available price, unless such price is not representative of their true value; in this case, they may be valued at a fair value at which it is expected that they may be resold, as determined in good faith by and under the direction of the Board of Directors of the Management Company.

The amortised cost method of valuation for short-term transferable debt securities in certain sub-funds of the Fund may be used. This method involves valuing a security at its cost and thereafter assuming a constant amortisation to maturity of any discount or premium regardless of the impact of fluctuating interest rates on the market value of the security. While this method provides certainty in valuation, it may result in periods during which value as determined by amortised cost, is higher or lower than the price the sub-fund would receive if it sold the securities. For certain short term transferable debt securities, the yield to a unitholder may differ somewhat from that which could be obtained from a similar sub-fund which marks its portfolio securities to market each day.

The valuation of units or shares of the Master Funds is based on the last determined and available net asset value. The value of the participations in investment funds is based on the last available valuation. Generally, participations in investment funds is valued in accordance with the methods described in the instruments governing such investment funds. These valuations shall normally be provided by the fund administrator or valuation agent of an investment fund. To ensure consistency within the valuation of each sub-fund, if the time at which the valuation of an investment fund was calculated does not coincide with the valuation time of any sub-fund, and such valuation is determined to have changed materially since it was calculated, then the Net Asset Value may be adjusted to reflect these changes as determined in good faith by and under the direction of the Board of Directors of the Management Company.

Notes to the Financial Statements as at December 31, 2018 (continued)

Note 2 – Significant Accounting Policies (continued)

The valuation of swaps is based on their market value, which itself depends on various factors (e.g. level and volatility of the underlying asset, market interest rates, residual term of the swap). Any adjustments required as a result of issues and redemptions are carried out by means of an increase or decrease in the nominal of the swaps, traded at their market value.

The valuation of derivatives traded over-the-counter (OTC), such as futures, forward or options contracts not traded on exchanges or on other regulated markets, is based on their net liquidating value determined, pursuant to the policies established by the Board of Directors of the Management Company, on a basis consistently applied for each variety of contract. The net liquidating value of a derivative position is to be understood as the net unrealised profit/loss with respect to the relevant position. The valuation applied is based on or controlled by the use of a model recognized and of common practice on the market.

The value of other assets is determined prudently and in good faith by and under the direction of the Board of Directors of the Management Company in accordance with generally accepted valuation principles and procedures.

c) Foreign currency translation for each sub-fund

The accounts are maintained in Euro and the financial statements are expressed in that currency. Assets and liabilities expressed in currencies other than the sub-fund's currency are translated into the sub-fund's currency at the exchange rates applicable as at year end. Income and expenses in currencies other than the sub-fund's currency are translated into the sub-fund's currency at the exchange rates applicable at the transaction date. Net realised profit and loss on foreign exchange is included in the Statement of Operations and Changes in Net Assets.

d) Net realised profit and loss on sales of investments

Investments in securities are accounted for on a trade date basis. Net realised profits and losses on sales of investments are based on the average cost basis.

e) Placement fees (applicable for Class A units only)

For all sub-funds, a placement fee is charged to the Class "A" units, amounting to 1.95%, at the time of each subscription; such fee is amortized over the first three years following each subscription by daily charge on the total net value of the unit class.

The amortization of the placement fees is recorded in the Statement of Operations and Changes in Net Assets under the caption "Placement fees amortization".

The capitalised amount of the placement fees is recorded in the Statement of Net Assets under the caption "Capitalised placement fees".

f) Dividend and interest income

Dividend are shown net of withholding tax deducted at source, and are recorded as income on the ex-dividend date. Interest income is accrued on a daily basis.

g) Redemption fees

As described in the current prospectus, a redemption fee payable to the sub-funds is applied, calculated on the redeemed shares multiplied by the Initial Price and at the following rates:

Sub-fund	Classes	
	CLASS "A"	CLASS "B"
IW4Me - Care	(1)	-
IW4Me - Smart	(1)	-
IW4Me - Dynamic	(1)	-
IW4Me - Active	(1)	-

(1) In the first three (3) years following each subscription, a decreasing redemption fee in favour of the units class is applied. This redemption fee is withdrawn from the equivalent value reimbursed and applied to the number of units redeemed, multiplied by the respective initial subscription value. The sub-fund reimburses the units taking into account the order in which they were subscribed by the unitholder (i.e. on a ‘‘first-in-first-out’’ basis).
The rate of the redemption fee to be applied to the redeemed units, depending on their subscription duration, is determined as follows: Redemption fee rate = (TOTAL_DAYS – DAYS_ELAPSED) * (1.95% / TOTAL_DAYS) where:
- **DAYS_ELAPSED** is the number of days elapsed from the Subscription of the unit until the date of the unit value used for appreciation of the redemption;
- **TOTAL_DAYS** is the number of days in the three year period following the subscription, i.e. the time fixed to amortise the placement fee.

Notes to the Financial Statements as at December 31, 2018 (continued)

Note 2 – Significant Accounting Policies (continued)

h) Subscription fees

As described in the current prospectus, a subscription fee payable to the sales intermediaries is applied at the following rates:

Sub-fund maximum rates	Classes	
	CLASS "A"	CLASS "B"
IW4Me - Care	-	1.95%
IW4Me - Smart	-	1.95%
IW4Me - Dynamic	-	1.95%
IW4Me - Active	-	1.95%

i) Formation and preliminary expenses

If a new sub-fund is created, the formation and preliminary expenses of this sub-fund will be charged exclusively to it and amortized over a 5 years period, starting on the launching date of this sub-fund.

Note 3 – Management Fees

The Management Company shall be in charge of the management, the administration and the distribution of the Fund.

By way of remuneration for the management and distribution services, as described in Part III, point V of the current prospectus, the Management Company charges each sub-fund a management fee, calculated and accrued daily on the total net assets of the sub-funds and payable quarterly in arrears.

On December 31, 2018, the management fees rate are described in the below table:

Sub-fund maximum rates	CLASS "A" (Annual rate applicable)	CLASS "B" (Annual rate applicable)
IW4Me - Care	0.75%	1.40%
IW4Me - Smart	0.75%	1.40%
IW4Me - Dynamic	0.75%	1.40%
IW4Me - Active	0.75%	1.40%

The Management Company pays the Investment Manager on a quarterly basis a fee out of its own remuneration.

Note 4 – Depositary Bank, Central Administration and Domiciliary Agent

(1) Depositary bank

Pursuant to the Law, the CSSF Circular 14/587, and the Depositary Bank and Principal Paying Agent Agreement effective as of August 24, 2016 and entered into between the Management Company, on behalf of the Fund and RBC (the ‘‘Depositary Bank and Principal Paying Agent Agreement’’), the Management Company has appointed RBC Investor Services Bank S.A. (‘‘RBC’’), having its registered office at 14, Porte de France, L-4360 Esch-sur-Alzette, Grand Duchy of Luxembourg, as depositary bank and principal paying agent (the ‘‘Depositary’’) of the Fund with responsibility for the:

(a) safekeeping of the assets,
(b) oversight duties,
(c) cash flow monitoring and
(d) principal paying agent functions

The Fund pays to the Depositary Bank annual fees which equal to a maximum of 2% of the net asset value per sub-fund. These fees are payable on a monthly basis and do not include any transaction related fees and costs of sub-depositaries or similar agents. The Depositary is also entitled to be reimbursed of reasonable disbursements and out of pocket expenses which are not included in the above mentioned fees.

Notes to the Financial Statements as at December 31, 2018 (continued)

Note 4 – Depositary Bank, Central Administration and Domiciliary Agent (continued)

(2) Central administration

The Management Company, in consideration for the administrative services provided by it to the Fund shall receive a service fee at a yearly rate of up to 0.40% of the average net assets, transaction fees for the handling of subscription and redemption orders are not included in this cap.

Pursuant to article 110 of the Law, the Management Company has appointed at its own expense and under its control and responsibility RBC Investor Services Bank S.A. as the registrar, transfer and administrative agent for the Fund under an Administration Agency Agreement effective as of August 24, 2016, concluded for an undetermined duration and which may be terminated subject to a 90 days prior notice. Under such Administration Agency Agreement, RBC Investor Services Bank S.A. shall be responsible for the general administration of the Fund required by Luxembourg law and for processing the issue and redemption of units, the calculation of the net asset value of the units in the Fund and the maintenance of accounting records for the Fund.

In addition, the Management Company entered into specific contractual arrangements with RBC Investors Services Bank S.A., effective as of August 24, 2016, to the effect of obtaining investment compliance monitoring services. RBC Investors Services Bank S.A. agreed to provide the Management Company with a regular reporting on such investments controls thus performed.

Note 5 – Subscription Tax

Under legislation and regulations in Luxembourg the Fund is subject to an annual subscription tax ("*taxe d'abonnement*") of 0.05% per annum. This tax rate is reduced to a rate of 0.01% in respect of the net assets attributable to such classes of shares which are reserved for institutional investors within the meaning of, and as provided for in, Article 174 of the Law. Such tax is payable and calculated quarterly, and it is based on the total net asset value of the relevant class of shares on the last day of every calendar quarter. The subscription tax does not apply to the part of the assets of the Fund that are invested in other Luxembourg undertakings for collective investment already subject to the "*taxe d'abonnement*".

Note 6 – Master/Feeder

The Feeder

The sub-fund (''Feeder'') is a feeder sub-fund pursuant to article 77 (1) of the Law and at all times invests at least 85% of its assets in units of the Master UCITS (''Pramerica Sicav'') which qualifies as a ''Master UCITS'' within the meaning of Directive 2009/65/EC.

The following table provides the master-feeder information.

Feeder Fund	Master Fund	% of Feeder TNA invested in Master at 31.12.2018	% of Master TNA owned by Feeder at 31.12.2018	% of Class I Master TNA owned by feeder at 31.12.2018
IW4Me - Care	Pramerica Sicav - Global Multiasset 15	96.40%	0.12%	12.16%
IW4Me - Smart	Pramerica Sicav - Global Multiasset 30	96.36%	0.11%	8.11%
IW4Me - Dynamic	Pramerica Sicav - Global Dynamic Allocation	96.57%	0.10%	11.34%
IW4Me - Active	Pramerica Sicav - Long/Short Euro	96.07%	1.32%	1.99%

The Class "I" of the Master UCITS are dedicated to the Institutional investors and feeder UCITS as designated by the prospectus of Pramerica Sicav.

Aggregate expenses

The accumulated fees applied to the Master UCITS and to its investees shall not exceed 1.40% of the NAV (for share class A) in the case of the management fee. The actual management and depositary bank fees are:

Sub-class	Management Fee p.a. (Feeder)	Management Fee p.a. (Master – investee sub-class)	Total
IW4Me - Care	0.75%	0.45%	1.20%
IW4Me - Smart	0.75%	0.48%	1.23%
IW4Me - Dynamic	0.75%	0.60%	1.35%
IW4Me - Active	0.75%	0.65%	1.40%

Notes to the Financial Statements as at December 31, 2018 (continued)

Note 6 – Master/Feeder (continued)

Sub-class	Depositary Bank Fee p.a. (Feeder)	Depositary Bank Fee p.a. (Master – investee sub-class)	Total
IW4Me - Care	0.025%	0.03%	0.055%
IW4Me - Smart	0.025%	0.03%	0.055%
IW4Me - Dynamic	0.025%	0.03%	0.055%
IW4Me - Active	0.025%	0.03%	0.055%

The annualized aggregate Total Expenses Ratios ("TER") for the year ended December 31, 2018 amounted to:

Sub-class	TER Feeder	TER Master – investee sub-class	Total
IW4Me - Care	2.74%	0.72%	3.46%
IW4Me - Smart	2.78%	0.76%	3.54%
IW4Me - Dynamic	2.46%	0.95%	3.41%
IW4Me - Active	2.96%	1.20%	4.16%

Complete information about the Master UCITS, including Prospectus, KIIDs, articles of incorporation and financial reports can be obtained free of charges at the Management Company's registered office.

Note 7 – Distributions

During the year ended December 31, 2018, no dividends distributed by the Fund.

Note 8 – Transaction Cost

For the year ended December 31, 2018, the Fund incurred no transaction costs (part of the securities cost amounts) relating to purchase or sale of transferable securities, money market instruments, derivatives or other eligible assets.

Note 9 – Changes in Portfolio

Upon request to be addressed to the registered office of the Fund a copy of the statement of changes in the portfolio for the year ended December 31, 2018 is available free of charge.

Note 10 – Obtaining Annual and Semi-Annual Report of the Master UCITS

The annual report, including audited financial statements and unaudited semi-annual report of the Master UCITS can be obtained free of charges at the Management Company's registered office.

Unaudited Appendix

Remuneration Policy

The Management Company has in place a remuneration policy which sets out principles applicable to the remuneration of the senior management, all staff members having a material impact on the risk profile of the financial undertakings as well as all staff members carrying out independent control functions (the ‘‘**Remuneration Policy**’’).

(a) the Remuneration Policy is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the UCITS that the Management Company manages;

(b) the Remuneration Policy is in line with the business strategy, objectives, values and interests of the Management Company and the UCITS that it manages and of the investors in such UCITS, and includes measures to avoid conflicts of interest;

(c) the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the UCITS managed by the Management Company in order to ensure that the assessment process is based on the longer-term performance of the UCITS and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;

(d) fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component;

In 2018, Pramerica Management Company S.A. (formerly UBI Management Company S.A.) paid a total remuneration of EUR 491,554.86 to its employees, of which EUR 37,000.00 were paid as variable remuneration (5 employees among which 2 are detached).

The total remuneration is paid by the Management Company to senior management and members of its staff whose actions have no material impact on the risk profile.

No material changes have been made to the Remuneration Policy.

The remuneration policy is reviewed at least on annual basis.

Global Exposure

As required by the CSSF Circular 11/512, the Board of Directors of the Management Company must determine the Fund risk management method, using either the commitment approach or the Value at Risk (VaR) approach. The Board of Directors of the Management Company has chosen to adopt the commitment approach as the method for determining overall risk for all the sub-funds of the Fund.

Information concerning the Securities Financing Transaction and of Reuse disclosures

As at December 31, 2018, the Fund is currently not concerned by the requirements of the Securities Financing Transactions Regulation (Regulation (EU) 2015/2365) on transparency of securities financing transactions and of reuse. Furthermore, no corresponding transactions were carried out during the year referring to the financial statements.