MEDIOBANCA SICAV
société anonyme qualifying as a
société d'investissement à capital variable
60, avenue J.F. Kennedy, L – 1855 Luxembourg
R.C.S. Luxembourg B 65 834
(the "**Fund**")

Common terms of merger regarding the merger of the following sub-funds:

MEDIOBANCA SICAV – Mediobanca Bond Euro

(the "**Merging Sub-Fund**")

and

MEDIOBANCA SICAV – Mediobanca Corporate Bond Euro

(the "**Receiving Sub-Fund**")

These COMMON TERMS OF MERGER are dated 28 September 2020.

The Merging Sub-Fund and the Receiving Sub-Fund will hereinafter be together referred to as the "**Merging Entities**".

The board of directors of the Fund (the "**Board**") have drawn up the following common terms for a merger foreseen under article 1(20)(a) of the law dated 17 December 2010 on undertakings for collective investment, as amended (the "**2010 Law**"):

Capitalized terms not defined herein have the same meaning as in the prospectus of the Fund (the "**Prospectus**").

1. Identification of the type of merger and the sub-funds concerned by the merger

The merger between the Merging Entities will be effected by the absorption of the Merging Sub-Fund by the Receiving Sub-Fund whereby the assets and liabilities of the Merging Sub-Fund are transferred to the Receiving Sub-Fund by way of a contribution in kind of all assets and liabilities of the Merging Sub-Fund into the Receiving Sub-Fund. As a consequence, the Merging Sub-Fund will be dissolved without going into liquidation. In exchange for their shares in the Merging Sub-Fund, shareholders of the Merging Sub-Fund will receive shares of the corresponding share class in the Receiving Sub-Fund as further described below.

2. Expected effective date of the merger

The merger shall become effective between the Merging Entities and towards third parties on 20 November 2020, upon (i) approval of the Merger by the CSSF, and (ii) completion of the thirty (30) calendar days prior notice period before the date of calculation of the share exchange ratio, and an additional five (5) working days during which the share exchange ratio may be calculated (the "**Effective Date**") as further described below.

3. Background and rationale of the proposed merger

The Board has decided, in the best interest of the shareholders of the Merging Sub-Fund and the Receiving Sub-Fund respectively, to merge the Merging Sub-Fund into the Receiving Sub-Fund in order to enable a better management of the assets under management and to reduce the costs.

Indeed, Mediobanca SGR, which has subscribed (both in its capacity of delegated investment manager of the Merging Entities and on a discretionary basis) ca. 98% of the assets of the Merging Sub-Fund and ca. 94% of the assets of the Receiving Sub-Fund, is planning to reimburse an important part of its assets. After such reimbursement, the assets under management of the Merging Entities will be quite small. Therefore, the Board considers it is opportune to merge the Merging Sub-Fund in the Receiving Sub-Fund to achieve the objective stated in the foregoing paragraph.

In light of the compatibility of the investment objective, strategy, target assets and risk profile of the Merging Sub-Fund and the Receiving Sub-Fund, the Board strongly believes in the synergies to be created by this merger, including, but not limited to, more efficient management thereby benefiting the Merging Sub-Fund and Receiving Sub-Fund's shareholders, as stated earlier.

Further, the Board acknowledges that objectives set in the preceding paragraph justify the application of the slightly higher management fees of the Receiving Sub-Fund, in consideration of the commercial and strategic advantages the shareholders of the Merging Sub-Fund will benefit from and the payment of a lower performance fee in application of the Receiving Sub-Fund's calculation method of the performance fee.

4. Expected impact of the proposed merger on the shareholders of the Merging Entities

4.1 Impact of the merger on the shareholders of the Merging Sub-Fund

For the shareholders of the Merging Sub-Fund, the merger will result in such shareholders being, from the Effective Date, shareholders of the Receiving Sub-Fund.

No subscription fee will be levied within the Receiving Sub-Fund as a result of the merger.

Shareholders are informed that the classes of shares in the Receiving Sub-Fund which shareholders will receive will be registered for distribution in the same countries than the classes of shares previously held in the Merging Sub-Fund by said shareholder.

The merger will be binding on all the shareholders of the Merging Sub-Fund who have not exercised their right to request the redemption of their shares, free of charge, within the timeframe set out in section 8 (*Notices to shareholders*) below.

The Receiving Sub-Fund and the Merging Sub-Fund are managed by the same investment manager, Mediobanca SGR S.p.a..

The main characteristics of the Receiving Sub-Fund, as described in the Prospectus and in the key investor information document ("**KIID**") of the Receiving Sub-Fund and in the KIID of the Merging Sub-Fund are shown below.

In terms of reporting, shareholders should note that the Fund prepares an audited annual report covering each financial year ending on 30th June of each year.

(a) Investment objective and policy

	Merging Sub-Fund	Receiving Sub-Fund
Investment objective	The investment objective of the Sub-Fund is to provide investors with an adequate exposure to the Euro bond market.	The investment objective of the Sub-Fund is to provide investors with an adequate exposure to the corporate bond Euro market.
Investment policy	The Sub-Fund mainly invests in fixed and floating rate instruments and in bank time deposits according to the principle of risk diversification. Such investments are issued by supranational, government, quasi-government bodies or private borrowers headquartered in any country (hereinafter for the purposes of this	The Sub-Fund will mainly invest in government and corporate bonds according to the principle of risk diversification. Such bonds may be denominated in any currency, issued by borrowers headquartered in any OECD country and primarily shall have received a minimum rating of BBB-(minus) by

	section referred to as "**Approved Instruments**"). The investments of the Sub-Fund should be primarily denominated in EUR and primarily shall have received a minimum rating of BBB-(minus) by Standard & Poor's or equivalent for the relevant maturity. However, the Sub-Fund may ancillary invest part of its net assets in Approved Instruments denominated in any other currency, provided that the issuers of such bonds shall have received a minimum rating of BBB-(minus) by Standard & Poor's or equivalent for the relevant maturity. The Sub-Fund may also invest in accordance with the terms of the present Prospectus, and on an ancillary basis, in other transferable securities, money market instruments, derivatives, including but not limited to options, warrants, futures, other equity derivatives traded either on a regulated market or OTC and forward transactions, deposits and units in collective investment schemes. The Sub-Fund may hold ancillary liquid assets and may invest up to 10% in convertible bonds. The Sub-Fund may also enter into swap transactions. The Sub-Fund will neither make use of securities financing transactions (i.e. (i) repurchase transactions, (ii) securities or commodities lending and securities or commodities borrowing, (iii) buy-sell back transactions or sell-buy back transactions, and (iv) margin lending transactions) nor of total return swaps.	Standard & Poor's or equivalent for the relevant maturity. The Sub-Fund may also invest in accordance with the terms of the present Prospectus, and on an ancillary basis, in other transferable securities, money market instruments, derivatives, including but not limited to options, warrants, futures, other equity derivatives traded either on a regulated market or OTC and forward transactions, deposits and units in collective investment schemes. The Sub-Fund may also hold ancillary liquid assets and may invest up to 10% in convertible bonds. The Sub-Fund may also enter into swap transactions. The Sub-Fund will neither make use of securities financing transactions (i.e. (i) repurchase transactions, (ii) securities or commodities lending and securities or commodities borrowing, (iii) buy-sell back transactions or sell-buy back transactions, and (iv) margin lending transactions) nor of total return swaps.

(b) Profile of typical investor

	Merging Sub-Fund	Receiving Sub-Fund
Specific recommendation in the KIID	Recommendation: this Sub-Fund may be appropriate for investors who plan to withdraw their money in the short term (2 years)	Recommendation: this Sub-Fund may not be appropriate for investors who plan to withdraw their money in the short term (2 years)

(c) Classes of shares and currency

The tables below show only the active share classes of the Merging Sub-Fund including their currencies, the corresponding share classes of the Receiving Sub-Fund and the ISIN numbers of the corresponding share classes in the Receiving Sub-Fund.

Please refer to the prospectus of the Merging Sub-Fund and/or the Receiving Sub-Fund for a list of all share classes.

The reference currency of the Merging Sub-Fund and the Receiving Sub-Fund is the Euro.

The share classes of the Receiving Sub-Fund will keep the ISIN numbers which are currently attributed to it.

Name	Classes of shares	ISIN	Distribution Policy	Hedged
Merging Sub-Fund	C	LU0134650026	Capitalisation	No
	I	LU0134649952	Capitalisation	No
Receiving Sub-Fund	C	LU0126234292	Capitalisation	No
	I	LU0135559408	Capitalisation	No

(d) Risk and reward profile

Name	Classes of shares	SRRI
Merging Sub-Fund	C	3
	I	3
Receiving Sub-Fund	C	3
	I	3

(e) Distribution policy

Please refer to Section "Distribution Policy" in the Prospectus of the Fund for the distribution policies applicable to the Merging Entities.

Both the Merging Entities issue shares on a capitalisation basis as described in Section "Distribution Policy" in the prospectus of the Fund.

(f) Minimum initial investment and minimum subsequent investment

Merging Sub-Fund		Receiving Sub-Fund	
Minimum initial investment			
Classes of shares		**Classes of shares**	
C EURO Class	None	C EURO Class	None
I EURO Class	None	I EURO Class	None
Minimum subsequent investment			
Classes of shares		**Classes of shares**	
C EURO Class	None	C EURO Class	None
I EURO Class	None	I EURO Class	None

(g) Fees and expenses

Please refer to Section "Charges and Expenses" in the prospectus of the Fund for common fees applicable to the Merging Entities.

Merging Sub-Fund	Receiving Sub-Fund
A management fee is payable to the Management Company in compensation for its management services. Such a fee is payable quarterly and calculated on the average of the net assets of the Sub-Fund for the relevant quarter. A distribution fee is payable to the Management Company in compensation for its distribution services. Such a fee is equal to 0.05% per annum, payable quarterly and calculated on the average quarterly net asset value of the Sub-Fund. The Distributor is authorized to retain a sales charge calculated as a percentage of the subscribed amount. The management fee and sales charge applied to each Class of Shares are reported in the following	

<table>
<tr><td colspan="6">table:</td></tr>
<tr><td>Class of Shares</td><td>Investment management fee</td><td>Sales charge</td><td>Class of Shares</td><td>Investment management fee</td><td>Sales charge</td></tr>
<tr><td>C EURO Class</td><td>1.00% per annum</td><td>up to a maximum of 3%</td><td>C EURO Class</td><td>1.00% per annum</td><td>up to a maximum of 3%</td></tr>
<tr><td>I EURO Class</td><td>0.50% per annum</td><td>up to a maximum of 1%</td><td>I EURO Class</td><td>0.60% per annum</td><td>up to a maximum of 1%</td></tr>
<tr><td colspan="6">Performance fee</td></tr>
<tr><td colspan="3">Furthermore, for all Classes of Shares, the Management Company is entitled to receive a quarterly performance fee equal to 10% of the difference between the quarterly performance of the Sub-Fund and that of the Merrill Lynch Euro Government Bills index plus 12.5 basis points (50 basis points on an annual basis) (the “Benchmark”), both calculated at the end of each calendar quarter. The performance fee is only applicable at the end of each quarter if the Sub-Fund performs positively and higher than the Benchmark at the end of each calendar quarter and provided that the Net Asset Value at the last Valuation Day of the relevant calendar quarter is higher than the last Net Asset Value of the preceding calendar year and higher than each last Net Asset Value of each preceding calendar quarter during the current accounting year (the “High Water Mark”). Any performance fee applicable will be calculated at the end of each calendar quarter on the average assets of the Sub-Fund during the quarter and charged to the Sub-Fund at the end of the quarter. For newly launched Shares, the reference period for the calculation shall start at the launch of such Shares and end at the end of the current calendar quarter and the High Water Mark shall be the first Net Asset Value after the launch date that is higher than the Benchmark. The first High Water Mark will give right to the payment of a performance fee as above defined. If Shares were redeemed or converted into other Shares of any Class of the same Sub-Fund or any Class of another existing Sub-Fund during the reference calendar quarter, and for those Shares, a performance fee is accrued, it will be crystallized at the date of redemption or conversion and it will be considered as payable to the Management Company.

This methodology has been in place since January 2012.</td><td colspan="3">Furthermore, for all Classes of Shares, the Management Company is entitled to receive a quarterly performance fee equal to 10% of the difference between the quarterly performance of the Sub-Fund and that of the Merrill Lynch Euro Government Bills index plus 25 basis points (100 basis points on an annual basis) (the “Benchmark”), both calculated at the end of each calendar quarter. The performance fee is only applicable at the end of each quarter if the Sub-Fund performs positively and higher than the Benchmark at the end of each calendar quarter and provided that the Net Asset Value at the last Valuation Day of the relevant calendar quarter is higher than the last Net Asset Value of the preceding calendar year and higher than each last Net Asset Value of each preceding calendar quarter during the current accounting year (the “High Water Mark”). Any performance fee applicable will be calculated at the end of each calendar quarter on the average assets of the Sub-Fund during the quarter and charged to the Sub-Fund at the end of the quarter. For newly launched Shares, the reference period for the calculation shall start at the launch of such Shares and end at the end of the current calendar quarter and the High Water Mark shall be the first Net Asset Value after the launch date that is higher than the Benchmark. The first High Water Mark will give right to the payment of a performance fee as above defined. If Shares were redeemed or converted into other Shares of any Class of the same Sub-Fund or any Class of another existing Sub-Fund during the reference calendar quarter, and for those Shares, a performance fee is accrued, it will be crystallized at the date of redemption or conversion and it will be considered as payable to the Management Company.

This methodology has been in place since January 2012.</td></tr>
<tr><td colspan="6">Redemption fee</td></tr>
<tr><td colspan="3">All classes of shares</td><td colspan="3">All classes of shares</td></tr>
<tr><td colspan="3">Unless otherwise provided in the particulars of</td><td colspan="3">Unless otherwise provided in the particulars of</td></tr>
</table>

each Sub-Fund, if on any Valuation Day redemption requests pursuant to Article 11 and conversion requests pursuant to Article 12of the Articles relate to more than 10% of the Shares in issue in a specific Sub-Fund or in case of a strong volatility of the market or markets on which a specific Sub-Fund is investing, the Board of Directors may decide that part or all of such requests for redemption or conversion will be deferred for such period as the Board of Directors considers to be in the best interests of the Sub-Fund, but normally not exceeding 30 days. In any such case, an exit fee of maximum 1% of the Net Asset Value per Share of the relevant Sub-Fund may be charged to the shareholders making a redemption or conversion request to cover the corresponding costs of sales of the underlying portfolio. The rate of such exit fee will be the same for all shareholders having requested the redemption or conversion of their shares on the same Valuation Day. The exit fee shall revert to the Sub-Fund from which the redemption or conversion was effected. On the next Valuation Day following such period, these redemption and conversion requests will be met in priority to later requests	each Sub-Fund, if on any Valuation Day redemption requests pursuant to Article 11 and conversion requests pursuant to Article 12 of the Articles relate to more than 10% of the Shares in issue in a specific Sub-Fund or in case of a strong volatility of the market or markets on which a specific Sub-Fund is investing, the Board of Directors may decide that part or all of such requests for redemption or conversion will be deferred for such period as the Board of Directors considers to be in the best interests of the Sub-Fund, but normally not exceeding 30 days. In any such case, an exit fee of maximum 1% of the Net Asset Value per Share of the relevant Sub-Fund may be charged to the shareholders making a redemption or conversion request to cover the corresponding costs of sales of the underlying portfolio. The rate of such exit fee will be the same for all shareholders having requested the redemption or conversion of their shares on the same Valuation Day. The exit fee shall revert to the Sub-Fund from which the redemption or conversion was effected. On the next Valuation Day following such period, these redemption and conversion requests will be met in priority to later requests
Conversion fee	
No conversion fee is applicable.	No conversion fee is applicable.

(h) Subscription, conversion and redemption of shares

The procedure of subscription, conversion and redemption for the Merging Entities are identical.

4.2 Impact of the merger on the shareholders of the Receiving Sub-Fund

The incoming merger will be accepted and binding on all the shareholders of the Receiving Sub-Fund and the Merging Sub-Fund who have not exercised their right to request the redemption of their shares, free of charge, within the timeframe set out in section 8 (*Notices to shareholders*) below.

A rebalancing of the Receiving Sub-Fund's portfolio will be carried out after the merger.

5. Criteria adopted for the valuation of the assets and of the liabilities as of the date of the calculation of the exchange ratio

The assets and liabilities of the Merging Sub-Fund and the Receiving Sub-Fund will be valued as of the date for calculating the relevant share exchange ratio in accordance with the articles of incorporation of the Fund.

The respective net asset value of the Merging Sub-Fund and the Receiving Sub-Fund will be reviewed by the auditor of the Fund.

The management company of the Fund will bear the legal, advisory and administrative costs and expenses associated with the preparation and completion of the merger.

The Merging Entities will entrust an authorised auditor to validate the criteria adopted for the valuation of the assets and of the liabilities as of the date for calculating the exchange ratio. The appointed auditor is Ernst & Young. A copy of the respective report of the authorised auditor will be made available upon request and free of charge to the shareholders of the Merging Sub-Fund and the Receiving Sub-Fund and to the *Commission de Surveillance du Secteur Financier* on or about [***] 2020.

6. Method of calculation of the exchange ratio

The share exchange ratio in respect of the Merging Sub-Fund expressed in Euro will be determined by dividing the net asset value per share calculated as of the Effective Date by the net asset value per share of the Receiving Sub-Fund expressed in Euro as at the same date.

As the share class currency of the share classes of the Merging Sub-Fund and share class currency of the share classes of the Receiving Sub-Fund are both the EUR, no exchange rate between the share class currencies of the share classes will be applied when calculating the number of shares of the Receiving Sub-Fund to be issued on the Effective Date in exchange for the existing share classes of the Merging Sub-Fund.

The Fund administrator will be responsible for calculating the exchange ratio and allocating the shares in the Receiving Sub-Fund to the shareholders of the Merging Sub-Fund.

The Fund will entrust Ernst & Young, the authorised auditor appointed in section 5 (*Criteria adopted for the valuation of the assets and of the liabilities as of the date of the calculation of the exchange ratio*) above, to validate the calculation method of the exchange ratio as well as the actual exchange ratio determined as at the date for calculating the exchange ratio.

Since the exchange ratio for each share will be calculated on the Effective Date, an auditor report will also be drawn up. The shareholders of the Merging Sub-Fund will receive a separate confirmation on the number of shares in the relevant share class of the Receiving Sub-Fund that the shareholders will receive in return for the number of shares in the relevant share class of the Merging Sub-Fund the shareholders currently hold once the share exchange ratio has been determined on the Effective Date.

7. Rules applicable to the transfer of assets and the exchange of shares

The assets and liabilities of the Merging Sub-Fund will be transferred to the respective Receiving Sub-Fund on the Effective Date.

The shares of the Merging Sub-Fund will automatically be converted into shares of the Receiving Sub-Fund.

The shareholders of the Merging Sub-Fund who continue to hold their shares in the Merging Sub-Fund at the Effective Date, will become shareholders of the Receiving Sub-Fund and will thus participate in any increase in the net asset value of the corresponding Receiving Sub-Fund.

Shareholders of the Merging Sub-Fund holding shares in the Merging Sub-Fund on the Effective Date will automatically be issued, in exchange for their shares in the Merging Sub-Fund, a number of shares of the corresponding share classes of the Receiving Sub-Fund equivalent to the number of shares held in the relevant share classes of the Merging Sub-Fund multiplied by the share exchange ratio which shall be calculated for each class of shares on the basis of its respective net asset value as of the Effective Date.

The share exchange ratio will be calculated on the Effective Date and communicated to the shareholders immediately thereafter.

The shareholders of the Merging Sub-Fund will however only receive registered shares of the Receiving Sub-Fund, in exchange for their shares in the Merging Sub-Fund, as the corresponding Receiving Sub-Fund only issues registered shares.

Shareholders of the Merging Sub-Fund will acquire rights as shareholders of the Receiving Sub-Fund from the Effective Date.

8. Notices to shareholders

Notices to shareholders shall be prepared and subsequently sent to the shareholders of the Merging Sub-Fund and the Receiving Sub-Fund in accordance with article 72 of the 2010 Law. The notices will provide for a period of at least thirty (30) calendar days during which the shareholders of the Merging Sub-Fund and the Receiving Sub-Fund may request, free of charge (except any disinvestment costs), the redemption of their shares. The exchange ratio may only be calculated upon the expiration of the thirty (30) day period and may be calculated in the five (5) business days' period after such notice period has expired but prior to the Effective Date.

9. Suspensions in dealings

In order to implement the procedures needed for the merger in an orderly and timely manner, the Board of Directors has decided that subscriptions for, redemptions of, and conversions of shares of the Merging Sub-Fund and the Receiving Sub-Fund, as well as conversions to or from the Merging Sub-Fund and the Receiving Sub-Fund, will no longer be accepted or processed as of 13 November 2020 COB until 19 November 2020.

The merger and its Effective Date shall be published before the Effective Date. This information shall also be made publicly available, where mandatory by applicable regulation, in other jurisdictions where shares of the Merging entities are distributed.

The Board of Directors of the Fund

By:	By:
Director	Director
Place:	Place:
Date 28 September 2020	Date: 28 September 2020