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## Temporary Suspension of H2O Funds



**H2O**  
Asset Management

*London – Friday 28 August 2020*

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The French AMF has asked H2O AM to suspend all subscriptions and redemptions received today after 12:30 pm (CET), on the **H2O Allegro**, **H2O MultiBonds**, and **H2O MultiStrategies** FCPs. This decision is motivated by valuation uncertainties on the significant exposure of these funds to “private” securities, which arose from the still very partial completion of the disposal program of these placements as per the “Evergreen contract”. Therefore H2O AM suspends all subscriptions and redemptions on these three funds.

In the best interests of the unitholders of the H2O Global Macro funds, and to ensure their fair and equitable treatment, H2O AM has also decided to suspend all subscriptions and redemptions received today after 12:30 pm (CET) on four other FCPs also exposed to these securities, namely **H2O Adagio**, **H2O Moderato**, **H2O MultiEquities**, and **H2O Vivace**. The same applies to the H2O Deep Value AIF.

This suspension period is temporary, and should last around four weeks, during which H2O will actively manage the portfolios while creating, for the seven above-mentioned UCITS, side pockets that will hold the “private” securities.

In the meantime, all the funds’ other assets will be transferred into new UCITS that will duplicate H2O’s Global Macro investment strategy as before. These funds, which should get the approval from the AMF, will keep the same financial and legal characteristics, the same ISIN codes as well as the same support entities (asset management company, custodian, administrator, auditor) as the original funds.

Once these changes are completed, each investor will then hold units in a new fund similar to the initial one, but without any “private” securities; this fund will bear the same name as the initial one followed by the “FCP” letters. In addition, each investor will receive units of the corresponding side-pocketed fund holding the “private” securities. H2O’s objective will remain to sell these in the best possible terms, via the completion of the Evergreen contract, or via alternative routes.

The following H2O funds are not exposed to “private” securities, and are consequently not suspended:

- The Global Macro funds : H2O Largo, H2O MultiEquilibrium, H2O Allegretto, H2O MultiReturns ;
- The Benchmarked funds : H2O EuroAggregate, H2O MultiAggregate, H2O MultiEmerging, H2O EuroSovereign 3-5y, H2O EuroSovereign, H2O Global Convertibles, H2O EUROPEA ;
- The Barry funds : H2O Barry Short, H2O Barry Active Value, H2O Barry Volatility Arbitrage ;
- H2O Atlanterra;
- H2O Global Emerging Total Return.

As from August 31, 2020, the estimated net asset values of the funds under suspension will be computed and published on the H2O Website. We want to reassure all our investors of our total commitment to carry on providing them with the best performance of our Global Macro management.

*Edited by H2O AM in London on Friday, August 28, 2020.*

# Additional Notes

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