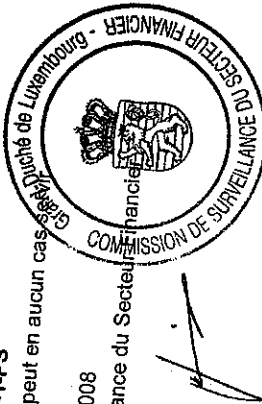


HERALD (LUX)

Herald (Lux) – US Absolute Return Fund

<p>Important Information</p>	<p>This simplified prospectus contains key information about Herald Lux (Lux) – US Absolute Return Fund (the "Sub-Fund"). If you would like more information before you invest, please consult the most recent full prospectus (the "Full Prospectus ") of Herald (Lux) (hereinafter the "Fund"). Unless defined in this document, defined terms shall bear the same meaning as in the Full Prospectus. For details about the Sub-Fund's holdings, please see the most recent report.</p> <p>The rights and duties of the investor as well as the legal relationship with the Fund are laid down in the Full Prospectus. The Full Prospectus and the periodical reports may be obtained free of charge from the Fund.</p>
 <p>VISA 2008/37335-5558-1-PS L'apposition du visa ne peut en aucun cas constituer un argument de publicité Luxembourg, le 20/05/2008 Commission de Surveillance du Secteur Financier</p>	<p>The Sub-Fund will invest at least 67% of its total assets (excluding cash and cash equivalents) either directly or through the use of financial derivative instruments in (i) highly liquid equity securities of issuers having a) their registered office in the United States of America ("US"), or b) that derive a predominant part of their economic activity from the US, or c) that are holding companies whose holdings consist predominantly of companies with their registered office in the US even if all of the foregoing are not listed in the US, and (ii) debt securities issued by the government of the US. The Sub-Fund may invest up to 33% of its total assets (excluding cash and cash equivalents) in other transferable securities worldwide.</p> <p>The Sub-Fund may hold up to 10% of its assets in cash or cash equivalents.</p> <p>The Sub-Fund may, in order to attain its investment objective, use financial derivative instruments and/or techniques within the limits laid down in the Full Prospectus, including the buying of put options and selling of call options on indices where constituent securities are represented in its assets.</p> <p>Notwithstanding point VI.(c) under section "4. Investment and Borrowing Restrictions", the Sub-Fund may invest only up to 2% of its net assets in shares or units of UCITS and/or other UCIs, referred to in point I.1.(c) under the same section.</p> <p>The Sub-Fund shall be managed with the view to achieve positive returns under all market conditions.</p>
<p>Sub-Fund's risk profile</p>	<p>The investments in equity securities and in the financial derivative instruments the sub-fund may invest in involve risks linked to stock markets, including volatility risk, and risks related to the use of financial derivative instruments as described in section 3 of Investment Policies and Restrictions. The Sub-Fund's investments are subject to market fluctuations. No assurance can, therefore, be given that the Sub-Fund's investment objective will be achieved. It can not be guaranteed either that the value of a Share in the Sub-Fund will not fall below its value at the time of acquisition.</p>
<p>Performance of the Sub-Fund</p>	<p>As this is a new Sub-Fund, there is no historical performance data currently available.</p>
<p>Performance disclaimer</p>	<p>Past performance is not necessarily a guide to future performance. Investors may not get back the full amount invested, as prices of Shares and the income from</p>

	<p>them may fall as well as rise.</p>	
Profile of the typical investor	<p>The Sub-Fund is suitable for investors who see investment funds as a convenient way of participating in US equity market developments. It is suitable for experienced investors wishing to attain defined investment objectives and accepting volatility which is inherent to equity markets with an investment horizon of at least 5 years.</p>	
Treatment of income	<p>The Sub-Fund will not distribute any dividends. All income and capital gains realised by the Classes of Shares of this Sub-Fund will be automatically reinvested.</p>	
Sub-Fund Expenses	<p>The Investment Manager is entitled to Investment Management Fees equal to 2% per annum of the Net Asset Value of the Fund calculated (before deduction of accrued Management Fees and/or accrued Performance Fees, if any) on each Valuation Day. Such fees and any and all properly incurred expenses are payable out of the assets of the Sub-Fund monthly in arrears.</p> <p>Furthermore, the Investment Manager is entitled to a Performance Fee which shall be equal to 10 per cent of the appreciation in the Net Asset Value per Share from one Valuation Period to another, provided that such Net Asset Value per Share is higher than any other Net Asset Value per Share calculated at the end of any previous Valuation Period (High Water Mark). The Performance Fee will be calculated by reference to the Net Asset Value.</p> <p>The Performance Fee will be deducted from the relevant Sub-Fund, will accrue on each Valuation Day and will be payable monthly in arrears. If the Investment Management Agreement is terminated, any accrued Performance Fee shall be calculated and payable on a pro rata basis.</p> <p>The Custodian and the Service Agent receive from the Fund aggregate fees that amount to a maximum of 0.125% per annum of the total net assets of the Sub-Fund. Transaction costs will be charged separately. The fees effectively charged to each Sub-Fund will be disclosed in the semi-annual and annual reports of the Fund. The Custodian and Service Agent fees are payable monthly in arrears.</p>	
Shareholders expenses	Subscription fee	<p>A sales charge of up to 5% of the subscription proceeds (representing up to 5.26% of the Net Asset Value of the Shares being subscribed) may be levied for the benefit of distributors and other financial intermediaries.</p>
	Redemption fee	<p>none</p>
	Conversion charges	<p>A dealing charge of up to 0.10% of the Net Asset Value of the Shares to be converted may be imposed, to be shared equally between the delivering Sub-Fund and the receiving Sub-Fund. The level of the relevant dealing charge shall be identical for Shareholders converting on the same Valuation Day</p>
Taxation of the Sub-Fund	<p>The Sub-Fund is not subject in Luxembourg to any taxes on income or capital gains. However, pursuant to Council Directive 2003/48/EC of 3rd June 2003 on taxation of savings income implemented in the Luxembourg law by a law of 31st June 2005, a withholding tax may be applicable. Further details are provided in the Full Prospectus. The only tax to which the Sub-Fund is subject is the <i>taxe d'abonnement</i> at a rate of 0.05% per annum based on the net asset value of the Sub-Fund or at a reduced rate of 0.01% per annum based on the net asset value of classes of Shares which are reserved for institutional investors.</p> <p>Interest and dividend income received by the Sub-Fund may be subject to non-recoverable withholding tax in the countries of origin. The Sub-Fund may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin.</p>	

	<p>The effects of investment in the Sub-Fund on the tax bill of an individual investor are dependent on the fiscal regulations applicable to that individual. Investors should consult their professional advisors on the possible tax or other consequences of buying, holding, transferring or selling the Sub-Fund's Shares under the laws of their countries of citizenship, residence or domicile.</p>
<p>Price publication</p>	<p>The Net Asset Value per Share of each Class in the Sub-Fund is calculated as of every 15th and last day of every month (each a « Valuation Day »). If the 15th or last day of the month is not a Business Day, the preceding Business Day will be a Valuation Day.</p> <p>The Net Asset Value per Share of each Class in a Sub-Fund and the issue and redemption prices thereof are available at the registered office of the Fund.</p> <p>Details on suspension of the calculation of the Net Asset Value and of the issue, redemption and conversion of Shares are provided in the Full Prospectus.</p>
<p>How to buy/sell/convert Shares</p>	<p>You can buy, sell and convert Shares via the Service Agent.</p> <p>In order to be dealt with on a specific Valuation Day, requests for the issue and conversion of Shares must be received by 16.00 (Luxembourg time) 3 Business Days prior to a Valuation Day. Subscription proceeds must be received in cleared funds by 16.00 (Luxembourg time) 2 Business Days prior to a Valuation Day at the latest.</p> <p>In order to be dealt with on a specific Valuation Day, requests for the redemption of Shares must be received by 16.00 (Luxembourg time) 8 Business Days prior to the Valuation Day on which the redemption is to be made. Redemption proceeds will generally be paid within 5 Business Days of the relevant Valuation Day.</p> <p>For any request for subscriptions, redemptions and conversions received by the Service Agent after the applicable cut-off time, the Net Asset Value applicable will be the Net Asset Value as calculated on the following Valuation Day.</p> <p>Further details are provided in the Full Prospectus</p>
<p>Subscription/Redemption information</p>	<p>The Sub-Fund contains Class I Shares which are each normally available in Euros and US Dollars.</p> <p>The minima indicated below in EUR and USD for each Class of Shares of the Sub-Fund respectively apply to the Euro and US Dollar Classes of Shares.</p> <p>Investments in Shares of Class I* shall be subject to the following minima:</p> <p>Minimum initial subscription: EUR 50,000 / USD 50,000</p> <p>Subsequent minimum subscriptions: EUR 20,000 / USD 20,000</p> <p>Minimum holding: EUR 50,000 / USD 50,000</p> <p>* These Shares shall be reserved for investments made by investors qualifying as institutional investors within the meaning of article 129 of the Luxembourg law of 20 December, 2002.</p>
<p>Additional information</p>	<p>Legal structure: The Sub-Fund is a sub-fund of the Fund. The Fund is an open-ended Luxembourg investment fund with multiple Sub-Funds organised as a "société anonyme" incorporated on 18 February 2008. The Fund is organised under Part I (UCITS) of the Luxembourg law of 20 December 2002 on undertakings for collective investment, as amended, as a self-managed "Société d'Investissement à Capital</p>

	<p>Variable", for an unlimited period. It currently comprises one Sub-Fund in operation which is described in the Full Prospectus.</p> <p>Registered Office: 40, avenue Monterey, L-2163 Luxembourg</p> <p>Investment Manager and Global Distributor: Bank Medici AG Opergasse 6/4 A-1010 Vienna, Austria</p> <p>Custodian, Service Agent and Listing Agent: HSBC Securities Services (Luxembourg) S.A. 40, avenue Monterey L-2163 Luxembourg</p> <p>Auditors: Ernst & Young S.A. 7, Parc d'Activité Syrdall L-5365 Munsbach</p> <p>Promoter: Bank Medici AG Opergasse 6/4 A-1010 Vienna, Austria</p> <p>Supervisory Authority: Commission de Surveillance du Secteur Financier, Luxembourg</p> <p>Launch Date: 3 March 2008</p> <p>Initial Subscription Period: Class I Shares will initially be offered on 3 March 2008 at an initial price of EUR 1,000/USD 1,000. The subscription price must be received by the Custodian no later than 29 February 2008.</p>
<p>Further information</p>	<p>Please contact Bank Medici AG, Opergasse 6/4, A-1010 Vienna, Austria</p> <p>Telephone: +43 (1) 5137565 21</p> <p>Fax: +43 (1) 5137565 11</p> <p>E-mail: A.Pirkner@bankmedici.com</p> <p>Contact person: Dipl. Ing. Andreas Pirkner</p>