

## Information to the Unitholders

### **CREDIT SUISSE FUND MANAGEMENT S.A.**

Registered office: 5, rue Jean Monnet,  
L-2180 Luxembourg  
R.C.S. Luxembourg B 72 925

(the “**Management Company**”)

acting in its own name and on behalf of

### **CS Investment Funds 14**

Fonds commun de placement

(the “**Fund**”)

### Notice to the Unitholders of **Credit Suisse (Lux) High Yield USD Bond Fund**

Notice is hereby given to the Unitholders of **CS Investment Funds 14 – Credit Suisse (Lux) High Yield USD Bond Fund** (the “Subfund”) that the Board of Directors of the Management Company has decided to effect a series of corporate actions leading ultimately to the liquidation of the Subfund, which can be summarised as follows:

In a first step, the Subfund will be converted into a feeder fund and will therefore invest via a subscription in kind at least 85% of its total assets in **Credit Suisse (Lux) High Yield USD Bond Fund**, a subfund of **CS Investment Funds 1** (the “Target Fund”).

In a second step, immediately upon the completion of the first step, the Subfund will be liquidated in kind. As a consequence of such liquidation, the Unitholders of the Subfund will receive shares of the Target Fund and thus become shareholders of the Target Fund.

The Target Fund is a subfund of CS Investment Funds 1, an undertaking for collective investment in transferable securities in the legal form of an investment company with variable capital (société d'investissement à capital variable, SICAV), subject to Part I of the Law of December 17, 2010.

The Fund and CS Investment Funds 1 are both managed by Credit Suisse Fund Management S.A. and have appointed Credit Suisse (Luxembourg) S.A. as their depositary and Credit Suisse Fund Services (Luxembourg) S.A. as their central administration.

#### **1. Amendment to the Investment Objective and Investment Policy of the Subfund**

The Board Directors of the Management Company has decided to amend the Investment Objective and Investment Policy of the Subfund. Pursuant to these changes, the Subfund will pursue a master-feeder strategy by investing at least 85% of its total assets in the Target Fund.

The amended Investment Objective and Investment Policy of the Subfund will therefore read as follows:

#### **Investment Objective of the Subfund**

The investment objective of the Subfund is primarily to achieve income and capital appreciation based on the performance of bonds and other debt securities denominated in US dollar (Reference Currency) issued by corporate issuers with a below investment grade rating while preserving the value of the assets.

#### **Investment Policy of the Subfund**

In order to realize its investment objective, the Subfund pursues a master-feeder strategy. At least 85% of the Subfund's total assets shall be invested in Credit Suisse (Lux) High Yield USD Bond Fund a subfund of CS Investment Funds 1 (the “Target Fund”).

The Subfund may hold up to 15% of its total net assets in liquid assets in the form of sight and time deposits with first-class financial institutions and money-market instruments which do not qualify as transferable securities and have a term to maturity not exceeding 12 months, in any convertible currency.

The Investment Objective and Investment Principles of the Target Fund read as follows:

#### **Investment Objective of the Target Fund**

Within the Target Fund, the aim is primarily to achieve income and capital appreciation based on the performance of bonds and other debt securities denominated in US dollar (Reference Currency) issued by corporate issuers with a below investment grade rating while preserving the value of the assets.

#### **Investment Principles of the Target Fund**

The Target Fund shall invest in instruments rated at least “CCC–” by Standard & Poor’s or “Caa3” by Moody’s, at time the investment is made, or which exhibit similar credit quality in the view of the Management Company of CS Investment Funds 1.

At least two-thirds of the total assets of the Target Fund shall be invested in debt instruments, bonds (including fixed rate bonds, zero-coupon, subordinated and perpetual bonds), notes, and similar fixed interest or floating-rate securities (including floating rate notes and securities issued on a discount basis) of corporate issuers in the non-investment grade sector, denominated in US dollar.

Up to one-third of the total assets of the Target Fund may be invested in currencies other than the Reference Currency of the Target Fund.

Additionally the Target Fund may invest in convertible bonds, convertible notes and warrant bonds.

The Target Fund may also invest up to 20% of its net assets in asset-backed securities (ABS) and mortgage-backed securities (MBS), as well as in addition up to a maximum of 20% of the Subfund’s net assets may be invested in contingent capital instruments.

The Target Fund may invest up to 10% of its total assets in shares, other equity interests, dividend right certificates and similar securities with equity features as well as in warrants.

In addition to direct investments, the Target Fund may conduct futures and options as well as swap transactions (interest rate swaps and total return swaps) for the purpose of hedging and the efficient management of the portfolio, provided due account is taken of the investment restrictions set out in Chapter 6, “Investment Restrictions”, section 3 of the prospectus of CS Investment Funds 1).

For the purpose of duration management, the Target Fund may make greater use of interest rate futures, subject to the investment restrictions set out in Chapter 6, “Investment Restrictions”, section 3 of the prospectus of CS Investment Funds 1). The Target Fund may – for the purpose of managing interest rate risks – buy and sell interest rate futures. The commitments entered into may exceed the value of the securities assets held in this currency, but must not exceed the Target Fund’s total net asset value.

Subject to the investment restrictions set out in Chapter 6, “Investment Restrictions”, section 3 of the prospectus of CS Investment Funds 1, the Target Fund may use securities (credit linked notes) as well as techniques and instruments (credit default swaps) for the purpose of managing the credit risk.

The Units of the Subfund will be invested in the following Share classes of the Target Fund:

### Subfund

#### CS Investment Funds 14 Credit Suisse (Lux) High Yield USD Bond Fund

Units (Currency)	ISIN	Maximum Management Fee (p.a.)	Ongoing charge (as per the KIID)	Synthetic Risk and Reward Indicator	Performance Fee
B USD	LU0116737759	1.20%	1.45%	3	n/a
BH EUR	LU0697137932	1.20%	1.44%	3	n/a
IB USD	LU0116737916	0.70%	0.94%	3	n/a
UB USD	LU1144400196	0.90%	1.00%	3	n/a

### Target Fund

#### CS Investment Funds 1 Credit Suisse (Lux) High Yield USD Bond Fund

Share Class (Currency)	ISIN	Maximum Management Fee (p.a.)	Ongoing charge (as per the KIID)*	Synthetic Risk and Reward Indicator	Performance Fee
B USD	LU1684797787	1.20%	1.44%	3	n/a
BH EUR	LU1684798249	1.20%	1.44%	3	n/a
IB USD	LU1684801050	0.70%	0.94%	3	n/a
UB USD	LU1684803346	0.90%	1.00%	3	n/a

\* The ongoing charge figure is based on estimated expenses.

The Target Fund is suitable for investors with a long-term, risk-tolerant outlook who would like to participate in a broadly diversified bond portfolio in order to benefit from the potential offered by the high-yield capital market, thereby achieving higher returns (in the respective Reference Currency) than would normally be generated by conventional bond investments. Though the risks are lessened by a broad investment spread across many issuers and several sectors, exposure to the high-yield segment requires a greater degree of risk capacity.

Unitholders should note that the indicated management fee and ongoing charges of the Subfund reflect the situation prior to the subscription in kind. For the duration of the master-feeder structure, no management fee will be charged at the level of the Subfund in addition to the management fee charged at the level of the Target Fund. Furthermore, neither the Subfund nor the Target Fund charges a performance fee.

PricewaterhouseCoopers, *Société coopérative*, 2, rue Gerhard Mercator, L-2182 Luxembourg has been appointed by the Management Company acting in its own name and on behalf of the Fund as the independent auditor in charge of issuing an opinion on the subscription in kind and the number of shares issued in counterpart of this subscription.

The Luxembourg supervisory commission for the financial sector, the *Commission de Surveillance du Secteur Financier* or CSSF has approved the investment of the Subfund in the Target Fund.

The amendments made to the prospectus of the Fund will enter into force as of 11 December 2017. As of this date, the Subfund will invest almost exclusively in shares of the Target Fund.

Unitholders who do not agree with these amendments may redeem their Units in the Subfund free of charge until 4 December 2017.

## **2. Liquidation in kind of CS Investment Funds 14 – Credit Suisse (Lux) High Yield USD Bond Fund**

The liquidation process of the Subfund will start on 11 December 2017. No further subscriptions of Units will be accepted in the Subfund after 3.00 p.m. CET on 4 December 2017. Moreover, Units may only be redeemed free of charge until the same date and time. A provision of all outstanding debits and any debits that will occur in relation to the liquidation will be made in the Subfund.

PricewaterhouseCoopers, *Société coopérative*, 2, rue Gerhard Mercator, L-2182 Luxembourg has been appointed by the Management Company acting in its own name and on behalf of the Fund as independent auditor in charge of issuing an opinion on the Units of the Subfund that will be cancelled as a result of the liquidation of the Subfund.

The net liquidation proceeds of the Subfund will be distributed in kind to the Unitholders on 11 December 2017.

After closure of the liquidation, the accounts and the books of the Subfund shall be filed with Credit Suisse Fund Services (Luxembourg) S.A. during a period of five years.

Any legal, advisory or administrative costs associated with the preparation and the completion of the changes under points (1) and (2) above will be borne by Credit Suisse Fund Management S.A., except the auditor fees which will be charged to the Subfund. Transaction costs related to the sale and purchase of securities will be borne by the Subfund.

As a result of the changes under points (1) and (2) above, the Unitholders of the Subfund will be allocated shares in the Target Fund and become shareholders of the Target Fund as of 11 December 2017, and consequently obtain voting rights in the Target Fund.

More generally, Unitholders should be aware of the different legal form of the Target Fund and note the resulting differences in terms of governance structure and ongoing charges (as indicated in the above table). Unitholders' attention is drawn to the fact that shares in the Target Fund sometimes differ from the respective Units of the Subfund in terms of applicable fees or distribution policy. More information about the features of the shares of the Target Fund can be found in the prospectus of CS Investment Funds 1, under Chapter 2 "CS Investment Funds 1 – Summary of Share Classes" and Chapter 5 "Investment in CS Investment Funds 1". Unitholders should inform themselves as to the possible tax implications of the aforementioned changes in their respective country of citizenship, residence or domicile.

In addition, Unitholders should note that the number of shares in the Target Fund they will receive further to the liquidation in kind will not necessarily correspond to the number of Units they held in the Subfund, but will depend on the number of shares in the Target Fund held by the Subfund at the time of its liquidation. Further to the liquidation, the Units in the Subfund will no longer entitle the Unitholders to any rights in the Subfund or the Fund.

Following the above mentioned liquidation in kind, the Subfund “CS Investment Funds 14 – Credit Suisse (Lux) High Yield USD Bond Fund” will cease to exist.

Unitholders should note that, once the above changes enter into effect, the new prospectus of the Fund, the latest annual and semi-annual reports as well as the management regulations may be obtained at the registered office of the Management Company in accordance with the provisions of the prospectus. The documents are also available on [www.credit-suisse.com](http://www.credit-suisse.com).

In addition, the prospectus of the Target Fund, the relevant Key Investor Information Document (KIIDs), the latest annual and semi-annual reports as well as the articles of incorporation may also be obtained from the Management Company in accordance with the provisions of the prospectus. The documents are also available on [www.credit-suisse.com](http://www.credit-suisse.com).

Luxembourg, 3 November 2017

The Board of Directors of Credit Suisse Fund Management S.A.,  
on behalf of the Fund