

**PROSPECTUS  
INCLUDING  
MANAGEMENT REGULATIONS**

***INVL Fund***

A mutual investment umbrella fund  
Umbrella fund (*fonds commun de placement à compartiments multiples*)  
in accordance with Part I of the Luxembourg Law of 17 December 2010, as amended,  
on undertakings for collective investment

The Prospectus is only valid in conjunction with the Fund's last annual report if the annual report has already been prepared and if more than eight months have elapsed since its reporting date, together with a more recent semi-annual report.

The Prospectus, the most recent version of the Management Regulations and the annual and semi-annual reports are available free of charge from the Management Company and the Paying Agent.

No one is authorised to make use of information that is not contained in the Prospectus or other documents that are publicly available and to which the Prospectus refers.



HAUCK  
AUFHÄUSER  
FUND SERVICES

**Notes for investors with a link to the United States of America**

The sale of units in the United States of America (USA) or to US citizens is not permitted. A US citizen is deemed to be e.g. natural persons, who

- a) were born in the USA or one of its territories or possessions,
- b) are naturalised citizens (or green card holders),
- c) were born abroad as the child of a citizen of the USA,
- d) reside mainly in the USA without being a citizen of the USA,
- e) are married to a citizen of the USA, or
- f) are liable for tax in the USA.

A US citizen is also deemed to be:

- a) companies and stock corporations established under the law of one of the 50 US states or of the District of Columbia,
- b) a company or partnership that was founded under an “Act of Congress”,
- c) a pension fund that was founded as a US Trust, or
- d) a company that is liable for tax in the USA.

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## ADMINISTRATION

### 1. MANAGEMENT COMPANY

**Hauck & Aufhäuser Fund Services S.A.**

**R.C.S. Luxembourg No. B28878**

1c, rue Gabriel Lippmann

L-5365 Munsbach, Luxembourg

Equity as at 15 March 2023: EUR 11,039,000

Other funds managed by the Management Company:

An overview of the investment funds managed by Hauck & Aufhäuser Fund Services S.A. is available from the Company's registered office. In addition, interested persons can also find information on the website [www.hal-privatbank.com](http://www.hal-privatbank.com).

**Board of Directors of the Management Company:**

**Elisabeth („Lisa“) Backes**

**Christoph Kraiker**

**Wendelin Schmitt**

**Supervisory Board of the Management Company:**

**Chairman:**

**Dr Holger Sepp**

Member of the Board of Directors

Hauck Aufhäuser Lampe Privatbank AG, Frankfurt am Main, Germany

**Members:**

**Andreas Neugebauer**

Independent Director

**Marie-Anne van den Berg**

Independent Director

Up-to-date information on the Management Company's equity and the composition of the panels can be found in the latest annual and semi-annual reports.

### 2. DEPOSITORY AND PAYING AGENT

**Hauck Aufhäuser Lampe Privatbank AG, Niederlassung Luxemburg**

1c, rue Gabriel Lippmann

L-5365 Munsbach, Luxembourg

### 3. REGISTRAR AND TRANSFER AGENT

**Hauck & Aufhäuser Administration Services S.A.**

1c, rue Gabriel Lippmann

L-5365 Munsbach, Luxembourg

**4. INVESTMENT MANAGER**

**UAB SB Asset Management**

Gyneju str. 14  
01109 Vilnius  
Lithuania

**5. DISTRIBUTION AGENT**

**UAB SB Asset Management**

Gyneju str. 14  
01109 Vilnius  
Lithuania

**6. AUDITOR**

**KPMG Audit S.à r.l.**

39, Avenue John F. Kennedy  
L-1855 Luxembourg

## THE FUND

The investment fund described in this Prospectus is an investment fund established under Luxembourg law as an Umbrella Fund (fonds commun de placement à compartiments multiples) consisting of securities and other assets. It was incorporated according to Part I of the Luxembourg Act of 17th December 2010 on Undertakings for Collective Investment (the "Act of 2010") as amended, and fulfils the Directive of the Council of the European Communities 2009/65/EC of 13th July 2009, last amended by Directive 2014/91/EU of the European Parliament and the Council from 23rd July 2014 ("Directive 2009/65/EC").

The following Management Regulations, which entered into force on 1 January 2023 and have been deposited with the Commercial and Companies Register of Luxembourg (the "Commercial and Companies Register") as published in the Recueil Electronique des Sociétés et Associations (the "RESA"), are an integral part of the INVL Fund (the "Fund").

One or more of the sub-funds of the Fund may serve as a master fund in a master-feeder structure. Those sub-funds being used as master UCITS cannot themselves be feeders and cannot invest in a feeder UCITS. Sub-funds serving as a master must have at least one UCITS feeder, and may have other types of investors.

Any sub-fund which acts as a feeder fund (the "Feeder") of a master fund shall invest at least 85% of its assets in shares/units of another UCITS or of a sub-fund of such UCITS (the "Master"), which shall neither itself be a feeder fund nor hold units/shares of a feeder fund. The Feeder may not invest more than 15% of its assets in one or more of the following:

- a) ancillary liquid assets in accordance with Article 41 (1) a) and b) of the UCI Law;
- b) financial derivative instruments, which may be used only for hedging purposes, in accordance with Article 41 (1) g) and Article 42 (2) and (3) of the UCI Law;
- c) movable and immovable property which is essential for the direct pursuit of the Fund's business.

In master-feeder structures, the feeder fund invests most of its assets in a master fund. Therefore, the management of a significant portion of the portfolio of the feeder fund is effectively performed by the manager of the master fund.

## MANAGEMENT OF THE FUND

The Fund is managed by Hauck & Aufhäuser Fund Services S.A.

The Management Company was founded on 27 September 1988 for an indefinite period as a joint-stock company under Luxembourg law. Its registered office is in Luxembourg. The Articles of Association of the Management Company were published in Mémorial C, Recueil des Sociétés et Associations in 1988 and deposited with the Commercial and Companies Register. Interim amendments have been published in Mémorial C, Recueil des Sociétés et Associations (RESA).

The purpose of the Management Company is to launch and manage undertakings for collective investment ("UCIs") under Luxembourg law and to carry out all activities associated with the launch and management of such UCIs. The Management Company also carries out activities under the Law of 12 July 2013 on alternative investment fund managers (the "AIFM Act"). In particular, these include the activities listed in Annex I, item 1. of the above Act, as well as sub-activities of the additional administrative activities mentioned in Annex I, item 2. a).

The Management Company's responsibilities include the general administrative tasks that form part of fund management and are required under Luxembourg law. In particular, these include calculating the net asset value of Units and carrying out the Fund's accounting.

The Management Company has, under its own responsibility and control and at its own expense, assigned the Fund's accounting and reporting to Hauck Aufhäuser Lampe Privatbank AG, Niederlassung Luxemburg, with its registered office at 1c rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg.

Furthermore, the Management Company has outsourced the function of Registrar and Transfer Agent to Hauck & Aufhäuser Administration Services S.A., 1c, rue Gabriel Lippmann, L-5365 Munsbach, under its responsibility, control and at its own expense.

IT administration of the Hauck Aufhäuser Lampe Group is divided between its sites in Luxembourg and Germany.

The Management Company has appointed UAB SB Asset Management, a limited liability company under Lithuanian Law with registered office Gyneju str. 14, 01109 Vilnius Lithuania, as fund manager of the Fund.

The fund manager is licensed to manage assets and is subject to relevant supervision. In particular, the fund manager is responsible for the autonomous daily implementation of the investment policy for the Fund's assets and the management of day-to-day asset management operations under the supervision, responsibility and control of the Management Company, as well as other associated services. These tasks are performed while taking due account of the principles of the investment policy and the investment restrictions of the relevant sub-fund, as described in this Sales Prospectus and in the Management Regulations, as well as the statutory investment restrictions. The fund manager is authorised to select intermediaries and brokers for the processing of transactions of the assets of the relevant sub-fund. Investment decisions and order placement are incumbent upon the fund manager. The fund manager is entitled to consult third parties at his own expense and responsibility; this applies in particular to different investment advisors. The fund manager is permitted to delegate his tasks in whole or in part to third parties with the approval of the Management Company and shall cover all remuneration of such third parties. In the event of a comprehensive delegation of tasks, the Sales Prospectus shall be amended in advance. The fund manager covers all expenditures incurred in relation to the services provided by him. The relevant sub-fund will cover brokerage commissions, transaction fees and other business costs in connection with the acquisition and disposal of assets.

The Management Company may consult other fund managers or investment advisors under its own responsibility and control in connection with managing the Fund's assets.

Such investment advisors also have an exclusively advisory function and do not make independent investment decisions. They are authorised to provide estimates, advice and recommendations on the choice of investments and the selection of the securities to be acquired in or sold for the Fund under the general control and responsibility of the Management Company and within the framework of the Management Company's day-to-day investment policy. The Management Company will ensure the day-to-day management of the Fund Assets; all investment decisions will therefore be made by the Management Company.

Only the Depository and/or paying agents are entitled to receive customer funds.

## **THE DEPOSITARY**

The investment company has appointed Hauck Aufhäuser Lampe Privatbank AG, Luxembourg Branch, with registered office at 1c, rue Gabriel Lippmann, L-5365 Munsbach, Grand Duchy of Luxembourg, registered with the Luxembourg Trade and Companies Register under number B 175937, as depository of the Fund by written agreement. The depository is a branch of Hauck Aufhäuser Lampe Privatbank AG, Kaiserstr. 24, D-60311 Frankfurt am Main, a German credit institution with a full banking license within the meaning of the German Banking Act (KWG) and within the meaning of the Luxembourg Law of April 5, 1993 on the financial sector (in its most recent version). It is registered in the Commercial Register of the Local Court of Frankfurt am Main under the number HRB 108617. Both Hauck Aufhäuser Lampe Privatbank AG and the Luxembourg branch are supervised by the German Federal Financial Supervisory Authority (BaFin). In addition, Hauck Aufhäuser Lampe Privatbank AG, Luxembourg Branch is subject to the Commission de Surveillance du Secteur Financier (CSSF) with regard to liquidity, money laundering and market transparency.

All tasks and duties of the depository are performed by the branch. Its function is governed in particular by the Law of December 17, 2010, CSSF Circular 16/644, the depository agreement, and the prospectus. As paying agent, it is charged with the obligation to pay out any distributions as well as the redemption price on redeemed units/shares and other payments.

The depository may, in compliance with the legal standards, delegate the performance of its task of safekeeping financial instruments and other assets to another company ("sub-depository"). A corresponding overview of any appointed sub-custodians is made available on the website of the depository ([www.hal-privatbank.com/impressum](http://www.hal-privatbank.com/impressum)).

No conflicts of interest in connection with sub-custody have been disclosed by the depository to the management company and/or the investment company.

In performing its duties, the depository acts independently, honestly, fairly and professionally and in the interest of the fund and its investors. This obligation is reflected in particular in the duty to perform and organize the activities as depository in such a way that potential conflicts of interest are minimized to a large extent. The depository does not

perform any tasks in relation to the fund or the management company acting on behalf of the fund that could create conflicts of interest between the fund, the fund's investors, the management company and itself, unless there is a functional and hierarchical separation of the performance of its tasks as depositary from its potentially conflicting tasks and the potential conflicts of interest are properly identified, managed, monitored and disclosed to the fund's investors. The tasks of the management company and the depositary may not be performed by one and the same company.

Conflicts of interest may arise, for example, if there is a group relationship between the management company and the depositary. Insofar as Hauck Aufhäuser Lampe Privatbank AG, Luxembourg branch performs the depositary function, it is obliged to safeguard the interest of the fund and the unitholders/shareholders.

Potential conflicts of interest may arise if the depositary delegates individual custody tasks or sub-custody to another outsourcing company. If this further outsourcing company is a company affiliated with the management company or the depositary (e.g. parent company of the group), potential conflicts of interest could arise in the interaction between this outsourcing company and the management company or the depositary (e.g. the management company or the depositary could give preference to a company affiliated with it over equivalent other providers in the allocation of custody tasks or in the selection of the sub-custodian). Should such a conflict of interest or any other conflict of interest in connection with sub-custody be identified in the future, the depositary will disclose the detailed circumstances and measures taken to prevent or minimize the conflict of interest in the document available at the aforementioned link.

Likewise, conflicts of interest may arise when the depositary performs administrative tasks as defined in Annex II, 2nd indent of the Law of December 17, 2010, e.g. tasks of registrar and transfer agent, fund accounting. In order to manage these potential conflicts of interest, the respective task area is divisional separated from the depositary function.

The management company and the depositary have appropriate and effective measures in place (e.g. procedural instructions and organizational measures) to ensure that potential conflicts of interest are largely minimized. If conflicts of interest cannot be prevented, the management company and the depositary will identify, manage, monitor and disclose these conflicts in order to exclude damage to investor interests. Compliance with these measures will be monitored by an independent compliance function.

The management company has received the above information on conflicts of interest in connection with sub-custody from the depositary. The management company has checked the information for plausibility. However, it is dependent on the supply of the information by the depositary and cannot verify the accuracy and completeness in detail. The list of sub-custodians above is subject to change at any time.

Updated information regarding the depositary, its sub-depositaries and any conflicts of interest of the depositary arising from the delegation of the depositary function are available upon request from the management company or the depositary.

The management company receives both the aforementioned information and the list of sub-custodians from the depositary. The management company is dependent on the supply by the depositary and cannot verify the accuracy and completeness in detail.

The assets of all (sub)funds are held in custody by Hauck Aufhäuser Lampe Privatbank AG, Luxembourg branch within its network of custodians.

Bank balances, if any, held with credit institutions other than the depositary may not be protected by a deposit guarantee facility.

## **RISK CLASSIFICATION BY THE MANAGEMENT COMPANY**

The Management Company shall allocate an appropriate risk profile to the Funds or Sub-funds it manages. This is achieved by applying the investment policy associated with each of the investment objectives. The "GENERAL INFORMATION ON RISK" provided in the Prospectus is also applicable to each Sub-fund.

Risk profiles are expressly not intended as an indication of potential income. The classification may be adjusted by the Management Company if necessary. This will result in an adjustment of the sales documents.

- **Risk profile – "Defensive"**

The Fund is particularly well suited to investors who only accept low risks in order to generate income in the short term.



As a result of the investment policy associated with the investment objectives, the investor is prepared to accept capital losses depending on the extent of the potential fluctuations in value. The investor's investment horizon should be relatively short-term.

The Management Company shall endeavour to minimise risks through the number and diversification of the Fund's investments.

No assurance can be given, however, that the investment policy objectives will be achieved.

- **Risk profile – “Moderate”**

The Fund is particularly well suited to investors who accept moderate risks and would like to participate in moderate income in the short to medium term. As a result of the investment policy associated with the investment objectives, the investor is prepared to accept capital losses depending on the extent of the potential fluctuations in value. The investor's investment horizon should be short- to medium-term.

The Management Company shall endeavour to minimise risks through the number and diversification of the Fund's investments.

No assurance can be given, however, that the investment policy objectives will be achieved.

- **Risk profile – “Income-oriented”**

The Fund is particularly well suited to investors who accept increased risks and would like to participate in higher potential income in the medium to long term. As a result of the investment policy associated with the investment objectives, the investor is prepared to accept increased capital losses in the short term depending on the extent of fluctuations in the value of the Sub-fund's investments. The investor's investment horizon should be medium- to long-term.

The Management Company shall endeavour to minimise risks through the number and diversification of the Fund's investments.

No assurance can be given, however, that the investment policy objectives will be achieved.

- **Risk profile – “Opportunity-oriented”**

The Fund is particularly well suited to investors who accept high risks and would like to participate in high potential income in the long term. As a result of the investment policy associated with the investment objectives, the investor is also prepared to accept high capital losses in the short term depending on the extent of fluctuations in the value of the Sub-fund's investments. The investor's investment horizon should be long-term.

The Management Company shall endeavour to minimise risks through the number and diversification of the Fund's investments.

No assurance can be given, however, that the investment policy objectives will be achieved.

- **Risk profile – “Speculative”**

The Fund is particularly well suited to investors who accept very high risks in order to participate in very high potential income in the long term. As a result of the investment policy associated with the investment objectives, the investor is prepared to accept very high capital losses in the short term depending on the extent of fluctuations in the value of the Sub-fund's investments. The investor's investment horizon should be long-term.

The Management Company shall endeavour to minimise risks through the number and diversification of the Fund's investments.

No assurance can be given, however, that the investment policy objectives will be achieved.

## **THE LEGAL POSITION OF UNITHOLDERS**

The Management Company invests Fund assets in securities and other permissible assets in its own name for the joint account of the Unitholders in accordance with the principle of risk spreading. The capital provided and the assets acquired by using it make up the Fund assets, which are kept separate from the Management Company's own assets.

Unitholders participate in the Fund assets as co-owners in proportion to the number of Units held.

Each Sub-fund is regarded as an independent investment fund in respect of the relationship between the unitholders. The rights and obligations of a Sub-fund's unitholders are separate from those of other Sub-funds' unitholders. The

financial assets of a Sub-fund are only liable for liabilities and payment obligations of this Sub-fund in relation to third parties.

The Management Company reminds Unitholders that each Unitholder may only assert his or her rights in full directly against the Fund if the Unitholder is personally registered in the Fund's register of Unitholders under his or her own name. Not all rights can necessarily be asserted directly against the Fund by the Unitholder in cases where a Unitholder has invested in a Fund through an intermediary that undertakes the investment in its own name but on behalf of the Unitholder. In the event of an error in the calculation of the net asset value, non-compliance with the investment regulations or other errors at fund level, the ability to pay indemnification to unitholders may be affected if the units were subscribed for through an intermediary. Unitholders are advised to inform themselves about their rights.

## **INVESTMENT OBJECTIVES AND INVESTMENT POLICY OF THE INVL EMERGING EUROPE BOND FUND**

The objective of INVL Emerging Europe Bond Fund is to achieve a balanced growth of the Sub-fund's assets. Up to 100 percent of Sub-fund's assets are invested into debt securities of developing European country governments and companies indicated by the credit analysis as the most promising.

The assets of INVL Emerging Europe Bond Fund should be invested in those corporate and government bonds that are most promising according to credit analysis and those operating in the Central and East European region (stock exchanges and markets). The Sub-fund combines the riskier (bonds of companies) and safer (bonds of governments) investments in order to protect the value of assets and to ensure a stable return on investment. The investments of the Sub-fund are not limited by any industry. The Sub-fund may invest in bonds with different maturity and credit rating.

The fund manager will consider any risks related to sustainability (environmental, social and governance aspects) when making investment decisions as well as on an ongoing basis during the life of an investment.

No guarantee can be given, however, that the aforementioned objectives of the investment policy will be achieved.

No environmental and/or social characteristics are advertised with this financial product. In the context of investment decisions, the investment strategy of the financial product does not include any binding ESG-/sustainability criteria; this includes both the main adverse impacts on sustainability factors in accordance with EU 2019/2088 Article 7(1) as well as the EU criteria for environmentally sustainable economic activities in accordance with EU 2020/852 Article 2(1).

The sub-fund may, in addition to and with due regard to Article 4 of the Management Regulations, and in accordance with the principle of risk diversification, invest in:

- bonds including money market instruments
- shares in investment funds (UCITS and UCIs, including ETFs)
- certificates that include financial indices, shares, interest and foreign currency as their underlying assets and reflect the performance of the underlying assets in the ratio of 1:1 (1:1 certificates)
- 1:1 certificates in commodity indices and commodity prices, as well as in other permitted underlying assets

Investments are permitted worldwide, including in emerging markets.

The Sub-fund will invest predominantly in bonds incl. money market instruments.

At least 51% of the bond exposure has to be invested in bonds of issuers based in Emerging Markets in Europe (Czech Republic, Estonia, Croatia, Latvia, Poland, Lithuania, Slovakia, Slovenia, Hungary, Ukraine, Armenia, Azerbaijan, Georgia, Turkey, Malta, Albania, Bulgaria, Bosnia and Herzegovina, Greece, Montenegro, Cyprus, Macedonia, Moldova, Romania, Serbia, Kosovo).

No investments are made in asset backed securities (ABS) and mortgage backed securities (MBS).

Up to 10% of Net Sub-fund Assets may be invested in units of investment funds in accordance with Article 4 of the Management Regulations below. The Sub-fund is therefore eligible as a target fund.

The Sub-fund may not invest actively in shares or securities that are similar to shares or in certificates on shares or

share indices. If shares are offered for sale as a result of corporate actions, they will be sold promptly in the interests of investors.

The Sub-Fund may include up to 20% of liquid assets depending on the financial market situation. That limit may be temporarily exceeded for a period which is absolutely necessary, if circumstances require this due to exceptional market conditions and if exceeding the limit is justified by the interests of investors, for example in very serious circumstances such as the attacks of September 11, 2001 or the insolvency of Lehman Brothers in 2008.

Liquid assets are deposits at sight that are available at all times at a bank in order to make current and extraordinary payments, as well as payments relating to the disposal of permissible assets in accordance with Article 41(1) of the act of 2010.

Furthermore, for liquidity management purposes the Sub-Fund may invest in money market funds hold deposits at sight in the form of overnight deposits and deposits at notice in the meaning of Article 1 No. 1 (f) of Annex 1 General investment policy guidelines and invest in money market funds in the meaning of Article 1 No. 1 of Annex 1 General investment policy guidelines.

The Sub-fund may not invest in any other assets pursuant to Article 4 of the Management Regulations below.

No securities lending transactions or repurchase agreements are used in the course of implementing the investment policy. Furthermore, no total return swaps or other assets with similar characteristics are acquired for the Sub-fund. In the event of a change of investment policy with respect to the above instruments, the Prospectus will be adapted accordingly in line with Directive 2015/2635/EU of the European Parliament and of the Council of 25 November 2015.

For hedging purposes and efficient portfolio management, the Sub-fund may use derivatives, certificates with embedded derivative components (discounts, bonuses, leverage, knock-out certificates, etc.) as well as other techniques and instruments in accordance with Article 4 paragraph 6 of the Management Regulations. If these techniques and instruments relate to the use of derivatives within the meaning of Article 4 paragraph 1. g) of the Management Regulations, the relevant investment restrictions of Article 4 of the Management Regulations must be taken into account. In addition, the provisions of Article 4 paragraph 7 related to risk management procedures for derivatives must be taken into account.

In the context of OTC transactions, the Management Company may accept collateral in the form of bank deposits in order to reduce the counterparty risk. To this end, certain currencies are defined for each counterparty, and then exchanged. Non-cash collateral is not accepted.

The Collateral may be utilised at any time without reference to the counterparty or approval from the counterparty. The cash collateral received is valued without haircuts.

In consideration of the minimum transfer amount, the scope of collateralisation is 100%.

The cash collateral received from the counterparty as part of OTC transactions shall only be invested in full in one of the following assets or in a combination of them:

- high-quality government bonds;
- money market funds with a short maturity structure in accordance with the definition in the CESR Guidelines on a common definition of European money market funds (CESR 10-049);
- Demand deposits for entities in accordance with Article 50 (1) f) of Directive 2009/65/EC.

When investing cash collateral, the issuer or counterparty limits in Article 4 paragraph 3 of the Management Regulations apply analogously. By investing cash collateral, the Sub-fund may, inter alia, be exposed to counterparty, interest rate or market risks.

The counterparty of the OTC transactions has no influence on portfolio management i.e. the selection is decided solely by the Management Company.

Explanation of the operating structure of certificates:

Certificates are normally listed bonds. The price of certificates is dependent on the performance of the underlying and the contractual arrangement. The price of the certificate may be stronger than, weaker than, equally as strong as or

completely independent of the price of the underlying. Depending on the contractual arrangement, this can lead to a total loss of value.

Detailed information on the investment restrictions can be found in Article 4 of the Management Regulations below. The Sub-fund is established for an indefinite term.

## **RISK PROFILE OF THE INVL EMERGING EUROPE BOND FUND**

### **Risk profile – “Moderate”**

The Fund is particularly well suited to investors who accept moderate risks and would like to participate in moderate income in the short to medium term. As a result of the investment policy associated with the investment objectives, the investor is prepared to accept capital losses depending on the extent of the potential fluctuations in value. The investor's investment horizon should be short- to medium-term.

The Management Company shall endeavour to minimise risks through the number and diversification of the Fund's investments.

No assurance can be given, however, that the investment policy objectives will be achieved.

## **MONITORING THE OVERALL RISK OF THE INVL EMERGING EUROPE BOND FUND**

### **1. Global exposure:**

To monitor the market risk, global exposure is calculated using a relative Value-at-Risk approach.

### **Risk Benchmark:**

As benchmark the following combination of indices will be used. The two indices are composed as follows:

50% of the index is a fixed-income index with the following profile:

- The index offers broad exposure to European emerging market debt.
- The index includes quasi-government bonds which are defined as a corporation with 100% government ownership or guarantee.
- The bonds have a minimum time to maturity of 1 year
- the index is calculated in EUR

50% of the index is a fixed-income index with the following profile:

- The index provides exposure to euro denominated below investmentgrade corporate debt publicly issued in the euro domestic or Eurobond markets.
- The index provides a broad diversification in terms of countries, sectors and market capitalization
- The bonds have a minimum time to maturity of 1 year
- The index is calculated in EUR

### **Leverage:**

The leverage effect of derivatives and other financial products with derivative components is expected to amount to up to 200% of the volume of the Fund, depending on how the Investment Manager manages the Fund. Depending on market conditions, however, the leverage value is subject to fluctuations, so that the expected value may be exceeded in the short term. The Management Company will monitor the leverage figure on a daily basis.

### **Note on the calculation of leverage:**

The calculation is based on the sum of the nominal values as set out in boxes 24 and 25 of ESMA Guidelines 10-788.

### **Sustainability risks:**

Key risk indicators can be used to evaluate sustainability risks. The risk indicators can be quantitative- or qualitative in nature and are focused towards environmental, social and governance aspects whilst serving to measure the risk of the aspects under consideration.

## **GENERAL RISK INFORMATION**

Investment in the units of a fund is associated with risks, such as share, interest, credit and liquidity risks. Before investing in units in the fund name, the investor should therefore read the following risk information carefully, together with the other information in the prospectus and the management regulations, and take this into account when making the investment decision.

When it comes to investing in the sub-fund, it should be noted that, based on our experience, it may be subject to large price fluctuations that present investors with potential opportunities and risks. Due to various risk parameters and influencing factors, this may result in corresponding price gains or losses for the investor within the sub-fund. Moreover, the increases in value which are hoped for from the sub-fund cannot be guaranteed. However, the risk of the investor is limited to the sum which is invested. The following list of risks in connection with investment in the units of the sub-fund is not exhaustive. The order in which the risks are listed is not an indication of the probability of their occurrence or the significance of individual risks in the event of their occurrence.

Potential risk parameters and influencing factors for the sub-fund include:

### **Risks of investment in the fund**

#### **Fluctuation in unit value**

The unit value is calculated from the value of the sub-fund divided by the number of units in circulation. The value of the sub-fund corresponds to the total market values of all assets in the fund less the total market values of all liabilities of the fund/sub-fund. The unit value therefore depends on the value of the assets held in the sub-fund and the amount of liabilities of the sub-fund. If the value of those assets falls or the value of the liabilities increases, the unit value will fall.

#### **Factors affecting the individual results from a tax perspective**

The way in which capital yields are handled in relation to tax depends on the individual circumstances of the respective investor and may be subject to change in the future. For specific questions – in particular taking account of the individual tax situation – the investor should consult their personal tax advisor.

#### **Changes to the investment strategy or the investment conditions**

The management company is entitled to change the management regulations with approval from the CSSF. The management company may also change the investment strategy within the legally and contractually permitted investment spectrum, and thus without any change to the management regulations and approval of such change by the CSSF.

#### **Suspension of the redemption of units**

The management company may temporarily suspend the redemption of units insofar as exceptional circumstances apply that make a suspension appear necessary, taking into account the interests of the unit holders. Exceptional circumstances in this regard include, for example, economic or political crises, exceptional demand for redemptions under the condition in Article 9 No. 2 of the management regulations, stock exchanges or markets closing, trade restrictions and other factors that make it difficult to determine the net asset value per unit. Furthermore, the CSSF can order the management company to suspend the redemption of units where this is in the interest of the unit holders or in the public interest. The unit holders cannot redeem their units during this period. The net asset value per unit can drop even if unit redemption is suspended, for example if the management company is forced to sell assets below the market value while unit redemption is suspended. After unit redemption has been resumed, the net asset value per unit may be lower than it was before redemption was suspended.

A suspension may result in the sub-fund being dissolved directly without the redemption of units being resumed. For the unit holders, there is therefore a risk that they may not be able to realise the holding duration they had planned and that they may not have access to a significant portion of their invested capital for an indefinite period.

#### **Dissolution or merger of the fund or sub-fund**

The management company is entitled to dissolve the fund or sub-fund at its own discretion at any time. Moreover, the management company may merge the fund or sub-fund with another fund or sub-fund managed by it or another management company. For the unit holders, there is therefore a risk that they may not be able to realise the holding duration they had planned. If the fund units are derecognised from the unit holder's depositary account after the liquidation procedure has come to an end, the unit holder may be liable to pay income tax.

### **Risks arising from the range of investments**

Taking into consideration the investment principles and limits laid down in Luxembourg legislation and in the management regulations, which provide for a very broad spectrum within which the sub-fund can operate, the actual investment policy, for example, may also focus on acquiring assets in only a few sectors, markets or regions/countries. This focus on a few specific investment sectors may carry risks (e.g. a narrow market, considerable fluctuation margin within certain economic cycles). The annual report provides information on the content of the investment policy after the corresponding reporting year has come to an end.

### **Performance risk**

It cannot be guaranteed that the investment will be as successful as the investor hopes. The unit value of the sub-fund may fall and lead to losses for the investor. Guarantees are not provided by the management company or third parties regarding a specific minimum return on redemption or a specific yield on the investment in the sub-fund. Moreover, the performance of the assets acquired for the particular sub-fund may differ from the performance that was expected at the time of acquisition. Investors may therefore receive back a lower amount than the amount originally invested. A subscription fee paid on purchase of units or a redemption fee paid when selling the units can also reduce or wipe out the return on an investment, especially if the investment is only for a short time.

### **Risks arising from the performance of the sub-fund or from the range of investments**

#### **Market risk**

The assets in which the management company or fund manager invests on behalf of the sub-fund are subject to risk. In particular, the price and the market development of financial products are dependent on the performance of the capital markets, which themselves are influenced by the general state of the world economy and the economic and political framework conditions in the individual countries. If there are losses on the international stock exchanges, a sub-fund is rarely unaffected. The more specific the investment focus of the sub-fund, the greater the market risk may be, as a very specific focus is typically associated with limited diversification of risk. The price may fall and the market value of the assets drop below the purchase price, or the spot price and forward price may develop differently.

#### **Price change risk for shares**

Experience indicates that shares are subject to significant price fluctuations and therefore associated with a risk of losses. These price fluctuations are affected in particular by the profit performance of the issuing company, developments in the sector and overall economic trends. Confidence of market participants in the company in question can also affect the price development. This applies in particular to companies for which the shares have been listed on the stock exchange or another organised market for only a short time; for these, even small changes in forecasts can lead to significant price movements. If the proportion of freely tradable shares in the ownership of many shareholders (so-called free-float shares) is low, even small buy and sell orders can have a significant impact on the market price and thus lead to greater price fluctuations.

#### **Price change risk for convertible and option bonds**

Convertible and option bonds confer the right to convert the bond into shares or to purchase shares. The change in value of convertible and option bonds therefore depends on the price performance of the share as a base value. The risks associated with the performance of the underlying shares can therefore also affect the performance of the convertible and option bonds. Option bonds that grant the issuer the right to offer the investor a fixed number of shares specified at the outset instead of repaying a nominal amount (reverse convertibles) depend to a large extent on the corresponding share price.

#### **Interest rate change risk**

There is a possibility associated with investment in fixed-rate securities that the market interest rate that applied at the time a security was issued will change. If the market interest rate changes in relation to the interest rate at the time of issue, the prices of fixed interest securities usually fall. If the market interest rate falls, however, the price of fixed interest securities increases. This price performance means that the current returns on the fixed interest security correspond approximately to the current market interest rate. However, these price fluctuations affect fixed interest securities to a different degree, depending on the (remaining) term. Fixed interest securities with shorter terms generally have lower price risks than fixed-interest securities with longer terms. Fixed interest securities with shorter terms generally have lower yields than fixed interest securities with longer terms. Because of their short term of a maximum of 397 days, financial market instruments tend to have lower price risks. In addition, the interest rates of different interest rate-based

financial instruments that apply to the same currency with comparable remaining terms can develop differently.

#### **Risks connected with target funds (UCITs/UCIs)**

The risks associated with investment units acquired for the sub-fund are closely linked to the risks associated with the assets contained in these target funds and/or the investment strategies pursued by them. However, these risks may be reduced by diversification of the assets within the target fund of which units are acquired, and through diversification within the sub-fund itself. As the managers of the individual target funds act independently of one another, however, it may be the case that several target funds pursue identical or opposing investment strategies. This could cause the risks involved to accumulate and any potential opportunities to cancel each other out.

It is not normally possible to monitor the management of target funds. The investment decisions taken by these target funds may not necessarily reflect the assumptions or expectations of the management company or the fund manager. Often, up-to-date information about the composition of the target fund may not be readily available. If the composition differs from the assumptions or expectations, it may be that the management company or fund manager can only react with a significant delay by redeeming the target fund units.

Target funds in which the sub-fund acquires units could also temporarily suspend the redemption of units, effectively preventing the management company or fund manager from selling the units in the target fund by returning them to the management company or depository of the target fund against payment of the redemption price.

Investments in target funds may incur subscription or redemption fees at the target fund level. Generally, a management fee at target fund level may also be incurred when units of target funds are acquired. This can result in a double cost burden.

#### **Risks associated with bonds backed by assets not contained within the assets of the sub-fund**

The risks associated with bonds (certificates, structured products, etc.) acquired for the sub-fund and backed by underlying assets that are not part of the assets of the sub-fund are closely linked to the specific risks of such underlying assets or of the investment strategies that may be pursued by those underlying assets, as in the case of commodities as underlying assets (see, for example, the section headed "Risks associated with units in target funds (UCITs/UCIs)" below). However, the aforementioned risks can be reduced by means of asset diversification within the sub-fund.

#### **Special risk of investment in certificates**

The investment in certificates entails the risk that no regulated market price is available for such certificates due to a certain illiquidity; this also applies to listed certificates and certificates traded in a regulated market. This is particularly the case when a significant proportion of the certificates is held by the fund or traded OTC. To mitigate the associated valuation risk, the management company may use the valuation of an independent market maker at its own discretion. Moreover, it cannot be ruled out that higher markdowns than the actual price of the certificates have to be accepted in their disposal for the reasons stated above. In addition, a counterparty default risk exists for certificates (see section on counterparty default risk, counterparty risk).

#### **Risks arising from utilising derivatives**

For sub-funds that use derivative financial instruments, it cannot be guaranteed that the performance of the derivative financial instruments will have positive effects for the sub-fund and its unit holders. As a result of the leverage associated with derivatives, the value of the sub-fund assets can be influenced, both positively and negatively, more than would be the case for a direct acquisition of securities and other assets; accordingly, utilising derivatives involves particular risks. Because of the accompanying leverage, the value of the net sub-fund assets can be influenced to a considerably greater extent, both positively and negatively, in comparison with a situation involving conventional securities. Financial futures contracts that are deployed for a purpose other than that of hedging also incur considerable opportunities and risks, as only a fraction of the contract value needs to be paid immediately (the margin). Price changes can therefore result in considerable gains or losses within the sub-fund assets. This can increase the risk and the volatility of the fund/sub-fund.

#### **Risks connected with OTC transactions**

As a general rule, the sub-fund may enter into transactions (particularly transactions involving derivatives) on the OTC market provided this is mentioned in the respective sub-fund-specific investment policy. This involves individual off-exchange agreements. The transactions in OTC markets are less strictly regulated than on an organised stock exchange. OTC derivatives are carried out directly with the counterparty and not via a recognised stock exchange or clearing house. Counterparties for OTC derivatives do not enjoy the same protection as on recognised stock exchanges (e.g. performance guarantee of a clearing house). Concluding OTC transactions exposes the specific sub-fund/fund to

the risk that the contracting party will not meet its payment obligations at all, not meet them in full or not meet them in a timely manner (counterparty risk). Investments in OTC derivatives may also be exposed to the risk of different valuations because of different valuation methods. In contrast to stock market-traded derivatives, which have standard terms of contract, OTC derivatives generally operate through negotiations with the other party. There is therefore a risk that the parties will not be able to agree on the form of the terms of contract (legal or documentation risk).

This may affect the performance of the respective sub-fund and may result in the partial or total loss of any unrealised gains.

#### **Inflation risk**

Inflation poses a devaluation risk for all assets. This also applies to the assets held in the sub-fund. Inflation may grow at a faster rate than the value of the sub-fund.

#### **Risks in connection with currencies**

The sub-fund may invest in securities or cash in currencies other than the currency of the sub-fund. Accordingly, exchange rate fluctuations of these currencies against the currency of the sub-fund will have an impact on the value of the fund/sub-fund. Currency losses can come about and there is also a so-called transfer risk for these investments. In the event of any economic or political instability in countries where a sub-fund may invest, there is a risk that despite the issuer of the relevant security or asset remaining solvent, the sub-fund may not receive the funds it is entitled to at all, not receive them in full, not receive them in a timely manner, or only receive them in a different currency.

#### **Concentration risk**

Additional risks may result from a concentration of the investment in particular assets or markets. If a sub-fund holds only a limited number of securities and is therefore regarded as concentrated, the value of the sub-fund may fluctuate more than in a diversified fund that has a larger number of securities. The choice of securities in a concentrated portfolio can also lead to a sector-based and geographical concentration. In the case of a sub-fund with a geographical concentration, the value of the sub-fund may be more susceptible to disadvantageous economic, political, currency, liquidity, tax, legal or regulatory events that affect the relevant market.

#### **Risk of negative interest rates**

Generally speaking, an interest rate corresponding to international interest rates less a certain margin is agreed for the investment of the particular sub-fund's cash and cash equivalents with the depositary or other credit institutions. If these interest rates fall below the agreed margin, this will lead to negative interest on the relevant account. Short, medium and long-term deposits with banks may see a negative rate of return depending on developments in the interest rate policies of the relevant central banks.

#### **Company-specific risk**

The price performance of securities held directly or indirectly by a sub-fund also depends on company-specific factors, for instance the issuer's economic situation. If the company-specific factors deteriorate, the price of the security can fall significantly and permanently, even if the stock market otherwise performs well over the same period.

#### **Risk in connection with smaller companies**

Shares in smaller companies may be less liquid and more volatile than the shares in companies with higher market capitalisation and tend to be associated with a comparatively higher financial risk.

#### **Risk in connection with the exclusion of securities/assets**

The exclusion of companies that do not meet certain criteria (e.g. social or sustainability factors) or that are not regarded as socially responsible from the portfolio of a sub-fund can mean that the particular sub-fund performs differently to similar funds or sub-funds that do not have such principles.

#### **Hedging risk**

The particular sub-fund may take measures that are intended to offset certain risks. These may not work perfectly, may not be practical or may fail completely. The sub-fund may use hedges in its portfolio to minimise currency, duration, market or credit risks and to hedge against the currency risk in relation to certain unit classes or the effective duration of the unit class. Costs are associated with hedging, which can reduce the performance of the investment.

#### **Downgrading risk**

A sub-fund may invest in bonds with an investment grade rating and retain it after a subsequent downgrading to avoid



an emergency sale. If the sub-fund has downgraded bonds of this sort, there is an increased non-payment risk, which in turn entails the risk of capital loss for the sub-fund. The attention of investors is drawn to the fact that the yields or unit value of the sub-fund (or both) may fluctuate.

### **Risks associated with investment in emerging markets**

There are various risks associated with investing in target funds and/or securities from emerging markets. These risks are primarily related to the fast economic development process that some of these countries experience and in this context, no assurance can be provided that this development process will continue in the coming years. In addition, these markets tend to have a low level of market capitalisation and they tend to be volatile and more illiquid. Other factors (e.g. political change, exchange rate fluctuations, stock exchange controls, taxes, restrictions on the investment of foreign capital and capital recovery, etc.) can further compromise the marketability of the assets and the resulting income.

Moreover, these companies may be subject to a significantly lower degree of governmental supervision and less differentiated legislation. Their accounting and auditing are not always of the standard enforced in this country.

### **American Depository Receipts (ADR)**

American Depository Receipts (ADRs) are depository receipts denominated in US dollars, issued by US custodian banks in the US, which embody a certain number of deposited shares of a foreign company and are traded in their place on the US capital market like shares. Depository receipts that represent shares are therefore entitlements that are intended to give the holder the same economic position as a holder of shares, although legally a third party is the holder of the underlying asset. The holder of the depository receipt has no original membership right, but usually a contractual right to the membership right being exercised only according to his will. In addition, if one or more markets are suspended or closed, there is a risk that the value of the ADRs may not accurately reflect the value of the underlying securities. There may also be circumstances which cause the fund manager not to invest in an ADR or not to do so, or where the characteristics of the ADRs do not accurately reflect the underlying security. Particularly in the event of insolvency of the custodian or in the event of enforcement measures against it, there is a possibility that these shares will be used economically as part of an enforcement measure against the custodian or that the shares on which the depository receipts are based will be subject to a restriction on disposal. Global Depository Receipts (GDR) Global Depository Receipts (GDR) are depository receipts developed along the lines of American Depository Receipts (ADR) that certify ownership of shares. A GDR can relate to one, several or just a fraction of shares. GDRs are traded on exchanges worldwide as a proxy for the original stock. In this respect, the risk warnings made for ADR also apply analogously to GDR.

### **Liquidity risks**

#### **Liquidity risk**

The liquidity of a sub-fund may be affected by various factors which make the sub-fund unable to process redemption applications temporarily and even, in exceptional circumstances, cause the assets of the fund to lose value and therefore lead to liquidation under the conditions prescribed by law. Liquidity risks can come about, for example, if under certain market conditions liquid securities are difficult to sell, even though as a general rule the sub-fund is only allowed to invest in those instruments that can be sold at any time without large price reductions. It cannot therefore be ruled out that the transaction volume will be exposed to significant price fluctuations, depending on the market situation. In the case of increased buy and sell orders by investors, the particular sub-fund may also be compelled to sell or buy assets under worse conditions than planned in order to maintain the liquidity of the sub-fund, which can also have a negative effect on the assets of the fund.

#### **Risk due to borrowing**

The management company may take out borrowing on account of the sub-fund. Borrowing at a variable interest rate can have a negative impact on the sub-fund assets due to increasing interest rates. If the management company has to repay a loan and cannot offset it through follow-up financing or liquidity in the sub-fund, it may be compelled to sell assets earlier or at worse conditions than planned.

### **Risks arising from increased numbers of redemptions or subscriptions**

Buy or sell orders placed by unit holders cause liquidity to flow to the sub-fund assets or from the sub-fund assets. After netting, the inflows and outflows may result in net inflows or outflows of the fund's liquid assets. This net inflow or outflow may prompt the management company or the fund manager to buy or sell assets, thereby incurring transaction costs. This is particularly applicable when the inflows or outflows cause cash and cash equivalents to exceed or fall below a

quota set for cash and cash equivalents by the management company for the sub-fund. As a result, the sub-fund will incur transaction costs, which may adversely affect the sub-fund's performance. In the case of inflows, increased fund liquidity can have a negative impact on the performance of the sub-fund if the funds cannot be invested on adequate terms.

#### **Risk resulting from public holidays in certain regions/countries**

The fund/sub-fund can make investments in various regions/countries. Because of local public holidays in these regions/countries, there may be variations between the trading days on stock exchanges in these regions/countries and valuation days for the sub-fund. It may not be possible for the sub-fund to respond to a market development on the same day if it is not a valuation day in the regions/countries or on a valuation day that is not a trading day in those regions/countries on which the local market does not trade. The sub-fund may be prevented from selling assets within the required time. It can have a negative impact on the ability of the fund/sub-fund to meet demands for redemption or other payment obligations.

#### **Operational and other risks for the sub-fund**

##### **Risks arising from criminal activities, wrongdoing or natural disasters**

The sub-fund may fall victim to fraud or other criminal activities. It may experience losses resulting from misunderstandings or errors on the part of employees of the management company or external third parties, or from external events such as natural disasters.

##### **Counterparty default risk, counterparty risk**

The sub-fund carries out transactions through or with brokers, clearing houses, counterparties and other agents. Accordingly, the sub-fund is subject to the risk of such a counterparty being unable to meet its obligations because of insolvency, bankruptcy or for other reasons. The counterparty default risk (credit risk) entails the risk of the other party to a reciprocal contract failing to fulfil its obligation with respect to a receivable despite the provision of the relevant consideration. This applies to all reciprocal contracts concluded on behalf of the fund. In addition to the general trends in the capital markets, specific developments affecting the relevant issuer will affect the price of a security. Even careful selection of securities cannot, for instance, exclude the risk that losses may be incurred due to the financial collapse of an issuer. Losses incurred due to the financial collapse of an issuer will have an impact to the extent that securities have been acquired from this issuer for the sub-fund. Due to the sub-fund's investment strategy (investment in non-investment grade bonds), the fund may be subject to increased exposure to such risks.

##### **Cyber risk information**

The management company and its service providers may be susceptible to cyber security incidents and the associated risks which endanger operational and information security. In general, cyber security incidents may be the result of intentional attacks or unintended occurrences affecting third parties. Cyberattacks include, among other things, obtaining unauthorised access to digital systems (e.g. by hacking or using malware) for the purposes of stealing assets or sensitive information, damaging data or causing operational disruptions. Cyberattacks can also be carried out by different means – i.e. without gaining unauthorised access – by preventing access to services on websites, for example (i.e. attempts to paralyse web services so that they are no longer available to the intended users). Cyber security incidents that have an impact on relevant individuals can cause disruptions and impair business operations, which can entail the potential to cause financial losses, including in preventing a sub-fund from calculating its net inventory value, making it more difficult to carry out transactions for a portfolio in the sub-fund, preventing unit holders from carrying out transactions with the fund/sub-fund, bringing about breaches of relevant data protection and data security legislation or other laws, incurring penalties and fines from supervisory bodies, damaging reputations or incurring costs for reimbursements, other damages or remedies, legal fees or costs resulting from additional compliance requirements. Similar disadvantageous consequences can result from cyber security incidents that damage issuers of securities in which the sub-fund invests, counterparties with whom a sub-fund enters into transactions, state or other supervisory bodies, stock exchanges and other participants in the financial markets, banks, stock brokers and dealers, insurance companies and other financial institutions and parties. Although information management systems and emergency plans have been designed to reduce risks in relation to cyber security, risk management systems for cyber security or emergency plans are naturally subject to limitations, including the possibility that certain risks may be impossible to identify or were not identified. In addition, the cyber security plans and systems of service providers of the management company or issuers of securities in which a specific fund/sub-fund invests are not under the control of the management company.

### Country/region and industry risk

The value of the fund's assets may also be adversely affected by unforeseeable events such as international political developments, changes in government policies, restrictions on foreign investments and currency repatriations, as well as by other developments and applicable laws and regulations. If a sub-fund focuses on certain countries, regions or industries in the context of its investment, this reduces the risk diversification. As a result, the sub-fund will be particularly exposed to developments affecting individual or interrelated countries and regions or companies domiciled and/or operating in these countries and regions, as well as to general trends and the development of corporate profits in individual or interrelated sectors.

### Legal and political risks

The sub-fund may invest in jurisdictions that are not subject to Luxembourg law, or where the place of jurisdiction for any legal dispute is outside Luxembourg. The resulting rights and obligations for the management company on behalf of the sub-fund may differ from those that apply in Luxembourg to the detriment of the sub-fund or the unit holder. Political or legal developments, including changes to the legal framework conditions in these jurisdictions, may not be recognised by the management company in due time, or not recognised at all, or they may result in restrictions with regard to assets that can be acquired or those that have already been acquired. These consequences could also arise if the legal framework conditions for the management company and/or the sub-fund management change in Luxembourg.

### Key person risk

If the sub-fund's performance is very strong over a certain period, this success may also be attributable, at least in part, to the expertise of the individuals acting on behalf of the sub-fund and thus the right decisions being made by the management team. The members of the fund management team may, however, change. The actions of the new decision-makers may then lead to less success.

### Custody risk

The custody of assets entails a risk of loss which results from the insolvency, negligence or improper conduct by the custodian or a sub-custodian.

### Settlement risk

In particular, if unlisted securities are acquired or derivative instruments are used, there is a risk that the transaction will not be settled as expected due to one counterparty failing to pay or deliver in due time or as agreed.

### Sustainability risks

As a matter of principle, the fund manager makes investment decisions considering sustainability risks. Sustainability risks can arise from environmental and social impacts on a potential asset as well as from the corporate governance of the issuer of an asset.

The sustainability risk can either represent a separate risk category or have a reinforcing effect on other risk categories relevant to the fund / sub-fund, such as market risk, liquidity risk, credit risk or operational risk. and in this context can substantially contribute to the overall risk of the sub-fund.

Insofar as sustainability risks materialize, they may have a significant impact - up to and including a total loss - on the value and/or return of the assets concerned. Such effects on the asset(s) can negatively influence the overall return of the sub-fund.

By taking into consideration sustainability risks, it is the fund manager's aim to identify the occurrence of these risks at an early stage and to take appropriate measures to minimise the impact on the affected asset(s) or the overall portfolio of the sub-fund.

The sustainability aspects that can have a negative impact on the return of the sub-fund are divided into environmental, social and governance aspects (hereinafter "ESG"). While environmental aspects include e.g. climate protection, social aspects include e.g. compliance with workplace safety requirements. Consideration of compliance with employee rights and data protection are among the components of the governance aspects. In addition, climate change aspects are also considered, including physical climate events or conditions such as heat waves, rising sea levels and global warming.

### Counterparty specific sustainability risks

The risks associated with ESG aspects can have a negative impact on the market value of an asset.

The market value of financial instruments issued by companies that do not comply with ESG standards and / or do not

(neither) commit to implementing ESG standards in the future may be negatively affected by materialising sustainability risks.

Such influences on the market value can be caused, e.g. by reputational damage and/or sanctions. Other examples include physical risks and transition risks caused, e.g. by climate change.

#### **Specific operational risks regarding sustainability**

The sub-funds or the management company may suffer losses due to environmental disasters, socially induced aspects relating to employees or third parties, as well as due to failures in corporate governance. These events may be caused or exacerbated by a lack of attention to sustainability aspects.

### **CONFLICTS OF INTEREST**

The Management Company and/or employees, representatives or affiliated companies may act as investment advisors, fund managers, central administration agents or registrars and transfer agents, or otherwise as service providers for the Fund or Sub-fund. The duties of the Depository may also be performed by an affiliated company of the Management Company. The Management Company is aware that conflicts of interest may arise as a result of the different duties that are performed in relation to the management of the Fund and/or Sub-fund. In accordance with the Law of 2010 and the applicable management regulations of the CSSF, the Management Company has sufficient and appropriate structures and control mechanisms; in particular, it acts in the best interests of the Funds or Sub-funds and ensures that conflicts of interest are avoided. The Management Company has drawn up principles for handling conflicts of interest, an up-to-date version of which is available to interested investors on the website at [www.hal-privatbank.com/en/legal-notice](http://www.hal-privatbank.com/en/legal-notice). When outsourcing tasks to third parties and engaging third parties, conflicts of interest may arise both in the collaboration with the third party and within the third-party company.

### **PERFORMANCE (CAPITAL APPRECIATION)**

An overview of the past performance is provided in a document that is available to view on the Management Company's website ([www.hal-privatbank.com](http://www.hal-privatbank.com)).

### **UNITS**

Units in INVL Fund are Units in the respective Sub-funds.

### **THE ISSUE OF UNITS**

The Fund Units in the specified Sub-funds are issued at the issue price, which comprises the Unit value and, where applicable, the sales commission indicated in the overview. The issue price is increased to cover any stamp duty or other expenses that may occur in any country in which the Units are issued.

The Management Company is authorised to issue new Units on a continuous basis. However, the Management Company reserves the right to suspend the issue of Units temporarily or permanently within the framework of the provisions of the Management Regulations published below; if this happens, payments that have already been made will be reimbursed immediately.

Units may be acquired from the Management Company, the Depository and the Paying Agent specified in this Prospectus, but not from a distributor.

The Management Company may agree to issue units as a consideration for a contribution in kind of securities or other assets, provided that such securities or other assets comply with the investment objectives and policy of the relevant sub-fund and that the contribution is made in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the approved statutory auditor of the Fund ("réviseur d'entreprises agréé") which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other assets shall be borne by the relevant unit-holders.

**The times stated in the provisions of the Management Regulations determine the acceptance times for subscription applications.**

## **REGULATIONS ON THE PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING**

The management company is responsible for measures to combat money laundering and terrorist financing in accordance with Luxembourg law and the circular published by the CSSF on this matter. In accordance with international regulations and laws and regulations of Luxembourg, including the Luxembourg law on combating money laundering and the financing of terrorism of 12 November 2004, as amended, and all related amendments or succession regulations and the relevant directives and circulars of the Luxembourg Financial Supervisory Authority CSSF, as amended, obligations are imposed on all persons and companies operating in the financial sector to prevent misuse for the purpose of money laundering and/or the financing of terrorism.

These measures fundamentally require the identification and verification of the identity of an investor and the economic beneficiaries in accordance with the Money Laundering Act.

Information that is submitted in this context is collected exclusively for compliance with the provisions on combating money laundering and the financing of terrorism.

The Management Company is obliged to have certain information relating to those investors who qualify as beneficial owners within the meaning of the 2004 Act entered in the Luxembourg Register of Beneficial Owners in accordance with the Act of 13 January 2019 on the Register of Beneficial Owners (the "Act of 2019"), in which case certain information will be publicly available in the Register of Beneficial Owners.

Any person who is considered to be the beneficial owner of the fund within the meaning of the 2019 Act is required by law to provide the information required in this regard upon request.

In addition, the relevant Luxembourg requirements regarding AML/CFT are taken into account for assets and the corresponding due diligence obligations for assets of the fund are systematically applied. In this context, all assets are allocated to a risk category using a predetermined risk-based approach. Regardless of the risk classification, AML/CFT screening is performed for all assets in accordance with the statutory requirements.

## **DATA PROTECTION REGULATIONS**

Investors or potential investors undertake to provide the Management Company with their personal data required for the investment (including, among other things, name, address and the amount invested). This information can be collected, recorded, stored, adjusted, transferred and otherwise processed in electronic and paper form, and may also be used by third parties commissioned by the Management Company.

Personal data will be used, in particular, for the administration of accounts, the processing of subscription, redemption and conversion applications, the management of the register of shares, the provision of services in connection with the sub-fund and compliance with applicable laws or regulations in Luxembourg and in other jurisdictions including, but not limited to, applicable company legislation, laws and regulations relating to combating money laundering and terrorist financing and to tax law, such as FATCA (Foreign Account Tax Compliance Act), CRS (Common Reporting Standard) or similar laws or regulations.

If an investor or potential investor does not provide such personal data in the form required by the Management Company, the Management Company may restrict or prohibit ownership of the units of the sub-fund as described in this Sales Prospectus. In such a case, the investor or potential investor shall bear the costs that arise for the Management Company, for third parties instructed by the Management Company or for the Custodian for these measures and shall indemnify these parties in this regard.

The data will neither be used for marketing purposes nor be forwarded to unauthorised third parties.

When collecting, storing and processing personal data and information from natural persons, the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC ("General Data Protection Regulation" or "GDPR"), supplemented by any applicable national law (the

"Data Protection Act"), are complied with at all times.

#### Other recipients of the data

The Management Company may assign the processing of personal data to another legal entity. The Management Company undertakes not to transfer any personal data to a third party other than the authorised representative, except with the consent of the shareholders or as required by law. If, in order to fulfil its contractual obligations, the Management Company uses the services of a processor within the meaning of the GDPR to perform certain processing activities for the Management Company, and if data or information is processed by natural persons, then the Management Company is obliged to impose on this processor under European Union or Luxembourg law by way of a contract or other legal instrument the same data protection obligations that the Management Company would have if it were itself a processor. The Management Company undertakes to ensure, in particular when selecting the processor(s), that adequate guarantees are offered so that suitable technical and organisational measures are carried in such a way that processing is in accordance with the requirements of the GDPR.

#### Data subject's rights and contact

Upon written request, investors will be granted access to their own personal data that has been provided to the Management Company. In the same way, investors can assert all rights under the GDPR. This request must always be fulfilled.

The current version of the data protection provisions can be viewed on the Management Company's website ([www.hal-privatbank.com](http://www.hal-privatbank.com)). The rights of investors within the meaning of the GDPR can be viewed on the "Application Form" or on the website of the Management Company ([www.hal-privatbank.com/en/data-privacy](http://www.hal-privatbank.com/en/data-privacy)).

The current contact details of the data protection officer appointed by the Management Company can be viewed at [www.hal-privatbank.com/en/data-privacy](http://www.hal-privatbank.com/en/data-privacy).

When investing in the sub-fund, each investor agrees to their personal data being processed. This consent is formally granted in writing on the respective "Application Form", which underlies the investment.

## UNIT VALUE CALCULATION

In order to calculate the Unit Value, the value of the assets, minus the liabilities ("Net Fund Assets"), is calculated on each valuation day in accordance with the Management Regulations, and then divided by the number of Units in circulation and rounded to two decimal places.

Further details concerning the calculation of the unit value are stated in the Management Regulations, in particular in Article 7.

## REDEEMING AND EXCHANGING UNITS

The Unitholders are entitled to request the redemption or exchange of their Units at any time via (but not the distributor specified as a further distributor), the Depository and Paying Agent or the Management Company at the redemption price set out in the Fund's Management Regulations. Applications for the conversion of Units may only be submitted to the Registrar and transfer agent as orders for amounts.

**The times stated in the provisions of the Management Regulations determine the definition of acceptance times for redemption applications.**

## USE OF INCOME AND OTHER PAYMENTS

The use of the income is set out for each Unit Class in the respective Sub-fund.

If income from the affected Unit Class can in principle be distributed, the provisions of Article 11 of the Management Regulations apply.

Any distributions to fund units are made via the Depository and Paying Agent or the Management Company. The same also applies to any other payments made to the Unitholders.

## **PUBLICATIONS AND CONTACT PERSONS**

The issue and redemption price applicable to the various Units and all other information intended for Unitholders may be requested at any time from the registered office of the Management Company, the Depository and Paying Agent or distributors.

At those same locations, the current Prospectus and Management Regulations and the annual and semi-annual reports may also be obtained, and the Articles of Association of the Management Company can also be viewed there.

The Key Information Document for Packaged Retail Investment and Insurance-based Products ("PRIIPS-KID") can be downloaded from the Management Company's website: [www.hal-privatbank.com](http://www.hal-privatbank.com). A paper version can also be provided on request by the Management Company or the distributors.

The issue and redemption prices valid at any given time are generally published on the Management Company's website ([www.hal-privatbank.com](http://www.hal-privatbank.com)) and may also be published in a national daily newspaper or online medium.

Other key information for Unitholders is generally published on the Management Company's website ([www.hal-privatbank.com](http://www.hal-privatbank.com)). In addition to this, where required by law in Luxembourg, information will also be published in a Luxembourg daily newspaper.

Investor complaints may be directed to the Management Company, the Depository and Paying Agent or distributors. They will be duly processed there within 14 days.

## **COSTS**

The Management Company receives remuneration for managing the Fund and its Sub-funds from the respective Net Sub-fund Assets and the amount, calculation and payment of this are set out in the section "Overview of INVL Fund" below.

The Depository receives remuneration from the Net Asset Value of the respective Sub-funds, the amount of which is also set out in "Overview of INVL Fund" below.

The above-mentioned remuneration is determined and paid out in accordance with the provisions of the respective Sub-fund.

In addition to this, the Management Company or the Depository may be reimbursed for costs associated with the acquisition and sale of Fund assets, as well as for other expenses listed in the Fund's Management Regulations.

These costs are also detailed in the annual reports.

Furthermore, the additional costs described in Article 14 of the Management Regulations may be charged to the respective Sub-fund assets.

## **REMUNERATION POLICY**

In accordance with the Law of 2010, and in view of the principles set out in Article 111ter of the Law of 2010 in particular, the Management Company has established a remuneration policy that is compatible with, and conducive to, sound and effective risk management. This remuneration system is based on the sustainable and entrepreneurial business policy of the Hauck & Aufhäuser Group and is therefore designed not to incentivise the taking of risks that are incompatible with the risk profiles and Management Regulations of the investment funds managed by the Management Company. The remuneration system must always be consistent with the business strategy, objectives, values and interests of the Management Company and of the funds it manages and of those funds' investors. This also comprises measures for

avoiding conflicts of interest. In particular, the variable remuneration elements are not linked to the performance of the investment funds managed by the Management Company. The fixed and variable components of total remuneration are proportionate, with the fixed component of the total remuneration being high enough to provide complete flexibility in relation to the variable remuneration components, including the option to dispense with payment of a variable component. The remuneration system is adjusted at least once annually and is modified, if necessary.

Details of the current remuneration policy, including a description of how the remuneration and other benefits are calculated, and the identities of the persons responsible for allocating the remuneration and other benefits, including the composition of the remuneration committee if one exists, are available on the Management Company's website ([www.hal-privatbank.com/en/legal-notices](http://www.hal-privatbank.com/en/legal-notices)). A paper version can also be provided free of charge on request by the Management Company.

## **TAXATION OF FUND ASSETS AND INCOME**

The income of the Fund and its Sub-funds is not taxed in the Grand Duchy of Luxembourg. It may, however, be subject to withholding tax or other taxes in countries where the respective Sub-fund assets are invested. Neither the Management Company nor the Depository will obtain receipts for such taxes for individual Unitholders or for the Unitholders in general.

Fund Assets are subject to a *taxe d'abonnement* (subscription tax) in the Grand Duchy of Luxembourg, currently 0.05% p.a. This *taxe d'abonnement* is payable quarterly on the relevant Net Fund Assets reported at the end of each quarter.

On 10 November 2015, the Council of the European Union passed Directive (EU) 2015/2060 which repealed the EU Savings Directive (Directive 2003/48/EC). As a result, there has been full tax transparency within the EU since 2018 and EU withholding tax became obsolete at that time. In this context, Luxembourg applies the automatic exchange of information on financial accounts. Until the EU Savings Directive was repealed, all Member States of the European Union were obliged to provide the competent authorities in the Member States with information on interest and equivalent payments made in the Member State providing the information to a person resident in another Member State. However, some Member States were permitted instead to levy a withholding tax for a transitional period.

Before subscribing to Units, potential investors should familiarise themselves regularly with the taxes payable under the laws of their country of citizenship or residence or domicile on the acquisition, holding and selling of units and on distributions. Investors should consult their tax advisors regarding the effects of their investments in the Sub-funds under the tax laws applicable to them, and in particular the tax laws of the country in which they are domiciled or their country of residence or domicile.

## **AUTOMATIC EXCHANGE OF INFORMATION - OECD COMMON REPORTING STANDARD (CRS)**

The OECD has developed Common Reporting Standards (the "CRS") to address the problem of tax evasion in offshore areas globally. Based on this standard, participating countries have undertaken to exchange financial information of persons resident for tax purposes abroad by means of a multilateral international treaty, and in the European Union by means of the Mutual Assistance Directive. Domestic financial institutions are therefore legally obliged to automatically transmit to the Luxembourg tax authorities on an annual basis any reportable accounts of foreign taxpayers identified on the basis of the joint due diligence and reporting procedure. The Grand Duchy of Luxembourg implemented the CRS with the law of 18 December 2015 on the automatic exchange of financial information in the field of taxation.

Data collection in the framework of the exchange of information may also include information relating to funds. Accordingly, the Management Company is required to comply with the due diligence and reporting procedures under the CRS as provided for in the Luxembourg Implementation Act 2015.

Accordingly, investors may be requested to provide the Management Company or an authorised third party with additional information in order to enable the management company or a third party to fulfil its obligations under the CRS. If the requested information is not provided, the investor can be held liable for taxes, fines or other payments. The Management Company reserves the right to carry out a compulsory redemption for the units of such an investor.



## **FATCA – FOREIGN ACCOUNT TAX COMPLIANCE ACT**

Sections 1471 to 1474 of the US Internal Revenue Code of 1986, as amended (FATCA), impose reporting obligations and a possible 30% withholding tax liability ("FATCA withholding tax") on payments:

- to all financial institutions not resident in the USA (each a foreign financial institution, or "FFI"), provided that these are not part of the "Participating FFIs", i.e. FFIs that
  - conclude a contractual arrangement with the US tax authorities (Internal Revenue Service ("IRS"), to provide them with specific information regarding their account holders or investors, or
  - are exempt from FATCA provisions for another reason or
  - have the status of an FFI which is deemed compliant with FATCA or
- to investors (Recalcitrant Holder), who are not exempt from the FATCA provisions for another reason and who do not provide adequate information in order to determine
  - whether such investors qualify as "US entities"; or
  - whether they should otherwise be treated as holders of a corresponding "US account".

The FATCA withholding tax regime applies to payments originating from sources within the United States and could enter into force at a later date (not yet defined) for foreign passthru payments. The United States has entered into intergovernmental agreements (IGAs) with numerous other states to facilitate the implementation of FATCA requirements.

Under FATCA and the "Model 1" and "Model 2" IGAs, an FFI in an IGA signatory country may be treated as a "Reporting FI" ("reporting financial institution" or, in the case of various exempted entities, a "Non-Reporting FI") and would accordingly not be subject to withholding tax on payments it makes or receives. Under both IGA models, a reporting financial institution is always required to report certain information concerning its account holders or investors either to the authorities of its home Member State or to the IRS.

On 28 March 2014, the United States and the Grand Duchy of Luxembourg signed an intergovernmental agreement (the "Luxembourg IGA") based largely on the "Model 1" IGA. The rules of the Luxembourg IGA were transposed into national law by a law of 24 July 2015. The Management Company expects that the Fund will be treated as a reporting financial institution in accordance with the Luxembourg IGA regulations and that, accordingly, no FATCA withholding tax on payments made by the Fund in connection with its units will in principle be withheld. However, such an obligation cannot be entirely excluded, although payment in excess of the withheld FATCA withholding tax should be excluded.

Investors may be requested to provide additional information to the Management Company or to an appointed third party in order to enable the Management Company or a third party to fulfil its obligations under the provisions of FATCA.

The above description of the highly complex FATCA provisions is based on the existing provisions, the official guidelines, the IGA models and the Luxembourg IGA. All these documents are subject to change.

Potential investors should consult their own tax advisors as to the extent to which these provisions are relevant to payments they may receive in connection with an investment in the fund units. In addition, under certain circumstances, other tax regimes of the United States or its local authorities may apply which are not discussed in this section.

**OVERVIEW OF INVL FUND  
SUB-FUND INVL EMERGING EUROPE BOND FUND**

<b>Fund launch:</b>	30 October 2020
<b>Initial issue price (plus sales commission):</b>	
<b>Unit class R</b>	EUR 100
<b>Unit class I</b>	EUR 100
<b>Date of first issue:</b>	
<b>Unit class R</b>	28 October 2021
<b>Unit class I</b>	30 June 2021
<b>Sales commission:</b>	
<b>Unit class R</b>	up to 5%
<b>Unit class I</b>	None
<b>Redemption/exchange commission:</b>	
<b>Unit class R</b>	None
<b>Unit class I</b>	None
<b>Minimum investment<sup>1</sup>:</b>	
<b>Unit class R</b>	None
<b>Unit class I</b>	EUR 100,000 <sup>2</sup>
<b>Savings plans:</b>	None provided by the Management Company Investors can obtain additional information from the institution maintaining the securities account.
<b>Withdrawal plans:</b>	None provided by the Management Company Investors can obtain additional information from the institution maintaining the securities account.
<b>Management fee (as a % of the Net Sub-fund Assets):</b>	
<b>Unit class R</b>	up to 0.12 % p.a.
<b>Unit class I</b>	up to 0.12 % p.a.
The management fee is calculated daily based on the Net Sub-fund Assets of the relevant Unit Class on the previous Valuation Day and is paid out monthly in arrears. However, the management fee will be not less than to EUR 1,000,- per month per Unit Class. The management fee does not include any applicable VAT. <sup>3</sup>	
<b>Depository fee (as a % of the Net Sub-fund Assets):</b>	
<b>Unit class R</b>	up to 0.06 % p.a.
<b>Unit class I</b>	up to 0.06 % p.a.
The depository fee is calculated daily based on the Net Sub-fund Assets of the relevant Unit Class on the previous Valuation Day and is paid out monthly in arrears. However, the depository fee will be no less than EUR 625,- per month per Unit Class. The depository fee does not include any applicable VAT <sup>4</sup> .	

1 In exceptional cases the Management Company may permit subscriptions that differ from the stated minimum investment without stating reasons.

2 This unit class I serves for investments of the feeder fund and other institutional investors. The master fund shall not charge subscription or redemption fees for the investment of the feeder fund into its units or the divestment thereof.

3 The Management Company may, at any time, at its own discretion and without giving a reason, waive all or part of the minimum fee per Unit Class.

4 The Depository may, at any time, at its own discretion and without giving a reason, waive all or part of the minimum fee per Unit Class.

<b>Fund management fee (as a % of the Net Sub-fund Assets):</b>	
<b>Unit class R</b>	up to 1.20 % p.a.
<b>Unit class I</b>	up to 0.75 % p.a.
The fund management fee is calculated daily based on the Net Sub-fund Assets of the relevant Unit Class on the previous Valuation Day and is paid out monthly in arrears. The fund management fee does not include any applicable VAT. <sup>5</sup>	
<b>Effective total expense ratio (as a % of the Net Sub-fund Assets):</b>	Reported in the Fund's annual report
<b>Performance (capital appreciation):</b>	The document about previous performance is available on the Management Company's website ( <a href="http://www.hal-privatbank.com">www.hal-privatbank.com</a> ).
<b>Sub-fund currency:</b>	EUR
<b>Unit Class currency:</b>	
<b>Unit class R</b>	EUR
<b>Unit class I</b>	EUR
<b>Banking day:</b>	Any day that is simultaneously a banking and stock exchange trading day in Luxembourg, Vilnius, Lithuania and Frankfurt am Main, Germany
<b>Valuation day:</b>	Any banking day
<b>End of the financial year:</b>	31 December; end of the first financial year 31 December 2021
<b>Semi-annual report:</b>	30 June
<b>Annual report:</b>	31 December
<b>The first report was an unaudited interim report for the period ending:</b>	31 December 2020
<b>Closing date for subscriptions and redemptions:</b>	12:00 noon on a valuation day
<b>Payment of issue and redemption prices:</b>	Within three banking days
<b>Denomination of units:</b>	Book entry registered
<b>Use of income:</b>	
<b>Unit class R</b>	Distribution
<b>Unit class I</b>	Accumulation
<b>German security identification number (WKN) / ISIN:</b>	
<b>Unit class R</b>	A2QCL0 / LU2228213802
<b>Unit class I</b>	A2QCL1 / LU2228214792
<b>Publication of prices:</b>	Daily on the Management Company's website ( <a href="http://www.hal-privatbank.com">www.hal-privatbank.com</a> ) and in some cases also in a national newspaper or online media

<sup>5</sup> The Management Company may, at any time, at its own discretion and without giving a reason, waive all or part of the minimum fee per Unit Class.

## **MANAGEMENT REGULATIONS**

### **INVL Fund**

The Management Regulations set out the general principles for the INVL Fund (the “Fund”), and they entered into force on 1 December 2023. The deposit with the Luxembourg Handels- und Gesellschaftsregister (Commercial and Companies Register) has been disclosed in the Recueil électronique des Sociétés et Associations (“RESA”).

The Management Regulations constitute the rules for the Fund.

#### **Article 1 THE FUND**

1. The INVL Fund is a mutual investment fund (“fonds commun de placement”) consisting of securities and other permissible assets (“Fund Assets”) which is managed in accordance with the principle of risk diversification. The Fund Assets less the liabilities attributable to the Fund (“Net Fund Assets”) must reach at least the equivalent of EUR 1,250,000 within six months of approval of the Fund. The Fund is managed by the Management Company. The assets held as Fund assets are held in custody by the Depository within its network of custodians.
2. The contractual rights and obligations of Unitholders (“Unitholders”), the Management Company and the Depository are governed by the Management Regulations of the Fund drawn up by the Management Company with the consent of the Depository.

By purchasing a Unit, each Unitholder acknowledges the Fund’s Management Regulations and any approved amendments thereto.

3. The Fund may be comprised of one or more Sub-funds as defined by Article 181 of the Law of 17 December 2010 on undertakings for collective investment, as amended, (the “Law of 2010”). The Fund is made up of all the Sub-funds. Each investor participates in the Fund by investing in a Sub-fund. The Management Company may launch new sub-funds at any time. The respective Sub-funds are listed in the Prospectus.
4. Each Sub-fund is regarded as an independent investment fund in respect of the relationship between the Unitholders. The rights and obligations of a Sub-fund’s Unitholders are separate from those of other Sub-funds’ Unitholders. The financial assets of a Sub-fund are only liable for liabilities and payment obligations of this Sub-fund in relation to third parties.
5. The Unit Value is calculated separately for each Sub-fund in accordance with the rules set out in Article 7 of the Management Regulations.
6. The investment restrictions listed in the Management Regulations are applicable to each Sub-fund separately, with the exception of the provisions of Article 4 paragraph 3. I) of the Management Regulations. The calculation of the minimum limit (EUR 1,250,000) for the Net Fund Assets in accordance with Article 1 paragraph 1. of the Management Regulations is based entirely on the Fund assets, which are calculated by adding together the Net Sub-fund Assets.

#### **Article 2 THE MANAGEMENT COMPANY**

1. The Management Company is Hauck & Aufhäuser Fund Services S.A.
2. The Management Company shall manage the Fund in its own name, but exclusively in the interest and for the collective account of the Unitholders. The Management Authority shall extend to the exercise of all rights directly or indirectly arising from the assets of the Fund.
3. The Management Company shall determine the investment policy of the Fund whilst observing the legal and contractual investment restrictions. The Board of Directors of the Management Company may entrust one or more of its members with the execution of the day-to-day investment policy. It can, under its own responsibility and control and at the Fund’s expense, also outsource the execution of its daily investment policy to third parties, provided that such third parties are licensed or registered for the purposes of asset management and are subject to a supervisory authority. If the execution of the daily investment policy is outsourced to a third party, this will be disclosed in the

Fund Prospectus. Moreover, the Management Company will ascertain that the third party has taken the necessary measures to comply with all organisational requirements and to avoid conflicts of interest as specified in the applicable Luxembourg laws and regulations and will monitor compliance with these requirements.

4. The Management Company may consult investment advisors or fund managers and, in particular, seek advice from an investment committee set up under its own responsibility. The costs may be charged to the Fund in accordance with the provisions of these Management Regulations and as mentioned in the Prospectus.
5. The Management Company is responsible for preparing the Prospectus and the relevant information for the investor (*Key Information Document for Packaged Retail and Insurance-based Investment Products ("PRIIPS-KID")*).

### **Article 3 THE DEPOSITARY**

1. The investment company has appointed Hauck Aufhäuser Lampe Privatbank AG, Luxembourg Branch, with registered office at 1c, rue Gabriel Lippmann, L-5365 Munsbach, Grand Duchy of Luxembourg, registered with the Luxembourg Trade and Companies Register under number B 175937, as depositary of the Fund by way of a written agreement. The depositary is a branch of Hauck Aufhäuser Lampe Privatbank AG, Kaiserstr. 24, D-60311 Frankfurt am Main, a German credit institution with a full banking license within the meaning of the German Banking Act (KWG) and within the meaning of the Luxembourg Law of April 5, 1993 on the financial sector (in its most recent version). It is registered in the Commercial Register of the Local Court of Frankfurt am Main under the number HRB 108617. Both Hauck Aufhäuser Lampe Privatbank AG and its Luxembourg branch are supervised by the German Federal Financial Supervisory Authority (BaFin). In addition, Hauck Aufhäuser Lampe Privatbank AG, Luxembourg Branch is subject to the Commission de Surveillance du Secteur Financier (CSSF) with regard to liquidity, money laundering and market transparency.

All tasks and duties of the depositary are performed by the branch. Its function is governed in particular by the Law of December 17, 2010, CSSF Circular 16/644, the depositary agreement, and the prospectus. As paying agent, it is entrusted with the obligation to pay out any distributions as well as the redemption price on redeemed shares and other payments.

2. In performing its duties, the depositary acts honestly, fairly, professionally, independently and solely in the interests of the fund and its unit holders/shareholders.
3. The depositary shall ensure that the fund's cash flows are subject to effective and proper monitoring. The depositary shall ensure that all payments made by or on behalf of unitholders when subscribing to units of the mutual fund have been received and that all the fund's cash is booked in cash accounts in the name of the fund with the depositary (or another credit institution).
4. The depositary holds or monitors all of the fund's assets. In this respect, the 2010 Act distinguishes between financial instruments to be held in custody and other assets, although the allocation in individual cases is not always clear.

For the safekeeping of financial instruments to be held in custody (e.g. securities, money market instruments, units in collective investment undertakings), the depositary is in some cases subject to different obligations and stricter liability than for the safekeeping of other assets. Financial instruments to be held in custody are held by the depositary in segregated accounts. Except in a few exceptional cases, the depositary is liable for the loss of these financial instruments, including cases where the loss was not caused by the depositary itself but by a third party. Other (non-custodial) assets, on the other hand, are not held in securities accounts. After ensuring that they are actually owned by the investment fund, records are kept for these assets at the depositary. The depositary is liable to the management company for the performance of these duties in the event of gross negligence or intent.

For the safekeeping of assets of whatever nature, the depositary may appoint sub-depositaries in order to comply with the conditions under the 2010 law. The liability of the depositary towards the investment company shall not be affected by the appointment of a sub-depositary. The names of the sub-depositaries can be viewed on the depositary's website ([www.hal-privatbank.com/impressum](http://www.hal-privatbank.com/impressum)). As a general rule, no third party shall be entrusted with the safekeeping or monitoring of the other assets, unless expressly stipulated otherwise.

When appointing a sub-custodian for financial instruments to be held in custody, the depositary is in particular obliged to verify that the sub-custodian is subject to effective supervision (including minimum capital requirements) and to a regular external audit ensuring that the assets are in its possession ("depositary due diligence"). These due diligence

requirements must also be met with respect to any legal entity that is down the chain of custody from the sub-custodian or third-party custodian ("correspondent").

The depositary must also ensure that each sub-custodian segregates the assets of the depositary's clients that are subject to joint management from the depositary's own assets and other assets, in particular its own assets and the assets of the depositary's clients that are not subject to joint management.

Furthermore, for financial instruments to be held in custody, if the law of a third country requires that certain financial instruments be held in custody at a local entity that does not meet the aforementioned monitoring requirement ("local depositary"), the depositary may nevertheless entrust this local depositary only if the following legal conditions are met.

Firstly, there may not be a local depositary that meets the aforementioned monitoring requirements.

Furthermore, the transfer of custody of financial instruments to a local depositary may only take place upon the express instruction of the management company.

Furthermore, the investment company shall duly inform the investors prior to entrusting such a local depositary.

5. The depositary shall be bound by the instructions of the investment company, provided that such instructions do not conflict with the law, the Articles of Incorporation or the fund's prospectus as amended from time to time.
6. The depositary is entitled to terminate its depositary function at any time in accordance with the contractual terms and conditions. In this case, the management company is obliged to dissolve the fund in accordance with the legal provisions or to appoint a new depositary within two months with the approval of the competent supervisory authority. Until a new depositary is appointed, the existing depositary will fully perform its legal duties and functions.

The management company and/or the investment company shall also be entitled to terminate the depositary appointment at any time in accordance with the respective depositary agreement. Such termination shall necessarily result in the dissolution of the fund, unless the investment company, after the end of the written advance notice period, has appointed another bank as depositary with the approval of the competent supervisory authority, which shall assume the legal functions of the previous depositary.

**Bank deposits, if any, held with credit institutions other than the depositary may not be protected by a deposit guarantee institution.**

#### **Article 4 GENERAL DIRECTIVES ON INVESTMENT POLICIES**

The following general principles and restrictions of the investment policy apply categorically to all Sub-funds in the Fund. The respective Sub-funds may also provide for supplements and deviations. This is mentioned in the Prospectus.

The following definitions shall apply:

"Third Party State": For the purposes of these Management Regulations, a Third Party State is any state which is not a Member State.

"Money market instruments":

Instruments that are usually traded on the money market, which are liquid and whose value can be accurately determined at any time.

"Regulated Market":

A market as defined in Article 4 (14) of Directive 2004/39/EC of 21 April 2004 on markets in financial instruments (as last amended).

"Law of 2010":

Act of 17 December 2010 on Undertakings for Collective Investment, as amended, from time to time

"Member State":

A member state of the European Union. States that are parties to the Agreement on the European Economic Area shall be treated in the same way as Member States of the European Union within the limits of this Agreement and of related acts.

- “UCI”: Undertaking for collective investment. Each UCI subject to Part II of the Law of 2010 qualifies categorically as an AIF as defined in the Law of 12 July 2013 on alternative investment fund managers.
- “UCITS”: Undertaking for collective investment in transferable securities subject to Directive 2009/65/EC.
- “Directive 2009/65/EC”: Directive 2009/65/EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investments in transferable securities (as last amended).
- “Securities”:
- Shares and other securities equivalent to shares (“Equities”)
  - Debt securities and other securitised debt instruments (“debt instruments”)
  - All other negotiable securities according the right to acquire securities by subscription or exchange, with the exception of the techniques and instruments referred to in point 5 of this Article.

The Fund’s investment policy is subject to the following regulations and investment restrictions. The respective Net Sub-fund Assets are invested according to the principle of risk diversification. The investment policies of the individual Sub-funds may include investments in transferable securities, money market instruments, Fund Units, derivative financial instruments and any other assets permitted under Article 4 of the Management Regulations. In particular, they may vary depending on the region in which the Sub-funds invest, the assets to be acquired, the currency in which they are denominated or their maturity. A detailed description of the investment policy of each individual Sub-fund can be found in the Prospectus.

1. Investments in the respective Sub-funds may be comprised of the following assets:  
On account of the specific investment policies of the respective Sub-funds, it is possible that some of the investment opportunities mentioned below will not apply to a particular Sub-fund. This is specified in the Prospectus.
  - a) Transferable securities and money market instruments listed or traded on a Regulated Market;
  - b) Transferable securities and money market instruments traded in another market that is recognised, regulated, open to the public and operating regularly in a Member State;
  - c) Transferable securities and money market instruments admitted to official listing on a stock exchange in a Third Party State or traded there on another Regulated Market which is recognised, open to the public and operates regularly;
  - d) Transferable securities and money market instruments from new issues, provided that the terms and conditions of issue contain the obligation that admission to official listing on a stock exchange or to trading on a regulated market within the meaning of the above provisions under paragraph 1. a) to c) above is applied for and that admission is obtained no later than one year after issue;
  - e) Units of UCITS authorised in accordance with Directive 2009/65/EC and/or other UCIs as defined in Article 1(2)(a) and (b) of Directive 2009/65/EC that have their head office in a Member State or in a Third Party State, provided that
    - such other UCIs have been authorised in accordance with laws which subject them to supervision considered by the CSSF to be equivalent to that laid down in European Community Law and there is sufficient guarantee of cooperation between the authorities. In accordance with this regulations, only Units in open-ended target public funds having their registered office and management in a Member State or Norway, Liechtenstein, Switzerland, USA, Canada, Hong Kong or Japan may be acquired;
    - the level of protection afforded to the Unitholders of other UCIs is equivalent to that afforded to the Unitholders of a UCITS and, in particular, the rules on the segregation of Fund Assets, borrowing, lending and short selling of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC;
    - the business activities of the other UCIs are the subject of semi-annual and annual reports which enable an

- assessment to be made of the assets and liabilities, income and transactions during the reporting period;
- the UCITS or such other UCI whose units are to be acquired may, in accordance with its management regulations or constitutional documents, invest no more than 10% of its assets in units of other UCITS or other UCI.
- f) Deposits with credit institutions which are repayable on demand or have the right to be withdrawn and which have a maturity not exceeding 12 months, provided that the credit institution concerned has its registered office in a Member State or, if the head office of the credit institution is situated in a Third Party State, that it is subject to regulatory supervision considered by the CSSF to be equivalent to those laid down under Community Law.
- g) Derivative financial instruments, i.e. in particular options and futures as well as swaps (“derivatives”), including equivalent cash-settled instruments which are traded on one of the Regulated Markets referred to in letters a), b) and c), and/or financial derivative instruments that are not traded on a stock exchange (“OTC derivatives”), provided that
- the underlying assets are instruments within the meaning of this paragraph 1. a) to h), financial indices (including bond, equity and commodity indices which fulfil all the criteria of a financial index and which must be recognised and sufficiently diversified), interest rates, exchange rates or currencies;
  - the counterparties to OTC derivative transactions are institutions subject to regulatory supervision in the categories approved by the CSSF;
- and
- the OTC derivatives are subject to a reliable and verifiable valuation on a daily basis and may be sold, liquidated or closed by an offsetting transaction at their fair value at any time at the Fund’s initiative.
- h) Money market instruments which are not traded on a Regulated Market and which do not fall within the above definition, provided that the issuer or the issuer of such instruments itself is subject to rules regarding deposit guarantee and investor protection, and provided that they are:
- issued or guaranteed by a central, regional or local authority or by the central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a Third Party State or, in the case of a Federal state, by one of the members of the Federation, or by a public international body of which at least one Member State is a member; or
  - issued by an undertaking whose securities are traded on the Regulated Markets referred to in a), b) and c) above; or
  - issued or guaranteed by an institution subject to regulatory supervision in accordance with the criteria laid down in European Community Law or by an institution which, in the opinion of the CSSF, is subject to and complies with prudential rules which are at least as stringent as those laid down in European Community Law; or
  - issued by other issuers belonging to a category approved by the CSSF, provided that investments in such instruments are subject to investor protection rules equivalent to those laid down in the first, second or third points above and provided that the issuer is either a company with capital and reserves of at least EUR ten million (EUR 10,000,000) which prepares and publishes its annual accounts in accordance with the provisions of the fourth Directive 78/660/EEC, or an entity which, within a group of companies comprising one or more listed companies, is responsible for the financing of that group, or an entity which is intended to finance the securitisation of liabilities by using a credit line granted by a bank.
- i) Equity investments as defined in § 2(8) of the German Investment Tax Act. Equity Investments are defined as:
- Shares in equity corporations admitted to official trading on a stock exchange or admitted to or included in another regulated market;
  - Shares in equity corporations which are resident in a Member State of the European Union or another State party to the Agreement on the European Economic Area and are subject to income tax there for equity corporations and are not exempt from such tax;
  - Shares in equity corporations which are resident in a Third Party State and are subject to income tax for equity corporations there of at least 15% and are not exempt from such tax;



- Shares in other investment funds (target funds) equal to the quota published on each valuation day on which they invest in the above-mentioned shares in equity corporations; if no actual quota is published, equal to the minimum quota specified in the investment conditions of the other investment fund.

2. A particular Sub-fund may also:

- a) invest up to 10% of its respective Net Sub-fund Assets in transferable securities or money market instruments other than those mentioned under paragraph 1 above;
- b) hold cash up to 20% of its Net Sub-fund Assets;
- c) take out a short-term loan up to the equivalent of 10% of its Net Fund Assets. These loans may be pledged or secured. Hedging transactions in connection with the writing of options or the purchase and sale of futures contracts and futures are not considered to be a borrowing within the meaning of this investment restriction;
- d) Acquire foreign exchange as part of a back-to-back transaction.

3. In addition, the Fund will observe the following investment restrictions when investing its assets:

- a) The Fund may invest no more than 10% of its respective Net Sub-fund Assets in transferable securities or money market instruments issued by the same issuer, provided that the securities held directly in the portfolio and the underlying assets of structured products are considered jointly. A particular Sub-fund may invest up to a maximum of 20% of its Net Sub-fund Assets in deposits at the same institution. The counterparty's default risk in OTC derivative transactions may not exceed 10% of the Net Fund Assets if the counterparty is a credit institution within the meaning of those defined in paragraph 1 f) above. In other cases, the limit may not exceed 5% of the Net Fund Assets.
- b) The aggregate value of the securities and money market instruments of issuers in which the Sub-fund invests more than 5% of its Net Fund Assets may not exceed 40% of the value of its Net Sub-fund Assets. This limit does not apply to deposits and OTC derivative transactions with financial institutions subject to regulatory supervision.

Notwithstanding the individual limits set out in paragraph 3 a), the Fund may not invest more than 20% of its Net Sub-fund Assets in any one institution in aggregate in:

- securities or money market instruments issued by that institution,
  - deposits with that institution, or
  - exposures arising from OTC derivatives entered into with that institution.
- c) The limit referred to in paragraph 3 a) sentence 1 shall be increased to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities, by a Third Party State or by public international bodies of which at least one Member State is a member.
  - d) The upper limit specified in the first sentence of No. 3 (a) will not exceed 25% for covered bonds within the meaning of Article 3(1) of Directive (EU) 2019/2162 of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU, and for bonds that were issued before 8 July 2022 and meet the following conditions:
    - i. these bonds were issued by a credit institution having its registered office in a Member State which is subject to special official supervision by virtue of statutory provisions designed to protect the holders of such bonds;
    - ii. in particular, the proceeds from the issue of those bonds must be invested in assets which, throughout the lifetime of the bonds, are sufficient to cover the liabilities attaching thereto and which, in the event of the issuer's default, have priority in respect of capital repayments and interests payments falling due in accordance with the statutory provisions.

If a sub-fund invests more than 5% of its Net Fund Assets in bonds referred to in the preceding sub-paragraph issued by the same issuer, the total value of such investments may not exceed 80% of the value of the Net Sub-

fund Assets in question.

- e) The transferable securities and money market instruments referred to in paragraphs 3 c) and d) shall not be taken into account for the purposes of applying the 40% investment limit laid down in paragraph 3 b).

The limits set out in paragraph 3. a), b), c) and d) may not be aggregated; therefore, investments made pursuant to paragraph 3. a), b), c) and d) in transferable securities or money market instruments issued by the same body or deposited with the same body or in derivatives of the same body may not exceed 35% of the Net Fund Assets.

Companies belonging to the same group for the purposes of the preparation of their consolidated financial statements as defined in Directive 83/349/EEC or in accordance with internationally accepted accounting standards shall be regarded as a single issuer for the purposes of calculating the limits laid down in points a) to e).

The Sub-fund may invest up to 20% of its Net Fund Assets in aggregate in transferable securities and money market instruments issued by companies belonging to the same group.

- f) Without prejudice to the investment limits set out in paragraph 3. k), l) and m) below, the limits set out in paragraph 3. a) to e) for investments in equities and/or debt securities of the same issuer shall not exceed 20% if the objective of the Sub-fund's investment policy is to replicate a specific equity or debt securities index recognised by the CSSF. The prerequisite for this is that

- the composition of the index is sufficiently diversified;
- the index is an adequate benchmark for the market to which it refers;
- the index is published in an appropriate manner.

- g) The limit laid down in paragraph 3 f) shall be raised to 35% provided this is justified by exceptional market conditions, in particular in Regulated Markets where certain transferable securities or money market instruments are highly dominant. An investment reaching this upper limit is only possible with a single issuer.

- h) Without prejudice to the provisions of paragraph 3. a) to e), the relevant Sub-fund may, in accordance with the principle of risk diversification, invest up to 100% of its Net Sub-fund Assets in issued transferable securities and money market instruments of various issues offered or guaranteed by a Member State or its local authorities or by an OECD State or by public international bodies of which one or more Member States are members, provided that (i) such securities have been offered under at least six different issues and (ii) no more than 30% of the Net Sub-fund Assets are invested in transferable securities from the same issue.**

- i) The relevant Sub-fund may acquire units of other UCITS and/or other UCIs within the meaning of paragraph 1. e) if it invests no more than 20% of its Net Sub-fund Assets in a single UCITS or other UCI.

For the purposes of applying this investment limit, each sub-fund of an umbrella fund as defined in Article 181 of the Law of 2010 shall be considered as a separate issuer, provided that the principle of individual liability per sub-fund with respect to third parties is applied.

- j) Investments in units of UCIs other than UCITS may not exceed a total of 30% of the Net Sub-fund Assets of the relevant sub-fund.

If the Sub-Fund has acquired units of a UCITS and/or other UCI, the assets of the UCITS or other UCI concerned shall not be taken into account with respect to the limits set out in paragraph 3. a) to e).

Where the Sub-fund acquires units in other UCITS and/or other UCIs managed directly or indirectly by the same Management Company or by another company with which the Management Company is linked by common management or control or by a substantial direct or indirect holding, the Management Company or other company may not charge any fees for the subscription or repurchase by the Fund of units of the other UCITS and/or other UCIs.

However, where the Sub-fund invests in Units in Target Funds launched and/or managed by other companies, it

should be noted that sales commissions and redemption commissions may be charged for these Target Funds. The sales commissions and redemption commissions paid by the Sub-fund are stated in the annual reports.

If the Sub-fund invests in Target Funds, fees for fund administration and fund management of the Sub-fund as well as fees for fund administration and fund management of the target fund shall be payable out of the Sub-fund Assets. In this respect, the possibility of double charging of fees for fund administration and fund management are not ruled out.

In general, the acquisition of units in target funds may lead to the levying of a management fee at the level of the target fund. The relevant Sub-fund will therefore not invest in target funds that are subject to a management fee of more than 3%. The Fund's annual report will contain information on the maximum share of the management fee to be borne by the Fund and the target funds.

- k) The relevant Sub-fund may not acquire voting shares to the extent that it would allow the Sub-fund to exercise significant influence over the management of the issuer.
- l) Furthermore, the Sub-fund may not acquire more than:
- 10% of non-voting shares issued by the same issuer;
  - 10% of the bonds issued by the same issuer;
  - 25% the units issued by the same UCITS or other UCI as defined in Article 2 (2) of the Law of 2010;
  - 10% of money market instruments issued by the same issuer.

The limits laid down in the second, third and fourth indents may be disregarded at the time of acquisition if the gross amount of the debt securities or money market instruments or the net amount of the units issued cannot be calculated at the time of acquisition.

- m) The foregoing provisions pursuant to paragraph 3. k) and l) shall not apply with respect to:
- aa) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
  - bb) transferable securities and money market instruments issued or guaranteed by a Third Party State;
  - cc) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;
  - dd) shares in companies incorporated under the laws of a Third Party State provided that (i) such a company invests its assets mainly in securities of issuers from that country, (ii) under the laws of that state the Fund's investment in the capital of such a company is the only possible way to acquire securities of issuers of that state and (iii) such a company invests its assets in accordance with the investment restrictions set out in paragraph 3 a) to e) and paragraph 3 i) to l) above;
  - ee) shares held in the capital of subsidiaries which, in the state in which they are established, are engaged solely and exclusively to perform administrative, advisory or sales activities of the Fund with a view to the redemption of Units at the Unitholders' request.
- n) The relevant Sub-fund may not acquire any commodities or precious metals, with the exception of certificates which qualify as securities and are recognised as eligible assets within the framework of management practice.
- o) The relevant Sub-fund may not invest in real estate, whereby investments in or interest on real estate secured securities or investments in securities issued by companies investing in real estate and interest thereon are permitted.
- p) No loans or guarantees for third parties may be issued against the relevant Sub-fund's assets, provided that this investment restriction does not prevent the Sub-fund from investing its assets in underpaid securities, money market instruments or other financial instruments as defined in paragraph 1 e), g) and h) above that are not fully

paid up, provided that the Sub-fund in question has sufficient cash or other liquid assets to meet the demand for the remaining payments; such reserves may not be allocated to the sale of options.

q) Short sales of transferable securities, money market instruments or other financial instruments referred to in paragraph 1 e), g) and h) above may not be carried out.

4. Notwithstanding any contrary provisions contained herein:

a) a particular Sub-fund need not comply with the investment limits provided in paragraphs 1 to 3 above when exercising subscription rights attached to securities or money market instruments that form its Sub-fund Assets.

b) the relevant Sub-fund may, for a period of six months following its authorisation, deviate from the provisions laid down in paragraph 3 a) to j) above.

c) where these provisions are exceeded for reasons beyond the control of the relevant Sub-fund or due to subscription rights, the Fund must give priority to remedying the situation in its sales transactions, taking into account the interests of the Unitholders.

d) in the event that an issuer establishes a legal entity with several sub-funds, in which the assets of a sub-fund are only liable to cover the claims of the investors of that sub-fund and to the creditors whose claims arose at the formation, maturity or liquidation of the sub-fund, each sub-fund is to be regarded as an independent issuer for the purpose of applying the provisions on risk diversification in paragraph 3 a) to g) and paragraph 3 i) and j).

The Management Company of the Fund is entitled to impose additional investment restrictions if this is necessary to comply with the legal and administrative provisions in the countries in which the Units of the Fund are offered or sold.

5. A Sub-fund may subscribe to, acquire and/or hold units in another Sub-fund or in several other Sub-funds of the Fund ("Target Sub-funds") under the condition that:

- the Target Sub-funds do not in turn invest in the Sub-fund; and
- the proportion of the assets that the Target Sub-fund can invest in units of other Target Sub-funds in the Fund does not exceed 10% in total; and
- the voting rights that may be associated with the respective units are suspended for as long as the Target Sub-fund units are held, regardless of proper accounting and regular reports; and
- the value of these Units is not included in the calculation of the Fund's Net Assets for as long as these Units are held by the Sub-fund if the verification of the minimum net assets of the Fund as set out in the Law of 2010 is affected.

6. Techniques and instruments

The relevant Sub-fund may use derivatives and other techniques and instruments for hedging and for efficient portfolio management, to manage the maturity or risk of the Portfolio or to generate income, i.e. for speculative purposes.

Where such transactions relate to the use of derivatives, the conditions and limits shall be consistent with the provisions of paragraph 1 to 4 of this Article above. Furthermore, the provisions of paragraph 7 below of this Article concerning risk management procedures for derivatives must be taken into account.

7. Risk management procedures for derivatives

Where transactions relate to derivatives, the Fund shall ensure that the overall risk associated with the usage of derivatives does not exceed the overall net value of its portfolio.

The market value of the underlying assets, the counterparty default risk, future market fluctuations and the liquidation period of the positions are taken into account when calculating the risk. This also applies to the following paragraphs.

- As part of its investment strategy, the relevant Sub-fund may invest in derivatives within the limits set out in

paragraph 3 e) of this Article, provided that the overall risk of the underlying assets does not exceed the investment limits set out in paragraph 3 a) to e) of this Article. If the Fund invests in index-based derivatives, such investments need not be taken into account within the investment limits set out in paragraph 3 a) to e) above this Article.

- A derivative embedded in a transferable security or Money Market Instrument must be taken into account with regard to the investment limits set out in paragraph 3 e) above this Article.

The Management Company shall regularly inform the CSSF of the types of derivatives in the portfolio, the risks associated with the underlying assets, the investment limits and the methods used to measure the risks associated with derivative transactions in relation to the Fund.

The four investment restrictions referred to in this Article 4 shall apply categorically at the time of acquisition of the respective assets. If, after acquisition, the above limits are exceeded as a result of the increase in the asset position, the Management Company will manage the respective asset back within the investment restrictions, taking into account the interests of the Unitholders.

## **Article 5 UNITS**

1. Units in the relevant Sub-fund shall be evidenced by Unit certificates, if any, with associated coupons denominated in the name of the holder, unless otherwise specified in the Prospectus.
2. All Units in the respective Sub-funds shall fundamentally have the same rights and are freely transferable.
3. Units are denominated in the name of the holder of the relevant Sub-fund. They shall be issued in such denominations to be determined by the Management Company. If the Units are offered globally, the Fund has no obligation to deliver physical certificates. This is mentioned in the Prospectus. If the Units are issued in book form by transfer to securities accounts, the Management Company may issue fractions of up to 0.001 Units.
4. The Management Company may designate several Unit Classes per Sub-fund for the Fund. If different Unit Classes are envisioned, this will also be set out in the Prospectus.

The Unit Classes may differ with regard the following characteristics:

- a) with regard to the cost structure in view of the sales commissions, the redemption commission and, if applicable, the distribution agent commission;
- b) with regard to the cost structure as regards the remuneration of the Management Company, Custodian and investment advisor or sub-investment manager;
- c) with regard to the regulations on distribution and the minimum subscription or contribution amount;
- d) with regard to the application of income;
- e) with regard to the currency in which the Unit Classes are denominated;
- f) with regard to any other criteria as determined by the Management Company.

All Units are equally entitled to income, price gains and liquidation proceeds of their Unit Class from the date of issue.

5. The issue and redemption of Units and the making of payments on Units or coupons are carried out by the Management Company, the Depository or through each paying agent (if any).
6. The Management Company may carry out a split or consolidation of Units within a Unit Class.
7. Existing Unit Classes may, in accordance with the provisions of Articles 12 and 13 of the Management Regulations, be dissolved by the Management Company or merged within the Fund or merged with another UCITS or Sub-fund/Unit Class thereof, managed by the same Management Company or managed by another management company, provided that such other UCITS or Sub-fund/Unit Class may have a branch in both Luxembourg and another Member State.

**Article 6 ISSUE OF UNITS**

1. Units are issued on each Valuation Day at the Unit Value plus a sales commission. The amount of the sales commission for each Sub-fund is disclosed in the Prospectus. The sales commission is charged in favour of the respective broker. The issue price may be increased by fees or other charges incurred in the respective distribution countries.
2. The Management Company may at any time and at its sole discretion reject a subscription application for a particular Sub-fund or may temporarily restrict, suspend or terminate the issue of Units if this appears necessary in the interests of all Unitholders for the protection of the Management Company, the protection of the Fund or Sub-fund, in the interests of the investment policy or in the event of a threat to the specific investment objectives of the particular Sub-fund. In particular, in order to protect investors, the Management Company will not permit any practices related to market timing and will reserve the right to refuse subscription applications from an investor suspected by the Management Company of using such practices and, where appropriate, take the necessary measures.
3. The Management Company may, in accordance with the legal provisions of the Grand Duchy of Luxembourg, issue Units in specie if a subscriber so requests and provided that such securities comply with the investment policy and restrictions of the relevant Sub-fund. In connection with the issue of Units in specie, the Fund's auditor must prepare an expert opinion on the valuation of the securities to be paid up. The costs of issuing Units in the manner described above shall be borne by the relevant subscriber.
4. Units are in all cases acquired at the issue price on the Valuation Day in accordance with Article 7 paragraph 1 of the Management Regulations. Subscription applications received by the Management Company by 12:00 noon (Luxembourg time) on a Valuation Day will be settled on the basis of the Unit Value of this Valuation Day, which is calculated on the following valuation day. Subscription applications received by the Management Company after 12:00 noon (Luxembourg time) on a Valuation Day will be settled at the Unit Value of the following valuation day, which is calculated on the second following valuation day..

The issue price is payable within three banking days of the relevant Valuation Day.

5. Units shall be allotted by the Depository on behalf of the Management Company immediately after the issue price has been received by the Depository.
6. The Depository shall immediately repay without interest any payments received on unexecuted subscription applications.
7. Savings plans can be offered for the Fund. If savings plans are offered, this will be set out in the Prospectus. If an offer is made under the savings plans offered, a maximum of one third of each of the payments agreed shall be used to cover costs for the first year and the remainder shall be spread evenly over all subsequent payments.

**Article 7 CALCULATION OF UNIT VALUE**

1. The value of a Unit (the "Unit Value") shall be denominated in the currency of the Unit Class (the "Unit Class Currency") as set out in the overview of the relevant Sub-fund in the Prospectus. It shall be calculated under the supervision of the Depository by the Management Company or by a third party appointed by it on each date specified in the Prospectus for the relevant Sub-fund ("Valuation Day"). The Unit Value is calculated by dividing the Net Sub-fund Assets of the relevant Unit Class by the number of units in circulation of the relevant Unit Class on the Valuation Day. Insofar as statutory provisions or stipulations of the Management Regulations prescribe that annual and semi-annual reports and other financial statistics provide information on the position of the Fund assets of the relevant Sub-fund as a whole, this information is provided in Euros (the "Reference Currency") and the assets are converted into the Reference Currency.
2. Net Fund Assets are calculated according to the following principles:
  - a) The target fund units contained in the Fund are valued at the most recently calculated and available Unit Value or redemption price.
  - b) Cash holdings or bank deposits, deposit certificates, outstanding debts, prepaid expenses, cash dividends (declared or accumulated) and accrued interest are valued at their face value, unless it is determined that such holdings are unlikely to be paid or received in full, in which case the face value is reduced by an appropriate

discount to reflect the value likely to be received by the Fund.

- c) Securities that are listed or traded on a stock exchange or another Regulated Market are valued at the most recently available price, unless stipulated otherwise below.
- d) If an asset is not quoted on a stock exchange or traded on another Regulated Market, or if, as mentioned above, in the case of assets quoted on a stock exchange or traded on another market, prices corresponding to the rules in c) do not fairly reflect the actual market value of the corresponding assets, the value of such assets shall be determined on the basis of the probable sale price, determined conservatively and in good faith.
- e) The liquidation proceeds of futures, forwards or options that are not traded on stock exchanges or regulated markets are valued at their net liquidation value pursuant to guidelines of the Board of Directors on the basis of calculations consistently applied for all types of contracts. The liquidation proceeds of futures, forwards or options that are traded on stock exchanges or Regulated Markets is calculated on the basis of the most recently available trade price of such contracts on the stock exchanges or regulated markets on which these futures, forwards or options are traded by the Fund. If a future, forward or option cannot be liquidated on a day for which the Net Asset Value is being determined, then the basis of valuation for such a contract shall be determined by the Board of Directors as they deem fair and reasonable.
- f) Swaps are valued at their market value.  
Care will be taken to ensure that swap contracts are entered into at arm's length conditions in the exclusive interest of the relevant Sub-fund.
- g) money market instruments may be valued at their respective market value as determined by the Management Company in good faith and according to generally accepted valuation rules that may be verified by the Auditors.
- h) All other securities or other assets shall be valued at their reasonable market value, as defined in good faith and in accordance with the policies of the Management Company.
- i) The accrued pro rata interest on transferable securities will be taken into account unless already taken into account in the market value (i.e. dirty pricing).

The value of all assets and liabilities denominated in a currency other than the Base Currency will be converted into the Sub-fund's Base Currency at the most recently available exchange rate. If such rates are not available, the exchange rate shall be determined in good faith and in accordance with the procedure established by the Board of Directors.

The Management Company may, at its absolute discretion, permit some other method of valuation to be used if it considers such valuation to be a fairer valuation of an asset of the Fund.

If the Management Company believes that the Unit Value defined on a certain Valuation Day does not reflect the actual value of the Sub-fund's units or if considerable movements have occurred in the relevant stock exchanges and/or markets since the Unit Value was determined, the Management Company may in good faith update the Unit Value on the same day. In such circumstances, all applications for subscription and redemption received for that Valuation Day will be redeemed on the basis of the Unit Value updated in good faith.

3. If two or more Unit Classes have been established for the Sub-fund in accordance with Article 5 paragraph 3 of the Management Regulations, the following special features apply to the calculation of the Unit Value:
  - a) The Unit Value shall be calculated separately for each Unit Class in accordance with the criteria set out in paragraph 2 of this Article.
  - b) The inflow of cash resulting from the issue of Units increases the percentage share of the respective Unit Class in the total value of the Net Fund Assets. The outflow of funds due to the redemption of Units reduces the percentage share of the respective Unit Class in the total value of the Net Fund Assets.
  - c) In the event of a distribution, the Unit Value of the Units of the Unit Class entitled to distribution shall be reduced by the amount of the distribution. The percentage share of this Unit Class in the total value of the Net Sub-fund Assets also decreases, while the percentage share of one or more other non-distributing Unit Classes in the total Net Sub-fund Assets would rise.

4. An income equalisation procedure may be carried out for each Sub-fund.
5. The Management Company may determine the threshold Unit Value at which large redemption requests cannot be satisfied from the relevant Sub-fund's liquid assets and permissible borrowings, on the basis of the prices on the Valuation Day on which it is necessary to carry out sales of securities for the Sub-fund; this also applies to subscription orders for the Sub-fund submitted at the same time.

#### **Article 8   SUSPENSION OF THE CALCULATION OF THE UNIT VALUE**

1. The Management Company shall be entitled to temporarily suspend the calculation of the Unit Value for the Fund or Sub-fund if and as long as circumstances prevail that make such suspension necessary and if such suspension is justified taking into account the interests of the Unitholders, in particular:
  - a) during the period in which a stock exchange or Regulated Market where a substantial part of the Sub-fund's assets is officially listed or traded is closed (with the exception of the usual weekends or bank holidays) or where trading on that stock exchange or market has been suspended or restricted;
  - b) in emergency situations, when the Management Company is unable to purchase or sell the Sub-fund's investments or is unable to freely transfer the equivalent of the investment purchases or sales or to properly calculate the Unit Value.
2. The Management Company will immediately publish the suspension or resumption of the Unit Value calculation in at least one daily newspaper in the countries in which Units of the Fund are authorised for public distribution and will notify all Unitholders that have requested the redemption of units.

#### **Article 9   REDEMPTION OF UNITS**

1. The Unitholders of the Sub-fund are entitled at any time to request the redemption of their Units at the redemption price fixed in accordance with Article 7 of the Management Regulations of the Fund and subject to the conditions specified therein. This redemption shall be executed only on a Valuation Day. The redemption price will be paid upon redemption of the Units. If a redemption commission is charged, this shall be set out in the Prospectus.
2. Redemptions are only effected at the redemption price on the respective Valuation Day. Redemption requests received by the Management Company by 12:00 noon (Luxembourg time) on a Valuation Day will be settled at the redemption price of this Valuation Day, which is calculated on the following Valuation Day. Redemption requests received by the Management Company after 12:00 noon (Luxembourg time) on a Valuation Day will be settled at the share value of the following valuation day, which is calculated on the second following valuation day. The redemption price shall be paid within three banking days of the relevant Valuation Day.
3. After prior approval by the Depository, the Management Company shall be entitled to make substantial redemptions which cannot be satisfied from the Fund's liquid assets and eligible borrowings only after the relevant assets of the Fund have been sold without delay. Investors who have offered their Units for redemption will be informed immediately and in an appropriate manner of any non-servicing (suspension) of the redemption and of any servicing (resumption) of the redemption.
4. The Management Company may decide to temporarily suspend the redemption of Units in respect of the Fund. Suspension may only take place in exceptional circumstances where the circumstances require such suspension and where the suspension is justified taking into account the interests of the Unitholders.
5. The Custodian is only obliged to pay insofar as no legal provisions, e.g. exchange regulations or other circumstances beyond the Depository's control prohibit the transfer of the redemption price to the applicant's country.
6. The Management Company may unilaterally repurchase Units for a particular Sub-fund against payment of the redemption price if this appears necessary in the interests of all Unitholders or for the protection of the Management Company or the Fund or Sub-fund.



**Article 10 FINANCIAL YEAR AND AUDIT OF FINANCIAL STATEMENTS**

1. The Fund's financial year begins on 1 January of each calendar year and ends on 31 December of the same year.
2. The Fund's annual accounts shall be audited by an auditor appointed by the Management Company.

**Article 11 DISTRIBUTIONS**

1. The Management Company shall determine for each Sub-fund whether distributions are to be made to Unitholders out of the assets of the Sub-fund in question. This is set out in the Prospectus.
2. Notwithstanding the above Regulation, the Management Company may decide to make distributions from time to time.
3. The ordinary income from interest and/or dividends less costs ("ordinary net income") and net realized capital gains may be distributed.

In addition, unrealised capital gains and other assets may be distributed, provided that the Net Fund Assets do not fall below the minimum limit set out in Article 1 paragraph 1 of the Management Regulations as a result of the distribution.

4. Distributions are paid out on the units issued on the distribution date. Income that is not claimed five years after the publication of a distribution declaration shall expire and revert in favour of the relevant Sub-fund.
5. In the event of the formation of two or more Unit Classes pursuant to Article 5 paragraph 3 of these Management Regulations, the specific use of the income of the respective Unit Class shall be determined in the Fund's Prospectus.

**Article 12 DURATION AND LIQUIDATION OF THE FUND**

1. The Fund shall be established for an indefinite period.
2. Notwithstanding the provisions of paragraph 1 of this Article, the Management Company may resolve to terminate existing Sub-funds at any time if the relevant Net Assets of a Sub-fund fall below an amount that the Management Company considers to be the minimum amount required to manage that Sub-fund in an economically efficient manner, which is set at EUR 5 million, and in the event of a change in the economic and/or political environment. The termination of existing Sub-funds shall be published in advance.
3. After a Sub-fund has been terminated, the Management Company shall liquidate that Sub-fund. The assets attributed to that Sub-fund shall be sold in the process and the liabilities attributed to that Sub-fund shall be repaid. The liquidation proceeds shall be distributed to the Unitholders in proportion to the holding of their Units. The liquidation proceeds not claimed after the liquidation of a Sub-fund has been completed shall be deposited in accordance with the rules contained in Article 12, paragraph 5 of the Management Regulations for all remaining and unclaimed amounts.
4. In the following cases, it shall be mandatory for the Fund to liquidate:
  - a) when the period specified in the Fund's Management Regulations has expired;
  - b) if the Depository appointment is terminated without a new Depository appointment being made within the statutory or contractual time limits;
  - c) if insolvency proceedings are opened against the Management Company or the Management Company is liquidated for any reason;
  - d) if for more than six months the Fund Assets remain below one quarter of the minimum limit laid down in Article 1 paragraph 1 of the Management Regulations;

e) in other cases provided for by the Law of 2010 or the Fund's Management Regulations.

5. If an event occurs which leads to the liquidation of the Fund, the issue of Units shall cease. Redemption of Units in the Fund shall remain possible if equal treatment of investors is guaranteed. The Custodian shall distribute the liquidation proceeds, less the liquidation costs and fees ("net liquidation proceeds"), to the Unitholders of the Fund either at the request of the Management Company or, where appropriate, of the liquidators appointed by the Management Company or by the Depository, according to their rights and responsibilities. The net liquidation proceeds which have not been collected from Unitholders at the end of the liquidation proceedings will, to the extent required by law, be converted into Euros and deposited by the Depository for the account of the Unitholders with the Caisse de Consignations in Luxembourg at the end of the liquidation proceedings, where such amount will be forfeited unless so requested within the statutory period.
6. Unitholders, their heirs, legal successors or creditors may not request the dissolution or division of the Fund.

### **Article 13 MERGER OF THE FUND AND OF SUB-FUNDS**

Following a decision by the Board of Directors and in accordance with the requirements and procedures set out in the Law of 2010, the Management Company may decide to merge the Fund or Sub-fund with another undertaking for collective investment in transferable securities ("UCITS") or a Sub-fund thereof managed by the same Management Company or managed by another management company, in which case this other UCITS or Sub-fund may be established both in Luxembourg and in another EU Member State.

If the absorbed UCITS or UCITS sub-fund is a mutual investment fund (FCP) which ceases to exist as a result of a merger, the Management Company of that UCITS shall decide the date on which the merger shall take effect, unless otherwise determined by the Management Company. In respect of an absorbed mutual investment fund (FCP) that is terminated as a result of the merger, the decision to merge shall be the subject to a filing with the Commercial and Companies Register and its publication in RESA of the notice of intention to the Commercial and Companies Register in accordance with the provisions of the Law of 2010.

The notice to investors concerning the absorption of the Fund or a Sub-fund will be published by the Management Company in Luxembourg and those countries in which the Units of the Fund or Sub-fund are marketed in an appropriate manner.

The Unitholders of the absorbing Fund or Sub-fund as well as of the absorbed Fund or Sub-fund shall have the right for 30 days following the notice to request, at no cost, the redemption of their Units at the relevant Unit Value or the conversion of their Units into units of another fund or sub-fund with a similar investment policy managed by the Management Company or another company with which the Management Company is linked by common management or control or by a substantial direct or indirect holding. This right shall take effect from the date on which the Unitholders of the transferring Fund or Sub-fund and the Unitholders of the acquiring Fund or Sub-fund are informed of the proposed merger and shall expire five banking days before the date of calculation of the conversion ratio.

The Units of Unitholders who have not requested the redemption or conversion of their Units will be replaced by Units in the receiving UCITS or Sub-fund thereof on the basis of the Unit Values on the date of entry into force of the absorption. Where appropriate, Unitholders will receive a fractional amount.

In the event of a merger between Funds or Sub-funds, the Funds or Sub-funds concerned may temporarily suspend the subscription or redemption of Units if this appears justified in the interests of investors.

Legal, consulting or administrative costs incurred in preparing and carrying out a merger shall not be charged to the Fund or Sub-fund or its Unitholders.

### **Article 14 COSTS**

The following costs may be charged to the relevant Sub-fund:

1. The Management Company shall be paid a fee from the respective Net Sub-fund's Assets which shall be calculated daily on the Net Sub-fund Assets of the respective Unit Class of the previous Valuation Day and payable monthly in arrears. The amount of the remuneration including a possible minimum remuneration with regard to the individual

Sub-funds shall be set out in the Prospectus. This remuneration is subject to value added tax as applicable.

2. An investment advisor or sub-investment manager may receive remuneration from the relevant Net Sub-fund's Assets which is calculated daily on the basis of the Net Sub-fund Assets of the respective Unit Class on the preceding Valuation Day and payable monthly in arrears. The amount of the remuneration including a possible minimum remuneration with regard to the individual Sub-funds shall be set out in the Prospectus. This remuneration is subject to value added tax as applicable.
3. In addition to the aforementioned fees, a performance fee may be paid from the relevant Sub-fund's assets. The amount valid for the respective Sub-fund, the calculation and payment methodology of the performance fee and party to whom of the performance fee shall be set out in the Prospectus. This remuneration is subject to value added tax as applicable.
4. The Custodian shall be paid remuneration from the relevant Net Sub-fund's Assets which is calculated daily on the basis of the Net Sub-fund Assets of the respective Unit Class for the previous Valuation Day and is payable monthly in arrears. The amount of the remuneration including a possible minimum remuneration with regard to the individual Sub-funds shall be set out in the Prospectus. This remuneration is subject to value added tax as applicable.
5. A distributor may receive remuneration from the Net Sub-fund Assets calculated daily on the basis of the Net Sub-fund Assets of the relevant Unit Class on the previous Valuation Day and payable monthly in arrears. The amount of the remuneration including a possible minimum remuneration with regard to the individual Sub-fund shall be set out in the Prospectus. This remuneration is subject to value added tax as applicable.
6. When calculating the aforementioned remuneration, specific assets may be disregarded in the calculation if this is necessary and in the interest of the investors.
7. In addition to the aforementioned fees, the following costs in particular may be charged to the respective Sub-funds:
  - a) all costs incurred in connection with the acquisition, disposal and ongoing management of assets;
  - b) Costs for the provision of direct and indirect operational expenses of the Depository or Management Company, including, in particular, the costs in connection with OTC transactions, including the costs of collateral management incurred as part of the OTC transactions, securities lending transactions, securities repurchase agreements and other costs incurred in connection with OTC derivatives trading;
  - c) Any taxes and similar charges levied on the Fund's Assets, income or expenses charged in connection with the Fund;
  - d) Any expenditures of legal advice incurred by the Management Company or the Depository when acting in the interests of the Unitholders of the Fund;
  - e) Charges and expenses of the Fund's auditors;
  - f) Costs for the preparation of Unit certificates and coupons;
  - g) Costs for the redemption of coupons and for the renewal of coupons;
  - h) Costs of preparing, depositing and publishing the Management Regulations and other documents related to the Fund, such as prospectuses, including any costs of applying for registration or written submissions with all registration authorities, stock exchanges (including local securities dealer associations) and other regulatory bodies required in connection with the Fund or the offering of its Units;
  - i) Costs for the preparation of the *Key Information Document* for Packaged Retail Investment and Insurance-based Products ("PRIIPS-KID") ;
  - j) Printing and distribution costs of the annual and semi-annual reports for Unitholders in all necessary languages, as well as printing and distribution costs of all other reports and documents required under the applicable laws and regulations of the said authorities;
  - k) The cost of publications intended for Unitholders, including the cost of informing Unitholders of the relevant

investment fund by means of a durable medium;

- l) A reasonable share of the costs of advertising, marketing support, implementation of the marketing strategy and other marketing activities and costs directly incurred in connection with the offering and sale of Units;
- m) Costs for risk controlling and risk management;
- n) All costs and remunerations in connection with the settlement of the Units, record keeping as well as sales services;
- o) Costs for the credit assessment of the Fund by nationally and internationally recognised rating agencies;
- p) Costs in connection with a potential listing on the stock exchange;
- q) Remuneration, out-of-pocket expenses and other costs of the Paying Agent, facilities agent or any distributors and other agencies to be set up abroad;
- r) Expenses of any investment committee or ethics panel;
- s) Expenses incurred by an administrative or supervisory board;
- t) Costs of establishing the Fund or individual Sub-fund and the initial issue of Units;
- u) Other administrative costs, including costs for stakeholder organisations;
- v) Any licence costs for the use of indices;
- w) Costs for performance attribution;
- x) Insurance costs;
- y) Interest accrued in the scope of eligible loans taken out in accordance with Article 4 of the Management Regulations, and
- z) Costs associated with the implementation of regulatory requirements / reforms.

All aforementioned costs, fees, charges and expenses are subject to value added tax as applicable.

- 8. All costs are first charged against ordinary income, then to capital gains and finally to the Fund's assets.
- 9. The costs of the individual Sub-funds will be calculated separately in so far as they concern the respective Sub-fund alone.
- 10. The Management Company, the Depository, Fund Manager and investment advisor and distribution agent may use their proceeds to support the sales and marketing activities of the intermediaries and pay recurring sales commissions and follow-up sales commissions. The amount of these commissions is generally determined on the basis of the Fund volume brokered.
- 11. The foundation costs may be amortised within the first financial year in equal instalments in the fund assets of the Sub-funds existing at the time of foundation. The foundation costs will be charged to the sub-funds issued at the time of foundation. Costs in connection with the creation of further sub-funds will be amortised in the respective sub-fund assets to which they are attributable within the first financial year after the launch of the respective Sub-fund.
- 12. The total cost burden with regard to the Fund or its Unit Classes is mentioned in the Prospectus.

#### **Article 15 STATUTE OF LIMITATIONS AND PRESENTATION PERIOD**

Claims of Unitholders against the Management Company or the Depository may no longer be asserted in court after the expiry of five years from the date on which the claim arose, without prejudice to the provision contained in Article 12

paragraph 5 of the Management Regulations.

#### **Article 16 AMENDMENTS**

The Management Company may amend the Management Regulations in whole or in part at any time with the consent of the Depository.

#### **Article 17 PUBLICATIONS**

1. The first valid versions of the Management Regulations and amendments to the Management Regulations shall be filed with the Commercial and Companies Register. They are published in RESA by publishing a reference to the filing of the relevant document with the Commercial and Companies Register in accordance with the provisions of the Law of 2010.
2. Issue and redemption prices may be obtained from the Management Company, the Depository and any paying agent.
3. The Management Company shall prepare the Prospectus for the Fund, *Key Information Document for Packaged Retail Investment and Insurance Products* ("PRIIPS-KID"), an audited annual report and a semi-annual report in accordance with the legal provisions of the Grand Duchy of Luxembourg.
4. The Fund documents referred to in paragraph 3 of this Article may be obtained by Unitholders from the registered office of the Management Company, the Depository and from any paying agent or distributor.
5. The liquidation of the Fund pursuant to Article 12 of the Management Regulations shall be filed by the Management Company with the Commercial and Companies Register and published in the RESA and in at least two national daily newspapers, one of which shall be a Luxembourg newspaper, in accordance with the provisions of the law.

#### **Article 18 APPLICABLE LAW, PLACE OF JURISDICTION AND LANGUAGE OF THE CONTRACT**

1. The Fund's Management Regulations are governed by Luxembourg law. In particular, in addition to the provisions of the Fund's Management Regulations, the provisions of the Law of 2010 shall apply. The same applies to the legal relations between the Unitholders, the Management Company and the Depository.
2. Any dispute between Unitholders, the Management Company and the Depository shall be subject to the jurisdiction of the competent court in the Grand Duchy of Luxembourg. The Management Company and the Depository shall be entitled to subject themselves and the Fund to the jurisdiction and law of each country in which Units of the Fund are publicly marketed in respect of matters relating to the Fund in so far as they are claims by investors resident in that country.
3. The English wording of the Management Regulations shall prevail unless otherwise expressly provided for in the Management Regulations.

#### **Article 19 ENTRY INTO FORCE**

These Management Regulations shall enter into force on the day on which they are signed, unless specified otherwise. Amendments to the Management Regulations shall also enter into force on the date they are signed, unless specified otherwise.