

# **Investor Information**

**pursuant to Art. 105 AIFMG**

**and**

# **the trust agreement**

**including the fund specific appendix**

**Effective date: 16 April 2026**

# **EFEKTA Real Estate Fund**

**AIF under Liechtenstein law  
in the form of a collective trusteeship**

**(hereinafter referred to as the "AIF")**

**(single fund)**

**AIFM:**



**CAIAC Fund Management AG  
Haus Atzig, Industriestrasse 2,  
FL-9487 Bendern**

## Information for investors/distribution restriction

The acquisition of units in the AIF is carried out on the basis of the relevant constitutive documents (trust agreement including Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Fund Overview") as well as the investor information pursuant to Art. 105 AIFMG and the Key Information Documents (PRIIP-KID) as well as the latest annual report and semi-annual report. Only the information contained in the above-mentioned documents is valid. With the acquisition of fund units, these documents are deemed to have been accepted by the investor. **The distribution of the AIF is targeted at professional investors within the definition of Directive 2014/65/EU (MiFID II) as well as private investors in Liechtenstein. For all other countries the provisions pursuant to Appendix C "Specific information for individual distribution countries" shall apply.**

This document does not constitute an offer or a solicitation to subscribe for the units in the AIF by an individual in any legal system where such an offer or solicitation would be unlawful or where the individual who makes any such offer or solicitation is not deemed qualified to do so, or solicitation is made vis-a-vis an individual in relation to whom any such offer or solicitation would be unlawful.

Any information not contained in this trust agreement or in the documents that are accessible to the public are deemed not to have been certified and are not to be relied upon. Potential investors should inform themselves of the possible tax consequences, the legal requirements and any possible currency restrictions or exchange control laws that apply in the countries of their citizenship, residence or domicile and which may be relevant to the subscription, holding, conversion, redemption or disposal of fund units. Further tax considerations are explained in Art. 55 "Tax Regulations". Appendix C "Specific Information for Individual Distribution Countries" contains information regarding the distribution in various countries. The units of the AIF are not licensed for distribution in all countries around the world. The provisions that apply in the relevant foreign country will apply to the issuance, conversion and redemption of the units.

### Distribution restrictions

Units of the AIF must not be offered, sold or delivered within the USA.

The units have not been and will not be registered under the amended United States Securities Act of 1933 (the "**Act of 1933**") or under the securities laws of any state or territorial entity of the United States of America or its territories, possessions or other areas that are subject to its jurisdiction, including the Commonwealth of Puerto Rico (the "**United States**").

The units may not be offered, sold or otherwise transferred to the United States or to or for the account of U.S. persons (within the definition of the Act of 1933). Later transfers of units within the United States or to U.S. persons are also not permissible. The units are offered and sold on the basis of a release from the registration requirements of the law of 1933 pursuant to Regulation S to this law.

The company has not been, and will not be, registered in accordance with the amended United States Investment Company Act of 1940, or in accordance with any other U.S. federal laws. Accordingly, the units are not offered, sold or otherwise transferred in the United States nor to or for the account of U.S. persons (within the definition of the Act of 1933).

The units have neither been admitted by the U.S. Securities and Exchange Commission ("**SEC**") nor by any other regulatory or supervisory authority in the United States, nor has any such admission been refused; furthermore, neither the SEC nor any other regulatory or supervisory authority in the United States has made any decision on the accuracy or the appropriateness of this trust agreement or the benefits provided by the units.

This trust agreement must not be circulated in the United States. The distribution of this trust agreement and the offer of the units may also be subject to limitations under other legal jurisdictions.

In addition, units of the AIF may not be offered or sold or transferred to citizens of the United States or persons with domicile in the United States and/or other natural persons or legal entities, whose income and/or revenues, irrespective of origin, are subject to U.S. income tax or financial institutions that do not have to meet the provisions regarding the Foreign Account Tax Compliance Acts ("FATCA", in particular Sections 1471 - 1474 of the U.S. Internal Revenue Code as well as any treaties with the United States of America concerning collaboration regarding the simplified implementation of FATCA, insofar as applicable) and that do not have to register with the U.S. tax authorities as an institution subject to FATCA where required, as well as persons who, pursuant to Regulation S of the U.S. Securities Act of 1933 and/or the amended U.S. Commodity Exchange Act are deemed to be U.S. citizens. The AIF must in particular not be acquired by the following investors (list not exhaustive):

- U.S. citizens, incl. dual nationality citizens;
- Persons who live in the USA, and/or have their domicile there;
- Persons who are resident in the USA (Green Card Holders) and/or whose main residence is in the USA;
- Companies, trusts, properties, etc. established in the USA;
- Companies that transparently qualify for U.S. tax purposes and that have investors named in this section, as well as companies, whose earnings within the framework of a consolidated view for U.S. tax purposes are attributed to one of the investors named in this section;
- Financial institutions that are not subject to the provisions concerning the Foreign Account Tax Compliance Act ("FATCA", in particular the sections 1471 to 1474 of the U.S. Internal Revenue Code, as well as any possible agreement with the United States of America on cooperation for facilitating the implementation of FATCA, as applicable in each case) and which do not, insofar as required, register with the U.S. Internal Revenue Service as an institute participating in FATCA; or

- U.S. persons defined in the relevant valid version of Regulation S of the United States Securities Act 1933.

In general, units of the AIF must not be offered in jurisdictions or to persons where this is not permissible.

Investors should read and consider the risk definition in Point VIII: "Risk information" before they acquire units in the AIF.

**It is expressly noted that, in the case of the redemption of units of the AIF the redemption terms mentioned in Appendix B "Fund Overview" must be considered. These may include as standard, for example, notice periods, which may be applied without further notice.**

**Under certain circumstances, it may become necessary for the AIFM to employ appropriate liquidity management instruments ("LMT") to ensure the proper execution of redemptions (see also Art. 46 of the trust agreement "Liquidity Management Instruments (LMT)"). The liquidity management tools (LMTs) that can be activated for the AIF are mentioned in the Appendix B "Fund Overview".**

## Table of Content

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|  |    |
|--|----|
| Information for investors/distribution restriction .....                   | 2  |
| PART I: INVESTOR INFORMATION PURSUANT TO ART. 105 AIFMG.....               | 6  |
| 1. General information .....   | 6  |
| 2. Supplementary investment information pursuant to Art. 105 AIFMG .....   | 6  |
| 3. Specific Information for individual distribution countries .....        | 8  |
| PART II: THE TRUST AGREEMENT .....   | 9  |
| Preamble .....   | 9  |
| I. General provisions.....   | 9  |
| Art. 1 General Information on the AIF .....                                | 9  |
| Art. 2 General information about the AIF .....                             | 9  |
| II. Organisation .....   | 10 |
| Art. 3 Corporate domicile/competent supervisory authority .....            | 10 |
| Art. 4 Legal relationships .....   | 10 |
| Art. 5 The AIFM .....  | 10 |
| Art. 6 Delegation of tasks.....  | 10 |
| Art. 7 Investment adviser.....   | 11 |
| Art. 8 Depositary .....  | 11 |
| Art. 9 Prime broker .....  | 11 |
| Art. 10 Auditors for the AIF and AIFM.....                                 | 11 |
| III. Distribution.....   | 11 |
| Art. 11 Distribution information/distribution restrictions .....           | 11 |
| Art. 12 Professional investors / private investors .....                   | 12 |
| IV. Changes to the trust agreement/structural measures .....               | 12 |
| Art. 13 Changes to the trust agreement.....                                | 12 |
| Art. 14 General information on the structural measures .....               | 13 |
| Art. 15 Merger.....  | 13 |
| Art. 16 Information, approval and investor rights .....                    | 14 |
| Art. 17 Costs of the structural measures.....                              | 14 |
| V. Liquidation of the AIF and its unit classes .....                       | 14 |
| Art. 18 General .....  | 14 |
| Art. 19 Resolution for liquidation .....                                   | 14 |
| Art. 20 Reasons for liquidation.....                                       | 15 |
| Art. 21 Liquidation costs .....  | 15 |
| Art. 22 Liquidation and bankruptcy of the AIFM and/or the depository ..... | 15 |
| Art. 23 Termination of the depository agreement.....                       | 15 |
| VI. Creation of sub-funds and unit classes.....                            | 15 |
| Art. 24 Creation of sub-funds .....  | 15 |
| Art. 25 Duration of the AIF .....  | 15 |
| Art. 26 Creation of unit classes.....                                      | 15 |
| VII. General investment principles and restrictions .....                  | 15 |
| Art. 27 Investment target .....  | 15 |
| Art. 28 Investment policy .....  | 15 |
| Art. 29 Accounting and reference currency.....                             | 15 |
| Art. 30 Profile of a typical investor .....                                | 15 |

|  |    |
|--|----|
| Art. 31 Permitted investments.....   | 16 |
| Art. 32 Not authorised investments.....  | 16 |
| Art. 33 Investment limits .....  | 16 |
| Art. 34 Risk management and leveraged financing .....  | 16 |
| Art. 35 Use of derivatives, securities financing transactions, techniques and tools .....                                  | 16 |
| Art. 36 Use of benchmarks .....  | 20 |
| Art. 37 Investments in different institutions for collective investments .....   | 21 |
| Art. 38 Borrowing limit .....  | 21 |
| Art. 39 Joint administration .....   | 21 |
| VIII. Risk information.....  | 21 |
| Art. 40 AIF specific risks .....   | 21 |
| Art. 41 General risks .....  | 21 |
| IX. Valuation and share transactions .....   | 25 |
| Art. 42 Calculation of the net asset value per unit .....  | 25 |
| Art. 43 Issuance of units .....  | 25 |
| Art. 44 Redemption of units .....  | 26 |
| Art. 45 Conversion of units .....  | 27 |
| Art. 46 Liquidity Management-Instruments (LMT).....  | 27 |
| Art. 47 Suspension of the calculation of the net asset value as well as the issue, redemption or conversion of units ..... | 28 |
| Art. 48 Late trading and market timing.....  | 29 |
| Art. 49 Prevention of money laundering and the financing of terrorism .....  | 29 |
| Art. 50 Data protection.....   | 29 |
| X. Costs and fees.....   | 29 |
| Art. 51 Ongoing fees.....  | 29 |
| Art. 52 Costs incurred by the investor.....  | 32 |
| XI. Final provisions.....  | 32 |
| Art. 53 Appropriation of the profit.....   | 32 |
| Art. 54 Allowances.....  | 32 |
| Art. 55 Tax regulations .....  | 32 |
| Art. 56 Information to investors.....  | 33 |
| Art. 57 Financial Reporting .....  | 33 |
| Art. 58 Reports .....  | 34 |
| Art. 59 Financial year.....  | 34 |
| Art. 60 Limitation.....  | 34 |
| Art. 61 Governing law, place of jurisdiction and authoritative language.....   | 34 |
| Art. 62 Effective date .....   | 34 |
| Appendix A: Organisational structure of the AIFM/AIF .....   | 35 |
| Appendix B: Fund Overview .....  | 36 |
| Appendix C: Specific information for individual distribution countries .....   | 47 |

## PART I: INVESTOR INFORMATION PURSUANT TO ART. 105 AIFMG

CAIAC Fund Management AG, Bendern, as AIFM, provide the following information regarding EFEKTA Real Estate Fund available to the investors in the relevant current form.

In addition to this information, reference is expressly made to the constitutive documents (trust agreement, Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Fund Overview"). With the acquisition of units, these documents are accepted to have been approved by the investor. These documents do not substitute the careful review of the constitutive documents.

This AIF is targeted at professional investors within the definition of Directive 2014/65/EU (MiFID II) as well as at private investors.

### 1. General information

The publication medium of the AIF is the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagfondsverband] ([www.lafv.li](http://www.lafv.li)) as well as other media channels defined in the trust agreement.

All notices to investors, including those regarding amendments to the trust agreement as well as to Appendix B "Fund Overview" are published on the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagfondsverband] ([www.lafv.li](http://www.lafv.li)) as the publication medium of the AIF, and in other media channels and data carriers specified in the trust agreement.

On each valuation day, the net asset value as well as the issue price and redemption price of the fund units of the AIF and/or unit class respectively are published on the website of the LAFV [Liechtensteinischer Anlagfondsverband] ([www.lafv.li](http://www.lafv.li)) as the publication medium of the AIF, as well as any other media defined in the fund documents and durable data carriers (letter, fax, email or similar).

The annual report audited by an auditor and the non-audited semi-annual report is available free of charge to investors at the registered office of the AIFM and at the depository.

### 2. Supplementary investment information pursuant to Art. 105 AIFMG

#### 2.1 Description of the investment strategy and the aims of the AIF (Art. 105 Para. 1 (a) AIFMG)

See Appendix B "Fund Overview" under "Investment principles and risk regulations of the AIF"

#### 2.2 Information on the headquarters of any Master AIF, if the AIF concerned is a feeder AIF (Art. 105 Para. 1 (b) AIFMG)

The AIF is not a feeder AIF.

#### 2.3 Information on the headquarters of the target funds, if the AIF concerned is a fund-of-funds (Art. 105 Para. 1 (c) AIFMG)

The AIF is not a fund-of-funds.

#### 2.4 Description of the type of assets in which the AIF may invest (Art. 105 Para. 1 (d) 1. AIFMG)

See Appendix B "Fund Overview" under "Investment principles and risk regulations of the AIF"

#### 2.5 Description of the techniques that it may implement and all the associated risks, any investment restrictions, the circumstances under which the AIF can implement leverage, the type and origin of the leverage permitted and the associated risks, any other restrictions in the use of leverage and agreements governing securities and the re-use of assets as well as the maximum scope of the leverage that the AIFM may implement for the account of AIF (Art. 105 Para. 1 (d) 2. AIFMG)

See trust agreement "General risks" as well as Appendix B "Fund Overview" under "Risks and risk profile of the AIF"

#### 2.6 Description of the procedure and the requirements for the amendment to the investment strategy and policy (Art. 105 Para. 1 (d) 3. AIFMG)

A change to the investment policy within the legal and contractually permissible investment spectrum can result in a substantive change to the risk associated with the AIF. The AIFM can change the investment policy of the AIF within the valid trust agreement through a change to the trust agreement including Appendix B "Fund Overview" at any time and to a major degree. Information on the publication requirements can be found in Para. 1 General Information.

#### 2.7 Description of the most important legal characteristics of the contractual relationship entered into for the investment, including information about the relevant laws (Art. 105 Para. 1 (e) 1. AIFMG)

The AIFM and/or the AIF is subject to Liechtenstein law. The exclusive legal venue for all disputes arising between the investors, the AIFM, any commissioned third-party companies and the depository is Vaduz.

However, with regard to the claims of investors from these countries, the AIFM and/or the depository and the AIF may submit themselves to the place of jurisdiction of the countries in which the units of the AIF are offered and sold. Contrary and mandatory statutory places of jurisdiction remain reserved.

The legally binding language for this trust agreement as well as for Appendix A "Organisational structure of the AIFM/AIF" and for Appendix B "Fund Overview" is German.

**2.8 Description of the most important legal characteristics of the contractual relationship entered into for the investment, including information about the applicable law (Art. 105 Para. 1 (e) 2. AIFMG)**

The AIFM and the AIF are subject to Liechtenstein law.

**2.9 Description of the most important legal characteristics of the contractual relationship entered into for the investment, including the enforceability of judgments in the state of residence of the AIF (Art. 105 Para. (e) 3. AIFMG)**

However, with regard to the claims of investors from these countries, the AIFM and/or the depository and the AIF may submit themselves to the place of jurisdiction of the countries in which the units of the AIF are offered and sold. Contrary and mandatory statutory places of jurisdiction remain reserved.

The enforceability of judgements in Liechtenstein is subject to the Execution Order (EO). The enforceability of a foreign judgement in the Principality of Liechtenstein (country of domicile of the AIF) may require a separate procedure in the Principality of Liechtenstein.

**2.10 Information about the identity and the duties of all the service providers commissioned by the AIF, in particular the AIFM, the depository of the AIF and the auditor, with a description of the rights of the investors; (Art. 105 Para. 1 (f) AIFMG)**

See chapter II of the trust agreement "The organisation" as well as Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Fund Overview"

**2.11 Description how the AIFM covers any potential liability arising from its professional activity; (Art. 105 Para. 1 (g) AIFMG)**

See trust agreement "The AIFM"

**2.12 Description of the administrative or custodial functions that have been delegated, the name of the contractor and description of any conflict of interest associated with the transfer (Art. 105 Para. 1 (h) AIFMG)**

See Appendix B "Fund Overview" under "Delegation of tasks by AIFM" and "Depository" as well as disclosure on the website of the AIFM

**2.13 Description of the valuation procedure and methods used by the AIF (Art. 105 Para. 1 (i) AIFMG)**

See Appendix B "Fund Overview" under "Valuation"

**2.14 Description of the procedure for dealing with the liquidity risks of the AIF, taking into account the redemption rights under normal and extraordinary circumstances and the redemption agreements with the investors (Art. 105 Para. 1 (k) AIFMG) and the conditions for the use of the liquidity management instruments selected in accordance with Article 40 Para. 3 to 6**

See trust agreement "General risks" as well as Appendix B "Fund Overview" under "Fund specific risks" where necessary

**2.15 Description of all remuneration, fees and other costs with disclosure of the highest amount for each, insofar as this must be borne directly or indirectly by the investors (Art. 105 Para. 1 (l) AIFMG)**

See trust agreement "Costs and fees" as well as Appendix B "Fund Overview"

**2.16 Description of the manner in which the AIFM guarantees the fair treatment of investors, as well as a description of any possible preferential treatment granted with information on the type of investor concerned and where necessary the legal or economic connections between these investors, the AIF or the AIFM (Art. 105 Para. 1 (m) AIFMG)**

The AIFM always acts in the interests of the AIF, the investors and market integrity respectively. In doing so, equal treatment of investors is of prime importance. Preferential treatment of individual investors is expressly prohibited.

Every investor is treated equally:

- Information is always published simultaneously in a standard way
- The provisions for subscription to or redemption of fund units are the same for all investors per unit class
- No investor receives specific information individually or is entitled to special benefits

**2.17 The most recent annual report; (Art. 105 Para. 1 (n) AIFMG)**

See Para. 1 General information

**2.18 Procedure and conditions for the issue and distribution of units in an AIF; (Art. 105 Para. 1 (o) AIFMG)**

See trust agreement governing "Issue of units" as well as "Redemption of units"

**2.19 The most recent net inventory value of the AIF or the last market price of its units pursuant to Art. 43 AIFMG (Art. 105 Para. 1 (p) AIFMG)**

See Para. 1 General information

**2.20 Previous performance of the AIF (Art. 105 Para. 1 (q) AIFMG)**

See Para. 1 General information

**2.21 Where necessary, identity to prime broker: (Art. 105 Para. 1 (r) 1. AIFMG)**

n/a

**2.22 Where appropriate regarding prime broker: a description of every material agreement between the AIF and the prime brokers, the manner in which the conflicts of interest with regard to this are resolved, the provision in the contract with the depository governing the possibility of a transfer and re-use of assets of the AIF as well as information on every possible existing transfer of liability to the prime broker (Art. 105 Para. 1 (r) 2. AIFMG)**

n/a

**2.23 Description how and when the information required pursuant to Art. 106 Para. 1 (b) and Para. 2 must be disclosed (Art. 105 Para. 1 (s) AIFMG)**

The information required pursuant to Art. 106 Para. 1 (b) and Para. 2 AIFMG is published in the annual report.

**3. Specific Information for individual distribution countries**

Pursuant to the applicable law in the Principality of Liechtenstein, the constitutive documents of the Financial Market Authority (FMA) Liechtenstein are displayed. This distribution notification only covers information that concerns the implementation of the provisions of the AIFMG. For this reason, the following Appendix C "Specific information for individual distribution countries", which is based on foreign law, is not subject to review by the FMA and is thus excluded from the distribution notification.

Current status of this document, which was presented to the FMA for acknowledgement: 16 April 2026

## PART II: THE TRUST AGREEMENT

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### Preamble

The trust agreement as well as Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Fund Overview" form an integral unit. The trust agreement, Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Fund Overview" are printed out in full. The trust agreement, Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Fund Overview" can be amended or supplemented by the AIFM in full or in part at any time. Changes to the trust agreement, Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Fund Overview" must be notified to the Financial Market Authority (FMA) Liechtenstein in accordance with the AIFMG. The FMA may object to a material change within one month.

Insofar as any matter is not governed in this trust agreement, the legal relationships between the investors and the AIFM shall be governed by the law of 19 December 2012 on Alternative Investment Fund Managers (AIFMG) and the amended regulation on Alternative Investment Fund Managers (AIFMV), and, to the extent that no provision has been made therein, by the provisions of the law on Persons and Companies (Personen- und Gesellschaftsrecht, "PGR") concerning the trusteeship.

### I. General provisions

#### Art. 1 General Information on the AIF

The EFEKTA Real Estate Fund (hereinafter: AIF, formerly CZECH REAL ESTATE INVESTMENT FUND) was established based on the law of 19 December 2012 for Alternative Investment Fund Managers (AIFMG) and the amended regulation on Alternative Investment Fund Managers (AIFMV) in the legal form of a collective trust. The EFEKTA Real Estate Fund was approved by the FMA on 25 August 2015.

The trust agreement and Appendix B "Fund Overview" were last notified to the FMA via a change notification on 07 April 2026, which the FMA noticed with letter on 13 April 2026.

The valid version can be found on the website of LAFV Liechtenstein Investment Fund Association [www.lafv.li](http://www.lafv.li) or can be obtained free of charge also from the AIFM or the depository.

The AIF is a legally independent structure for collective investment undertakings of the open-ended type and is subject to the law of 19 December 2012 on Alternative Investment Fund Managers (hereinafter "AIFMG").

The AIF has the legal form of a collective trusteeship. A collective trusteeship is the creation of identical trusteeships with an indefinite number of investors for the purpose of capital investment and asset management for the investors' account, with the individual investors being invested in this trust in line with their respective shares and subject to personal liability only up to the amount invested.

The AIF invest according to its investment policy. The investment policy for the AIF is determined within the framework of the investment goals. The AIF forms a special asset fund in favour of the investors. In the event of the liquidation or bankruptcy of the AIFM, this separate estate does not form part of the bankruptcy estate of the AIFM.

The respective rights and obligations of the owners of the units (hereinafter referred to as "investors"), the AIFM and the depository are governed by this trust agreement.

The investment vehicles in which the AIFM is entitled to invest and the regulations to be observed can be found in the AIFMG and the constitutive documents. The trust agreement comprises a general part as well as Appendix B "Fund Overview".

The AIFM must notify the FMA in writing of any significant amendments at least one month prior to implementing the planned amendment or immediately following the occurrence of an unplanned amendment. The FMA checks the legality of the amendments; any illegal amendments will be prohibited.

The securities and other assets of the AIF are managed in the interests of the investors. Only the investors in the AIF are entitled to the full assets of the AIF according to amount of their units. Claims from investors and beneficiaries that are enforced against the AIF are limited to the assets of this AIF.

The AIFM can set up different unit classes with specific characteristics at any time. These constitutive documents are updated each time the AIF is changed and/or with the creation of an additional unit class.

With the purchase of units of the AIF, each investor acknowledges the trust agreement, which defines the contractual relationship between the investors, the AIFM and the depository, as well as the properly executed amendments to this document. With the publication of changes to the trust agreement, the semi-annual report / annual report, or other documents on the website of the LAFV Liechtenstein Investment Fund Association [www.lafv.li](http://www.lafv.li) these changes are binding on investors.

#### Art. 2 General information about the AIF

The investors can participate in the assets of the AIF in relation to the units that they have acquired.

The units are not confirmed by documents, but are held as book entries, in other words, no certificates are issued. A meeting of investors is not provided. Through subscription or the acquisition of units, the investor acknowledges the trust agreement, Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Fund Overview". Investors, heirs or other beneficiaries are not entitled to request the division or liquidation of the AIF. The details about the AIF are described in Appendix B "Fund Overview".

All the units of the AIF have, in principle, the same rights, unless the AIFM decides pursuant to § 26 of the trust agreement to issue different unit classes within the AIF.

## II. Organisation

### Art. 3 Corporate domicile/competent supervisory authority

Principality of Liechtenstein/Financial Market Authority (Finanzmarktaufsicht, "FMA") Liechtenstein; [www.fma-li.li](http://www.fma-li.li).

### Art. 4 Legal relationships

The legal relationships between the investors and the AIFM are governed by the law of 19 December 2012 on Alternative Investment Fund Managers (AIFMG) and the amended regulation on Alternative Investment Fund Managers (AIFMV), and, to the extent that no provision has been made therein, by the provisions of the law on Persons and Companies (Personen- und Gesellschaftsrecht, "PGR") concerning the trusteeship.

### Art. 5 The AIFM

CAIAC Fund Management AG (hereinafter referred to as "AIFM"), Haus Atzig, Industriestrasse 2, FL-9487 Bendern, commercial register number FL-0002.227.513-0.

CAIAC Fund Management AG was founded on 15 May 2007, as a public limited company with its registered office and administrative center in Bendern, Principality of Liechtenstein, for an unlimited duration. The Financial Market Authority (FMA) of Liechtenstein granted CAIAC Fund Management AG the authorization to commence business activities on 10 May 2007. The Alternative Investment Fund Manager (AIFM) was licensed by the Financial Market Authority (FMA) of Liechtenstein on 15 November 2013 and registered in the register of AIFMs authorized in Liechtenstein published by the FMA. CAIAC Fund Management AG also holds a license as a management company according to Liechtenstein Investment Undertakings Act (IUG) and Liechtenstein Act on Certain Undertakings for Collective Investment in Transferable Securities (UCITSG). The share capital of the AIFM amounts to CHF 1,000,000 (in words: one million Swiss francs) and is fully paid in.

The AIFM has installed a comprehensive internal risk management system that monitors the total risk across various instances (human and technical). In addition to this, the AIFM has taken out comprehensive professional liability insurance. The AIFM has also covered the professional liability risks that may arise from managing AIFs as well those that can be attributed to the professional negligence of its committees or employees with its own funds amounting to at least 0.01% of the assets of all the AIFs under management. The coverage is reviewed on an annual basis and adjusted where necessary.

The AIFM manages the AIF for the account of and in the exclusive interest of the investors pursuant to the provisions of the constitutive documents.

The AIFM is entitled to administer the assets in the AIF in its own name in accordance with the statutory provisions and the constitutive documents, and to exercise any and all rights thereunder. The details regarding the rights and obligations of the AIFM are determined in the AIFMG.

The main activities of the AIFM include portfolio management and/or risk management. In addition, it can perform administrative duties and distribution activities.

With the agreement of the AIFMG the AIFM can delegate individual tasks to third parties. The AIFM informs the FMA about the delegation of tasks before these become effective.

The Liechtenstein Investment Fund Association's website (Liechtensteinischer Anlagefondsverband, "LAFV") at [www.lafv.li](http://www.lafv.li) provides an overview of all the funds managed by the AIFM.

### Board of Directors

Current status according to the commercial register at the registered office:

Office of Justice (AJU), FL-9490 Vaduz

### Executive management

Chair: Thomas Jahn

Members: Raimond Schuster

### Art. 6 Delegation of tasks

In compliance with the provisions of the AIFMG and AIFMV, the AIFM may delegate some of its tasks to third parties for the purpose of the efficient performance of its business. The specifics of any such delegation will be set forth in an agreement concluded between the AIFM and the agent/representative.

#### a) Portfolio manager

The AIFM shall act as the portfolio manager for the AIF.

The task of the portfolio manager is, in particular, the independent implementation of the investment policy and the management of daily operations of the AIF and other related services. These duties are fulfilled in compliance with the principles of the investment policy and the investment restrictions of the AIF respectively, as described in this trust agreement, as well as the fund-specific appendixes.

#### b) Distributors<sup>1</sup>

The AIFM acts as distributor in Liechtenstein for the AIF.

The AIFM can appoint further distributors in different distribution countries at any time.

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1 The term "distributors" used here also includes the terms "distribution agent" and "distribution partner".

#### **Art. 7 Investment adviser**

No investment adviser is engaged.

#### **Art. 8 Depositary**

For the assets of the AIF, the AIFM has mandated a bank or a securities firm with its registered office or branch in the Principality of Liechtenstein or another approved body as defined in the AIFMG as depositary, pursuant to the banking laws in Liechtenstein. The assets of the AIF can be held with different depositories. The role of the depositary is governed by the AIFMG, the depositary agreement and the trust agreement.

Kaiser Partner Privatbank AG, Herrengasse 23, FL-9490 Vaduz has been appointed as the depositary.

The depositary will fulfil its duties and assume the responsibilities defined in the respective current versions of the AIFMG and the depositary agreement (hereinafter referred to as the "Depositary Agreement"). In accordance with the law and the depositary agreement, the depositary is responsible for (i) the general supervision of all the AIF assets and (ii) the custody of the assets of the AIF entrusted to the depositary and held in its name or by the depositary, and (iii) the administrative activities associated with these obligations.

Investors should note that there may be jurisdictions in which the effect of the generally prescribed segregation of assets with respect to the property rights situated in that country are not recognised in the event of bankruptcy. In cooperation between the AIFM and the depositary, every effort is made to avoid the custody of assets in such jurisdictions.

On behalf of the AIFM, the depositary maintains the unit register of the AIF.

The depositary may, in accordance with the decrees and provisions mentioned, delegate its depositary duties to one or more authorised representatives (hereinafter referred to as "sub-depositories"). A list of sub-depositories appointed for the safekeeping of the assets held in the name of and for the account of the AIF can be requested from the depositary. The sub-depositories (sub-custodians) used for this AIF are listed in the annual report.

No conflicts of interest shall arise from this delegation.

The depositary complies with the provisions of the Liechtenstein FATCA Agreement and the relevant implementation of amended regulations in the Liechtenstein FATCA Law.

#### **Art. 9 Prime broker**

Only a credit institute, a regulated investment company or another entity may be mandated. Such a prime broker will be subject to regulatory oversight and constant monitoring and will offer services to professional investors in order to primarily finance or carry out transactions with financial instruments as a counterparty, and will possibly offer other services such as the clearing and settlement of transactions, custodianship services, securities lending and customised technologies and facilities for business support.

A prime broker may be appointed by the depositary as a sub-depository, or by the AIFM as a business partner.

No prime broker has been appointed for the AIF.

#### **Art. 10 Auditors for the AIF and AIFM**

Auditor of the AIFM: Grant Thornton AG, Bahnhofstrasse 15, FL-9494 Schaan

Auditor of the AIF: Deloitte (Liechtenstein) AG, Egertastrasse 2, FL-9490 Vaduz

The AIF and AIFM must have their business activities audited each year by an independent auditor recognised by the FMA.

### **III. Distribution**

#### **Art. 11 Distribution information/distribution restrictions**

The AIFM provides investors with the required information pursuant to the AIFMG in the currently valid form before they acquire units in the AIF respectively on the website of the LAFV (Liechtensteinischer Anlagefondsverband [Liechtenstein Investment Fund Association]) under [www.lafv.li](http://www.lafv.li) and the website of the AIFM under [www.caiac.li](http://www.caiac.li) or the information can be obtained from the AIFM or the depositary free of charge.

The units may be acquired on the basis of the constitutive documents and the latest semi-annual report / annual report, if this has already been published. Only the information contained in the constitutive documents is valid. With the acquisition of units, these documents are deemed to have been accepted by the investor.

The units of the AIF respectively are not licensed for distribution in all countries around the world. The provisions that apply in the relevant country apply to the issuance, redemption and conversion of units.

The distribution of the units of the AIF in Liechtenstein is targeted at all the following investors:

- Professional investors within the definition of the Directive 2014/65/EU (MiFID II)
- Private investors

Definitions of the different investor groups can be found under Art. 12 below.

#### **Subscription points**

Units in the AIF may be purchased from the depositary and from any other bank with registered offices locally or abroad, which are governed by the Directive 91/308/EEC, as amended by the Directive 2015/849/EU, or an equivalent regulation and is subject to adequate supervision.

## Art. 12 Professional investors / private investors

### A. Professional investors

**For AIF for professional investors in terms of Directive 2014/65/EC (MiFID), the following applies:**

A professional client is a client who possesses sufficient experience, knowledge and expertise to make his or her own investment decisions and who can properly assess the risks that are incurred. In order to be considered a professional client, the client must comply with the following criteria:

#### I. Categories of clients considered to be professional clients

The following legal entities should all be regarded as professional clients with regard to securities investment services and financial instruments in terms of the Directive:

1. Legal entities that must be authorised or under supervision to be able to operate in the financial markets. The following list is to be understood as encompassing all those authorised legal entities who provide services that are representative for the named legal entities: legal entities that are authorised by a member state within the framework of a directive, legal entities that are authorised or supervised by a member state without reference to a directive, legal entities that are authorised or supervised by a third-party country:
  - a) Banks
  - b) Investment firms
  - c) Other authorised or regulated financial institutions
  - d) Insurance companies
  - e) Undertakings for collective investment and their management companies
  - f) Pension funds and their management companies
  - g) Commodity traders and commodity derivatives traders
  - h) Local investors
  - i) other institutional investors.
2. Large companies that fulfil two of the following requirements at a company level:
  - balance sheet total: EUR 20 000 000,
  - net turnover: EUR 40 000 000,
  - own funds: EUR 2 000 000.
3. National and regional governments, public bodies that manage public debt, central banks, international and supranational institutions such as the World Bank, the IMF, the ECB, the EIB and other comparable international organisations.
4. Other institutional investors whose main activity is to invest in financial instruments, including entities working with the securitisation of assets and other financing transactions.

The legal entities mentioned above are considered to be professional clients. They must, however, be allowed to request treatment as non-professional clients, with investment firms agreeing to provide a higher level of protection. If a client of an investment firm should be one of the above-mentioned companies, before any services are provided, the investment firm must be instructed that it has been classified as a professional client on the basis of the information that it has received and that it will be treated as such, unless the investment firm and the client agree otherwise. The firm must also inform the client that it can request a variation of the terms of the agreement in order to secure a higher degree of protection.

It is the responsibility of the client who has been classified as a professional client to ask for a higher level of protection if it deems it is unable to properly assess or manage the risks involved.

The higher level of protection will be provided if a client who has been classified as a professional client enters into a written agreement with the investment firm, to the effect that it will not be treated as a professional client within the definition of the valid rules of conduct. Such an agreement should specify whether this applies to one or more particular services or transactions, or to one or more types of product or transaction.

5. Clients that according to Directive 2014/65/EC (MiFID II) can be treated as professional clients upon request.

### B Private investors

Private investor means an investor that is not a professional investor.

## IV. Changes to the trust agreement/structural measures

### Art. 13 Changes to the trust agreement

This trust agreement can be amended or supplemented in whole or in part by the AIFM at any time.

The AIFM must notify the FMA in writing of any significant amendments to the information transmitted pursuant to Art. 112 Para. 2 AIFMG at least one month prior to implementing the amendment or immediately following the occurrence of an unplanned amendment. The FMA may object to the amendment within one month.

Investors who do not agree with changes to the trust agreement have the opportunity to redeem their units until 30 days after publication of the respective amendment on the website of the Liechtenstein Investment Fund Association. In this case, the redemption fee in favor of the distribution will be waived. Liquidity management tools (LMT) of the fund remain unaffected and continue to apply.

#### **Art. 14 General information on the structural measures**

Every type of structural measure is permitted. Structural measures are deemed to be

- a) Mergers of:
  1. domestic AIF or its sub-funds with foreign AIF or its sub-funds;
  2. foreign AIF or its sub-funds with domestic AIF or its sub-funds;
  3. domestic AIF or its sub-funds with foreign AIF or its sub-funds, insofar as the law of the country in which the foreign AIF has its registered office does not prohibit this, as well as
- b) Splitting of AIF or its sub-funds, whereby the provisions for mergers pursuant to Art. 78 and 79 AIFMG apply *mutatis mutandis*

For structural measures between the AIF and undertakings for collective investment in transferable securities (UCITS) the provisions of the UCITSG apply.

Provided that no other regulations are defined below, structural measures are subject to the legal provisions of Art. 76 et seq. AIFMG and the related regulatory provisions.

#### **Art. 15 Merger**

Within the definition of Art. 78 AIFMG, the AIFM may, at any time and at its sole discretion, but subject to the approval of the relevant supervisory authority(ies) where necessary, resolve on the merger of the AIF with one or several other AIF(s). This is irrespective of the legal form and/or the registered office of the fund. The AIF and any unit classes may be merged with one or more other AIFs or their sub-funds. Unit classes may be consolidated. However, this does not constitute a merger.

the merger of an AIF requires the prior approval of the FMA.

The FMA grants its approval, insofar as:

- the written agreement of the depository involved is present;
- the constitutive documents of the AIF involved in the merger provide for the eventuality of a merger;
- the licence of the AIFM of the AIF taking over includes the management of the investment strategies of the AIF to be taken over;
- the assets of the AIF involved in the merger are valued, the conversion ratio is calculated and the assets and liabilities are taken over on the same day.

The merger becomes effective as of the merger deadline. The surrendering AIF expires with the entry into force of the merger. The investors are correspondingly informed of the conclusion of the merger. The AIFM of the surrendering AIF notifies the FMA of the conclusion of the merger and sends the confirmation of the relevant auditor on the proper execution as well as the conversion rate at the time of the entry into force of the merger. The merger is listed in next year's annual report of the receiving AIF. An audited final report is prepared for the surrendering AIF.

Insofar as an AIF involved in the merger is also distributed to private investors, in addition to the provisions mentioned in Art. 78f AIFMG the following requirements also apply:

- a) the private investors must be informed about the proposed merger at least 30 days before the reference date; and
- b) neither the AIF nor the private investors may be charged with the costs of the merger, unless the private investors have voted by a qualified majority to accept the costs.

At an arbitrary transfer date, all of the AIF assets may be transferred to another existing or, by way of the merger, newly formed AIF or sub-fund.

Up until five working days before the scheduled transfer date, the investors have the option of either returning their units without incurring the redemption fee or of converting their units into units from another AIF that is also managed by the AIFM and has a similar investment policy to that of the AIF and/or the sub-fund to be merged.

On the transfer date, the value of the receiving AIF and that of the surrendering AIF and/or its sub-funds is calculated, the conversion ratio is determined and the whole process is audited by the auditor. The exchange ratio is calculated in accordance with the ratio of the net inventory values of the surrendering and receiving AIFs and/or sub-funds as of the takeover date. The investor receives the number of units in the new AIF and/or sub-fund that corresponds to the value of the units held in the surrendered AIF and/or sub-fund. It is also possible for the investors in the surrendering AIF and/or sub-fund to be paid out up to 10% of the value of their units in cash. If the merger takes place in the current business year of the surrendering AIF and/or sub-fund, the AIFM of the fund/sub-fund must prepare a report for the transfer reference date, that complies with the requirements for an annual report.

The AIFM makes an announcement in the AIF's publication medium, i.e. the LAFV Liechtenstein Investment Fund Association website [www.lafv.li](http://www.lafv.li), if the AIF has absorbed another AIF and the merger has taken effect. If the AIF ceases to exist due to a merger, the AIFM who manages the receiving or newly established AIF undertakes the notification.

The transfer of all the assets of this AIF to another domestic AIF or another foreign AIF takes place only with the approval of the Financial Market Authority (FMA) Liechtenstein.

In addition, the provisions pursuant to Art. 78 AIFMG apply for the merger.

If private investors are involved, Art. 79 AIFMG must in particular be complied with.

#### **Art. 16 Information, approval and investor rights**

The information to investors must be communicated via a permanent data carrier or made available in the publication medium pursuant to Art. 85 AIFMV insofar as the constitutive documents provide for a provision of information in the publication medium.

Information concerning mergers is provided on the LAFV Liechtenstein Investment Fund Association's website ([www.lafv.li](http://www.lafv.li)) as the publication medium of the AIF.

If the units of the AIFs taking part in the merger are only distributed to professional investors, the merger plan must include the following information as a minimum:

- a) the AIFs involved;
- b) the background and the reasons for the planned merger; and
- c) the planned effective merger date.

The investors will be informed, appropriately and accurately, about the proposed merger. The investor information must be such that investors are able to make an informed assessment of the implications of such plans for their investments and the exercising of their rights.

At the request of an investor the AIFM provides the merger plan free of charge. It is not obliged to publish the merger plan.

#### **Art. 17 Costs of the structural measures**

Insofar as one of the AIFs taking part in the merger is also distributed to private investors, neither the AIF nor the private investors may be charged with the costs of the merger, unless the private investors have voted by a qualified majority to accept the costs.

In the case of AIFs and/or their sub-funds that are distributed exclusively to professional investors, the respective sub-fund assets can be used to cover the legal, advisory or administrative costs that are associated with the preparation and execution of these structural measures. In such cases, the investor information must also state the expected costs, both in total and as an approximation per unit.

This applies mutatis mutandis for splitting.

### **V. Liquidation of the AIF and its unit classes**

#### **Art. 18 General**

The information to investors must be communicated via a permanent data carrier or made available in the publication medium pursuant to Art. 85 AIFMV insofar as the constitutive documents provide for a provision of information in the publication medium.

Information concerning mergers is provided on the LAFV Liechtenstein Investment Fund Association's website ([www.lafv.li](http://www.lafv.li)) as the publication medium of the AIF.

#### **Art. 19 Resolution for liquidation**

The AIFM is entitled at any time to dissolve the AIF or individual unit classes.

Furthermore, the dissolution of the AIF is mandatory in the cases provided for by law.

Investors, their heirs or other persons cannot request the division or liquidation of the AIF and/or an individual unit class.

The resolution regarding the liquidation of the AIF and/or a unit class is published on the website of the LAFV Liechtenstein Investment Fund Association's website ([www.lafv.li](http://www.lafv.li)) as the publication medium of the AIF, as well as other media named in the fund documents or via permanent data carriers (letter, fax, email or similar) where required. As from the day of such a liquidation resolution, no further units are issued, converted or redeemed.

The FMA is notified by the AIFM of the decision to dissolve the fund and publishes the dissolution in the register of dissolved funds on its website.

In the event of the liquidation of the AIF, the AIFM may immediately start liquidating the AIF's assets in the best interests of the investors. Moreover, the liquidation of the AIF is carried out according to the provisions of the law on Persons and Companies (Personen- und Gesellschaftsrechts, PGR).

If the AIFM liquidates a unit class without liquidating an AIF, all the units in this unit class are redeemed at the net asset value that is valid at that time. The AIFM publishes this redemption and the depository pays out the redemption price to the investors.

The liquidation/dissolution may also be settled by redemption in kind. In this case, the investors must agree to the redemption in kind within 30 days of the publication of its announcement. Otherwise, the redemption in kind is deemed as rejected.

**Art. 20 Reasons for liquidation**

The AIFM is required to dissolve and liquidate an AIF, particularly when a AIF cannot be transferred to another AIFM upon the expiration or revocation of the AIFM's license; when the time period specified in the constitutive documents has elapsed; when a corresponding resolution of the AIFM is passed in accordance with the constitutive documents; or when the minimum assets of the AIF are not reached or are permanently undershot. Moreover, additional reasons for liquidation may arise in individual cases.

If the net asset value of the AIF has fallen below the minimum value that is required for financially efficient management, or if material changes have taken place in the political, economic or monetary environment, or as part of rationalisation measures, the AIFM may resolve to redeem all the units of the AIF or a unit class at the net asset value (taking into consideration the actual realisation prices and costs of the assets) on the valuation day on which the relevant resolution enters into effect.

**Art. 21 Liquidation costs**

The liquidation costs are borne by the net assets of the AIF.

**Art. 22 Liquidation and bankruptcy of the AIFM and/or the depository**

In the event of the liquidation or bankruptcy of the AIFM, the assets managed as part of the collective capital investment for the account of the investors will not be part of the its bankruptcy estate and will not be liquidated together with its assets. The AIF will form a special asset fund in favour of the investors. Each special fund may be transferred to another AIFM with the consent of the FMA, if no AIFM has agreed to take over within three months from the opening of the insolvency proceedings, or liquidated by way of separate satisfaction for the benefit of the investors of the AIF.

In the event of bankruptcy on the part of the depository, the AIF's managed assets must be transferred, subject to FMA approval, to another depository or liquidated by way of separate satisfaction in favour of AIF's investors.

**Art. 23 Termination of the depository agreement**

In the event of the termination of the depository agreement, the net fund assets of the AIF must be transferred, subject to FMA approval, to another depository or liquidated by way of separate satisfaction in favour of the investors in the AIF.

**VI. Creation of sub-funds and unit classes****Art. 24 Creation of sub-funds**

This AIF is not an umbrella structure and there are thus no sub-funds. The AIFM may, at any time, resolve to convert the AIF into an umbrella structure and thus create sub-funds.

**Art. 25 Duration of the AIF**

The AIF can be set up for a limited or unspecified duration. The duration of the AIF can be found in Appendix B "Fund Overview".

**Art. 26 Creation of unit classes**

The AIFM can create several unit classes for the AIF, which relate to the same special asset fund but entail different rights and obligations.

For example, they may differ from the existing unit classes regarding the appropriation of the profits, the issuance fee, the reference currency, and the use of currency hedging transactions, the fees incurred, the minimum investment amount, or a combination of these features. However, the rights of investors who have acquired unit from existing unit classes remain unaffected by this. The rights of investors who have purchased units belonging to existing unit classes will not, however, be affected by this.

The unit classes that have been issued in connection with the AIF, as well as the fees and remuneration incurred in connection with the AIF units are specified in Appendix B "Fund Overview".

**VII. General investment principles and restrictions**

The assets of the AIF are invested in terms of the AIFMG rules, and according to the investment principles described below and within the scope of the investment restrictions.

**Art. 27 Investment target**

The investment target for the AIF is described in Appendix B "Fund Overview".

**Art. 28 Investment policy**

The investment policy for the AIF is described in Appendix B "Fund Overview".

This is an actively managed fund without reference to a benchmark.

**Art. 29 Accounting and reference currency**

The accounting currency of the AIF as well as the reference currency per unit class are given in Appendix B "Fund Overview".

With regard to the accounting currency, this is the currency in which the AIF's books are kept. With regard to the reference currency, this is the currency in which the performance and the net asset value of each unit class is calculated. Investments are made in the currencies that are most suitable for the performance of AIF.

**Art. 30 Profile of a typical investor**

The profile of the typical investor of the AIF is described in Appendix B "Fund Overview".

### **Art. 31 Permitted investments**

In principle, an AIF may invest in all investment classes. Possible restrictions are defined in Appendix B "Fund Overview".

### **Art. 32 Not authorised investments**

The investments for the AIF that are not authorised are provided in Appendix B "Fund Overview".

The AIFM may determine further investment restrictions in the best interests of the unit holders at any time, insofar as these are required in order to comply with the laws and provisions of those countries in which the unit certificates of the AIF are offered and sold.

### **Art. 33 Investment limits**

The statutory provisions of the AIFMG do not provide for any investment limits. Any restrictions determined by the AIFM are defined in Appendix B "Fund Overview".

#### **A. Investment periods within which the relevant investment limits must be achieved**

The investment limits must be achieved within the period defined in Appendix B "Fund Overview".

#### **B. Procedure in the case of deviations from the applicable investment limits**

1. The AIF does not need to comply with the investment limits for its assets when exercising subscription rights from securities or money market instruments from its assets; however, it must correct this within a reasonable period of time.
2. In the event of a breach of the investment limits, the AIFM must strive, first and foremost, to normalise the situation, taking into consideration the best interests of the investors.
3. Any damages suffered as a result of an active breach of the investment limits/investment regulations must be compensated immediately with regard to the AIF assets.

### **Art. 34 Risk management and leveraged financing**

#### **Risk management procedure**

The AIFM must use a risk management procedure that permits it to monitor and assess at all times the risk associated with the investment positions as well as its relevant share in the overall risk profile of the investment portfolio; moreover, it must use a procedure that permits a precise and independent assessment of the value of the OTC derivatives to take place.

The total exposure ("total commitment") of the AIF is calculated using the commitment method or the value-at-risk method, considering the current value of the underlying assets, counterparty risk, future market movements, and the time available for liquidating the positions. Furthermore, sustainability risks are identified within the framework of the risk management process, their impacts on individual investments are analyzed, and they are incorporated into the overall risk profile.

**The risk management method applied by the AIFM can be found in Appendix B "Fund Overview".**

#### **Leveraging of financing (leverage)**

The leverage of the AIF refers to the relationship between the risk of a AIF and its net asset value.

Leverage is the method used by the AIFM to increase the investment grade of the AIF. This can be performed by concluding leveraged financing embedded in derivative financial instruments, repurchasing agreements, or some other method.

The leverage is calculated by dividing the total exposure of the AIF by its net asset value. In order to do this, the calculation of the total exposure can be carried out according to two different methods, i.e. depending on the method used, there is a different value for the leverage.

By using the total nominal value approach ("gross method") the calculation is made by adding up the absolute values of all the positions of the AIF without offsetting.

The Commitment method changes positions in derivative financial instruments into equivalent positions in the related underlying assets. In this case, the calculation is carried out taking into account the hedging transactions, i.e. after offsetting the netting and hedging effects.

**The anticipated leverage according to the gross and / or commitment methods can be found in Appendix B "Fund Overview".**

#### **Liquidity management:**

The AIFM uses appropriate methods for managing liquidity and works with procedures that enable it to monitor the liquidity risks of the AIF. The AIFM ensures that the AIF it manages complies with the investment strategy, the liquidity profile and the redemption principles of the IF.

### **Art. 35 Use of derivatives, securities financing transactions, techniques and tools**

The use of derivatives, borrowing, securities lending, and repurchase agreements is governed by the legal provisions of the AIFMG.

Further information regarding the use of derivatives, securities lending, and repurchase agreements can be found in Appendix B "Fund Overview".

### Derivative financial instruments

The AIFM may enter into derivative transactions for the purpose of hedging, efficient portfolio management, the generation of additional income and as part of the investment strategy on behalf of the AIF. As a result, the risk of loss of the AIF may increase at least temporarily.

**The use of derivative financial instruments can be found in Appendix B "Fund Overview". In this context, the AIFM refers to the risk management procedure given in Appendix B "Fund Overview".**

The AIFM may use exclusively the following basic forms of derivatives or combinations of these derivatives or combinations of other assets that may be acquired for the AIF in the AIF:

1. Contracts on securities, money market instruments, financial indices within the definition of Article 9 Para. 1 of Directive 2007/16/EC, interest rates, precious metals, raw materials, exchange rates or currencies;
2. Options or warrants on securities, money market instruments, financial indices within the definition of Article 9 Para. 1 of Directive 2007/16/EC, interest rates, precious metals, raw materials, exchange rates or currencies and on futures contracts pursuant to point 7.5.4.1, if;
  - exercise is possible either during the entire term or at maturity and
  - the option value is a fraction or a multiple of the difference between the price and the market value of the underlying, and the value of the option becomes zero if the plus/minus sign for the difference is reversed;
3. Equity swaps, interest-rate swaps, currency swaps, interest-currency swaps or special forms;
4. Options on swaps according to point 3, insofar as they have the characteristics described under point 2 (swaptions);
5. Credit default swaps, if they serve exclusively and verifiably as hedges for the credit risk of exactly attributable assets of the AIF.

The above-mentioned financial instruments can be independent assets, or also part of assets.

### Securities financing transactions

As specified in Appendix B "Fund Overview", the AIF is entitled to enter into securities financing transactions in accordance with Regulation (EU) 2015/2365 (SFTR), including securities repurchase transactions, reverse repurchase transactions (Repurchase and Reverse Repurchase Agreements), securities lending transactions, and/or total return swaps, subject to the conditions and restrictions set forth therein.

If an AIF is permitted to engage in securities financing transactions, all types of assets that the AIF may hold in accordance with its investment objective and investment regulations may be the subject of a securities financing transaction.

The counterparties for securities financing transactions are selected based on the following criteria:

- Price of the financial instrument,
- Costs of order execution,
- Speed of execution,
- Probability of execution or settlement,
- Scope and nature of the order,
- Time of the order,
- Other factors influencing the execution of the order (including the creditworthiness of the counterparty)

The criteria may be weighted differently depending on the type of trade order.

### Securities Lending

As stated in Appendix B "Fund Overview", the AIFM is entitled to lend portions of the securities portfolio of the AIF to third parties ("Securities Lending"). In general, securities lending transactions may only be conducted through recognized clearing organizations, such as Clearstream International or Euroclear, as well as through first-tier banks, securities firms, financial service institutions, or insurance companies that specialize in securities lending, within their established framework conditions. The selection of contractual partners is carried out with the requisite expertise, diligence, and conscientiousness. In a securities lending transaction, the AIFM or the custodian of the AIF must, in principle, receive collateral, the value of which must be at least equal to the total valuation of the lent securities and any accrued interest. This collateral must be provided in an acceptable form of financial securities. Such collateral is not required if the securities lending occurs through Clearstream International or Euroclear or another equivalent organization, thereby ensuring that AIF the reimbursement of the value of the lent securities.

Lent securities must continue to be considered in compliance with the investment regulations.

Upon concluding a securities lending agreement, the AIFM ensures on behalf of the AIF that all lent securities can be recalled at any time and that the contract can be terminated at any time.

The AIFM has appointed the custodian as the securities lending agent. The custodian may retain up to a maximum of 50% of the income from the securities lending to cover its direct and indirect costs. The AIFM and the custodian are not affiliated companies.

Securities lending is associated with risks, particularly the risk arising from collateral management in connection with OTC financial derivatives and efficient portfolio management techniques. For further details on these risks, please refer to item VIII. Risk information.

The annual report provides information on the proportion of the fund assets that were subject to securities lending transactions as of the reporting date.

### **Repurchase Agreements / Reverse Repurchase Agreements**

As specified in Appendix B "Fund Overview", the AIFM may participate in repurchase agreements ("Reverse Repurchase Agreements") for the AIF, which consist of the purchase and sale of securities, where the agreements grant the seller the right or obligation to repurchase the sold securities from the buyer at a price and within a timeframe agreed upon by both parties at the time of contract conclusion.

The AIFM may act either as a buyer or as a seller in repurchase agreements. However, participation in such transactions is subject to the following guidelines:

- Securities may only be purchased or sold through a repurchase agreement if the counterparty is a financial institution with a first-class credit rating that specializes in this type of transaction. The selection of contractual partners is carried out with the requisite expertise, diligence, and conscientiousness.
- During the term of a repurchase agreement, the purchased securities may not be disposed of prior to the exercise of the right to repurchase these securities or before the expiration of the repurchase period.
- It must also be ensured that the scope of obligations in repurchase agreements is structured in such a way that the AIF can fulfill its obligations to redeem units at any time.
- Securities that are tied as underlying assets in connection with derivative financial instruments, lent, or acquired under 'Reverse Repurchase Agreements' may not be sold under 'Repurchase Agreements'.
- When an AIF enters into a reverse repo transaction, it should ensure that it can reclaim the full amount of money at any time or terminate the reverse repo transaction either at the total accrued amount or at a mark-to-market value. If the amount of money can be reclaimed at any time at a mark-to-market value, the mark-to-market value of the reverse repo transaction should be used to calculate the net asset value of the AIF.
- When an AIF enters into a repo transaction, it should ensure that it can reclaim the securities underlying the repo transaction or terminate the agreed repo transaction at any time.
- Term repo transactions and reverse repo transactions of up to seven days should be regarded as agreements under which the AIF can reclaim the assets at any time.

Repurchase agreements are associated with risks, particularly the risk arising from collateral management in connection with OTC financial derivatives and efficient portfolio management techniques. For further details on these risks, please refer to item VIII. Risk information.

The annual report provides information on the proportion of the fund assets that were subject to repurchase agreements as of the reporting date.

The eligibility of repurchase agreements can be found in Appendix B "Fund Overview".

### **Total Return Swaps**

As specified in the respective Appendix B "Fund Overview", the AIF is entitled to enter into total return swaps.

Total return swaps are derivatives in which all income and value fluctuations of an underlying asset are exchanged for an agreed fixed interest payment. One contractual partner, the hedging recipient, thereby transfers the entire credit and market risk from the underlying asset to the other contractual partner, the hedging provider. In return, the hedging recipient pays a premium to the hedging provider. The AIFM is permitted to engage in total return swaps for hedging purposes and as part of the investment strategy for the AIF. In principle, all assets that can be acquired for the AIF may be the subject of total return swaps. Up to 100% of the fund assets may be subject to such transactions. The AIFM expects that, in individual cases, no more than 50% of the fund assets will be subject to total return swaps. However, this is merely an estimated value that may be exceeded in individual cases. The income from total return swaps flows – after deducting transaction costs – entirely to the AIF.

**Further information on the risk management procedure, on securities loans and on repurchase agreements can be found in Appendix B "Fund Overview".**

### **Securities policy and investment of securities**

#### **General**

In connection with transactions in OTC financial derivatives and efficient portfolio management techniques, the AIFM may accept securities in the name and on behalf of the AIF, in order to reduce its counterparty risk. This section defines the securities policy used by the AIFM in such cases. All assets received by the AIFM in terms of its efficient portfolio management techniques (securities lending, securities repurchase agreements, reverse repurchase transactions) in the name and on behalf of the AIF are treated as securities within the definition of this section.

#### **Admissible securities and strategies for diversification and correlation**

The AIFM may use the securities that he has accepted to reduce the counterparty risk if they comply with the criteria set out in the applicable laws, regulations and directives issued by the FMA, in particular with regard to liquidity, rating, the issuer's creditworthiness, correlations and risks relating to the management of securities and usability. Securities should, above all, meet the following conditions:

### *Liquidity*

Every security that is not comprised of cash or sight deposits must be highly liquid at a transparent price and must be traded on a regulated market or within a multilateral trading system. In addition, securities with a short settlement cycle must be given preference over securities with a long settlement cycle, since they can be converted to cash more quickly.

### *Valuation*

The value of the securities must be calculated on at least every trading day and must always be up to date. The inability to independently determine the value jeopardises the AIF. This also applies for mark-to-model valuations and rarely traded assets.

### *Creditworthiness*

The issuer of the security must have a high level of creditworthiness. If the creditworthiness is not very high, haircuts must be performed. In the case of a high level of volatility in the value of the security, this is only permissible if appropriately conservative haircuts are used.

### *Correlation*

The security is not emitted, issued or guaranteed by the counterparty or by a company belonging to the group of companies of the counterparty and does not have a high level of correlation with the development of the counterparty. However, investors are advised that experience shows that in a difficult market environment the correlation between different issuers, irrespective of the type of security, increases enormously.

### *Diversification of securities*

The securities held are adequately diversified in relation to countries, markets and issuers. The criterion of adequate diversification with regard to the concentration of issuers is deemed to have been fulfilled, if the AIF receives securities for which the maximum commitment vis-a-vis an individual issuer does not exceed 20% of the net inventory value of the AIF. In the case of securities from several securities lending transactions, OTC derivative transactions and repurchasing transactions that all derive from the same originator, issuer or guarantor, the total risk vis-a-vis this issuer must be aggregated for the calculation of the total risk limit. In derogation to this subsection, AIFs can be completely secured by means of different securities and money market instruments that are issued or guaranteed by an EEA member state, one or several of its regional authorities, a third country or at least a public international body that belongs to an EEA member state. This AIF should hold securities that have been issued in the course of at least six different issues, whereby the securities from an own issue should not exceed 30% of the net inventory value of the AIF.

An AIF can deviate from these regulations in accordance with the provisions set out under Art. 31 above.

### **Custody and use**

Insofar as the ownership of the acquired securities is transferred to the AIFM of an AIF, the securities that have been received must be put into safekeeping with the depository of the AIF. Otherwise, the security must be held by a third-party custodian who is subject to prudential supervision and is independent of the service provider, or is legally secured against the default of the connected party.

It must be guaranteed that the AIF can sell the security at any time and without delay without the need to notify or obtain the agreement of the counterparty.

### **Investment of the securities**

Securities, with the exception of sight deposits (liquid assets), must not be sold, reinvested or pledged.

Securities that are made up of liquid assets (sight deposits and demand deposits) may only be used in one of the following types:

- Investments in sight deposits with a term of a maximum of twelve months with credit institutions that have their registered office in an EEA member state or a third country whose supervisory law is comparable with that of the EEA;
- bonds issued by states with a high level of creditworthiness;
- investments as part of repurchase transactions, insofar as the counterparty in the repurchase transaction is a credit institution that has its registered office in an EEA member state or a third country whose supervisory law is comparable with that of the EEA;
- investments in money market funds with a short maturity structure pursuant to ESMA (European Securities and Markets Authority)/2014/937 Point 43 (j).

The reinvestment of sight deposits and demand deposits must comply with the provisions governing the risk diversification of non-liquid securities.

When assessing the value of the securities that are exposed to a significant fluctuation risk, the AIF must apply prudent discount rates. The AIFM must take into account a valuation discount policy (haircut strategy) for the AIF for every type of asset held as a security as well as the characteristics of the assets, such as, in particular, the creditworthiness and the price volatility of the relevant assets as well as the results of the stress tests carried out. The valuation discount policy must be documented and must make transparent every decision taken regarding the use of the valuation discount policy or the decision to refrain from this with regard to the relevant nature of the assets.

## Amount of securities

The AIFM determines the amount of securities required for transactions with OTC derivatives and for efficient portfolio management techniques by referring to the limits for counterparty risks defined in the trust agreement, taking into account the nature and characteristics of the transactions, the creditworthiness and identity of the counterparties and the prevailing market conditions.

## Rules for haircuts

Securities are valued daily on the basis of the available market prices and taking into account suitably conservative discounts (haircuts), as determined by the AIFM for each asset class on the basis of its rules for haircuts. Depending on the nature of the securities received, these rules take account of various factors such as the creditworthiness of the issuer, the maturity, the currency, the price volatility of the assets and, where appropriate, the result of the liquidity stress tests that have been carried out by the AIFM under normal and exceptional liquidity conditions.

The chart below sets out the haircuts which the AIFM considers appropriate as at the date of this trust agreement. These values are subject to change from time to time.

| <b>Hedging Instrument</b>  | <b>Valuation multiplier (%)</b> |
|--|---------------------------------|
| Cash (in the reference currency of the AIF)  | 95                              |
| Cash (not in the reference currency of the AIF)  | 85                              |
| <i>Government bonds (bonds that have been issued or expressly guaranteed by the following countries (for example contain no implicitly guaranteed liabilities): Austria, Belgium, Denmark, France, Germany, the Netherlands, Sweden, the United Kingdom and the USA as long as these countries have a minimum rating of AA-/Aa3 and bonds of this kind can be valued on a daily basis at market prices (mark to market).</i> |                                 |
| Term ≤ 1 year  | 90                              |
| Term > 1 year and remaining term ≤ 5 years   | 85                              |
| Term > 5 years and remaining term ≤ 10 years   | 80                              |
| <i>Corporate bonds (bonds that have been issued or expressly guaranteed by a company (with the exception of financial institutions) and (i) have a minimum rating of AA-/Aa3, (ii) are furnished with a remaining term of a maximum of 10 years and (iii) are denominated in USD, EUR or GBP)</i>  |                                 |
| Term ≤ 1 year  | 90                              |
| Term > 1 year and remaining term ≤ 5 years   | 85                              |
| Term > 5 years and remaining term ≤ 10 years   | 80                              |

## Art. 36 Use of benchmarks

In accordance with the provisions of Regulation (EU) 2016/1011 of the European Parliament and of the Council on indices used as a reference value ("benchmark") for financial instruments and financial contracts or for measuring the performance of an organism for collective investment, regulated entities (such as UCITS management companies and AIFMs) may use benchmarks as defined by the Benchmark Regulation in the EU, provided that the benchmark is provided by an administrator who is listed in the register of administrators and benchmarks maintained by the European Securities and Markets Authority (ESMA) in accordance with the Benchmark Regulation (the "Register").

Benchmarks may be used by the AIF as a reference for comparison purposes in order to measure the performance of the AIF against them. The AIF is actively managed, and the portfolio manager is therefore free to decide in which securities to invest. Consequently, the performance may deviate significantly from that of the benchmark. The comparison index will be specified in Appendix B "Fund Overview" when used by the AIFM or by the portfolio manager on its behalf.

The comparison index may change over time. In this case, Appendix B "Fund Overview" of the constitutive documents will be updated at the next opportunity, and the investors will be informed via a notice in the publication as well as in the media mentioned in the constitutive documents or by means of durable data carriers (letter, fax, email, or similar).

Furthermore, the AIF may use benchmarks when calculating performance-related fees. Detailed information regarding any performance-related fees can be found in Appendix B "Fund Overview".

The AIFM assumes no liability regarding a benchmark index for the quality, accuracy, or completeness of the data of the benchmark index, nor for the fact that the respective benchmark index is managed in accordance with the described index methodologies.

The AIFM has prepared a written plan with measures that it will take regarding the AIF in the event that the index changes significantly or is no longer provided. Information regarding this plan is available free of charge upon request at the registered office of the AIFM.

### Art. 37 Investments in different institutions for collective investments

An AIF may possibly invest its assets in units in different institutions for collective investments, depending on its individual investment policy. The investment limits for the AIF can be found in Appendix B "Fund Overview".

The investors should take note that at the level of indirect investments, further indirect costs and charges are incurred and remunerations and professional fees are offset — these expenses are, however, debited directly to the individual indirect investments. If the investments according to this article form a major part of the assets of the AIF, the maximum amount of the management fees can be found in Appendix B "Fund Overview" and the annual report.

If units are managed directly or indirectly by the AIFM or a company, or associated with the AIFM by means of joint management, control or qualified participation, neither the AIFM nor the other company may levy charges for the issue or redemption of units to or from the AIF.

### Art. 38 Borrowing limit

The assets of the AIF may not be pledged or otherwise encumbered, assigned or surrendered as a security, unless this is a case of borrowing within the definition of the following paragraph or to provide security within the framework of the processing of transactions with financial instruments.

An AIF may accept credit at conditions in line with the market both for investment purposes and to meet redemption requests. The amount of borrowing of the AIF is determined in Appendix B "Fund Overview" under "Investment principles and risk regulations of the AIF". The borrowing limit does not apply to the acquisition of foreign currency through back-to-back loans. The AIF is not entitled to be granted the maximum permitted credit line by the depository. The sole decision as to whether, how and to what extent credit is granted rests with the depository, in accordance with its credit and risk policy. This policy can change under certain circumstances during the term of the AIF.

The above paragraph does not oppose the acquisition of financial instruments that are not yet fully paid up.

### Art. 39 Joint administration

In order to reduce the operating and administration costs and at the same time to facilitate a broader diversification of the investments, the AIFM can resolve to jointly manage a part or the whole of the assets of an AIF together with assets that are held by other institutions for collective investments.

The assets of this AIF are currently managed individually and thus not collectively with assets that are held by other institutions for collective investments.

## VIII. Risk information

### Art. 40 AIF specific risks

**The performance of the units depends on the investment policy and the market performance of the individual investments of the AIF and cannot be determined in advance. In this context, it is explicitly noted that the value of the units may rise or fall at any time compared to the issue price. There is no guarantee that investors will get their invested capital back.**

The fund specific risks of the AIF can be found in Appendix B "Fund Overview".

### Art. 41 General risks

In addition to the fund specific risks, the investments of the AIF may also be subject to general risks.

All investments in the AIF entail risks. These risks can include, or be associated with, equity and bond market risks, currency, interest-rate, credit and volatility risks as well as political risks. Each of these risks may occur in conjunction with other risks. While some of these risks are briefly discussed in this section, it should, however, be noted that an exhaustive list of any and all potential risks is not possible.

**Potential investors should be aware of the risks associated with an investment in units and should only make an investment decision once they have obtained comprehensive advice from legal, tax and financial advisers, auditors or other experts with regard to the suitability of an investment in units of this AIF, taking into consideration their financial and tax situation as well as any other circumstances, the information in this trust agreement and the investment policy of the AIF.**

With regard to the measurement of the market risk the perspective principle is not used.

#### Market risk

This is a general risk that is associated with all investments, that the value of a specific investment may possibly change to the detriment of the unit value of the AIF.

#### Price risk

It is possible that value losses may occur in the investments in which the AIF invests. In this case, the market value of the investments develops negatively in comparison to the acquisition price. In addition, investments are exposed to various price fluctuations (volatility). In an extreme case, there may be a threat of the loss of the full value of the corresponding investment.

#### Economic risk

This is the risk of price losses arising from failure to take economic developments into consideration when making an investment decision or not doing so in an accurate way, thereby making investments in securities at the wrong time or holding securities during an unfavourable economic phase.

**Concentration risk**

The investment policy may identify different factors that can result in a concentration of the assets in specific countries, markets or sectors. The AIF is then particularly heavily dependent on the development of these assets, countries, markets or sectors.

**Interest rate risk**

If the AIF invests in interest-bearing securities, it is exposed to interest rate risk. If market interest rates rise, the market value of the interest-bearing securities belonging to the assets may drop significantly. This effect will be magnified if the assets also hold interest-bearing securities with a longer residual maturity and a lower nominal interest rate.

**Currency risk**

If the AIF holds assets denominated in foreign currency(ies), it is exposed to a direct currency risk (unless the foreign currency positions are hedged). Falling exchange rates may lead to a depreciation of the foreign currency assets. In addition to direct currency risks, investors also face indirect currency risks. Internationally active companies are more or less dependent on the exchange rate development, which can have an indirect impact on the performance of investments.

**Monetary value risk**

Inflation can reduce the value of the assets. The purchasing power of the invested capital decreases when the inflation rate is higher than the profit yielded by the investments.

**Psychological market risk**

Moods, opinions and rumours can result in a substantial decline in prices, although the earnings situation and future prospects of the companies in which investments are made do not necessarily need to have changed on a permanent basis. Shares are particularly susceptible to the psychological market risk.

**Management Risk**

Management risk refers to the danger of negative value fluctuations, measured in absolute terms or relative to a benchmark index, due to the investment decisions made by the manager of an actively managed fund.

**Risks from derivative financial instruments**

The AIF may use derivative financial instruments. These can be used not only for hedging but they can also form part of the investment strategy. The use of derivative financial instruments for hedging purposes may alter the general risk profile by reducing the opportunities and risks. The use of derivative financial instruments for investment purposes may affect the general risk profile by creating additional opportunities and risks. The use of derivative financial instruments can be found in Appendix B "Fund Overview".

Derivative financial instruments are not autonomous financial instruments, but they are rights that are principally derived from the price and the price fluctuations and expectations of an underlying security. Investments in derivatives are exposed to general market risk, management risk, as well as credit and liquidity risk.

Depending on the special features of the derivative financial instruments (e.g. leverage) the above-mentioned risks can be different and sometimes greater than with an investment in the underlying assets. Therefore the use of derivatives requires not only an understanding of the underlying assets, but also an in-depth knowledge of the derivatives themselves.

Derivative financial instruments also bear the risk that the AIF will suffer a loss since another party (as a rule a "counterparty") involved with the derivative financial instrument does not comply with its obligations.

The credit risk for derivatives that are traded on a stock exchange is generally lower than the risk for derivatives that are traded over the counter (OTC), since the clearing house that acts as the issuer or counterparty for the derivative traded on the stock exchange accepts a settlement guarantee. For derivatives that are traded over the counter there is no comparable guarantee from the clearing house. Thus in certain circumstances, an OTC derivative cannot be closed.

In addition, there are liquidity risks, since certain instruments can be difficult to buy or sell. If the derivative transactions are particularly large, or if the corresponding market is illiquid (as can be the case for derivatives that are traded over the counter), in certain circumstances transactions cannot be fully completed or a position can only be liquidated at increased costs.

Further risks in connection with the use of derivatives are the incorrect pricing or valuation of derivatives. Many derivatives are complex and often valued subjectively. Inappropriate valuations can result in increased demands for cash payments from counterparties or to a loss in value for the AIF. Derivatives do not always have a direct or parallel relationship to the value of the assets, interest rates or indices from which they are derived. Therefore the use of derivatives by the AIF does not always represent an effective means of achieving the investment target of the AIF, but can sometimes even result in an opposite effect.

**Risk from collateral management in connection with OTC financial derivatives and efficient portfolio management techniques**

In the case of the AIF performing over the counter transactions (OTC transactions/efficient portfolio management techniques), it may be exposed to risks in connection with the creditworthiness of the OTC counterparties. When entering into futures contracts, options and swap transactions, securities loans, securities repurchasing transactions, reverse repurchase agreements or using other derivative techniques, the AIF is exposed to the risk

that the OTC counterparty might fail to meet (or is unable to meet) its obligations under one specific or several contracts. The counterparty risk may be reduced by the provision of collateral. If the AIF is owed collateral in accordance with the applicable agreements, any such collateral will be held in custody by the depository, or on behalf of the depository, for the benefit of the AIF. Bankruptcy and insolvency cases or any other cases of credit default on the part of the depository, or within its sub-depositories and correspondent bank network, may result in the rights of the AIF in connection with the collateral being altered or restricted in some other way. If the AIF owes collateral to the OTC counterparty in accordance with the applicable agreements, any such collateral must be transferred to the OTC counterparty as agreed between the AIF and the OTC counterparty. Bankruptcy and insolvency cases or any other cases of credit default on the part of the OTC counterparty, the depository or within its sub-depositories and correspondence bank network, may result in the rights or the recognition of the AIF in relation to the collateral being delayed, restricted or even excluded, whereby the AIF would be forced to comply with its obligations under the OTC transaction, irrespective of any collateral provided in advance to cover any such obligation.

The risk associated with the management of the collateral, such as, in particular the operational or legal risk, is calculated, managed and reduced by the risk management applied for the AIF.

The AIF can ignore the counterparty risk insofar as the value of the collateral, valued at market price and taking into account the appropriate discounts, exceeds the risk amount at all times.

An AIF may incur losses resulting from the investment of the cash collateral that it accepts. Such a loss may result from a loss in the value of the investment made with the cash collateral that has been accepted. If the value of the cash collateral that has been invested decreases, this reduces the amount of the collateral that was available to the AIF at the time the transaction was concluded and that must be returned to the counterparty. The AIF would have to cover this difference in value between the collateral originally received and the amount available for return to the counterparty, whereby this would result in a loss for the AIF.

### **Liquidity risk**

Liquidity risks may result in the AIF being unable to temporarily or permanently meet payment obligations and/or requests for the redemption of units.

Assets can also be acquired for the AIF that are not admitted for trading on a stock exchange or on another organised market. Thus the risk can occur that these assets are subject to a period of delay, price discounts or cannot be resold at all.

Even assets that are traded on an organised market can be subject to the risk that the market experiences phases of illiquidity from time to time. This may result in the assets not being tradeable at the desired time and/or not in the desired quantity and/or not at the targeted price.

Furthermore, redemptions of units lead to an outflow of liquid assets from the AIF. If the amount of redemptions exceeds the liquid assets available to the AIF for redemptions, the AIF must liquidate assets to create the necessary liquid funds. This results in transaction costs, which will be charged to the AIF. Furthermore, the disposal of assets may negatively impact the intended allocation of assets in the AIF's portfolio.

If the AIFM decides to activate an extension of the notice period as a liquidity management tool (LMT) in the event of substantial redemptions or under exceptional market conditions, there is a risk for investors that redemption requests will be executed at a later date. In the event of large redemptions, the AIFM may also decide to dissolve the AIF. As a result, the redeeming investors will receive the payment of the amounts corresponding to the redeemed unit later than may be desired.

### **Counterparty risk**

The risk here is that the contractual partners (counterparties) do not meet their contractual obligations to honour settlement on transactions. A loss for the AIF can arise from this. This can also manifest as issuer risk, credit risk or default risk:

- **Issuer risk (credit rating risk)**

Deteriorating solvency or even the bankruptcy of an issuer may result in the partial, at the very least, or the total loss of assets.

- **Credit risk**

The risk arising from the possibility that a borrower may fail, either partially or in full, to make the interest and principal payments agreed under a contract.

- **Default risk**

The risk of loss due to a debtor failing to meet their payments partially or fully, or because tangible assets and securities lose value or become worthless.

### **Country or transfer risk**

Country risk is designated as the risk that a foreign debtor is unable to render services in a timely manner or at all due to a lack of transferability or willingness of the country of domicile (for example, due to foreign exchange restrictions, transfer risks, moratoria and embargoes) despite said debtor having the ability to pay. For example, payments to which the AIF is entitled are not made or are made in a currency which is no longer convertible due to foreign exchange restrictions.

### **Operational risk**

Operational risk is the risk of loss for the assets of an AIF arising from unsatisfactory internal processes as well as human or system errors with the AIFM or from external events; this includes legal, documentation and reputational risks, as well as risks arising from the trading, accounting and assessment processes employed by the AIF.

### **Processing risk**

Investment in unlisted securities in particular run the risk that the processing through a transfer system is not carried out as anticipated due to a delayed payment or delivery, or a payment or delivery that is not as per the agreement.

### **Key personnel risk**

An exceptionally positive performance of the AIF during a particular period is attributable to the abilities of the individuals acting on behalf of the fund and therefore to the correct decisions made by management. However, the fund management personnel may change and new decision-makers may not be as successful.

### **Legal and tax risk**

The acquisition, holding or selling of units in the AIF can be subject to tax laws (e.g. deduction of tax source) outside of the domicile country of the AIF. In addition, the legal and tax treatment of AIF may change in an unforeseeable manner over which the AIF manager has no control. This means that amendments to inaccurately determined bases of taxation of the AIF for past financial years (e.g. due to tax audits) may lead, in the case of a correction with negative tax consequences for investors, to investors having to carry the tax burden arising out of the correction for previous financial years even if they were not invested in the AIF at the time. Conversely, a situation may arise for investors in which they no longer benefit from a positive tax correction for the current and past financial years in which they were invested in the AIF because they redeemed or sold their units before the corresponding correction was implemented. In addition, corrections to the tax data may result in taxable income and tax benefits being assessed for tax purposes in a different tax period than that actually applicable, which may have negative effects on individual investors.

### **Custody risk**

The custody of assets is associated with a risk of loss that may result from insolvency, violation of due diligence on the part of the depository and/or force majeure.

### **Risk from change to the investment policy and fees**

A change to the investment policy within the legal and contractually permissible investment spectrum can result in a change to the risk associated with the AIF. The AIFM can increase the fees to be levied from the AIF and/or change the investment policy of the AIF within the valid trust agreement through a change to the trust agreement including Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Fund Overview" at any time and to a major degree.

### **Risk from amendments to the trust agreement or liquidation of the AIF**

Under the trust agreement, the AIFM reserves the right to amend the terms and conditions of the trust agreement. Moreover, pursuant to the trust agreement it is possible for him to completely liquidate the AIF or to merge it with another fund. For the investor, this therefore entails the risk that he may not achieve the planned retention period.

### **Risk of redemptions being suspended**

In principle investors can request the redemption of their units from the AIFM pursuant to the valuation interval of the AIF. However, in the event of extraordinary circumstances the AIFM can temporarily suspend the redemption of the units (see "Suspension of the calculation of the net asset value and issue, redemption and conversion of units" for details). A suspension of the redemption of units can follow directly on the liquidation of the AIF.

### **Hedging risk**

Unit classes in a reference currency that is not the same as the portfolio currency can be hedged against exchange rate fluctuations. Therefore investors in the relevant unit class should hedge against possible losses due to negative exchange rate developments as far as possible, however this means that they cannot take advantage of any positive exchange rate developments at the same time either. Due to fluctuations in the hedged volume in the portfolio as well as constant subscriptions and redemptions, it is not always possible to hedge to the exact same amount as the net asset value of the unit classes to be hedged. Therefore there is a possibility that the net asset value per unit in a hedged unit class will not perform identically to the net asset value of a non-hedged unit class.

### **Conflict of interest risk**

Due to the diverse business activities, the organisation and procedures of the AIF, the AIFM, the depository, the portfolio manager and the companies associated with these, there is an inherent risk that conflicts of interest may arise. On the basis of the legal regulations and the respective admission requirements, the AIFM takes precautions in order to identify, avoid, or mitigate conflicts of interest.

### **Risks associated with the use of benchmarks.**

If the EU or third country index administrator fails to comply with the Benchmark Regulation, or if the benchmark changes significantly or ceases to exist, a suitable alternative benchmark must be identified for the, provided that a comparative index is used. In certain cases, this may prove to be difficult or impossible. If a suitable replacement benchmark cannot be identified, this may negatively impact the relevant AIF– and under certain circumstances, also the ability of the portfolio manager to implement the investment strategy of the respective AIF. Furthermore, compliance with the Benchmark Regulation may incur additional costs for the relevant AIF. The comparison index may change over time.

## Sustainability risks

### Definition of terms

The term "sustainability risks" refers to the risk of an actual or potential loss of value of an investment due to the occurrence of ecological, social, or corporate governance-specific events (ESG = Environment/Social/Governance). Sustainability risks manifest in various forms. Examples of this include:

- Physical risks: These risks arise from the consequences of climate change, including global warming, an increase in natural disasters, and extreme weather events such as floods, heatwaves/droughts, storms, or hail.
- Transition risks: Transition risks refer to the risks that arise from the shift towards a climate-neutral economy and society, which can lead to a devaluation of assets. Examples of this include changes in political and legal frameworks in the real economy or technological developments.

Sustainability risks can lead to a significant deterioration in the financial situation, reputation, and profitability of the companies underlying the investment. As a result, the market price of the investment can be significantly affected, and consequently, the profitability of the AIF.

Consideration of sustainability risks in the investment decision-making process.

The AIFM/the portfolio manager comprehensively integrates sustainability risks into its investment decision-making process. In particular, this includes the identification and assessment of potential sustainability risks in relation to the investments within the framework of risk management.

Alongside the already described conventional types of risks, sustainability risks constitute a significant aspect of the risk management process, which is developed for the AIF based on the specific investment strategy and the resulting product categories. Sustainability risks are considered as part of market risk and are incorporated into it. To assess whether and to what extent such factors are present or relevant, the investment policy is analyzed using qualitative or quantitative methods and planned or already existing investment objects in the portfolio are examined. Above all, listed investments often possess ESG ratings that can be utilized for analysis. However, the corresponding analyses can also be conducted independently.

The consideration of potential sustainability risks within the framework of market risk measurement ensures that these are incorporated into the assessment of the risk profile of the AIF, thereby indirectly influencing the investment process.

## IX. Valuation and share transactions

### Art. 42 Calculation of the net asset value per unit

The net asset value (NAV) per unit of the AIF or of a unit class is calculated by the AIFM or a person appointed by him at the end of the financial year as well as on the relevant valuation date on the basis of the last known price, taking into account the valuation interval.

Due to the frequency of public holidays between 22 December and 7 January of each year, this can lead to valuation price distortions of the fund's target investments. This is due to the lack of liquidity (low trading volumes) and the different opening times of the international stock exchange trading centres. It cannot be estimated at the outset whether there will be sufficient price quality to be able to process the AIF's unit transactions in a fair manner. The understandable and comprehensible communication of the cut-off time for unit transactions to investors poses another challenge, as the corresponding NAV (Net Asset Value, net asset value per unit) is only calculated several days later and thus the issuance and redemption of units may only be processed with a time lag.

In the case of funds with daily or weekly NAV valuation intervals between 22 December and 7 January every year, the AIFM has the option to control the issuance and redemption of units and the calculation of the net asset value by derogation to the usually applicable valuation days. In other words, the AIFM may resolve to postpone or cancel individual valuation days. In addition, the AIFM may resolve to permit unit transactions as of 31 December (annual closing price) for the NAV.

The AIFM will inform investors in the AIF's official publication medium or by providing information directly as at 30 November of each year at the latest of the modalities for unit transactions and the NAV valuation on the impending working days and at the turn of the year in each respective case.

The NAV of a unit in a unit class of the AIF is expressed in the currency of the account of the AIF or, if different, in the reference currency of the respective unit class, and is derived from the share of the particular unit class in the assets of the AIF, reduced by any debt obligations of the same AIF that are attributable to the relevant unit class, divided by the number of units in the respective unit class in circulation.

The calculation of the NAV takes current statements and valuations of the broker accounts used into consideration.

Following a resolution, the AIFM is entitled to calculate a so-called special NAV outside the usual valuation interval for the AIF a.o. in order to enable the timely issuance and redemption of units in special cases. Information about this is provided in the Appendix B "Fund Overview".

**The valuation principles of the AIF and as well as further information regarding the calculation of the net asset value per unit can be found in Appendix B "Fund Overview".**

### Art. 43 Issuance of units

Units of the AIF are issued on each valuation date (issue date) at the net asset value per unit of the relevant unit class of the AIF, plus any issuance fee due and in addition to any taxes and levies.

The units are not securitised with documentation.

The depository must receive the subscription applications at the latest by the cut-off time. If a subscription application is received after the cut-off time, it will be scheduled for the following issue day. In the case of applications placed with distributors within the country or abroad, earlier cut-off times may apply to ensure the timely forwarding of any such applications to the depository in Liechtenstein. The applicable cut-off times may be obtained from the relevant distributors.

Information concerning the issue date, the valuation interval, the cut-off time and the size of the possible maximum issuance fee is provided in the respective Appendix B "Fund Overview".

The payment must be received within the deadline specified in Appendix B "Fund Overview" (value date) pursuant to the relevant issue date on which the issue price of the units was set. However, the AIFM is authorised to extend this deadline, if the anticipated deadline proves to be too short.

The AIFM will ensure that the issuance of units is charged on the basis of the net asset value per unit, which is not known to the investor at the time of application (forward pricing).

All taxes and charges arising from the issuance of units shall be borne by the investor. If units are acquired through third parties, such as banks, it cannot be ruled out that these may charge additional transaction costs.

If payment is made in a currency other than the accounting currency, the equivalent value from the conversion of the payment currency into the accounting currency minus any fees is used for the acquisition of shares.

The minimum investment amount that an investor must subscribe to in any given unit class is defined in Appendix B "Fund Overview". The minimum investment amount can be waived at the discretion of the AIFM.

Contributions in kind are not permitted.

In addition, the AIFM may decide to completely or temporarily suspend the issuance of units if new investments could negatively affect the achievement of the investment objective.

The depository and/or the AIFM can, at any time, reject a subscription application or temporarily limit, suspend or ultimately discontinue the issuance of units if this appears to be necessary in the interests of the investors, in the public interest or for the purpose of protecting the AIFM, the AIF or the investors. In such cases, the depository will refund any payments received for subscription applications not yet actioned promptly without interest, if necessary with the assistance of the paying agents.

The issuance of units in the AIF can be suspended in application scenarios pursuant to Art. 47 of this trust agreement.

#### **Art. 44 Redemption of units**

**It is expressly noted that, in the case of the redemption of units of the AIF the redemption terms mentioned in Appendix B "Fund Overview" must be considered. These may include as standard, for example, notice periods, which may be applied without further notice.**

**Under certain circumstances, it may become necessary for the AIFM to employ appropriate liquidity management instruments ("LMT") to ensure the proper execution of redemptions (see also Art. 46 of the trust agreement "Liquidity Management Instruments (LMT)"). The liquidity management tools (LMTs) that can be activated for the AIF are mentioned in the Appendix B "Fund Overview".**

**In order to protect the interests of the remaining investors, the AIFM may impose a redemption fee on unit redemptions within the framework of the permissible Liquidity Management Instruments (LMT). This fee serves to offset the transaction and liquidity costs arising from redemptions and is fully allocated to the assets of the AIF. The redemption fee payable to the AIF can be found in Appendix B "Fund Overview".**

Units of the AIF are redeemed on each valuation day (redemption day) taking into account the notice period resp. redemption terms specified in Appendix B "Fund Overview", and at the net asset value per unit of the corresponding unit class of the AIF, less any redemption fees, taxes or levies.

The depository must receive the redemption applications by no later than the cut-off time. If there is a notice period for redemptions, this can be found in Appendix B "Fund Overview". If a redemption application is received after the cut-off time, it is scheduled for the following redemption day. In the case of applications placed with distributors within the country or abroad, earlier cut-off times may apply to ensure the timely forwarding of any such applications to the depository in Liechtenstein. The applicable cut-off times may be obtained from the relevant distributors.

Information concerning the redemption date, the valuation interval as well as the size of the possible maximum redemption fee due can be found in Appendix B "Fund Overview".

The repayment is made within a specific period (value date) after the valuation day. However, the AIFM is authorised to extend this deadline, if the standard value proves to be too short. Information on the value can be found in Appendix B "Fund Overview". This does not apply if, for legal reasons such as currency or transfer restrictions, or for other reasons outside the depository's control, the transfer of the redemption amount proves to be impossible.

In the case of large redemption applications, the AIFM can decide not to settle a redemption request until it is possible to sell the corresponding assets of the AIF without unnecessary delay. If such a measure is necessary, all redemption applications received on the same day will be settled at the same price.

If, at the request of the investor, payment should be made in a currency other than the billing currency, the amount to be paid is calculated on the basis of the revenues from the conversion of the billing currency into the payment currency, minus any fees and levies.

The corresponding unit will expire upon payment of the redemption fee.

If the execution of a redemption application results in the holdings of the relevant investor falling under the minimum investment threshold of the corresponding unit class specified in Appendix B "Fund Overview", the AIFM may, without further notification to the investor, treat this redemption application as an application for the redemption of any and all shares held by the corresponding investor in this unit class or as an application for the conversion of the remaining units into units of another unit class in the same AIF, with the same reference currency, whose requirements the investor meets.

The AIFM and/or depository may unilaterally repurchase units against the will of the investor against payment of the redemption price if this appears to be necessary in the best interests of or for the protection of the investors, the AIFM or the AIF, in particular if

1. there is a suspicion that the investor is engaged in "market timing", "late trading" or any other market techniques that may be detrimental to the investors as a whole;
2. the investor does not meet the requirements for the acquisition of units; or
3. the units are sold in a country in which the AIF is not authorised for distribution or have been acquired by a person who is not permitted to acquire such units.

The AIFM ensures that the redemption of units will be charged on the basis of the net asset value per unit, which is not known to the investor at the time of submission of the application (forward pricing).

Contributions in kind are not permitted.

The redemption of units in the AIF may be discontinued in the event of cases in Art. 47 of this trust agreement.

#### **Art. 45 Conversion of units**

Insofar as different unit classes are offered, conversion of units of one unit class into units of another unit class can take place within the AIF. Information on any conversion fees can be found in Appendix B "Fund Overview". If a conversion of units is not possible for the AIF or unit classes, this is stated in Appendix B "Fund Overview".

The number of units that the investor wishes to convert is calculated according to the following formula:

$$A = \frac{(B \times C)}{(D \times E)}$$

A = Number of units of the new unit class that is the target of the conversion

B = Number of units in the unit class from which the existing units are to be converted

C = Net asset value or redemption price of units submitted for conversion

D = Currency exchange rate between the affected unit classes. If both unit classes are valued in the same billing currency, this coefficient is 1.

E = Net asset value of the units in the unit class that is the target of the conversion, plus taxes, fees or other levies

In some countries, levies, taxes and stamp duties may be incurred when changing unit classes.

The AIFM may reject a conversion application for a unit class at any time if this appears to be necessary in the best interests of the AIF, the AIFM or the investors, in particular if:

1. there is a suspicion that with the acquisition of the units the investor is engaged in "market timing", "late trading" or any other market techniques that may be detrimental to the investors as a whole;
2. the investor does not meet the requirements for the acquisition of units; or
3. the units are sold in a country in which the AIF or unit class is not authorised for distribution or they have been acquired by a person who is not permitted to acquire such units.

The AIFM ensures that the conversion of units will be charged on the basis of the net asset value per unit, which is not known to the investor at the time of submission of the application (forward pricing). The redemption of units in the AIF may be discontinued in the event of cases in Art. 47 of this trust agreement.

#### **Art. 46 Liquidity Management-Instruments (LMT)**

The AIFM has established and implemented a liquidity management policy that is applied consistently, and it has a prudent and strict liquidity management procedure that enables it to monitor the liquidity risks of the AIF and to ensure that the AIF is generally able to meet its obligations to redeem its units at the request of the unitholders at any time. In order to ensure that the assets of the AIF are adequately liquid and that the AIF can fulfill the redemption requests of the unitholders, qualitative and quantitative metrics are employed. Furthermore, where necessary and where available, the unitholder concentrations will be regularly reviewed within the scope of risk management as needed and as far as available, in order to assess their potential impact on the liquidity of the AIF.

The AIF will be individually assessed for liquidity risks. The liquidity management policy of the AIFM considers the investment strategy, the interval for the redemption of units, the liquidity of the assets (and their valuation) and the unitholder base.

**It is expressly noted that, in the case of the redemption of units of the AIF, the redemption terms mentioned in Appendix B "Fund Overview" must be considered. These may include as standard, for example, notice periods, which may be applied without further notice.**

The AIFM will employ certain further instruments for managing liquidity risk (**Liquidity Management Tools/"LMT"**), as described in the respective items of the trust agreement, if deemed necessary and appropriate for the protection of the unitholders. The **activation or deactivation** of the liquidity management tools will be published with an announcement to the investors in the publication of the AIF. Investors can inquire at any time with the AIFM about the current status of the liquidity management tools, free of charge.

**The liquidity management tools (LMTs) that may be capitalised for the AIF are set out in Appendix B "Fund Overview".**

#### **Redemption fee (see Art. 44 "Redemption of units")**

In order to protect the interests of the remaining investors, the AIFM may impose a redemption fee on unit redemptions within the framework of the permissible liquidity management tools. This fee serves to offset the transaction and liquidity costs arising from redemptions and is fully allocated to the assets of the AIF.

Any potential redemption fee in favor of the AIF can be found in Appendix B "Fund Overview".

#### **Extension of the notice period**

In order to protect the interests of investors and to ensure adequate liquidity management, the AIFM is entitled, in the event of high redemption requests, insufficient liquidity of the AIF, or under extraordinary market conditions (e.g., pandemics, geopolitical crises, etc.), to extend the ordinary notice period by a maximum of the period specified in the table in Appendix B under "Liquidity Management Tools (LMT)".

Should this measure be necessary, a corresponding notification to investors regarding the activation (and corresponding subsequent deactivation) and the modalities will be appropriately published in the publication medium of the AIF.

#### **Suspension of the calculation of Net Asset Value and the issuing, redemption and conversion of units (see Art. 47)**

The AIFM may temporarily suspend the calculation of the net asset value and/or the issuance, redemption, and exchange of units of the AIF under special circumstances, provided that this is justified in the best interest of the investors, in particular:

##### **Separation of assets**

The AIFM is entitled, in accordance with applicable legal provisions and with prior approval from the Financial Market Authority (FMA) of Liechtenstein, to create "side pockets."

Side pockets serve the separate management of assets that have become illiquid or difficult to value due to extraordinary market conditions or special circumstances. Separating these assets into a newly established AIF serves to ensure that the ordinary liquidity and valuation of the remaining fund assets are not adversely affected.

Side pockets may only be created if it is in the best interest of the investors and the equal treatment of all investors is guaranteed. Investors will be promptly informed about the establishment of a side pocket upon the corresponding approval by the FMA.

#### **Art. 47 Suspension of the calculation of the net asset value as well as the issue, redemption or conversion of units**

The AIFM may temporarily suspend the calculation of the net asset value and/or the issue, redemption and conversion of units of the AIF in exceptional circumstances, provided that this is justified in the best interests of the investors, in particular:

1. if a market that forms the basis for the valuation of a substantial part of the assets of the AIF has been closed, or trading in such markets has been restricted or suspended;
2. in the event of political, economic or other emergencies; or
3. if trades on behalf of the AIF can no longer be executed due to restrictions on the transfer of assets.

In addition, the AIFM may decide to completely or temporarily suspend the issuance of units if new investments could negatively affect the achievement of the investment objective.

The issuance of units will be temporarily suspended in particular if the calculation of the net asset value per unit is suspended. If the issuance of units is suspended, the investors are informed immediately about the reason for this and the time of the suspension by notification in the publication medium and in the media defined in the fund documents or by means of durable data carriers (letter, fax, email or similar).

No new units are issued while the redemption of units is suspended. Units whose redemption is temporarily restricted cannot be converted. The temporary suspension of the redemption of units in the AIF does not result in the temporary suspension of the redemption of units in other AIF that are not affected by the relevant circumstances.

The AIFM ensures that the AIF assets contain sufficient liquid funds to enable units to be redeemed at the request of investors without delay under normal circumstances, taking into account any notice, lock-up and payment periods.

The AIFM shall promptly inform the FMA and - in an appropriate way - the investors, of the suspension of the calculation of the net asset value and the unit redemption and disbursement. Subscription and/or redemption requests will be settled after resumption of the calculation of net asset value and unit trading at the net asset value valid at that time. The investor may withdraw his subscription or redemption request until unit trading is resumed.

#### **Art. 48 Late trading and market timing**

If there is a suspicion that an applicant conducts late trading or market timing, the AIFM and/or the depositary will refuse acceptance of the application for subscription, conversion or redemption until the applicant has dispelled any doubts with regard to the application.

##### **Late trading**

Late trading is the acceptance of a subscription, conversion or redemption order received after the deadline for the receipt of orders (cut-off time) on the relevant day and its execution at the price on the basis of the prevailing net asset value on this date. An investor can use late trading to make a profit from the knowledge of events or information which is published after the cut-off time for orders but which is not reflected in the price at which the investor's order is charged. This investor is therefore at an advantage compared to investors who have adhered to the official cut-off time. The advantage of this investor is even more significant if he/she is able to combine late trading with marking timing.

##### **Market timing**

Market timing is an arbitrage process in which an investor systematically subscribes units of the same AIF or the same unit class on a short-term basis and then either redeems or converts them by exploiting time differences and/or errors or weaknesses within the system for the calculation of the net asset value of the AIF or unit class.

#### **Art. 49 Prevention of money laundering and the financing of terrorism**

The AIFM ensures that the national distributors are obligated vis-a-vis the AIFM to observe the current provisions of the Liechtenstein Duty of Care law (Sorgfaltspflichtgesetz) and the associated Duty of Care regulation (Sorgfaltspflichtverordnung), as well as the FMA directives in the relevant valid form.

If the national distributors themselves accept money from investors, they are under a duty of care in accordance with the Duty of Care law and the Duty of Care regulation to identify the subscriber, to ascertain the beneficial owner, to create a profile of the business relationship and to comply with any and all provisions regarding the prevention of money laundering.

Furthermore, the distributors and their selling agents must comply with any and all provisions for the prevention of money laundering and the financing of terrorism that are in force in the relevant distribution countries.

#### **Art. 50 Data protection**

Potential investors are hereby informed that by submitting the subscription application, they provide information to the AIF and its representatives and appointed persons (in particular the AIFM, the custodian, the administration office, the portfolio manager, and, if applicable, the distribution agents) that may constitute personal data within the meaning of the data protection regulations introduced by the General Data Protection Regulation (Regulation (EU) 2016/679) in the EU. This data will be used for customer identification as well as for the subscription process, administration, compliance with legal regulations to combat money laundering and terrorism, and the fulfillment of all other applicable legal regulations or supervisory requirements, and will be disclosed to the AIF, its representatives, and appointed persons.

Personal data will be collected, managed, used, disclosed, and processed for the individual or all purposes mentioned in the privacy notice and based on the legal grounds described therein.

Investors have the right to receive a copy of their personal data held by the AIFM, as well as the right to rectify inaccuracies in the data possessed by the AIFM. Furthermore, investors have the right to be forgotten and a right to restrict processing or to object to processing under certain conditions. Under certain limited circumstances, there may also be a right to data portability. If investors consent to the processing of personal data, this consent may be revoked at any time.

#### **X. Costs and fees**

##### **Art. 51 Ongoing fees**

###### **A. Costs based on the assets (individual fees)**

###### **Risk management and administrative fee:**

The AIFM charges an annual fee for risk management and administration pursuant to Appendix B "Fund Overview". This is calculated on the basis of the average assets of the AIF, delimited pro rata temporis within the framework of the NAV calculation and paid out quarterly. Minimum fees can be allocated pro rata temporis within the framework of the NAV calculation and paid quarterly. It lies within the discretion of the AIFM to determine different risk management and administrative fees for one or several unit classes of the AIF.

The AIFM may pass on parts of the management and administrative fees to intermediary entities. This is done in settlement of distribution services. This may also involve substantial components. The custodian and the investment advisory or asset management company may support the distribution measures of the intermediaries from their collected fees, the calculation of which is generally based on the assets placed. The granting of such rebates does not result in an additional burden of costs on the fund.

The management company, custodian, and investment advisory or asset AIFM may, at their discretion, agree with individual investors on the partial reimbursement of received fees to these investors. This is particularly relevant when institutional investors are making substantial investments sustainably.

**Depository fee:**

The depository receives remuneration for the fulfilment of its tasks in the depository agreement according to the remuneration defined in the relevant Appendix B "Fund Overview." This is calculated on the basis of the average assets of the AIF, delimited pro rata temporis within the framework of the NAV calculation and paid out quarterly. Minimum fees can be allocated pro rata temporis within the framework of the NAV calculation and paid out quarterly. It lies within the discretion of the AIFM to determine different depository fees for one or several unit classes of the AIF.

**Portfolio management fee (management fee):**

If the portfolio management is contractually obligated, it may receive remuneration from the assets of the AIF in accordance with Appendix B "Fund Overview". This is calculated on the basis of the average assets of the AIF, delimited pro rata temporis in the NAV calculation and paid out quarterly. This fee is levied in addition to the administration fee. Minimum fees can be allocated pro rata temporis within the framework of the NAV calculation and paid quarterly. It lies within the discretion of the AIFM to determine different portfolio management fees for one or several unit classes of the AIF.

In addition, the portfolio manager may receive a value-oriented performance fee from the assets of the AIF.

**Distributor fee (distribution fee):**

If a distributor is contractually obligated, this distributor may receive remuneration from the assets of the AIF, the maximum amount, calculation and payment of which is defined for the AIF in Appendix B "Fund Overview". This is calculated on the basis of the average assets of the AIF, delimited pro rata temporis in the NAV calculation and paid out quarterly. Minimum fees can be allocated pro rata temporis within the framework of the NAV calculation and paid out quarterly. It lies within the discretion of the AIFM to determine different distribution fees for one or several unit classes of the AIF.

**B. Costs independent of the assets (individual fees)**
**Ordinary expenses**

As well as the fees that can be levied as per the above paragraphs, the following expenses (plus statutory value added tax, if applicable) independent of the assets can be charged to the assets of the AIF. The AIFM and the depository are entitled to compensation for the following expenses incurred in the exercising of their functions:

- costs for the preparation, printing and forwarding of the semi-annual report / annual reports or any other publications required by law;
- costs for the publication of notifications to investors from the AIF in the relevant publication media and, if applicable, any newspapers or electronic media specified by the AIFM, including price publications;
- fees and costs for permits and for the supervision of the AIF in Liechtenstein and abroad;
- all taxes that are levied on the assets of the AIF as well as its returns and expenses debited to the corresponding assets of the AIF;
- any taxes that arise in connection with the costs of administration and safekeeping;
- fees incurred in connection with any listing (initiation, maintenance and liquidation) of the AIF and with the distribution locally and abroad (e.g. advisory, legal and translation costs);
- fees, costs and professional fees in connection with the determination and publication of tax factors for the EU/EEA countries and/or any and all countries where there are distribution licences and/or private placements exist, in accordance with the actual expenses incurred at market-driven rates;
- Costs incurred in connection with the fulfilment of the requirements and follow-up duties from the distribution of the units of the AIF in Liechtenstein and abroad (e.g. fees for paying agencies, agents and other representatives with a similar function, fees for fund platforms (e.g. listing fees, set-up fees, etc.), consultancy, legal, translation fees);
- Costs for creation or amendment, translation, filing, printing and dispatch of the fund prospectus, the constitutive documents (trust agreement), PRIIP-KID (Key Information Document), calculation of the SRRI (Synthetic Risk and Reward Indicator), etc. in the countries where the units are distributed;
- Administrative costs and cost reimbursement for government agencies as well as taxes and duties of all kinds;
- an appropriate share of the costs of printed material and advertising incurred in direct connection with the offering and selling of units;
- professional fees for auditors and legal and tax advisers, provided that these expenses are incurred in the interests of the investors;
- Costs for creation and the publication of the tax bases and the certification that the tax information was determined according to the rules of the relevant foreign tax laws;
- internal and external costs for recovering foreign withholding taxes, to the extent that they can be charged for the account of the AIF. As regards the recovery of foreign withholding taxes, it should be noted that the AIFM is not obliged to undertake recovery and will only carry this out if the procedure is justified based on the criteria of the materiality of the amounts and the proportionality of the costs relative to the amount recovered. With regard to investments that are the object of securities lending, the AIFM will not undertake any recovery of withholding taxes;
- Expenses in connection with the exercising of voting rights or the rights of creditors by the AIF, including the fees for external consultants;

- Costs for the credit assessment of the assets of the AIF and/or its target assets by nationally or internationally recognised rating agencies;
- Costs in connection with legal provisions for the AIF (e.g. reports for the authorities, Key Information Documents, etc.);
- Fees and costs incurred through other legal or supervisory regulations that must be fulfilled by the AIFM within the framework of implementing the investment strategy (such as reporting and other costs incurred within the framework of fulfilling the European Market Infrastructure Regulation (EMIR, EU Regulation 648/2012));
- Costs of effecting recessed tax, legal, accounting, economic and market technical audits and analyses (due diligence) on an investment, involving in particular an in-depth review of the investment eligibility of an illiquid investment for the AIF. These costs may also be charged to the AIF, even if the investment is subsequently not undertaken.
- Research costs
- Costs for the setting up and support of additional counterparties, if this is in the interests of the investors.
- License fees for the use of any reference values ("benchmarks");
- External costs for the assessment of the sustainability ratings (ESG research) of the fund assets or its target investments;
- Costs and expenses for the preparation of statements and reports to insurance companies, pension funds, foundations, other financial services companies, rating agencies (e.g. GroMiKV, Solvency II, MiFID II, VAG, ESG/SRI report and ratings, etc.).
- Further administrative costs including costs for interest groups.

Certain costs and fees incurred by the AIF may be waived or paid externally, especially in the fund's initial phase. The objective here is to mitigate the fund's high cost burdens relative to the net assets in the establishment phase. This may lead to the specified TER (Total Expense Ratio) not being calculated on the same basis as future TERs. Relevant disclosure and statements as well as the valid expenditure amount of the AIF / unit class are defined in the semi-annual report / annual report.

Unit holders are informed of the utilisation and renunciation of this possibility by means of a notification.

The effective costs incurred for the AIF are set out in the semi-annual report / annual report.

#### **Transaction costs**

In addition, the AIF bear any and all ancillary costs arising from the asset management for the sale and purchase of investments (broker commissions in line with the market, commissions, levies) as well as any and all taxes imposed on the assets of the AIF and its earnings and expenses (e.g. withholding taxes on foreign earnings). Furthermore, the AIF will bear any external costs, i.e. third-party fees incurred through the sale and purchase of investments. These costs are directly set off against the cost price and/or sales value of the relevant investments.

Any consideration included in a fixed flat-rate fee may not be additionally charged as an individual expense.

#### **Costs for currency hedging of unit classes**

Any costs for currency hedging of unit classes are allocated to the corresponding unit class.

#### **Incorporation costs**

The costs for the incorporation of the AIF and the initial offering of units will be charged against the assets of the AIF over a period of maximum five years. Incorporation costs are allocated pro rata among the assets of the AIF.

#### **Liquidation fees**

In the case of the liquidation of the AIF, the AIFM can levy a liquidation fee amounting to a maximum of CHF 15'000.- or the equivalent value in another currency in its favour. In addition to this amount, all the costs of the authorities, the auditor and the depository must be borne by the AIF affected.

#### **Extraordinary disposition costs**

Furthermore, the AIFM may charge costs for extraordinary dispositions to the assets of the AIF.

Extraordinary disposition costs are comprised of the expenses that are incurred solely to safeguard the investor's interests, which arise during the course of ordinary business activities and which were not foreseeable at the time of the formation of the AIF. More specifically, extraordinary disposition costs are the costs for legal counselling and the pursuit of legal claims in the best interests of the AIF or the investors. In addition, these also include any and all costs associated with extraordinary dispositions required under the AIFMG and AIFMV (e.g. amendments to fund documents).

Furthermore, the AIFM may directly charge any costs for specialised advisory services to the AIF's assets in the case of activities that are not already covered by other fees. In particular in the context of capital measures of target investments, which usually trigger brokerage fees from banks for the purchase of shares or other asset classes and structured products (for example, in the case of capital increases of target investments and the acquisition of structured products). These advisory services can be provided externally by audit firms, legal advisers or banks. If this results in a lower cost than provision by third parties, the AIFM can provide these services itself and charge this to the AIF's assets, if it has the required expertise.

These costs comprise the expenses that are incurred solely to safeguard the investor's interests, which arise during the course of ordinary business activities and were not foreseeable in detail at the time of the formation of the AIF.

**Rebates**

In connection with the acquisition, holding, and disposal of assets and rights for the AIF, the AIFM, the custodian, and any appointed agents ensure that, in particular, rebates (e.g. subscription/redemption fees, management commissions) benefit the AIF directly or indirectly without deduction (except for a reasonable processing fee).

**Ongoing fees (Total Expense Ratio, TER)**

The total of the ongoing fees before any performance-related expenses (Total Expense Ratio before Performance Fee; TER) is calculated and included according to the general principles determined in the rules of conduct of the FMA; with the exception of the transaction costs, all the costs and fees that are debited from the assets of the AIF on an ongoing basis. The TER of the AIF and or the relevant unit class is published on the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] under [www.lafv.li](http://www.lafv.li) as well as in the relevant semi-annual report / annual report, insofar as it has already been published.

**Investment success fee (performance fee)**

In addition, the AIFM may charge a performance fee. If a performance fee is charged, this is defined in detail in Appendix B "Fund Overview".

**Art. 52 Costs incurred by the investor****Issuance fee:**

To cover the costs incurred by the placement of units, the AIFM may charge an issuance fee on the net asset value of the newly issued units in favour of the AIFM, the depository and/or the distributors locally or abroad according to Appendix B "Fund Overview".

Any issuance fee in favour of the AIF can also be found in Appendix B "Fund Overview".

**Redemption fee**

For the payment of the redeemed units the AIFM levies a redemption fee on the net asset value of the redeemed units in favour of the AIF pursuant to Appendix B "Fund Overview".

Any redemption fee in favour of the AIFM, the depository and/or the distributors locally or abroad can also be found in Appendix B "Fund Overview".

**Conversion fee**

In the case of a change from one unit class to another unit class requested by the investor, the AIFM can levy a fee on the net asset value of the original unit class pursuant to Appendix B "Fund Overview".

**XI. Final provisions****Art. 53 Appropriation of the profit**

The realised earnings of the AIF are derived from the net income together with any price gains realised. The net income is made up of the yields from interest and/or dividends as well as other income received less the expenses.

The AIFM can distribute the net income and/or the net realised price gains of the AIF and/or a unit class to the investors in the AIF and/or corresponding unit class or re-invest (plough back) this net income and/or these net realised price gains in the AIF and/or relevant unit class, i.e. carry them forward to the new financial account.

The net income and/or the net realised price gains of those unit classes that have a distribution policy pursuant to Appendix B "Fund Overview" can be distributed annually or more frequently both in full or in part.

The net income and/or the net realised price gains as well as the carried forward net revenue and/or the carried forward net realised price gains of the AIF and/or the relevant unit class can be used in the distribution. Interim distributions from the carried forward net revenue and/or the carried forward realised price gain are not permitted.

Distributions are paid on the units outstanding on the distribution date. No interest is paid on the announced distributions as from the time of their due date.

**Art. 54 Allowances**

The AIFM reserves the right to grant benefits to third parties. Benefits granted to a third party or received from a third party may take the form of a fee, a commission, or another advantage that does not exist in monetary form. The assessment basis for such contributions generally consists of the charged commissions, fees etc., and/or the assets/components of assets placed in the AIF. Their amount corresponds to a percentage of the respective assessment basis.

A benefit is designed to enhance the quality of the relevant service and does not prevent the AIFM from acting in good faith in the best interest of the AIF it manages or its investors. Upon request, the AIFM shall disclose to the investor any further details regarding the agreements made with third parties at any time.

Ultimately, contributions that enable the provision of a service or are necessary for it are permissible. According to their essential purpose, these must not conflict with the obligation of the AIFM to act honestly, fairly, and professionally in the best interest of the fund it manages.

**Art. 55 Tax regulations**

All Liechtenstein AIFs in the legal form of a collective trusteeship are fully taxable in Liechtenstein and are subject to income tax. The income from the managed assets represents tax-free income.

## Issue levy and securities transfer tax<sup>2</sup>

The creation (issue) of units in such an AIF is not subject to any issue levy or securities transfer tax. The transfer of title of the investor units against payment is subject to securities transfer tax if one of the parties or an intermediary is a domestic securities trader. The redemption of units is exempt from securities transfer tax. The collective trusteeship is deemed to be an investor that is exempt from the securities transfer tax.

## Tax source or paying agent tax

Both income and capital gains, whether distributed or reinvested, may be subject in part or in whole to a so-called paying agent tax (for example compensation tax source, Foreign Account Tax Compliance Act), depending on who actually directly or indirectly holds the units in the AIF.

The AIF in the legal form of a collective trusteeship is otherwise not subject to any tax source obligation in the Principality of Liechtenstein, thus it is exempt in particular from any coupon or withholding tax obligation. Foreign income and capital gains generated by the AIF in the legal form of a collective trusteeship of the AIF may be subject to tax deducted at source in the applicable country of investment. Double taxation treaties may apply.

The AIF has the following tax status:

## Automatic exchange of information (AEOI)

With regard to the AIF, a Liechtenstein paying agent may be obligated, subject to compliance with the AEOI agreements, to report the holders of the units to the local tax authorities or to make a corresponding statutory notification.

## FATCA

The AIF complies with the provisions of the Liechtenstein FATCA Agreement and the relevant implementation regulations in the Liechtenstein FATCA Law.

## Natural persons with tax domicile in Liechtenstein

Private investors that are tax-domiciled in the Principality of Liechtenstein must declare their units as assets; these are subject to wealth tax. Any income distributions or reinvested income of the AIF in the legal form of the collective trusteeship of the AIF are exempt from purchase tax. Any capital gains realised upon the sale of the units are exempt from acquisition taxes. Capital losses cannot be deducted from taxable income.

## Persons with tax domicile outside Liechtenstein

The taxation of investors domiciled outside the Principality of Liechtenstein as well as any other tax implications of the holding, purchasing or selling of units is based on the tax laws of their relevant country of domicile.

## Disclaimer

The explanations on the tax situation are based on the legal situation and practice as it currently stands. Legislative changes, changes to case law and changes to the decrees and practice of tax authorities are expressly reserved.

Investors are urged to consult their own professional advisers with regard to the relevant tax implications. Neither the AIFM nor the depository or their representatives/agents may be held liable for the investor's individual tax implications that arise from the sale, purchase or the holding of units.

## Art. 56 Information to investors

The publication medium of the AIF is the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] ([www.lafv.li](http://www.lafv.li)) as well as other media channels defined in the trust agreement.

All notices to investors, including those regarding amendments to the trust agreement as well as to Appendix B "Fund Overview" are published on the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] ([www.lafv.li](http://www.lafv.li)) as the publication medium of the AIF, and in other media channels and data carriers specified in the trust agreement.

On each valuation day, the net asset value as well as the issue price and redemption price of the units of the AIF and/or unit class respectively are published on the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] ([www.lafv.li](http://www.lafv.li)) as the publication medium of the AIF, as well as any other media and durable data carriers (letter, fax, email or similar) defined in the fund documents.

The past performance of the AIF and/or the unit classes is shown on the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] ([www.lafv.li](http://www.lafv.li)) or PRIIP-KID. The historical performance of a unit up until now is no guarantee of any particular current or future performance. The value of a unit may increase or decrease at any time.

The annual report examined by an auditor and a non-audited semi-annual report shall be provided to the investors on the website of the LAFV, the Liechtenstein Investment Fund Association ([www.lafv.li](http://www.lafv.li)) and at no charge at the registered office of the AIFM and the depository.

## Art. 57 Financial Reporting

The financial reporting of the fund is conducted in accordance with the general accounting principles of Title 20 of the Swiss Code of Obligations (PGR), considering supplementary statutory provisions of the AIFMG and the AIFMV.

<sup>2</sup> In accordance with the Customs Union Agreement (Zollanschlussvertrag) between Switzerland and Liechtenstein, Swiss stamp duty law also applies in Liechtenstein. For the purposes of Swiss stamp duty legislation, the Principality of Liechtenstein is therefore regarded as being domestic.

#### **Art. 58 Reports**

The AIFM prepares an audited annual report and a non-audited semi-annual report for every AIF in compliance with the statutory provisions in the Principality of Liechtenstein, which must be published six months after the conclusion of each financial year at the latest.

Additional audited and non-audited interim reports may also be produced.

#### **Art. 59 Financial year**

The financial year of the AIF can be found in Appendix B "Fund Overview".

#### **Art. 60 Limitation**

Any claims on the part of investors vis-à-vis the AIFM, the liquidator, the trustee or the depository are time-barred five years after the occurrence of the damage, no later however than one year after the redemption of the unit or after knowledge of the damage.

#### **Art. 61 Governing law, place of jurisdiction and authoritative language**

The AIF is governed by the laws of Liechtenstein. The exclusive legal venue for any and all disputes arising between the investors, the AIFM and the depository is Vaduz.

However, with regard to the claims of investors, the AIFM and/or the depository as well as the AIF may submit themselves to the place of jurisdiction of the countries in which the units are offered and sold. Contrary and mandatory statutory places of jurisdiction remain reserved.

The legally binding language for this trust agreement as well as for Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Fund Overview" is German.

Furthermore, reference is made to the provisions of the AIFMG, the provisions of the Civil Code (ABGB), the provisions of the Liechtenstein Persons-and-Companies Act (PGR) on collective trusteeships and the general provisions of the PGR, as amended.

#### **Art. 62 Effective date**

This trust agreement enters into force on 16 April 2026.

16 April 2026

#### **The AIFM:**

CAIAC Fund Management AG, Bendern

#### **The depository:**

Kaiser Partner Privatbank AG, Vaduz

## Appendix A: Organisational structure of the AIFM/AIF

### The organisational structure of the AIFM

|                              |   |
|------------------------------|---|
| <b>AIFM:</b>                 | CAIAC Fund Management AG<br>Haus Atzig, Industriestrasse 2, FL-9487 Bendern   |
| <b>Board of Directors:</b>   | Current status according to the commercial register at the registered office:<br>Office of Justice (AJU), FL-9490 Vaduz |
| <b>Executive Management:</b> | Thomas Jahn<br>Raimond Schuster   |
| <b>Auditor:</b>              | Grant Thornton AG<br>Bahnhofstrasse 15, FL-9494 Schaan  |

### Overview of the AIF

|  |   |
|--|---|
| <b>Name of the AIF:</b>                  | EFEKTA Real Estate Fund   |
| <b>Legal structure:</b>                  | AIF in the legal form of a collective trusteeship in accordance with the law of 19 December 2012 on Alternative Investment Fund Managers (AIFMG). |
| <b>Umbrella structure:</b>               | No  |
| <b>Domicile:</b>                         | Liechtenstein   |
| <b>Date of incorporation of the AIF:</b> | 25 August 2015  |
| <b>Financial year:</b>                   | The financial year of the AIF commences on 01 July and ends on 30 June of the following year.   |
| <b>AIF's accounting currency:</b>        | CZK   |
| <b>Portfolio management:</b>             | CAIAC Fund Management AG<br>Haus Atzig, Industriestrasse 2, FL-9487 Bendern   |
| <b>Distributors in Liechtenstein:</b>    | CAIAC Fund Management AG<br>Haus Atzig, Industriestrasse 2, FL-9487 Bendern   |
| <b>Depository:</b>                       | Kaiser Partner Privatbank AG<br>Herrengasse 23, FL-9490 Vaduz   |
| <b>Auditor:</b>                          | Deloitte (Liechtenstein) AG<br>Egertastrasse 2, FL-9490 Vaduz   |
| <b>Supervisory authority:</b>            | Financial Market Authority Liechtenstein<br>(Finanzmarktaufsicht (FMA) Liechtenstein); <a href="http://www.fma-li.li">www.fma-li.li</a>           |

Further information on the AIF can be found in Appendix B "Fund Overview".

The distribution in Liechtenstein is targeted for professional investors within the context of Directive 2014/65/EU (MiFID II) as well as private investors. For all other countries the provisions pursuant to Appendix C "Specific information for individual distribution countries" apply.

## Appendix B: Fund Overview

### B1 EFEKTA Real Estate Fund

#### B1.1 Fund Overview

| Unit classes <sup>3</sup>  | Unit classes of the AIF  |              |
|--|--|--------------|
|  | Class CZK  | Class EUR    |
| Security number  | 29438909   | 127959586    |
| ISIN   | LI0294389098   | LI1279595865 |
| WKN  | A2JHWJ   | n/a          |
| Term of the AIF  | unlimited  |              |
| Listing  | no   |              |
| Accounting currency of the AIF                                   | CZK  |              |
| Reference currency of the unit classes                           | CZK  | EUR          |
| Minimum investment <sup>4</sup>                                  | CZK 100.-  | EUR 100.-    |
| Initial issue price (equivalent)                                 | CZK 100.- <sup>5</sup>   | EUR 100.-    |
| Initial subscription date  | 23 February 2016   | 31 July 2023 |
| Payment  | 23 February 2016   | 31 July 2023 |
| Valuation day (D)  | end of month   |              |
| Valuation interval <sup>6</sup>                                  | monthly  |              |
| Value issue and redemption date                                  | three bank working days after calculation of the net asset value/NAV   |              |
| Cut-off date for subscriptions (D)                               | valuation day at 4.00 p.m. (CET) at the latest   |              |
| Cut-off date for redemptions / notice period (D-30) <sup>7</sup> | <b>notice period of 30 calendar days<sup>8</sup><br/>before valuation day at 4.00 p.m. (CET) at the latest</b> |              |
| Rounding <sup>9</sup>  | CZK 0.01   | EUR 0.01     |
| Denomination   | two decimal places   |              |
| Securitisation   | book entry form / no certificates issued   |              |
| End of financial year  | each on 30 June  |              |
| Appropriation of proceeds  | accumulating   |              |

#### Distribution Information (investor base)

| Unit classes          | Class CZK | Class EUR |
|-----------------------|-----------|-----------|
| Professional investor | permitted | permitted |
| Private investors     | permitted | permitted |

#### Information about fees, type of fees charged to investors

| Unit classes   | Class CZK              | Class EUR |
|--|------------------------|-----------|
| Maximum issuance fee   | 3%                     |           |
| Maximum redemption fee <sup>10</sup>                                     | none                   |           |
| Maximum conversion fee for the conversion from one unit class to another | no conversion possible |           |

<sup>3</sup> The currency risks of the unit classes issued can be fully or partially hedged.

<sup>4</sup> The detailed subscription conditions are described in Art. 43.

<sup>5</sup> The original initial issue price was CZK 10'000.-, because of a 1: 100 split, this presentation of the issue price is considered appropriate.

<sup>6</sup> With the agreement of the AIFM, special NAVs can be calculated at any time.

<sup>7</sup> If the cut-off time falls on a day on which the banks in Liechtenstein are closed, the cut-off time will be brought forward to the last bank business day.

<sup>8</sup> The notice period may be wholly or partially waived at any time with the agreement of the AIFM. If the end of the month is not a Liechtenstein bank working day, the last Liechtenstein bank working day before the end of the month is relevant for the cut-off time.

<sup>9</sup> Rounding of the NAV per unit at the issuance and redemption of units.

<sup>10</sup> The AIFM may, if deemed necessary and appropriate for the protection of unitholders, apply a "redemption fee" in favor of the AIF in accordance with Art. 46 of the trust agreement or B1.6 of this appendix as a liquidity management instrument (LMT) to manage liquidity risk in the event of redemptions.

**Information about ongoing fees, type of fees charged to the AIF** <sup>11 12 13 14 15</sup>

| Unit classes  | Class CZK  | Class EUR |
|---|--|-----------|
| Maximum depository expenses <sup>16</sup>           | 0.20% p.a.<br>or minimum CHF 15'000.-p.a.  |           |
| Maximum risk management and administration expenses | 0.20% p.a.<br>or minimum CHF 25'000.- p.a.<br>additional for each share class CHF 2'500.- p.a. |           |
| Maximum portfolio management expenses               | 0.20% p.a.<br>or minimum CHF 25'000.- p.a.   |           |
| Maximum distribution expenses                       | 1.20% p.a.   |           |
| Performance fee                                     | none   |           |

**Use of benchmarks**

|           |                                   |
|-----------|-----------------------------------|
| Benchmark | The AIF does not use a benchmark. |
|-----------|-----------------------------------|

**B1.2 AIFM delegation of tasks**
**B1.2.1 Portfolio management**

There is no delegation of tasks. The AIFM act as portfolio manager for this AIF.

**B1.2.2 Distributors**

There is no delegation of tasks. The AIFM act as distributor in Liechtenstein for this AIF.

**B1.3 Investment adviser**

No investment advisor has been engaged.

**B1.4 Depository**

The depository function is carried out by Kaiser Partner Privatbank AG, Herrengasse 23, FL-9490 Vaduz.

**B1.5 Auditor**

Deloitte (Liechtenstein) AG, Egertastrasse 2, FL-9490 Vaduz, is appointed as the auditor.

**B1.6 Investment principles and risk regulations of the AIF**

The following provisions govern the specific fund related investment principles and risk regulations of the **EFEKTA Real Estate Fund**.

**Principles of investment and risk regulations of the AIF in brief**

|   |  |
|---|--|
| <b>Permitted / non-permitted investments and investments techniques / investment limits</b> | See B1.7   |
| <b>Investments in other funds</b>   | Permitted in accordance with the investment guidelines but are generally not a primary investment strategy.<br>The AIF is not a fund-of-funds. |
| <b>Risk management procedures</b>   | Commitment-method  |
| <b>Leverage / total risk<br/>Commitment-method</b>  | The leverage or total risk calculated using the commitment-method, must not exceed <b>200%</b> of the net fund assets.                         |

11 Plus taxes and other costs: transaction costs and expenditure incurred by the AIFM and the depository in the exercising of their functions.

12 The actual fees / expenses charged are specified in the annual report. Details can be found in the trust agreement. Payment is always made quarterly.

13 The expense items stated are calculated cumulatively and do not include the other stated expense items. For details see X. Costs and fees

14 In the event of the liquidation of the AIF, the AIFM can levy a liquidation fee amounting to a maximum of CHF 15'000.- in its favour.

15 Pursuant to Art. 54 of the trust agreement, and in implementation of Article 24 paragraph 2 of Delegated Regulation (EU) No 231/2013, it is hereby disclosed that grants may be made to third parties in connection with this fund. These do not result in any additional costs for the fund, but are calculated as a percentage of the fee rates listed above.

16 The depository is entitled to charge negative interest to the AIF.

|  |  |
|--|--|
| <b>Derivative risk</b>                                       | The risk associated with derivative financial instruments, calculated using the commitment method, may not exceed 100% of the fund's net assets.   |
| <b>Borrowing</b>   | See B1.7   |
| <b>Liquidity Management Tools (LMT)</b>                      | <p><b>Redemptions are subject to the ordinary redemption conditions of the AIF, including the ordinary notice period according to table B1.1.</b></p> <p><b>Furthermore, if deemed necessary and appropriate to protect unitholders, the AIFM will use the following liquidity management tools to manage liquidity risk in the event of redemptions:</b></p> <p><b>Redemption fee</b></p> <p>The AIFM may, if deemed necessary and appropriate to protect the unitholders, use a "redemption fee" in favor of the AIF in a <b>range between 0% and 3%</b> as a liquidity management tool (LMT) to manage liquidity risk in the event of redemptions.</p> <p><b>Extension of the notice period</b></p> <p>In order to protect the interests of investors and ensure adequate liquidity management, the AIFM is entitled, in the event of high redemption requests, insufficient liquidity of the AIF, or under extraordinary market conditions (e.g. pandemics, geopolitical crises, etc.), to extend the ordinary notice period by up to <b>9 months</b>. Should this measure be necessary, a corresponding notification to investors regarding the activation (and corresponding subsequent deactivation) and the modalities will be appropriately published in the publication medium of the AIF.</p> <p><b>Suspension of the calculation of the net asset value as well as the issuance, redemption, and exchange of units.</b></p> <p>The AIFM may temporarily suspend the calculation of the net asset value and/or the issuance, redemption, and exchange of units of the AIF under special circumstances, provided that this is justified in the best interest of the investors.</p> <p><b>Separation of assets ("side pockets")</b></p> <p>The AIFM is entitled to establish "side pockets" in accordance with applicable legal provisions and with prior approval from the Financial Market Authority (FMA) of Liechtenstein. Side pockets serve the separate management of assets that have become illiquid or difficult to value due to extraordinary market conditions or special circumstances. By separating these assets into a newly established fund, it shall be ensured that the ordinary liquidity and valuation of the remaining fund assets are not adversely affected. Side pockets may only be created if it is in the best interests of the investors and the equal treatment of all investors is guaranteed. Investors will be promptly informed about the establishment of a side pocket upon the corresponding approval by the FMA.</p> |
| <b>Sustainability-related disclosure (Art. 6 Funds) SFDR</b> | <p>In accordance with the Taxonomy Regulation (EU) 2020/852 Art. 7, the following declaration is attached:</p> <p>The investments underlying this fund (financial product) do not take into account the EU criteria for environmentally sustainable economic activities.</p>   |
| <b>Consideration of Principle Adverse Impacts (PAI)</b>      | <p>Since this financial product does not constitute a product within the meaning of Article 8 or Article 9 of Regulation (EU) 2019/2088 on sustainability-related disclosure obligations in the financial services sector, no adverse impacts of investment decisions on sustainability factors are included in the investment decision-making process (so-called Principle Adverse Impacts).</p>  |
| <b>Impact of sustainability risks on returns</b>             | <p>Information on the effects of sustainability risks on returns can be found in B1.9.1 "Fund specific risks".</p>   |

### **B1.6.1 Investment objective and investment policy**

The investment objective of the **EFEKTA Real Estate Fund** is to generate regular income from incoming rents and a continual increase in value from the holdings in Real Estate Companies and properties.

The fund acquires holdings in Real Estate Companies<sup>17</sup> or properties in the Czech Republic with sustainable economic development potential, such as office buildings, shopping centers, commercial buildings, hotels, logistics and residential properties. Where possible, the property portfolio is diversified in terms of location and size. In addition holdings in Real Estate Companies<sup>17</sup> in the European Economic Area and other assets specified as permissible in B1.7.1 may be acquired. The EFEKTA Real Estate Fund may only enter into transactions in derivatives in order to hedge existing assets.

Investment decisions are made on the basis of current assessments of the property and capital market.

In accordance with the Taxonomy Regulation (EU) 2020/852 Art. 7, the following declaration is attached:

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

The fund does not take into account any detrimental effects of investment decisions on sustainability factors because it is difficult to obtain information due to the data basis (Art. 7 (2) of (EU) 2019/2088).

<sup>17</sup> See point D. b) - It should be noted that the real estate company may be a SPV.

### **B1.6.2 Accounting currency and reference currency**

The accounting currency of the AIF as well as the reference currency per unit class are given in Appendix B1.1. of this Appendix.

With regard to the accounting currency, this is the currency in which the AIF's books are kept. The reference currency is the currency in which the performance and the net asset value of the relevant unit class of the AIF is calculated, and not the investment currency of the relevant unit class of the AIF. Investments are made in the currencies that are most suitable for the performance of the AIF.

### **B1.6.3 Profile of a typical investor**

The fund is suitable for investors who are able to accept a limited amount of relatively low risk. Due to the investment strategy, investors should be able to accept a possible limited liquidity of the fund. Due to fluctuations in value, investors must be prepared to accept relatively small capital losses.

Real estate investment funds are characterized by the fact that real estate owned by them may have lower liquidity, which means that their sale at an adequate price may take several months. In the event of unfavorable development on real estate market, redemption of fund's shares may even be restricted or suspended.

Please refer to the sections in the general part of the sales prospectus, in particular the suspension of the calculation of the net asset value per share and the issue, redemption or conversion of shares.

**No statement can be made about actual losses or gains through the disclosure of an assessment of the AIF's risk profile.**

**It should be noted that both the weighting of individual risk factors and the characteristics for each risk factor may change over the course of time due to new market conditions. The investor must therefore be aware that the affiliation to an identified risk class may change. In particular, this may be the case if it can be demonstrated in a sustainable manner that the individual risk factors are weighted or evaluated differently due to new market conditions.**

**This assessment of the fund's risk profile is not comparable to the disclosure of the significant risks and opportunities under the risk and opportunities profile in the key investor document. In addition, the risk explanations provided there may differ from the risk warning notice stated in the sales prospectus.**

## **B1.7 Investment provisions**

The following provisions apply in addition for investments in the AIF:

### **B1.7.1 Permitted investments**

The AIF may hold liquid assets and invest its assets in the following investments:

- (i) Real estate in the Czech Republic and another countries of the EEA;
- (ii) Real Estate Companies which has the seat in the Czech Republic and another countries of the EEA;
- (iii) Securities, investment securities, money market instruments, securities from new issues, other financial instruments and other forms of participation, which are traded
  - on a stock exchange or
  - in another regulated market that is open to the public or
  - that are not or only partly admitted to an exchange or to another regulated market that is open to the public
- (iv) Money market instruments;
- (v) Sight deposits or deposits at notice with a term of maximum twelve months
- (vi) Derivative financial instruments,
  - that are traded on an regulated market or multilateral trading facility provider of which has its seat in EU/EEA member state, or accepted/traded on market similar to regulated market with its seat outside EU/EEA if this market has been declared comparable by regulator, provided that underlying value of such derivatives is
    - a. an asset that can be acquired by the AIF pursuant to its investment strategy, or
    - b. interest rate, exchange rate or currency, or
    - c. financial index, which is sufficiently diversified, representative and publicly available.

- that are not traded on markets described in previous paragraph, provided that such derivatives (OTC derivatives):
  - a. have its underlying value related to assets described in a., b. or c. above,
    - i. are valued every working day in reliable and verifiable way,
    - ii. can be terminated or assign by the AIFM from its own initiative for an amount, which can be achieved between the counterparties pursuant to conditions, which are not significantly disadvantageous for one party, or a new derivative compensating underlying assets can be agreed for such amount, and
  - b. are agreed with acceptable counterparty, which is supervised by an EU/EEA member state regulator or supervisory body of other state.
- (vii) Units or shares of domestic and foreign investment funds and/or other investment instruments of collective capital investments - regardless of their legal form. This includes, for example: Hedge funds, CTAs, private equity funds, foreign exchange funds, fund-of-hedge-funds, open-ended or closed-ended, managed accounts and ETFs
- a) The following investments/techniques are not permitted for AIF:**
  - (i) Physical goods (commodities, works of art, antiques, or similar);
  - (ii) Physical investments in precious metals;
  - (iii) Securities lending;
  - (iv) Securities borrowing;
  - (v) Repurchase agreements ("Repos");
  - (vi) Acquire real estate or shares in Real Estate Companies from the AIFM, any portfolio manager of the AIF, any AIF prime broker and/or the depository. The AIFM may, at any time, impose further investment restrictions,
  - (vii) Commodity derivatives
  - (viii) Total Return Swaps<sup>18</sup>

The AIFM may impose further investment restrictions at any time.

**b) The AIF must comply with the following investment restrictions and provisions:**

- (i) The value of a real property acquired by the AIF cannot exceed 20 % of the value of the AIF's assets at the time of its acquisition. After its acquisition by the AIF the value of a real property can exceed this limit for more than 10 % for max. 3 years following the day this limit was firstly exceeded.
- (ii) The value of all properties valued by the comparative method (including such real property owned by the Real Estate Companies) cannot exceed 25 % of the value of the AIF's assets. After its acquisition by the AIF the value of a real property can exceed this limit for more than 10 % for max. 3 years following the day this limit was firstly exceeded.
- (iii) Total value of all plots part of which is a building under construction or all buildings under construction cannot exceed 20 % of the value of the AIF's assets. Total value of all plots determined for construction cannot exceed 20 % of the value of the AIF's assets.
- (iv) All real estate property economic utilization of which is interlocked is deemed to be one real estate for the purpose of the above investment limits calculation.
- (v) At least 10% and a maximum of 49 % of the AIF's NAV have to be invested in liquid assets This liquidity limit can be exceeded in connection with preparation for a real estate asset acquisition or following a sale of an asset by the AIF.
- (vi) The value of a shareholding in any Real Estate Company acquired by the AIF cannot exceed 30 % of the value of the AIF's assets at the time of its acquisition. After its acquisition by the AIF the value of this shareholding can exceed this limit for more than 10 % for max. 3 years following this shareholding acquisition.
- (vii) The AIF can exceed all investment limits for 3 years following its establishment with exception
  - a) limit under (i) above which may be for this time period extended up to 60 %, and
  - b) limit under (ii) above.
- (viii) Total value of all loans and credits provided to the AIF cannot exceed 100 % of the value of the AIF's assets.
- (ix) The fund is not entitled to concede the maximum permitted credit line vis-à-vis the depository. The decision as to whether, how and to what extent credit is granted rests with the depository, in accordance with the credit and risk policy. Under certain circumstances, this policy may change during the fund's maturity.
- (x) The AIF may take only a loan or credit with max. 1 year maturity up to 20 % of the value of the AIF's assets. The maturity of a loan or credit secured by a mortgage or a pledge can be longer.

<sup>18</sup> Total Return Swaps refer to specific over-the-counter derivative financial instruments (OTC derivatives) that the AIF enters into directly with regulated financial institutions as counterparties. Other agreements of the AIF, particularly corporate law agreements, do not fall under this definition.

- (xi) The AIF can take a loan or a credit secured by a mortgage or a pledge solely for the purpose to (a) ensure or increase the state of AIF's real properties or to (b) acquire new real property up to 70 % of the value of the acquired real property.
- (xii) AIF's exposure from derivative transactions has to be fully covered by the assets of the AIF which has to be in any time ready to satisfy all its liabilities from these transactions.
- (xiii) Total value of investment securities or money market instruments issued by the same issuer, value of receivables against such issuer for payments from the account and the value of the counterparty risk arising from financial derivatives concluded with such issuer has not exceed 35 % of the value of the AIF's assets.
- (xiv) The objects and rights belonging to the assets may not be pledged except for permitted borrowing and for permitted transactions with derivative financial instruments.
- (xv) The AIF may invest only into those Real Estate Companies:
  - a) in which only monetary capital contribution are permitted;
  - b) shareholders of which fully repaid their monetary capital contributions;
  - c) which invest solely in real estate property within the territory of the state of its seat;
  - d) which similarly adhere the investment restrictions and provisions of the AIF provided for by this prospectus (excluding the investment limits);
  - e) which evaluate the real estate in its assets similarly as the AIF;
  - f) which invest exclusively in real estate;
  - g) which invest funds, which are not invested in real estate, only in money market instruments;
  - h) which does not participate in any other entity;
  - i) which submit to the AIFM and the depositary
    - i. monthly inventory of its real estates and
    - ii. annually audited financial statements;
  - j) has agreed in case of reduction or disposal of shareholding of any shareholder a pre-emptive right for the benefit of the AIF.
- (xvi) Each investment in any Real Estate Company has to represent at least a majority of votes required for a change of the shareholding agreement or bylaws of the respective Real Estate Company.
- (xvii) Leverage risk / total risk (in % of net assets): maximum leverage: 200%
- (xviii) Derivative risk (please see above that derivatives can be used only for purpose of hedging and other restrictions):
  - a) Net exposure (excluding foreign exchange transactions): 100%
- (xix) Counterparty risk arising from the derivative transactions expressed as a total sum of positive values of these derivatives cannot in relation to one counterparty exceed:
  - a) 10 % of the AIF's assets if the counterparty is central bank, bank with its seat in the EU/EEA member state, foreign bank with its seat outside EU/EEA with prudential requirements similar to EU law, prime broker of collective investment fund or credit union under EU/EWR law`
  - b) 5 % of the AIF's assets in case of other counterparties.
- (xx) There are no further investment restrictions. The AIFM may impose further investment restrictions at any time.

#### **B1.7.2 Use of special purpose vehicles**

The AIFM opens and operates special SPVs for and on behalf of the AIF for the purpose of the fund's investments, in particular property companies.

Each SPV must fulfil the requirements under point f (xiv), be audited annually by an auditing firm and be subject to influence by the AIFM. The exertion of influence may result in particular from the control of cash flows and/or the sole shareholder position.

#### **B1.7.3 Risk management procedure**

For its risk management procedure the AIFM uses the recognised calculation method known as the commitment method.

### **B1.8 Valuation**

Valuation is carried out by the AIFM pursuant to the principles set out in the constitutive documents.

The net asset value (NAV) per unit of a AIF or of a unit class is calculated by the AIFM or a person appointed by him at the end of the accounting financial as well as on the relevant valuation date on the basis of the last known price, taking into account the valuation interval.

The net asset value of a unit in a unit class of a AIF is expressed in the currency of the account of the AIF or, if different, in the reference currency of the respective unit class, and is derived from the share of the particular unit class in the assets of the relevant AIF, reduced by any debt obligations of the AIF that are attributable to the relevant unit class, divided by the number of units in the respective unit class in circulation.

The respective AIF assets are calculated according to the following principles:

- B1.8.1** Securities officially listed on a stock exchange are valued at their last available price. If a security is officially listed on more than one stock exchange, the last available price recorded on the stock exchange that is the principal market of the relevant security will be authoritative.
- B1.8.2** Securities not officially listed on a stock exchange, but traded in a market that is open to the public, are valued at their last available price.
- B1.8.3** Securities or money market instruments with a residual maturity of less than 397 days can be depreciated or credited in linear terms by the difference between the cost price (acquisition price) and the redemption price (price on maturity). A valuation at the current market price may be waived if the redemption price is known and fixed. Any changes in the credit rating are also taken into account;
- B1.8.4** OTC derivatives are valued on a verifiable daily basis to be determined by the AIFM in good faith, in accordance with generally accepted valuation models that are verifiable by auditors on the basis of the sales value that is likely to be achieved.
- B1.8.5** Investment assets such as undertakings for collective investment in transferable securities (UCITS), undertakings for collective investments (UCI), alternative investment funds (AIF), and/or other funds are valued at the last calculated and available net asset value. If the redemption of units has been suspended or no right of redemption exists for close-ended funds or no redemption prices have been determined, these units as well as any other assets will be valued at the relevant market value, as determined by the AIFM in good faith and in accordance with generally accepted valuation models which can be verified by auditors.
- B1.8.6** If no tradable price is available for the relevant assets or if this price does not fairly reflect the actual market value, any such assets as well as any other legally permissible assets will be valued at the relevant market value, as determined by the AIFM in good faith and in accordance with generally accepted valuation models that are verifiable by auditors on the basis of the sales value that is likely to be achieved.
- B1.8.7** Cash and cash equivalents, receivables, advance payments, cash dividends and accrued but not yet collected interest are valued at nominal value, less an appropriate discount if, in the AIFM's assessment, it is unlikely that the nominal value can be fully realized.
- B1.8.8** The market value of securities and other investments denominated in a currency other than that of the relevant AIF will be converted to the relevant AIF currency using the most recent mean rate of exchange.

The AIFM is authorised to temporarily apply other suitable valuation principles for the AIF assets if the aforementioned valuation criteria appear to be infeasible or inappropriate in the light of extraordinary events and this results in a more appropriate valuation of the asset. In the event of a huge number of redemption requests, the AIFM may value the units of the relevant AIF assets on the basis of the prices at which the necessary sale of securities is expected to be made. In this case, the same calculation method will be applied to any issue or redemption applications that were submitted at the same time.

The AIFM carries out the valuation. As part of the evaluation surveys from independent<sup>19</sup> consultants concerning the value respectively recoverability of the assets are used. The surveys are being plausibly and in any case of doubts new surveys are being ordered.

## **B1.9 Risks and risk profile of the AIF**

### **B1.9.1 Fund specific risks**

**The performance of the units depends on the investment policy and the market performance of the individual investments of the AIF and cannot be determined in advance. There is no guarantee that the investment objective will actually be achieved or that there will be an increase in the value of the investments. When the shares are redeemed, the investor may not get back the full amount originally invested in the AIF.**

Due to its investment policy, the risks of this AIF are not comparable with those of other bodies for collective investments in securities within the meaning of the law governing certain bodies for collective investments in securities (law on undertakings for collective investments in transferable securities UCITSG).

For this reason the general risks can be considerably increased. In the following, the general risks with an increased risk profile as well as further fund specific risks are listed.

<sup>19</sup> Independence means being economic independent from the structures of the AIF, its SPVs and involved persons and parties, supporters, investors, etc..

**Interest rate change risk:** Investing in fixed-rate securities is associated with the possibility that the market interest rates existing at the time a fixed-rate security is issued may change. If the market interest rate increases compared to the interest rate at the time of issuance, this usually leads to a decrease in the prices of fixed-income securities. In contrast, if market interest rates fall, the price of fixed-income securities increases. Price changes result in the current yield on the fixed-income security roughly reflecting the current market interest rate. However, price fluctuations vary depending on the (residual) term of the fixed-income security. Fixed-income securities with short terms have lower price risks than fixed-income securities with long terms. Fixed-income securities with short terms typically have lower returns than fixed-income securities with long terms, on the other hand.

**Liquidity risk:** It may not be possible to sell property and other assets held by the special purpose vehicle at short notice. If many investors want to sell shares in the fund at the same time, share redemptions may be suspended in exceptional cases because property held by the special purpose vehicle or holdings in property companies must first be sold in order to provide sufficient liquid assets. There is also the possibility of limited tradeability of the assets in the fund or the possibility that they cannot be traded at all.

**Currency risk:** To the extent that assets are purchased for the fund that are denominated in a currency other than that of the AIF, a currency risk exists. A counterparty risk may also be inherent in hedging transactions.

**Counterparty risk credit and issuer risk:** Holdings, bonds and other claims against special purpose vehicles and other securities issuers may no longer be fulfilled or lose value due to commercial and financial difficulties. The fund may invest into various securities that that may include companies from related parties. The AIFM ensures that the investments made by the fund are at arms' length (reference to risk of conflict of interests).

**Co-investors risk:** The fund may enter into transactions with one or more co-investors in special purpose vehicles or holdings in property companies, including acquisition of participations from these co-investors, that may include companies from related parties. A counterparty risk may also be inherent in these transactions.

**Risk of conflict of interests:** Due to the diverse business activities, the organisation and procedures of the AIF, the AIFM, the depositary, the portfolio manager and the companies associated with these, there is an inherent risk that conflicts of interest may arise. On the basis of the legal regulations and the respective admission requirements, the AIFM takes precautions in order to identify, avoid, or mitigate conflicts of interest. Potentially relevant conflict of interests are published on the AIFM's website at [www.caiac.li](http://www.caiac.li).

**Concentration risk:** As the AIF mainly invests in property companies and properties in the Czech Republic due to its investment policy, the concentration risk is increased in this respect. As a result, the AIF is particularly dependent on the development of the Czech property market and possibly other property markets in the EEA.

As a result of concentration in only a few investments, increased fluctuations in value, especially those resulting from political and economic influences, are possible.

**Settlement risk:** Particularly with investments in unlisted securities, there is a risk that settlement via a transfer system will not be carried out as expected, due to a payment or instalment that is delayed or not in accordance with the agreement.

**Leverage risk:** The use of derivative financial instruments that are not held for hedging purposes can lead to increased risks. Due to the possible use of loans and derivatives, the AIF may have a leverage risk if the permitted limits are used.

The leverage risk may also be increased if the target company increases the investment level of the fund by borrowing or in some other way. This can increase the market risk potential and thus also the risk of loss accordingly. The AIFM expects that the overall risk or leverage according to the commitment method will not generally exceed 200%.

**Valuation risk:** Expert opinions from third parties are used to value the assets and the underlying. It cannot be ruled out that these appraisals are incorrect, resulting in an incorrect valuation. There is a risk that assets are not valued correctly (overvalued or undervalued).

**Operational risks:** The AIFM acts as a company authorised and supervised by the FMA Financial Market Authority Liechtenstein and has implemented a comprehensive operational risk management system within the company. The internal control system identifies, assesses, evaluates and manages relevant operational risks.

#### **Risks related to properties and property project development (at the level of the property company)**

Due to the investment focus of the AIF, there is an increased risk in relation to property investments/projects in the Czech Republic and the European Economic Area, which may have a negative impact on net assets. Investors must be aware of the property and property market risks in this regard and be able to accept the resulting losses if the property market situation deteriorates.

Real estate is subject to specific risks, which can be described as follows:

- The current / forecast rental income may be lower and thus reduce the property value;
- Unforeseen maintenance costs, e.g. the need to rectify construction defects, can have a significant impact on the property value;

- Insurance risks that do not or only partially cover damage, for example, can result in costs that significantly affect the property value;
- The real estate sector could become a strictly regulated market in the future, which could make access to this market more difficult and compromised the fund's earnings base;
- The realisation of properties could be made more difficult by legal or tax changes and changes in the interpretation of existing laws;
- The realisable sales proceeds may be lower if the demand for residential space and/or investments deviates negatively from the current level;
- Financing risks arise from possible / existing bank financing of property investments if the debt service cannot be serviced or can only be partially serviced;
- The realisation of properties can take years, even if experience shows that the average realisation period is 2 years. There is no guarantee for the time component and therefore there is also the risk that the necessary liquidity cannot be made available when fund units are sold and the realisation of the properties must be awaited.

### Location and market risks

**Macroeconomic development** is the risk of a positive or negative change in general economic conditions at a global, national or regional level. This includes all industry sectors. The assessment of the risk takes into account both the current situation and future prospects. A change in the economic development affects a large number of risk factors that are relevant to the property industry, such as property markets, financial markets or operating costs (via the general price level). In the medium term, socio-demographic development is also affected, which in turn leads to a change in the (regional) economic situation. The economic development can also be affected to a limited extent by policy measures.

**Socio-demographic development** is the risk relating to population changes<sup>1</sup>. This refers primarily to a change in the size of the population, but other characteristics such as the number of households and the household size, age distribution, education, employment, children and migration background also play an important role from the perspective of the property industry. Some of these indicators are directly related to economic development (e. g. employment), and others are influenced by it in the medium term. Furthermore, policy measures attempt to exert an influence via various control instruments. Socio-demographic aspects interact with economic development and affect the property market in particular.

**Political, fiscal and legal framework conditions** describe the framework for activity by economic entities as defined by the state<sup>1</sup>. In the first instance, these concern fundamental aspects such as the political order, tax burden, issues such as bureaucracy and administration, as well as the construction of the legal system. In addition to this, changes to the above may result in risks, for example, as a result of additional requirements. Furthermore, this category includes regulatory instruments and incentive measures that are of particular relevance for the property industry, such as tax regulations for property companies, subsidies or building codes. The influence on other risk factors is consequently varied, for example, on economic and socio-demographic development or on property markets.

**Major loss events** refer to all events that adversely affect the property and occur only sporadically and randomly. These are primarily natural disasters such as flooding, storms or hail damage, as well as accidents and disasters, crime, civil unrest or military conflicts – which is especially relevant in the case of investment abroad. It also includes the risk of accidental destruction of the asset. The risk of major loss events must be examined in each case on an individual basis, after which a decision is to be made about suitable countermeasures, such as structural measures. The risk mainly affects the risk to the building fabric.

**Property market risk** relates to the risk of changes in the relevant sub-market of the property market. Differentiating criteria in this context include the region, the type of use, whether the property is for purchase or for rent, new construction or existing stock, and other factors. Changes result from a change on the demand or the supply side, which can affect the volume or the quality of the volume. The property market risk is one of the key risks in the property industry, as changes in rental income and the value of the properties are significantly influenced by this. The principal impact factors affecting the property markets are economic and socio-demographic development, political, fiscal and legal framework conditions and location.

**Location risks:** The value of a property is materially affected by its surroundings in the normal course of dealings. The term location risks includes all value-influencing characteristics of the surrounding environment, with the economic, socio-demographic, political and legal framework conditions being given separate consideration due to their high importance. Location-related factors are differentiated in terms of being either hard or soft location factors, with there being a smooth transition between these. These include the location and topography, public transport connections and infrastructure, use of the surroundings, socio-demographics and the image of a location. Many of these location factors are influenced by policy measures, especially those at a local level. Location risks influence the demand side of the property market in particular.

**Social risks** include risks that have their origin in the social structure of the residents at the location. The negative aspect can be described with the term "social hotspots". The social risks include high unemployment, low educational level, segregation risks, drug addiction, violence and (petty) crime. In terms of the positive aspect, a stable social fabric can also contribute to a stabilising of the neighbourhood. The result is an impact on the operating costs (e.g. due to rectifying vandalism) and on the rental income (e.g. because of rent arrears).

### **Property and project risks**

**Building stock risk** is the risk of physical damage to the building that goes beyond the need for cosmetic repairs. Obsolescence, which refers to the ageing of the building concept, is also a risk. This can be caused by direct impact of external sources, such as a result of major loss events, but also internal property damage, such as fire or water damage. It also includes normal ageing and wear of the building fabric. This can be slowed by maintenance and repair or accelerated by environmental influences. The construction also has an influence in this regard. The risk of obsolescence can be reduced through a flexible primary structure. The condition of the building fabric is also a decisive factor in terms of the possible rental income - including, if applicable, rent reductions – and the management costs.

**Rental value risk** (rental income potential, current rent levels, achievable rent, rental income) is the risk relating to the rent potentially achievable in the market for a corresponding property. It defines the maximum actual rental income – this may be reduced by special factors such as vacancy or loss of rent. Furthermore, the quality of the property management has an influence on whether rent can be realised at the level of the rental value. The rental value is determined by the relationship between supply and demand in the relevant sub-market defined by geography and property type. The rental value is a key risk, as it indirectly affects the value of the property. In addition, the cash flow of the property company depends on the level of the rental income.

**Management cost risks** are risks relating to allocatable and non-allocatable management costs. Allocatable management costs must be borne by the tenant. However, as these are usually included in the total cost for the use, high operating costs reduce the rental value of the property. Non-allocatable management costs are essentially the costs of ongoing maintenance and administration. Management costs have an impact on the net rental income and value growth. They can be minimised by an appropriate construction, in particular high-quality construction and low energy consumption.

**Value growth risk** is the risk that the value of a property may change – both positively and negatively. As value growth is an essential component of the property return, this is a key risk for the economic success of the investment. Value growth is directly related to the level of the net rental income, as investors usually determine the acceptable purchase price of properties on this basis, using the gross rental method. In this respect, changes in the rental value and management costs have a direct effect on the value of the building. The value growth risk thus correspondingly affects the financial situation of the company.

**Legal risks** Legal risks associated with a property include all legal issues related to acquisition, development, leasing and property management. These include, for example, encumbrances of the land, tenancy issues and property owner liability. The legal risks are influenced by the applicable legislation and by the company's management quality. Their impact is mainly financial, depending on the circumstances, on the management costs (that cannot

Project conception risk is the risk of difficulties in marketing real estate due to a building concept that is not in line with the market. This concerns both the marketing by the project developer at the end of the development phase and the rental by the investor in the utilisation phase. The project concept risk is rooted in the project developer's assessment of the current and future location and market situation. It primarily affects the rental value of the property and indirectly its value development. A flexible building concept can mitigate the effects of a misconception.

Financing risks (financial risks, financing risk) of the property under construction are all risks that arise with the interim financing until the sale of the property to a long-term investor and are directly attributable to the property. On the one hand, there is a certain dependence on changes in the capital market, but on the other hand, the course of the project also has an impact on the financing. In particular, additional costs and delays have an impact here, on the one hand because additional capital may have to be procured or interim financing extended, which results in an increase in financing costs. Financing risks in the project in turn affect the financial situation of the company. If real estate projects cannot be completed as planned due to a lack of financing, this may lead to high losses for the investor and, in the worst case, to the total loss of the invested AIF assets.

### ***Sustainability risk***

After assessing the impact of sustainability risks at the level of individual investments, it is determined that, overall, there is a risk of a significant impairment of the AIF return. Due, in particular, to the composition of the portfolio and the absence of an ESG strategy, a potential impact of sustainability risks on the overall portfolio cannot be ruled out.

In the real estate sector in particular, sustainability risks arise from physical climate risks (e.g., extreme weather events or long-term climate change) as well as from transition risks associated with the shift to a low-carbon economy, including regulatory requirements (e.g., energy efficiency and CO<sub>2</sub> emissions), rising operating and financing costs, and changing market and user preferences. These factors can adversely affect the rentability, operating income, valuation, and marketability of real estate.

### **Risks in relation to property companies**

Unlisted property and project companies might have higher levels of loan capital and be more sensitive to negative movements in the market, such as rising interest rates. In addition, these companies carry a higher risk than listed companies of becoming insolvent and going bankrupt.

Investments in unlisted property companies are also subject to higher market and issuer risks than those of listed companies because, due to the following reasons:

- the standards relating to accounting, drawing up balance sheets, auditing and supervision are below the standards for listed investments
- these investments usually have a long-term, illiquid nature and are therefore only fungible to a limited extent
- the investment process in real estate is technically demanding and may therefore be subject to additional risks

#### **B1.9.2 General risks**

In addition to the risks specific to the fund, the AIF's investments may be subject to general risks. A non-exhaustive list of examples can be found in Art. 41 of the trust agreement.

#### **B1.9.3 Risk management procedures**

The AIFM uses the commitment-method as a recognised calculation method for risk management.

#### **B1.10 Costs eligible for reimbursement from the AIF**

An overview of the costs that are reimbursed from the AIF can be found under point B1.1 of the Appendix.

#### **B1.11 Performance fee**

No performance fee will be charged.

16 April 2026

#### **The AIFM:**

CAIAC Fund Management AG, Bendern

#### **The depository:**

Kaiser Partner Privatbank AG, Vaduz

## Appendix C: Specific information for individual distribution countries

The EFEKTA Real Estate Fund is approved for sale and distribution in Liechtenstein and may be offered and / or distributed abroad only in the countries listed below:

### Sales in Czech Republic



#### EFEKTA Real Estate Fund

##### Supplementary information for Czech investors

The following information is intended for potential investors in the EFEKTA Real Estate Fund in the Czech Republic. This information supplements the prospectus and provides further details with regard to sales in the Czech Republic:

##### Credit institute

Kaiser Partner Privatbank AG, Herrengasse 23, FL-9490 Vaduz

Telefon +423 237 83 33, Fax +423 237 80 05

##### Distributor and office at which unit-holders (“investors“) may obtain the required information

EFEKTA obchodník s cennými papíry, a.s., Vlnařská 460/3, Pisárky, 603 00 Brno, Czech Republic

with place of business náměstí Svobody 91/20, 602 00 Brno, Czech Republic

Telefon +420 545 218 972

Web: [www.efekta.cz](http://www.efekta.cz)

The prospectus, in the form of a trust deed, the Key Information Document (PRIIP-KID), the annual and half year financial statements as well as information about subscription and redemption may be obtained free of charge at the above-mentioned office.

##### Publication medium

The net asset value, the issue and redemption price and all other official announcements of the EFEKTA Real Estate Fund are available on the web-site of the LAFV, the Liechtenstein Investment Fund Association at [www.lafv.li](http://www.lafv.li).

##### Other information

The performance of the EFEKTA Real Estate Fund since its inception can be seen in the corresponding financial statements for the relevant financial years of EFEKTA Real Estate Fund and may be examined at the offices of the Czech representative.

The German wording of the prospectus and other documents and publications is authoritative for sales in the Czech Republic.

**Subscriptions are only accepted on the basis of the valid prospectus in conjunction with (i) the most recently published audited annual financial statements of the AIF or (ii) the most recently published half-yearly financial statements in so far as these were published after the annual financial statements.**

Potential purchasers of units are urged to inform themselves about the currency regulations as well as about the relevant legal and fiscal regulations relevant for them.