

# Prospectus

and

# Trust agreement

including fund-specific appendices

Status: 10.2022

## H.A.M. Global Convertible Bond Fund

UCITS under Liechtenstein law  
in the legal form of trusteeship

(hereinafter the "UCITS")

Asset Manager:

HOLINGER ASSET MANAGEMENT AG

Distributor:



HIGHVALUE PARTNERS

Management Company:



## The organization of the UCITS at a glance

<b>Management Company:</b>	IFM Independent Fund Management AG Landstrasse 30, 9494 Schaan
<b>Board of Directors:</b>	Heimo Quaderer HRH Archduke Simeon of Habsburg Hugo Quaderer
<b>Management:</b>	Luis Ott Alexander Wymann Michael Oehry
<b>Asset Manager:</b>	Holinger Asset Management AG Gotthardstrasse 21, CH-8002 Zurich
<b>Investment Advisor:</b>	n/a
<b>Depository:</b>	Liechtensteinische Landesbank AG, Städtle 44, FL-9490 Vaduz
<b>Distributor:</b>	HighValue Partners AG Drescheweg 1a, FL-9490 Vaduz
<b>Auditor:</b>	Ernst & Young AG Schanzenstrasse 4a, CH-3008 Bern

<b>Representative in Switzerland:</b>	LLB Swiss Investment AG Claridenstrasse 20, CH-8002 Zurich
<b>Paying agent in Switzerland:</b>	Helvetic Bank AG Seefeldstrasse 215, CH-8008 Zurich
<b>Facility in for investors Germany:</b>	IFM Independent Fund Management AG Landstrasse 30, FL-9494 Schaan
<b>Contact and information point as well as tax representative in Austria:</b>	Erste Bank der oesterreichischen Sparkassen AG Am Belvedere 1, A-1100 Vienna
<b>"Facilities Agent" in the United Kingdom:</b>	Bank Frick & Co. AG, UK Branch 25 Bedford Square, London WC1B 3HH

## The UCITS at a glance

<b>Name of the UCITS:</b>	<b>H.A.M. Global Convertible Bond Fund</b>
<b>Legal Structure:</b>	UCITS in the legal form of trusteeship ("collective trusteeship") pursuant to the Law of June 28, 2011 on Certain Undertakings for Collective Investment in Transferable Securities (UCITSG)
<b>Umbrella construction:</b>	No, single fund
<b>Founding country:</b>	Liechtenstein
<b>Date of incorporation of the UCITS:</b>	March 14, 2000
<b>Fiscal year:</b>	The financial year of the UCITS shall begin on January 1 and end on December 31
<b>Invoice currency of the UCITS:</b>	Euro (EUR)
<b>Competent supervisory authority:</b>	Financial Market Authority Liechtenstein (FMA); <a href="http://www.fma-li.li">www.fma-li.li</a>

Information on the UCITS can be found in Annex A "The UCITS at a glance".

German is the legally binding language for the trust agreement including fund-specific annexes.

## Notice to investors/restriction on sale

Units of the UCITS shall be acquired on the basis of the prospectus, the trust agreement, and the Key Investor Information Document (the "**KIID**") - as well as the latest annual report and, if already published, the subsequent semi-annual report. Only the information contained in the prospectus and in particular in the trust agreement including Annex A "UCITS at a glance" shall be valid. Upon acquisition of the units, they shall be deemed to have been approved by the investor.

This prospectus does not constitute an offer or invitation to subscribe for units of the UCITS by any person in any jurisdiction in which such offer or invitation is unlawful or in which the person making such offer or invitation is not qualified to do so or is doing so to a person to whom it is unlawful to make such offer or invitation. Information not contained in this Prospectus and Trust Agreement or documents available to the public is deemed to be unauthorized and is not reliable. Prospective investors should inform themselves about possible tax consequences, legal requirements and possible exchange control restrictions or regulations applicable in the countries of their citizenship, residence or domicile which may be significant for the subscription, holding, conversion, redemption or disposal of units. Further tax considerations are explained in Section 10 "Tax Regulations". Annex B "Specific information for individual distribution countries" contains information regarding distribution in various countries. The units of the UCITS are not authorized for distribution in all countries of the world. When units are issued, exchanged, and redeemed abroad, the regulations applicable in those countries shall apply. In particular, the units have not been registered in the United States of America (USA) in accordance with the United States Securities Act of 1933 and may therefore neither be offered nor sold in the USA, nor to US citizens. US citizens are, for example, natural persons who (a) were born in the USA or one of its territories or sovereign territories, (b) are naturalized citizens (or green card holders), (c) were born abroad as the child of a citizen of the USA, (d) reside predominantly in the USA without being a citizen of the USA, (e) are married to a citizen of the USA, or (f) are subject to tax in the USA. The following are also considered US citizens: (a) investment companies and corporations established under the laws of one of the 50 US federal states or the District of Columbia, (b) an investment company or partnership established under an "Act of Congress", (c) a pension fund established as a US trust, (d) an investment company subject to tax in the USA, or (e) investment companies - deemed to be such under Regulation S of the US Securities Act of 1933 and/or the US Commodity Exchange Act. In general, units of the UCITS may not be offered in jurisdictions and to persons in which or to whom this is not permitted.

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# TEILI: THE PROSPECTUS

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The issue and redemption of units of the UCITS shall be made on the basis of the currently valid trust agreement and Annex A "The UCITS at a glance". This trust agreement is supplemented by the latest annual report in each case. If the effective date of the annual report is more than eight months ago, the semi-annual report shall also be offered to the acquirer. In due time before the acquisition of units, the "Key Investor Information Document" (KIID) shall be made available to the investor free of charge.

It is not permitted to provide information or make statements that deviate from the prospectus, trust agreement, Annex A "The UCITS at a glance", or the key investor information. The management company shall not be liable if and to the extent that information or statements are provided that deviate from the current prospectus, trust agreement, or the key investor information.

The prospectus and the trust agreement including Annex A "The UCITS at a glance" are presented here in one document. The essential constituent document of the fund is the trust agreement including Annex A "The UCITS at a glance". Only the trust agreement including the special provisions on investment policy in Annex A "The UCITS at a glance" are subject to the substantive legal review of the Liechtenstein Financial Market Authority (FMA).

## 1 Sales documents

The prospectus, the Key Investor Information Document (KIID), the trust agreement, and Annex A "The UCITS at a glance" as well as the latest annual and semi-annual reports, if already published, may be obtained free of charge on a durable medium from the management company, the depositary, the paying agents, and all distribution agents in Liechtenstein and abroad, as well as from the website of the LAFV Liechtensteiner Anlagenfondsverband at [www.lafv.li](http://www.lafv.li).

Upon request of the investor, the aforementioned documents shall also be made available to him free of charge in paper form. Further information on the UCITS is available on the Internet at [www.ifm.li](http://www.ifm.li) and from IFM Independent Fund Management AG, Landstrasse 30, 9494 Schaan, during business hours.

## 2 The Trust agreement

The trust agreement comprises a general part and Annex A "The UCITS at a glance". The trust agreement and Annex A "The UCITS at a glance" are printed in full in this prospectus. The trust agreement and Annex A "The UCITS at a glance" may be amended or supplemented in whole or in part by the management company at any time. Amendments run to the trust agreement and Annex A "The UCITS at a glance" shall require the prior approval of the FMA.

Any amendment of the trust agreement as well as of Annex A "The UCITS at a glance" shall be published in the organ of publication of the UCITS and shall thereafter be legally binding for all investors. The publication organ of the UCITS is the Internet site of the LAFV Liechtenstein Investment fonds verband [www.lafv.li](http://www.lafv.li).



### 3 General information on the UCITS

The **H.A.M. Global Convertible Bond Fund** (hereinafter: UCITS) was granted a license by the Liechtenstein Government on March 14, 2000, and was entered in the Liechtenstein Commercial Register on March 21, 2000.

The Investment Fund was established pursuant to Art. 3 (2) of the Liechtenstein Law on Investment Undertakings of May 3, 1996 ("Law of May 3, 1996") as a legally dependent open-ended investment fund in the legal form of a collective trusteeship.

On June 13, 2012, the FMA approved the trust agreement adapted to the requirements of the Liechtenstein Law of June 28, 2011, on undertakings for collective investment in transferable securities (hereinafter: UCITSG) and Annex A "UCITS at a glance". The trust agreement and Annex A "UCITS at a glance" entered into force for the first time on June 30, 2012.

The trust agreement and Annex A "UCITS at a glance" were approved by the FMA on October 06, 2022, and entered into force on October 14, 2022. The amendment of the performance fee, which will come into force on January 1, 2023, remains reserved.

The UCITS is a legally dependent undertaking for collective investment in securities of the open-end type and is subject to the law of 28 June 2011 on certain undertakings for collective investment in transferable securities.

The UCITS has the legal form of a collective trusteeship. A collective trusteeship is the entering into of a substantively identical trusteeship with an indefinite number of investors for the purpose of asset investment and management for the account of the investors, whereby the individual investors participate in this trusteeship according to their share and are personally liable only up to the amount of the investment.

The UCITS is not an umbrella structure and is therefore an individual fund.

The management of the UCITS consists primarily in investing the funds raised from the public for collective account in securities and/or in other liquid financial assets pursuant to Art. 51 UCITSG in accordance with the principle of risk diversification. The UCITS shall form special assets for the benefit of its investors. In the event of the dissolution and bankruptcy of the management company, the special assets shall not be part of the bankruptcy estate of the management company.

The investment objects in which the management company may invest the money and the provisions it must observe in doing so are derived from the UCITSG, the trust agreement, and Annex A "UCITS at a glance".

The securities and other assets of the UCITS are managed in the interest of the investors. The investors alone are entitled to the entire assets of the UCITS in proportion to their units. Claims of investors and creditors which are directed against the UCITS or which have arisen on the occasion of the formation, during the existence or upon the liquidation of the UCITS shall be limited to the assets of the UCITS.

With the acquisition of units of the UCITS, each investor acknowledges the trust agreement incl. fund-specific appendices, which determines the contractual relationships between the investors, the management company, and the depositary, as well as the duly executed amendments to this document. With the publication of amendments to the trust agreement and prospectus, the annual or semi-annual report or other documents on the website of the LAFV Liechtenstein Investment Fund Association [www.lafv.li](http://www.lafv.li), these amendments are binding for the investors.

The investors participate in the assets of the UCITS in proportion to the units they have acquired.

The shares are not securitized but are only held in book-entry form, i.e. no certificates are issued. There is no provision for a meeting of investors. By subscribing or acquiring units in the investor is aware of the trust agreement and Annex A "The UCITS at a glance". Investors, Er ben or other persons may not demand the division or dissolution of the UCITS. The details of the UCITS are described in Annex A "The UCITS at a glance".

All units of the UCITS shall in principle embody the same rights, unless the management company decides to issue different unit classes within the UCITS.

### **3.1 Duration of the UCITS**

The duration of the UCITS is shown in Annex A "UCITS at a glance".

### **3.2 Share classes**

The management company is authorized to form several unit classes within the UCITS which may differ from the existing unit classes with respect to the application of income, the issue premium, the reference currency and the use of currency hedging transactions, the management fee, the minimum investment amount, or a combination of these features. However, the rights of investors who have acquired units from existing unit classes remain unaffected by this.

The unit classes established in connection with the UCITS, as well as the fees and remunerations arising in connection with the units of the UCITS, are specified in Annex A "The UCITS at a glance". For further information on the unit classes, please refer to section 8.2.

### **3.3 Performance to date of the UCITS**

The past performance of the UCITS or its unit classes is listed on the website of the LAFV Liechtenstein Investment Fund Association at [www.lafv.li](http://www.lafv.li) or in the KIID. The past performance of a unit is no guarantee for the current and to future performance. The value of a unit may rise or fall at any time.

## **4 Organization**

### **4.1 Country of domicile / Competent supervisory authority**

Liechtenstein / Financial Market Authority Liechtenstein (FMA); [www.fma-li.li](http://www.fma-li.li).

### **4.2 Legal relations**

The legal relationship between the investors and the Management Company is governed by the Law of 28 June 2011 on Undertakings for Collective Investment in Transferable Securities (UCITSG) and the Ordinance of 5 July 2011 on Undertakings for Collective Investment in Transferable Securities (UCITSV) and, to the extent that no provisions are made therein, by the provisions of the Persons and Companies Act (PGR) on trusteeship.

### **4.3 Management Company**

IFM Independent Fund Management Aktiengesellschaft (hereinafter: Verwaltungsgesellschaft), Landstrasse 30, 9494 Schaan, commercial register number FL-0001-532-594-8.

IFM Independent Fund Management AG was incorporated on October 29, 1996, in the form of a stock corporation for an unlimited duration. The government granted the management company a license to commence business activities on November 26, 1996. The management company has its registered office and head office in Schaan, Principality of Liechtenstein. The Management Company is licensed by the Liechtenstein supervisory authority pursuant to Chapter III of the Law of 28 June 2011 on Undertakings for Collective Investment and is registered on the official list of Liechtenstein management companies.

The share capital of the management company amounts to 1 million Swiss francs and is 100% paid up.

The management company shall manage the UCITS for the account and in the exclusive interest of the investors in accordance with the principle of risk diversification and pursuant to the provisions of the trust agreement and Annex A "The UCITS at a glance".

The management company is vested with the most extensive rights to perform all administrative and managerial mes si al acts in its name for the account of the investors. In particular, it is authorized to buy, sell, subscribe to, and exchange securities and other assets, and to exercise all rights relating to the assets of the UCITS.

An overview of all UCITS managed by the management company can be found on the website of the LAFV Liechtenstein Investment Fund Association at [www.lafv.li](http://www.lafv.li).

#### 4.3.1 Board of Directors

President:	Heimo Quaderer, Managing Partner of Principal Vermögensverwaltung AG, Schaan
Members:	H.K. K. H. Simeon von Habsburg, Archduke of Austria, Managing Partner of Principal Vermögensverwaltung AG, Schaan
	Hugo Quaderer, Independent Director of IFM Independent Fund Management AG, Schaan

#### 4.3.2 Management

Chairman:	Luis Ott, Managing Director
Members:	Alexander Wymann, Deputy Managing Director
	Michael Oehry

### 4.4 Asset Manager

Holinger Asset Management AG, Gotthardstrasse 21, CH-8002 Zurich, acts as asset manager for the UCITS.

Holinger Asset Management AG is an independent and highly specialized asset manager focusing on convertible bond investments and is prudentially supervised by the Swiss Financial Market Supervisory Authority FINMA.

The task of the asset manager is, in particular, the independent daily implementation of the investment policy and the management of the day-to-day business of the UCITS as well as other related services under the supervision, control, and responsibility of the

management company. These tasks shall be performed in compliance with the principles of the investment policy and the investment restrictions of the UCITS as described in this prospectus, as well as with the statutory investment restrictions.

The Asset Manager has the right to seek advice from third parties at its own expense and responsibility.

The exact execution of the mandate is governed by an asset management agreement concluded between the management company and Holinger Asset Management AG.

#### **4.5 Investment Advisor**

No investment advisor has been appointed.

#### **4.6 Distributor**

The distribution agent for the UCITS is HighValue Partners AG, Drescheweg 1a, FL-9490 Vaduz.

The exact execution of the order is governed by a distribution agreement concluded between the management company and HighValue Partners AG.

#### **4.7 Depository**

The depository for the UCITS is Liechtensteinische Landesbank AG, Städtle 44, FL-9490 Vaduz.

Liechtensteinische Landesbank Aktiengesellschaft has been in existence since 1861. The bank's main activities are investment advice and asset management as well as lending business. Further information on the depository (e.g. annual reports, brochures, etc.) can be obtained directly at its registered office or online at its web site [www.llb.li](http://www.llb.li).

The depository shall hold the financial instruments eligible for safekeeping in custody for the account of the UCITS. It may entrust them in whole or in part to other banks, financial institutions, and recognized clearing houses that meet the legal requirements for safekeeping.

The function of the depository and its liability are governed by the UCITSG and the corresponding ordinance as amended from time to time, the depository agreement, and the constituent documents of the UCITS. It acts independently of the management company and exclusively in the interest of the investors.

The UCITSG provides for a separation of the management and custody of UCITS. The depository holds the financial instruments eligible for safekeeping in separate accounts opened in the name of the UCITS or of the management company acting on behalf of the UCITS and monitors whether the management company's instructions concerning the assets comply with the provisions of the UCITSG and the constituent documents. For these purposes, the depository shall in particular monitor the UCITS' compliance with the investment restrictions and leverage limits.

Furthermore, the depository shall keep the unit register of the UCITS on behalf of the management company.

The duties of the depository are governed by Art. 33 UCITSG. The depository shall ensure that

- ◆ The sale, issue, redemption, payment, and cancellation of units of the UCITS shall be carried out in accordance with the provisions of the UCITSG and the constituent documents,
- ◆ the units of the UCITS are valued in accordance with the provisions of the UCITSG and the constituent documents,
- ◆ in the case of transactions with assets of the UCITS, the countervalue is transferred to the UCITS within the usual deadlines,
- ◆ the income of the UCITS is used in accordance with the provisions of the UCITSG and the constituent documents;
- ◆ the cash flows of the UCITS are properly monitored and, in particular, to ensure that all payments made by investors or on behalf of investors upon the subscription of units of a UCITS have been received and that all funds of the UCITS have been accounted for in accordance with the provisions of the UCITSG and the constituent documents.

#### **Sub-custody**

The depositary may delegate the custody task to other companies (sub-custodians). The depositary may delegate the custody task to other companies (sub-depositaries). A list of the sub-custodians used for the custody of the assets held in the name and for the account of the UCITS may be requested from the depositary.

No conflicts of interest arise from this transfer.

#### **Information about the depositary**

The investors of the UCITS have the possibility at any time to personally request from the depositary, free of charge, up-to-date information on the tasks and duties of the depositary, the sub-depositaries, the possible conflicts of interest in connection with the activity of the depositaries and the sub-depositaries, as well as information on the UCITS at the contact details mentioned above.

The depositary is subject to the provisions of the Liechtenstein FATCA agreement and the corresponding implementing regulations in the Liechtenstein FATCA law.

### **4.8 Auditor of the UCITS and the management company**

Ernst & Young AG, Schanzenstrasse 4a, CH-3008 Bern

The UCITS and the management company shall have their business activities audited annually by an auditor independent of them and recognized by the FMA pursuant to the UCITSG fer.

## **5 General investment principles and restrictions**

The assets of the UCITS shall be invested in compliance with the principle of risk diversification within the meaning of the rules of the UCITSG and in accordance with the investment policy principles described in Article 28 of the trust agreement and in Annex A "The UCITS at a glance" and within the investment restrictions.

### **5.1 Aim of the investment policy**

The objective of the investment policy of the UCITS is described in Annex A "The UCITS at a glance".




## 5.2 Investment policy of the UCITS

The fund-specific investment policy is described for the UCITS in Annex A "The UCITS at a glance".

The general investment principles and investment restrictions set forth in Articles 27 and 28 of the trust agreement shall apply to the UCITS, unless deviations or additions are contained in Annex A "The UCITS at a glance".

### 5.2.1 ESG Integration

As part of its investment objective, the UCITS provides that the asset manager shall take into account factors such as environmental, social, and good corporate governance, so-called ESG factors, in its investment analysis, its decision-making processes, and the practice of actively exercising shareholder rights. In this context, sustainability risks are also taken into account, which may have significant material negative effects on the return of an investment of the UCITS in a decisive manner. The aforementioned ESG factors relate, among others, to the following topics:

 E	 S	 G
<b>Environmental - Umwelt</b>	<b>Social - Soziales</b>	<b>Corporate Governance - Unternehmensführung</b>
<ul style="list-style-type: none"> <li>• Climate protection</li> <li>• Adaptation to climate protection</li> <li>• Biodiversity protection</li> <li>• Sustainable use and protection of water and marine resources</li> <li>• Transition to a circular economy, waste prevention and recycling</li> <li>• Pollution prevention and control</li> <li>• Protection of healthy ecosystems</li> <li>• Sustainable land use</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with recognized labor standards (no child labor, no forced labor, no discrimination)</li> <li>• Compliance with occupational safety and health protection</li> <li>• Appropriate remuneration, fair conditions at the workplace, diversity, and opportunities for training and continuing education (equal opportunities)</li> <li>• Ensuring sufficient product safety, including health protection</li> <li>• Equal requirements for companies in the supply chain</li> <li>• Social commitment</li> </ul>	<ul style="list-style-type: none"> <li>• Tax Honesty</li> <li>• Measures to prevent corruption</li> <li>• Sustainability management by management</li> <li>• Sustainable compensation policy</li> <li>• Enabling Whistle Blowing</li> <li>• Ensuring data protection</li> <li>• Disclosure of information</li> <li>• Anti-Money Laundering</li> <li>• Risk and reputation management</li> </ul>

### 5.2.2 Consideration of sustainability risks

Sustainability is understood to mean ecological (Environment - E) and social (Social - S) as well as good corporate governance (Governance - G). In this context, the UCITS pursues an overall ESG approach in which the sustainable orientation of the UCITS is to be ensured by taking into account various sustainability factors. Sustainability factors in this context include employee, social, and environmental concerns, the observance of human rights, and the fight against corruption and bribery.

The material sustainability risks are analyzed by the asset manager and thus extend the classic fundamental analysis to include financially relevant sustainability risks. The analysis of sustainability risks is based on publicly available information from issuers (e.g. annual and sustainability reports) or internal research, as well as using data and ESG ratings from research or rating agencies.

Sustainability risks can have a significant impact on all known risk types (market risk, liquidity risk, counterparty risk and operational risk) and contribute as a factor to the materiality of these risk types. Companies in which investments are made may be subject to physical climate change risks such as. increasing frequency and intensity of acute extreme weather events (e.g. heat waves, storms, floods) and longer-term chronic changes in mean values and ranges of variation of various climate variables (e.g. temperature, precipitation levels, sea levels).

#### **5.2.3 Impact on the return on investment**

Consideration of sustainability factors can have a material impact on the performance of an investment over the long term. Issuers with poor sustainability standards may be vulnerable to event, reputational, regulatory, litigation and technology risks. These sustainability risks may impact, among other things, operations, brand or company value, and the continued existence of the company or investment. The occurrence of these risks may lead to a negative valuation of the investment, which in turn may have an impact on the return of the UCITS.

### **5.3 Invoice -/reference currency of the UCITS**

The accounting currency of the UCITS as well as the reference currency per unit class are specified in Annex A "The UCITS at a glance".

The accounting currency is the currency in which the accounts of the UCITS are kept. The reference currency is the currency in which the performance and the net asset value of the unit classes are calculated. The investments are made in the currencies which are optimally suited for the performance of the UCITS.

### **5.4 Profile of the typical investor**

The profile of the typical investor of the UCITS is described in Annex A "UCITS at a glance".

## **6 Investment regulations**

### **6.1 Approved plants**

The UCITS may invest the assets for the account of its investors from conclusively in one or more of the following assets:

#### **6.1.1 Securities and money market instruments:**

- a) which are listed or traded on a regulated market within the meaning of Art. 4 par. 1 fig. 21 of Directive 2014/65/EU;
- b) which are traded on another regulated market of an EEA Member State which is listed on er , open to the public and which operates in accordance with the regulations ;



- c) officially listed on a stock exchange of a third country or traded on another market of a European, American, Asian, African or Oceanian country that is recognized, open to the public and operates in an orderly manner.

#### **6.1.2 Securities from new issues, provided that:**

- a) the terms and conditions of issue contain the obligation that the admission to official listing or to trading on one of the stock exchanges mentioned in section 6.1.1 a) to c) or on one of the markets mentioned therein has been applied for regul , and
- b) such approval is obtained no later than one year after the issue.

**6.1.3** units of UCITS and other undertakings for collective investment comparable with a UCITS within the meaning of Art. 3(1)(17) UCITSG, provided that, according to their constituent documents, such UCITS may invest no more than 10% of their assets in units of another UCITS or comparable undertakings for collective investment;

**6.1.4** Sight deposits or callable deposits with a term of no more than twelve months with credit institutions that have their registered office in an EEA member state or a third country whose supervisory law is equivalent to EEA law;

**6.1.5** Derivatives whose underlying assets are investment items within the meaning of Art. 51 UCITSG or financial indices, interest rates, exchange rates or currencies. In the case of transactions with OTC derivatives, the counterparties must be supervised institutions of a category approved by the FMA and the OTC derivatives must be subject to a reliable and verifiable valuation on a daily basis and must be able to be sold, liquidated, or closed out by an offsetting transaction at any time at fair value at the initiative of the UCITS;

**6.1.6** Money market instruments that are not traded on a regulated market, provided that the issue or issuer of such instruments is subject to regulations on deposit and investor protection:

- a) issued or guaranteed by a central, regional or local authority or the central bank of an EEA Member State, the European Central Bank, the Community or the European Investment Bank, a third state or, if it is a federal state, by one of the members of the federation or by a public international body of which at least one EEA Member State is a member ;
- b) issued by a company whose securities are traded on the regulated markets referred to in subparagraph (a);
- c) issued or guaranteed by an institution subject to prudential supervision in accordance with the criteria laid down in EEA law or by an institution whose prudential law is equivalent to EEA law and which complies with that law; or
- d) issued by an issuer belonging to a category approved by the FMA, provided that investments in these instruments are subject to investor protection provisions equivalent to those in letters a to c and the issuer is a company with equity capital of at least EUR 10 million and prepares its annual financial statements in accordance with the provisions of Directive 78/660/EEC, implemented in Liechtenstein by PGR, or is a legal entity belonging to a group which is responsible for financing the group of companies with at least one company listed on the stock exchange no or is a legal entity which is to finance the value pa pier of liabilities by using a credit line granted by a bank.

**6.1.7** The management company may also hold cash and cash equivalents.



## 6.2 Non-permitted installations

The management company may not:

- 6.2.1 invest more than 10% of the assets of the UCITS in securities and money market instruments other than those mentioned in item 6.1;
- 6.2.2 Acquire precious metals or certificates on precious metals;
- 6.2.3 still engage in uncovered short selling.

## 6.3 Investment limits

### A. The following investment limits must be observed for the UCITS:

- 6.3.1 The UCITS may invest no more than 5% of its assets in securities or money market instruments of the same issuer and no more than 20% of its assets in deposits of the same issuer.
- 6.3.2 The default risk from transactions of the UCITS with OTC derivatives with a credit institution as counterparty which has its registered office in an EEA member state or a third country whose supervisory law is equivalent to that of EEA law may not exceed 10% of the assets of the UCITS; in the case of other counterparties, the maximum default risk shall be 5% of the assets.
- 6.3.3 Provided that the total value of the securities and money market instruments of the issuers in each of which the UCITS invests more than 5% of its assets does not exceed 40% of its assets, the issuer limit specified in item 6.3.1 shall be raised from 5% to 10%. The limit of 40% shall not apply to deposits or to transactions with OTC derivatives with supervised financial institutions. The securities and money market instruments pursuant to section 6.3.5 and the debt securities pursuant to section 6.3.6 are not taken into account when the increase is applied.
- 6.3.4 Notwithstanding the individual upper limits pursuant to subsections 6.3.1 and 6.3.2, a UCITS may not combine the following if this would result in an investment of more than 20% of its assets with one and the same institution:
  - a) securities or money market instruments issued by that entity;
  - (b) Deposits with that institution;
  - c) OTC derivatives acquired by that entity.
- 6.3.5 If the securities or money market instruments are issued or guaranteed by an EEA member state or its local authorities, by a third country or by a public international institution to which at least one EEA member state belongs, the upper limit of 5% specified in section 6.3.1 is raised to a maximum of 35%.
- 6.3.6 If Notes are issued by a credit institution which has its registered office in an EEA Member State and which, by virtue of statutory provisions for the protection of the holders of such Notes, is subject to special public supervision and, in particular, is required to invest the proceeds from the issue of such Notes in assets which, during the whole period of validity of the Notes, are sufficient to cover the liabilities arising therefrom and which, in the event of the failure of the issuer, would be used on a priority basis for the repayment of the principal and the interest due, the upper limit of 5% specified in No. 6.3.1 is raised from 5% to a maximum of 25%. In this case, the total value of the investments may not exceed 80% of the assets of the UCITS.

- 6.3.7** The limits specified in items 6.3.1 to 6.3.6 may not be cumulated. The maximum issuer limit is 35% of the assets of the UCITS.
- 6.3.8** Companies of the same corporate group shall be considered as a single issuer for the calculation of the investment limits provided for in item 6.3. For investments in securities and money market instruments of the same company group, the issuer limit shall be raised to a total of 20% of the assets of the UCITS.
- 6.3.9** The UCITS may invest no more than 10% of its assets in units of other UCITS or in other undertakings for collective investment comparable to a UCITS.
- 6.3.10** If the investments under item 6.3.9 constitute a substantial part of the assets of the UCITS, the fund-specific annex must provide information on the maximum amount and the annual report on the maximum share of the management fees to be borne by the UCITS itself and by the undertakings for collective investment under item 6.3.9 whose units have been acquired.
- 6.3.11** If units are managed directly or indirectly by the management company of the UCITS or by a company with which the Verwalter company of the UCITS is linked by common management, control, or qualified participation, neither the management company of the UCITS nor the other company may charge fees for the issue or redemption of units to or from the UCITS.
- 6.3.12** A management company shall not acquire voting shares of the same issuer for any UCITS managed by it with which it can exercise a significant influence on the management of the issuer. A notable influence shall be presumed from 10% of the voting rights of the issuer. If in another EEA member state a lower limit applies to the acquisition of voting shares of the same issuer, this limit shall be decisive for the Verwalter company if it acquires shares of an issuer domiciled in this EEA member state for a UCITS.
- 6.3.13** The UCITS may use financial instruments of the same issuer in an amount not exceeding:
- 10% of the issuer's capital stock is acquired insofar as non-voting shares are concerned;
  - 10% of the total nominal amount of the issuer's outstanding debt securities - or money market instruments are acquired, insofar as debt securities or money market instruments are concerned. This limit need not be observed if the total nominal amount cannot be determined at the time of acquisition;
  - 25% of the units of the same undertaking are acquired, insofar as units of other UCITS or of undertakings for collective investment comparable to a UCITS are concerned. This specific limit need not be observed if the net amount cannot be determined at the time of acquisition.
- 6.3.14** Clauses 6.3.12 and 6.3.13 are not applicable:
- on securities and money market instruments issued or guaranteed by a government issuer;
  - to shares held by the UCITS in the capital of a company of a third country which invests its assets mainly in securities of issuers domiciled in this third country, if, due to the legal provisions of this third country, a shareholding similar to the represents the only possibility for the UCITS to make investments in securities of issuers of this country. In this context, the requirements of the UCITSG shall be observed;
  - to shares held by management companies in the capital of their subsidiaries which organize in the country of establishment exclusively for the management company the repurchase of shares at the request of investors.

In addition to the listed restrictions pursuant to sections 6.3.1 - 6.3.14, any further restrictions in Annex A "The UCITS at a glance" must be observed.

## **B. The investment limits may be deviated from in the following cases:**

- 6.3.15** The UCITS must not comply with the investment limits when exercising subscription rights from securities or money market instruments belonging to its assets, but must correct them within a reasonable period of time.
- 6.3.16** In the event of a breach of the investment limits, the Management Company shall have as its primary objective the normalization of this situation, taking into account the interests of the investors.
- 6.3.17** The UCITS may deviate from the investment limits of this chapter "General investment principles and restrictions" within the first six months after its liberation. Sections 6.1 and 6.2 shall remain unaffected by this exception and shall be complied with at all times. The requirement of risk diversification must continue to be complied with.

## **C. Active investment limit violations:**

- 6.3.18** Any loss incurred as a result of an active violation of the investment limits/investment regulations must be reimbursed to the UCITS without delay in accordance with the applicable rules of conduct.

## **6.4 Limitation on borrowing and prohibition on granting loans and guarantees**

- 6.4.1** The assets of the UCITS may not be pledged or otherwise encumbered, transferred by way of security, or assigned by way of security, except in the case of borrowings within the meaning of subsection 6.4.2 below or in the case of collateral furnished in connection with the settlement of transactions in financial instruments.
- 6.4.2** Borrowing by the UCITS is limited to temporary loans where the borrowing does not exceed 10% of the assets of the UCITS; the limit does not apply to the acquisition of foreign currencies through a "back-to-back loan".
- 6.4.3** A UCITS may neither grant loans nor act as guarantor for third parties. Agreements violating these prohibitions bind neither the UCITS nor the investors.
- 6.4.4** Section 6.4.3 does not preclude the acquisition of financial instruments that are not yet fully paid up.

## **6.5 Derivatives use, techniques and instruments**

The total risk associated with derivatives may not exceed the total net value of the assets of the UCITS. The management company may, as part of the investment strategy, make investments in derivatives within the limits set forth in Art. 53 UCITSG, provided that the total risk of the underlying assets does not exceed the investment limits of Art. 54 UCITSG. When calculating this risk, the market value of the underlying assets, the default risk, future market fluctuations and the liquidation period of the positions are taken into account.

Unless the protection of investors and public interest are opposed, investments of the UCITS in index-based derivatives shall not be taken into account with regard to the ceilings of Art. 54 UCITSG.

If a derivative is embedded in a security or a money market instrument, it must also be taken into account with regard to compliance with the provisions of Art. 54 UCITSG.

With the approval of the FMA, the UCITS may use techniques and instruments involving securities and money market instruments for the efficient management of the portfolios in compliance with the provisions of the UCITSG. These transactions must be taken into account when determining the overall risk.

#### **6.5.1 Risk management procedures**

The management company shall use a basic model for calculating the risks arising from the investment instruments, in particular in relation to derivative financial instruments, and shall use generally recognized calculation methods for this purpose. It must ensure that at no time does the risk from derivative financial instruments exceed the total value of the portfolio and, in particular, that no positions are taken that represent an unlimited risk for the assets. When measuring the overall risk, both its default risk and the leverage effect achieved with derivative financial instruments must be taken into account. Combinations of derivative financial instruments and securities must also comply with these requirements at all times.

The management company may use the following derivative financial instruments, techniques, and instruments for the UCITS, in particular son :

#### **6.5.2 Derivative financial instruments**

The management company may enter into derivative transactions for the UCITS for the purpose of hedging, efficient portfolio management, the generation of additional income, and as part of the investment strategy. This may increase the risk of loss of the UCITS, at least temporarily.

The risk associated with derivative financial instruments may not exceed 100% of the net fund assets. The total risk may not exceed 200% of the respective net fund assets. In the case of borrowing permitted under the UCITSG (section 6.4.2), the total risk must not exceed 210% of the respective net fund assets .

The Management Company applies the Modified Commitment Approach as a risk management procedure.

The management company may exclusively employ the following basic forms of derivatives or combinations of these derivatives or combinations of other assets which may be acquired for the UCITS with these derivatives in the respective UCITS:

**6.5.2.1** Forward contracts on securities, money market instruments, financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC, interest rates, exchange rates or currencies;

**6.5.2.2** Options or warrants on securities, money market instruments, financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC, interest rates, exchange rates or currencies and forward contracts pursuant to subsection 6.5.2.1 if

- ◆ exercise is possible either during the entire term or at the end of the term, and
- ◆ the option value is a fraction or a multiple of the difference between the strike price and the market price of the underlying and becomes zero if the difference has the other sign;

**6.5.2.3** interest rate swaps, currency swaps or cross-currency interest rate swaps;

**6.5.2.4** options on swaps pursuant to subsection 6.5.2.3, provided they have the characteristics described in subsection 6.5.2.2 (swaptions);

**6.5.2.5** Credit default swaps, provided they exclusively and verifiably serve to hedge the credit risk of precisely allocable assets of the UCITS.

The above-mentioned financial instruments can be independent assets or components of assets.

#### **Forward contracts**

The management company may, for the account of the UCITS and within the scope of the investment principles, enter into futures contracts on securities and money market instruments which may be acquired for the UCITS as well as on financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC, interest rates, exchange rates, or currencies. Futures contracts are unconditional agreements for both contracting parties to buy or sell a certain quantity of a certain underlying asset at a predetermined price on a certain date, the maturity date, or within a certain period of time.

#### **Option transactions**

The management company may, for the account of the UCITS and within the scope of the investment principles, buy and sell call options and put options on securities and money market instruments as well as on financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC, interest rates, exchange rates, or currencies, and may trade in warrants. Option transactions involve granting a third party, for a consideration (option premium), the right to demand the delivery or acceptance of assets or the payment of a difference by contract during a certain period or at the end of a certain period at a price agreed in advance (strike price) or also to acquire corresponding option rights. The options or warrants must provide for exercise during the entire term or at the end of the term. In addition, the option value at the time of exercise must be a fraction or a multiple of the difference between the strike price and the market price of the underlying and must become zero if the difference has the other sign.

#### **Swaps**

The management company may conclude interest rate swaps, currency swaps, and cross-currency interest rate swaps for the account of the UCITS within the scope of the investment principles. Swaps are exchange contracts in which the payment flows or risks underlying the transaction are exchanged between the contracting parties from .

#### **Swaptions**

Swaptions are options on swaps. For the account of the UCITS, only such swaptions may be acquired which consist of the options and swaps described above. A swaption is the right, but not the obligation, to enter into a swap specified precisely with respect to its terms and conditions at a certain point in time or within a certain period of time. In all other respects, the principles set out in connection with options transactions apply.

#### **Credit default swaps**

Credit default swaps are credit derivatives that allow a potential credit default volume to be transferred to others. In return for assuming the credit default risk, the seller of the risk pays a premium to its contracting party. The management company may acquire for the UCITS only one times standardized credit default swaps which are used to hedge individual credit risks in the UCITS. In all other respects, the statements regarding swaps shall apply accordingly.

#### **Financial instruments evidenced by securities**

The management company may also acquire the financial instruments described above if they are securitized. In this case, the transactions involving financial instruments may also be only partially contained in securities (e.g. warrant bonds). The statements on opportunities and risks apply accordingly to such securitized financial instruments, but with the proviso that the risk of loss in the case of securitized financial instruments is limited to the value of the security.

#### **OTC derivatives transactions**

The Management Company may enter into derivatives transactions that are admitted to trading on an exchange or included in another organized market, as well as so-called over-the-counter (OTC) transactions.

Derivatives transactions not admitted to trading on a stock exchange or included in another organized market may be entered into by the management company only with suitable credit institutions or financial services institutions on the basis of standardized master agreements. In the case of derivatives traded over the counter, the counterparty risk with respect to a contracting party shall be limited to 5% of the value of the assets of the UCITS. If the contracting party is a credit institution domiciled in the European Union, the European Economic Area, or a third country with a comparable level of supervision, the counterparty risk may amount to up to 10% of the value of the assets of the UCITS. Derivatives transactions traded over the counter and concluded with a central clearing office of a stock exchange or another organized market as contracting party shall not be counted toward the counterparty limits if the derivatives are subject to daily valuation at market prices with daily margin calls.

However, claims of the UCITS against an intermediary shall be counted toward the limits even if the derivative is traded on an exchange or other organized market.

#### **6.5.3 Securities lending**

The Management Company does not engage in securities lending transactions.

#### **6.5.4 Repurchase agreements**

The management company does not engage in repurchase agreements.

#### **6.5.5 Collateral policy and investment of collateral**

##### **General**

In connection with transactions in OTC financial derivatives and efficient portfolio management techniques, the management company may accept collateral in the name and for the account of the UCITS in order to reduce its counterparty risk. This section sets forth the collateral policy applied by the management company in such cases. All assets accepted by the management company in the name and for the account of the UCITS within the scope of efficient portfolio management techniques (securities lending, securities repurchase agreements, reverse repurchase agreements) shall be treated as collateral for the purposes of this section.

##### **Permissible collateral and strategies for its diversification and correlation**

The Management Company may use the collateral it accepts to reduce counterparty risk if it complies with the criteria set forth in the applicable laws, regulations and guidelines issued by the FMA from time to time, particularly with respect to liquidity, valuation, creditworthiness of the issuer, correlation, risks associated with the management of collateral and realizability. Collateral should meet the following conditions in particular:



### **Liquidity**

Any collateral other than cash or demand deposits shall be highly liquid at a transparent price and shall be traded on a regulated market or within a multi-lateral trading facility. In addition, collateral with a short settlement cycle shall be preferred over collateral with a long settlement cycle, as it can be converted into cash more quickly.

### **Evaluation**

The value of the collateral must be calculated at least on each trading day and must always be up-to-date. The inability to independently determine the value endangers the UCITS. This also applies to "mark to model" valuations and rarely traded assets.

### **Credit rating**

The issuer of the collateral has a high credit rating. If the credit rating is not very high, haircuts must be applied. In the event of strong volatility in the value of the collateral, this is only permissible if suitable conservative haircuts are applied.

### **Correlation**

The security is not issued, issued or guaranteed by the counterparty or by a company belonging to the counterparty's group and does not show a high correlation with the counterparty's performance. However, investors' attention is drawn to the fact that in a difficult market environment, experience has shown that the correlation between different issuers increases massively, regardless of the type of security.

### **Diversification of collateral**

The collateral received is sufficiently diversified in terms of countries, markets as well as issuers. The criterion of sufficient diversification with regard to issuer concentration shall be deemed to be met if the UCITS receives collateral where the maximum exposure to a single issuer does not exceed 20% of the net asset value of the UCITS. In the case of collateral from several securities lending transactions, OTC derivative transactions, and repurchase agreements which are attributable to the same issuer, issuer, or guarantor, the total exposure vis-à-vis this issuer shall be added together for the purpose of calculating the overall risk limit. By way of derogation from this sub-item, UCITS may be fully collateralized by various securities and money market instruments issued or guaranteed by an EEA Member State, one or more of its local authorities, a third country, or a public international body to which at least one EEA Member State belongs. These UCITS should hold securities issued within the scope of at least six different issues, whereby the securities from a single issue should not exceed 30% of the net asset value of the UCITS.

A UCITS may deviate from these regulations in accordance with the provisions under 6.3.5 - 6.3.7 above.

### **Custody and recovery**

Provided that ownership of the transferred collateral has passed to the management company for the UCITS, the collateral received shall be held in custody by the depositary of the UCITS. Otherwise, the collateral must be held by a third-party custodian which is subject to prudential supervision and is independent of the service provider or is legally secured against the default of the related party.

It must be ensured that the UCITS can liquidate the collateral at any time without delay and without reference to or consent of the counterparty.

### Collateral investment

Collateral, with the exception of demand deposits (cash and cash equivalents), may not be sold, reinvested or pledged.

Collateral consisting of liquid assets (demand deposits and callable deposits) must be used exclusively in one of the following ways:

- ◆ Investment in demand deposits pursuant to Art. 51 (1) d UCITSG with a term of no more than twelve months at credit institutions domiciled in an EEA member state or a third country whose supervisory law is equivalent to that of the EEA;
- ◆ debt securities issued by sovereigns with high credit ratings;
- ◆ Investments within the scope of a repurchase agreement within the meaning of Art. 70 UCITSV, provided that the counterparty to the repurchase agreement is a credit institution domiciled in an EEA member state or a third country whose supervisory law is equivalent to that of the EEA;
- ◆ Investments in money market funds with a short maturity structure in accordance with ESMA/ 2014/937 item 43 subparagraph j.

The reinvestment of demand deposits and callable deposits shall comply with the provisions regarding risk diversification of non-cash collateral.

In order to assess the value of collateral which is exposed to a non-negligible fluctuation risk, the UCITS must apply prudent haircut rates. The management company shall have a valuation haircut policy (haircut strategy) for the UCITS for each type of asset received as collateral and shall take into account the characteristics of the assets, such as in particular the creditworthiness as well as the price volatility of the respective assets, and the results of the stress tests performed. The haircut policy shall be documented and, with regard to the respective types of assets, shall make any decision to apply or refrain from applying a haircut understandable.

### Amount of collateral

The Management Company determines the required level of collateral for OTC derivative transactions and efficient portfolio management techniques by reference to the counterparty risk limits applicable according to the Prospectus and taking into account the nature and characteristics of the transactions, the creditworthiness and identity of the counterparties and the prevailing market conditions.

### Haircuts rules

Collateral is valued daily using available market prices and taking into account appropriately conservative haircuts determined by the management company for each asset class based on its haircut rules. Depending on the type of collateral received, these rules take into account various factors such as the creditworthiness of the issuer, the maturity, the currency, the price volatility of the assets and, where applicable, the outcome of liquidity stress tests performed by the Management Company under normal and exceptional liquidity conditions. The table below sets forth the haircuts that the Management Company considers appropriate as of the date of this Prospectus. These values are subject to change from time to time.

Hedging instrument	Valuation multiplier (%)
Account balances (in reference currency of the UCITS)	95
Account balances (not in reference currency of the UCITS)	85



Hedging instrument	Valuation multiplier (%)
Government bonds [debt securities issued or explicitly guaranteed by the following countries (does not include, for example, implicitly guaranteed debt): Austria, Belgium, Denmark, France, Germany, the Netherlands, Sweden, the United Kingdom and the United States, provided that each of these countries has a minimum rating of AA-/Aa3 and such debt securities can be marked to market on a daily basis]	
Term ≤ 1 year	90
Maturity > 1 year and remaining term ≤ 5 years	85
Maturity > 5 years and remaining term ≤ 10 years	80
Corporate debt securities (debt securities issued or explicitly guaranteed by a corporation (other than a financial institution) that (i) have a minimum rating of AA-/Aa3, (ii) have a residual maturity of 10 years or less, and (iii) are denominated in an OECD currency).	
Term ≤ 1 year	90
Maturity > 1 year and remaining term ≤ 5 years	85
Maturity > 5 years and remaining term ≤ 10 years	80

### Total return swaps

Total return swaps may be transacted for the UCITS. Total return swaps are derivatives in which all income and value fluctuations of an underlying are exchanged for an agreed fixed interest payment. One contracting party, the protection buyer, thus transfers the entire credit and market risk from the underlying asset to the other contracting party, the protection seller. In return, the protection buyer pays a premium to the protection seller. The management company may enter into total return swaps for the UCITS for hedging purposes and as part of the investment strategy. In principle, all assets that may be acquired for the UCITS or its sub-fund may be the object of total return swaps. Up to 100 percent of the assets of the UCITS may be the subject of such transactions. The management company expects that in individual cases no more than 50 percent of the sub-fund's assets will be subject to total return swaps. However, this is merely an estimated value which may be exceeded in individual cases. The income from total return swaps - after deduction of transaction costs - accrues in full to the UCITS.

The counterparties for total return swaps are selected according to the following criteria:

- ◆ Price of the financial instrument,
- ◆ Cost of execution of the order,
- ◆ 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 (e.g. creditworthiness of the counterparty)

The criteria can be weighted differently depending on the type of trading order.

#### 6.5.6 Investments in units in other UCITS or in other undertakings for collective investment comparable to a UCITS

The UCITS may invest a maximum of 10% of its assets in units in other UCITS or in other undertakings for collective investment comparable to a UCITS. These other undertakings for collective investment may, according to their prospectus or

their constituent documents, invest no more than 10% of their assets in units of another UCITS or another comparable undertaking for collective investment.

Investors' attention is drawn to the fact that additional indirect costs and fees are incurred at the level of the indirect investments, as well as remuneration and fees charged, which are, however, charged directly to the individual indirect investments.

If units are managed directly or indirectly by the management company of the UCITS or by a company with which the management company of the UCITS is linked by common management, control, or qualified participation, neither the management company of the UCITS nor the other company may charge fees for the issue or redemption of units to or from the UCITS.

#### **6.5.7 Use of reference values ("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 ("benchmark") in financial instruments and financial contracts or to measure the performance of a collective investment undertaking, regulated entities (such as UCITS management companies and AIFMs) may use benchmarks within the meaning of the Benchmark Regulation ("Benchmark Regulation") in the EU if the benchmark is provided by an administrator registered in the Administrators and Benchmarks Directory maintained by ESMA pursuant to the Benchmark Regulation (the "Directory").

Benchmarks may be used by the UCITS in the key investor information documents (KIID) and in any marketing documents as a reference for comparison purposes in order to measure the performance of the UCITS against them. The UCITS is actively managed and the asset manager is thus free to decide in which securities it invests. Consequently, the performance may deviate significantly from that of the benchmark. The benchmark index, if used by the management company or the asset manager on its behalf, is indicated in Annex A "The UCITS at a glance".

The benchmark index may change over time. In this case, the prospectus and Annex A "UCITS at a glance" of the constituent documents shall be updated at the next opportunity and the investors shall be informed by notice in the organ of publication as well as in the media mentioned in the prospectus or by means of durable data carriers (letter, fax, e-mail, or the like).

In addition, the UCITS may/can use benchmarks for the calculation of performance-related fees. Detailed information on the possible investment performance fee can be found in section 11.2 of this prospectus and in Annex A "The UCITS at a glance".

With respect to a benchmark index, the Management Company assumes no liability 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 methods.

The management company has drawn up a written plan with measures it will take with regard to the UCITS if the index changes significantly or is no longer provided. Information relating to this plan is available free of charge upon request at the registered office of the management company.

## 7 Risk information

### 7.1 Fund-specific risks

**The performance of the units depends on the investment policy as well as on the market development of the individual investments of the UCITS and cannot be determined in advance. In this context, it should be noted that the value of the units may rise or fall at any time against above the issue price. It cannot be guaranteed that the investor will get back his invested capital.**

The fund-specific risks of the UCITS can be found in Annex A "The UCITS at a glance".

### 7.2 General risks

In addition to the fund-specific risks, the investments of the UCITS may be subject to general risks.

All investments in a UCITS are associated with risks. Each risk may also occur together with other risks. Some of these risks are briefly discussed in this section. It should be noted, however, that this is not an exhaustive list of all possible risks.

**Potential investors should be aware of the risks associated with an investment in the units and should not make an investment decision until they have obtained comprehensive advice from their legal, tax, and financial advisors, auditors, or other experts on the suitability of an investment in units of this UCITS, taking into account their personal financial and tax situation and other circumstances, the information contained in this prospectus and trust agreement, and the investment policy of the UCITS.**

#### Market risk

This is a general risk associated with all investments, consisting in the possibility that the value of a particular investment may change adversely on the unit value of the UCITS.

#### Price risk

Losses in value of the investments in which the UCITS invests may occur. In this case, the market value of the investments develops unfavorably compared to the cost price. Likewise, investments are exposed to different price fluctuations (volatility). In extreme cases, the complete loss of value of the respective investments may be imminent.

#### Economic risk

This is the risk of price losses resulting from the fact that economic developments are not or not correctly taken into account when making investment decisions, and that securities are therefore invested at the wrong time or held in an unfavorable economic phase.

#### Concentration risk

The investment policy may provide for focal points, which may lead to a concentration of investments, e.g. in certain assets, countries, markets, or sectors. In this case, the UCITS is particularly dependent on the development of these assets, countries, markets, or industries.

#### Interest rate risk

Insofar as the UCITS invests in interest-bearing securities, it is exposed to an interest rate risk. If the market interest rate level rises, the market value of the interest-bearing securities belonging to the assets may drop considerably. This applies to a greater extent insofar as the assets also hold interest-bearing securities with longer remaining terms to maturity and lower nominal interest rates.

#### Currency risk

If the UCITS holds assets denominated in foreign currency(ies), it is exposed to a direct currency risk (to the extent that foreign currency positions are not hedged). Falling exchange rates lead to a reduction in the value of the foreign currency assets. In addition to direct currency risks, there are also indirect currency risks. Internationally active companies are more or less dependent on exchange rate developments, which can also indirectly affect the price development of investments.

#### **Monetary value risk**

Inflation can reduce the value of the assets' investments. The purchasing power of the invested capital decreases if the inflation rate is higher than the return on the investments.

#### **Psychological market risk**

Sentiment, opinions and rumors can cause a significant decline in share prices, even though the earnings situation and future prospects of the companies in which investments are made need not have changed in the long term. Psychological market risk has a particular impact on equities.

#### **Risks from derivative financial instruments**

The UCITS may use derivative financial instruments. These may not only be used for hedging purposes, but may also constitute a part of the investment strategy. The use of derivative financial instruments for hedging purposes may change the general risk profile through correspondingly lower opportunities and risks. The use of derivative financial instruments for investment purposes may affect the general risk profile through additional opportunities and risks.

Derivative financial instruments are not investment instruments in their own right, but are rights whose valuation -is derived primarily from the price and price fluctuations and -expectations of an underlying asset. Investments in derivatives are subject to general market risk, management risk, credit risk and liquidity risk.

However, due to the special features of the derivative financial instruments (e.g. leverage), the risks mentioned may be of a different nature and may in some cases be higher than the risks associated with an investment in the underlying instruments. Therefore, the use of derivatives requires not only an understanding of the underlying instrument, but also a sound knowledge of the derivatives themselves.

Derivative financial instruments also entail the risk that the UCITS may incur a loss because another party involved in the derivative financial instrument (as a rule, a "counterparty") fails to meet its obligations.

The credit risk for derivatives traded on an exchange is generally lower than the risk for over-the-counter (OTC) derivatives because the clearing house, which acts as the issuer or counterparty of each derivative traded on the exchange, provides a settlement guarantee. There is no comparable clearing house guarantee for derivatives traded over-the-counter. An OTC derivative may therefore not be closed out.

There are also liquidity risks, as certain instruments may be difficult to buy or sell. If derivative transactions are particularly large, or if the relevant market is illiquid (as may be the case with over-the-counter derivatives), transactions may not be able to be fully executed at all times or a position may only be liquidated at increased cost.

Further risks in connection with the use of derivatives lie in incorrect price determination or valuation of derivatives. Many derivatives are complex and often subjectively valued. Inappropriate valuations may lead to increased cash payment demands by counterparties or to a loss of value for the UCITS. Derivatives do not always bear 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 UCITS does not always represent

an effective means of achieving the investment objective of the UCITS, but may sometimes even have opposite effects.

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

If the UCITS carries out off-exchange transactions (OTC transactions/ efficient portfolio management techniques), it may thereby be exposed to risks in connection with the creditworthiness of the OTC counterparties: when concluding futures contracts, options and swap transactions, securities lending, securities repurchase agreements, reverse repurchase agreements, or using other derivative techniques, the UCITS shall be subject to the risk that an OTC counterparty does not (or cannot) meet its obligations under a specific contract or several contracts. The counterparty risk may be reduced by depositing collateral. If the UCITS is owed collateral pursuant to applicable agreements, such collateral shall be held in safe custody by or for the depositary for the benefit of the UCITS. Cases of bankruptcy, insolvency, or other credit default events at the depositary or within its sub-depositary/correspondent bank network may result in the rights of the UCITS in connection with the collateral being postponed or otherwise restricted. If the UCITS owes collateral to the OTC counterparty under applicable agreements, such collateral shall be transferred to the OTC counterparty as agreed between the UCITS and the OTC counterparty. Cases of bankruptcy, insolvency, or other credit default events at the OTC counterparty, the depositary, or within its sub-depositary/correspondent bank network may result in the delay, restriction, or even exclusion of the rights or recognition of the UCITS with respect to the collateral, which would force the UCITS to fulfill its obligations under the OTC transaction notwithstanding any collateral provided in advance to cover such obligation.

The risk associated with the management of collateral, such as in particular the operational or legal risk, is identified, managed and mitigated by the risk management applied to the UCITS.

The UCITS may disregard the counterparty risk, provided that the value of the collateral, valued at the market price and with reference to the appropriate discounts, exceeds the amount of the risk at any time.

The UCITS may incur losses when investing the cash collateral it has received. Such a loss may result from a decrease in the value of the investment made with the cash collateral received. If the value of the invested cash collateral falls, this reduces the amount of collateral that was available to the UCITS for return to the counterparty when the transaction was concluded. The UCITS would have to cover the difference in value between the collateral originally received and the amount available for return to the counterparty, which would result in a loss to the UCITS.

#### **Liquidity risk**

Assets may also be acquired for the UCITS that are not admitted to a stock exchange or included in another organized market. Thus, there may be a risk that these assets may be resold with a time delay, at a discount, or not at all.

Assets that are traded on an organized market may also be subject to the risk that the market is not liquid at certain times. This may mean that the assets cannot be sold at the desired time and/or in the desired quantity and/or at the desired price.

#### **Counterparty risk**

The risk is that contractual partners (counterparties) fail to fulfill their contractual obligations to perform transactions. The UCITS may incur a loss as a result.

#### **Issuer risk (credit risk)**

The deterioration of solvency or even the bankruptcy of an issuer can mean at least a partial loss of assets.

### **Country or transfer risk**

Country risk is the term used when a foreign debtor, despite being solvent, is unable to provide services on time or at all due to a lack of transfer capability or willingness on the part of its country of domicile (e.g., due to foreign exchange restrictions, transfer risks, moratoria, or embargoes). For example, payments to which the UCITS is entitled may fail to materialize or may be made in a currency that is no longer convertible due to foreign exchange restrictions.

### **Operational risk**

Operational risk is the risk of loss to fund assets resulting from inadequate internal processes and from human or system failure at the management company or from external events and includes legal, documentation and reputational risks as well as risks resulting from the trading, settlement and valuation procedures operated for a fund's assets.

### **Settlement risk**

In particular, when investing in unlisted securities, there is a risk that settlement by a transfer system may not be executed as expected due to a delayed payment or delivery that is not in accordance with the agreement.

### **Key person risk**

The UCITS, whose investment result is very positive in a certain period, owes this success also to the suitability of the acting persons and thus to the correct decisions of their management. However, the personnel composition of the fund management may change. New decision makers may then act less successfully.

### **Legal and tax risk**

The purchase, holding, or sale of investments of the UCITS may be subject to tax regulations (e.g. withholding tax deduction) outside the country of domicile of the UCITS. Furthermore, the legal and tax treatment of UCITS may change in unforeseeable and uncontrollable ways. A change in incorrectly determined tax bases of the UCITS for previous financial years (e.g. due to external tax audits) may, in the event of a correction which is fundamentally disadvantageous for the investor from a tax point of view, result in the investor having to bear the tax burden from the correction for previous financial years, even though he may not have been invested in the UCITS at that time. Conversely, the investor may be faced with the situation that a correction for the current and for previous business years in which he was invested in the UCITS, which is in principle advantageous from a tax point of view, no longer benefits him due to the redemption or sale of the units prior to the implementation of the corresponding correction. In addition, a correction of tax data may result in taxable income or tax advantages actually being assessed for tax purposes in a different assessment period than is actually applicable, and this may have a negative effect on the individual investor.

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

If the EU or third-country index provider 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 UCITS if a benchmark index is used. In certain cases, this may prove difficult or impossible. If a suitable substitute benchmark cannot be identified, this may have a negative impact on the relevant UCITS-under certain circumstances also on the ability of the asset manager to implement the investment strategy of the relevant UCITS. Moreover, compliance with the benchmark regulation may result in additional costs for the relevant UCITS. The benchmark index may change over time. In this case, the prospectus shall be updated at the next opportunity and investors shall be informed by notice in the organ of publication as well as in the media mentioned in the prospectus or by means of durable data carriers (letter, fax, e-mail, or the like).



### **Custody risk**

The custody of assets involves a risk of loss that may result from insolvency or breaches of the custodian's duty of care or from force majeure.

### **Change in investment policy and fees**

By changing the investment policy within the legally and contractually permissible investment spectrum, the risk associated with the UCITS may change. The management company may increase the fees to be charged to the UCITS and/or substantially change the investment policy of the UCITS within the applicable trust agreement at any time by amending the prospectus and the trust agreement including Annex A "The UCITS at a glance".

### **Amendment of the trust agreement**

In the trust agreement, the management company reserves the right to amend the trust conditions. Furthermore, according to the trust agreement, it is possible for the management company to dissolve the UCITS entirely or to merge it with another UCITS or a subfund. For the investor, there is therefore the risk that he may not be able to realize his planned holding period.

### **Risk of suspension of redemption**

In principle, investors may request the management company to redeem their units in accordance with the valuation interval of the UCITS. However, the management company may temporarily suspend the redemption of units in the event of extraordinary circumstances, and redeem the units only later at the then valid price (see in detail "Suspension of the calculation of the net asset value and of the issue, redemption, and conversion of units"). This price may be lower than the price prior to the suspension of redemption. A suspension of redemption of units may be directly followed by a dissolution of the UCITS.

### **Hedging risk**

Share classes whose reference currency is not the same as the portfolio currency can be hedged against exchange rate fluctuations. This is intended to protect the investors of the respective unit class as far as possible against possible losses due to negative exchange rate developments, but at the same time they cannot fully benefit from positive exchange rate developments. Due to fluctuations in the volume hedged in the portfolio as well as ongoing subscriptions and redemptions, it is not always possible to maintain hedges at exactly the same level as the net asset value of the unit class being hedged. It is therefore possible that the net asset value per unit in a hedged unit class will not develop identically to the net asset value per unit in an unhedged unit class.

### **ESG investment risk**

The UCITS may intend to invest its assets in companies with measurable societal outcomes, as determined by the management company or asset manager, and to screen out certain companies and industries. The key measured societal outcomes are ESG-related. This may impact the UCITS' exposure to certain companies or industries, and the UCITS will forgo certain investment opportunities. The results of the UCITS may be lower than other UCITS that do not seek to invest in companies based on expected ESG outcomes and/or screen out certain companies or industries. The management company or asset manager strives to identify companies that they believe may have positive ESG impacts. However, investors may have different views on what constitutes positive or negative ESG impacts. As a result, the UCITS may invest in companies that do not reflect the beliefs and values of a particular investor or investor group.

The fund-specific risks of ESG investments of the UCITS can be found in Annex A "UCITS at a glance". In addition, further information on sustainability-related disclosures can be found in Annex D.

### Sustainability risks

The term "sustainability risks" is understood to mean the risk of an actual or potential loss in value of an investment due to the occurrence of environmental, social or corporate governance (ESG = Environment/Social/ Governance) events. These effects may have an impact on the net assets, financial position, and results of operations of the UCITS. Sustainability risks can have a significant impact on all known risk types (market risk, liquidity risk, counterparty risk, and operational risk) and contribute as a factor to the materiality of these risk types. Companies in which the UCITS invests may be subject to physical risks of climate change such as temperature fluctuations, sea level rise, etc.

The management company or asset manager incorporates sustainability risks into its investment decisions in accordance with its corporate strategy.

Details on the method of inclusion and the results of the valuation are disclosed in Annex A "UCITS at a glance". In addition, further information on the sustainability-related disclosures can be found in Annex D.

## 8 Participation in UCITS

### 8.1 Sales restrictions

In general, units of the UCITS may not be offered in jurisdictions and to persons in which or vis-à-vis which this is not permitted. The units of the UCITS are not authorized for distribution in all countries of the world. When units are issued, exchanged, and redeemed abroad, the provisions applicable in the respective country shall apply.

In particular, the shares have **not** been registered in the United States of America (USA) under the United States Securities Act of 1933 and may therefore not be offered or sold in the USA or to US persons.

For example, U.S. citizens are those individuals who (a) were born in the U.S. or one of its territories or possessions, (b) are naturalized citizens (or green card holders), (c) were born abroad as the child of a U.S. citizen, (d) reside primarily in the U.S. without being a U.S. citizen, (e) are married to a U.S. citizen, or (f) are subject to U.S. tax.

The following are also considered to be U.S. persons: (a) investment companies and corporations organized under the laws of any of the 50 U.S. states or the District of Columbia, (b) an investment company or partnership organized under an Act of Congress, (c) a pension fund organized as a U.S. trust, (d) an investment company subject to U.S. tax, or (e) investment companies that qualify under Regulation S under the U.S. Securities Act of 1933 and/or the U.S. Commodity Exchange Act.

### 8.2 General information on the shares

The shares are held in book-entry form only, i.e. there will be no certificates issued.

The management company is authorized to create, abolish, or combine several unit classes within the UCITS which may differ from the existing unit classes with respect to, for example, the use of profits, the issue premium, the reference currency and the use of currency hedging transactions, the management fee, the minimum investment amount, or a combination of these features. However, the rights of investors who have acquired units from existing unit classes shall remain unaffected.

Currently, there are unit classes with the designations "**CHF-A**", "**EUR-A**", "**GBP-A**", "**USD-A**", "**CHF-D**", "**EUR-D**", "**GBP-D**", and "**USD-D**". Units of unit classes "**EUR-A**" and "**EUR-D**" shall be denominated in the accounting currency of the UCITS, the euro, units of unit classes



"CHF-A" and "CHF-D" in Swiss francs. Units of unit classes "USD-A" and "USD-D" are issued and redeemed in US dollars, and units of unit classes "GBP-A" and "GBP-D" in British pounds. The currency risks of the currency classes issued in CHF, GBP and USD may be hedged in whole or in part; this may have a negative impact on the NAV of the currency class issued in EUR. The possible costs of a currency hedge of the CHF, USD and GBP unit classes are allocated to the corresponding unit class.

The unit classes issued in connection with the UCITS, as well as the fees and remunerations arising in connection with the units of the UCITS, are specified in Annex A "The UCITS at a glance". Institutional investors who have concluded a separate agreement with the management company or the asset manager are entitled to invest in the unit classes "CHF-D", "EUR-D", "GBP-D", and "USD-D" subject to compliance with the minimum investment.

In addition, certain other fees, remunerations, and costs are paid out of the assets of the UCITS. In this regard, see items 10 and 11 (tax regulations and costs and fees).

### 8.3 Calculation of the net asset value per unit

The net asset value (NAV) per unit of the respective unit class is calculated by the management company at the end of the accounting year and on the respective valuation date on the basis of the last known prices, taking into account the valuation interval.

The NAV of a unit in a unit class of the UCITS is expressed in the accounting currency of the UCITS or, if different, in the reference currency of the respective unit class and results from the quota of the assets of the UCITS attributable to the respective unit class, reduced by any debt obligations of the UCITS allocated to the respective unit class, divided by the number of outstanding units of the respective unit class. It shall be rounded as follows when units are issued and redeemed:

- ◆ to CHF 0.01 if it is the Swiss franc; and
- ◆ to EUR 0.01 if the currency is the euro; and
- ◆ to 0.01 GBP if it is the British pound; and
- ◆ to 0.01 USD if it is the US dollar.

The net fund assets are valued at fair value according to the following principles:

1. Securities that are officially listed on a stock exchange are valued at the last available price. If a security is officially listed on several stock exchanges, the last available price on the stock exchange that is the main market for this security shall be decisive.

Securities which are not officially listed on a stock exchange but which are traded on a market open to the public shall be valued at the last available price. If a security is traded on various markets open to the public, the last available price of the market with the highest liquidity shall be taken into account.

Securities or money market instruments with a residual term of less than 397 days can be written down or up on a straight-line basis at the difference between the cost price (purchase price) and the redemption price (price at final maturity). Valuation at the current market price can be omitted if the repayment price is known and fixed. Any changes in creditworthiness are also taken into account.

4. Investments whose price is not in line with the market and those assets which do not fall under item 1, item 2 and item 3 above shall be valued at the price which would probably be obtained by diligent sale at the time of valuation and which is determined in good faith by the management of the management company sell or under its direction or supervision by representatives.

5. OTC derivatives shall be valued on a daily basis, to be determined and verifiable by the Management Company, as determined by the Verwalter company in good faith and in accordance with generally accepted valuation models verifiable by auditors, on the basis of the probable attainable sales value.

UCITS or other undertakings for collective investment (UCI) shall be valued at the last determined and available net asset value. If the redemption of units is suspended or if no redemption prices are determined, these units, as well as all other assets, shall be valued at the respective market value as determined by the management company in good faith and according to generally accepted valuation models verifiable by auditors.

If no tradable price is available for the respective assets, these assets, as well as the other legally permissible assets, shall be valued at the respective market value as determined by the management company in good faith and in accordance with generally recognized valuation models verifiable by auditors on the basis of the probable sales value.

8. Cash and cash equivalents are measured at their nominal value plus accrued interest.
9. the market value of securities and other investments denominated in a currency other than the respective fund currency shall be converted into the corresponding fund currency at the last mean rate of exchange .

The management company is entitled to temporarily apply other adequate valuation principles to the assets of the UCITS if the above-mentioned criteria for valuation appear impossible or inappropriate due to extraordinary events. In the event of massive redemption requests, the management company may value the units of the corresponding assets of the UCITS on the basis of the prices at which the necessary sales of securities are expected to be effected . In this case, the same calculation method shall be applied to subscription and redemption applications submitted simultaneously.

#### **8.4 Issue of shares**

Units of the UCITS shall be issued on each valuation day (issue day) from at the net asset value per unit of the corresponding unit class of the UCITS, plus any issue premium and plus any taxes and duties.

The shares are not certificated as securities.

Subscription applications must be received by the depositary by the acceptance deadline at the latest. If a subscription application is received after the acceptance deadline, it will be earmarked for the following issue date. For applications placed with sales agents in Germany and abroad, earlier closing times may apply for the submission of applications in order to ensure timely forwarding to the depositary in Liechtenstein. These can be obtained from the respective distribution agents.

Information on the issue date, the valuation interval, the acceptance deadline, and the amount of the maximum issue premium, if any, can be found in Annex A "The UCITS at a glance".

The payment must be received within the period specified in Annex A "UCITS at a glance" after the relevant issue date.

The Management Company shall ensure that the issue of units is settled on the basis of a net value per unit unknown to the investor at the time of application (forward pricing).

All taxes and duties arising from the issue of units will also be charged to the investor if applicable. If units are acquired via banks that are not entrusted with the distribution of the units, it cannot be ruled out that such banks will charge further transaction costs.

If payment is made in a currency other than the reference currency, the equivalent value from the conversion of the payment currency into the reference currency, less any fees, is used to purchase units.

The minimum investment that must be held by an investor in a given unit class can be found in Annex A "The UCITS at a glance". The minimum investment may be waived at the discretion of the management company.

Contributions in kind are not permitted.

The Management Company may also decide to suspend the issue of units in full or temporarily if new investments could impair the achievement of the investment objective.

The depositary and/or the management company and/or the distributor may at any time reject a subscription application or temporarily restrict, suspend, or permanently discontinue the issue of units if this appears necessary in the interest of the investors, in the public interest, for the protection of the management company or the UCITS, or of the investors. In this case, the depositary shall immediately refund, without interest, any payments received on subscription applications not already made from , if necessary with the assistance of the paying agents.

The issue of units shall be temporarily suspended in particular if the calculation of the net asset value per unit is discontinued. If the issue of units is discontinued, investors will be informed immediately of the reason and the time of the discontinuation by means of a notice in the publication organ and in the media mentioned in the prospectus or by means of permanent data carriers (letter, fax, e-mail or similar).

## 8.5 Redemption of shares

Units of the UCITS shall be redeemed on each valuation day (redemption day) at the net asset value per unit of the corresponding unit class of the UCITS, less any redemption discounts and et waiger taxes and duties.

Redemption requests must be received by the depositary by the acceptance deadline at the latest. If a redemption application is received after the acceptance deadline, it will be earmarked for the following redemption day. For applications placed with distributors in Germany and abroad, earlier closing times for the submission of applications may apply in order to ensure timely forwarding to the depositary in Liechtenstein. These can be obtained from the respective distribution agent.

Information on the redemption day, the valuation interval, the acceptance deadline, and the amount of the maximum redemption fee, if any, can be found in Annex A "The UCITS at a glance".

Since an adequate share of liquid assets must be provided for in the assets of the UCITS, the redemption of units shall be effected within the period specified in Annex A "The UCITS at a glance" after the relevant redemption day. This shall not apply in the event that the transfer of the redemption amount proves impossible pursuant to legal provisions such as foreign exchange and transfer restrictions or due to other circumstances beyond the control of the depositary.

If, at the request of the investor, payment is to be made in a currency other than the currency in which the units concerned are issued, the amount payable shall be calculated from the proceeds of the exchange from the reference currency into the payment currency, less any fees and charges.

Upon payment of the redemption price, the corresponding share expires.

The management company and/or depositary may redeem units against payment of the redemption price against the will of the investor, insofar as this appears necessary in the interest or for the protection of the investors, the management company, the depositary, or the UCITS, in particular if

1. there is a suspicion that the respective investor is engaging in "market timing", "late trading" or other market techniques with the acquisition of the shares, which may be detrimental to the investors as a whole,
2. the investor does not meet the conditions for acquiring the shares or
3. the units are distributed in a country in which the UCITS is not authorized for distribution or have been acquired by a person for whom the acquisition of the units is not permitted.

The management company shall ensure that the redemption of units is settled on the basis of a net asset value per unit unknown to the investor at the time the application is submitted (forward pricing).

If the execution of a redemption request results in the relevant investor's holding falling below the minimum investment of the corresponding unit class listed in Annex A "The UCITS at a glance", the management company may, without further notice to the investor, treat such redemption request as a request for redemption of all units held by the relevant investor in this unit class or as a request for conversion of the remaining units into another unit class of the UCITS with the same reference currency whose participation requirements the investor fulfills.

Non-cash expenses are not allowed.

## 8.6 Exchange of shares

An exchange of units of the UCITS into another unit class of the UCITS is only possible if the investor fulfills the conditions for the direct acquisition of units of the respective unit class of the UCITS.

Insofar as different unit classes are offered, an exchange of units of one unit class into units of another unit class within the UCITS may also be effected. If an exchange of units is not possible for certain unit classes, this shall be mentioned for the unit class concerned in Annex A "The UCITS at a glance".

The number of shares into which the investor wishes to exchange his holding is calculated according to the following formula:

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

- A = Number of units of the unit class, if any, into which the conversion is to be made  
B = number of units of the unit class, if any, from where the exchange is to be executed  
C = Net asset value or redemption price of the units presented for exchange

D = foreign exchange rate between the share classes concerned. If both share classes are valued in the same accounting currency, this coefficient is 1.  
 E = Net asset value of the units of the UCITS of the unit class into which the switch is to be made, plus taxes, fees or other charges

On a case-by-case basis, duties, taxes and stamp duties may be payable in individual countries when switching share classes.

The management company may reject a conversion application for a unit class at any time if this appears to be in the interest of the UCITS, the management company, or the investors, in particular if :

1. there is a suspicion that the respective investor is engaging in market timing, late trading or other market techniques with the acquisition of the shares, which may be detrimental to the investors as a whole;
2. the investor does not meet the conditions for acquiring the shares; or
3. the units are distributed in a country in which the UCITS or the respective unit class is not authorized for distribution or have been acquired by a person for whom the acquisition of the units is not permitted.

The Management Company shall ensure that the conversion of units is settled on the basis of a net asset value per unit unknown to the investor at the time the application is submitted (forward pricing).

## **8.7 Suspension of the calculation of the net asset value and of the issue and redemption of units**

The management company may temporarily suspend the calculation of the net asset value and/or the issue, redemption, and conversion of units of the UCITS if this is justified in the interest of the investors, in particular:

1. if a market which forms the basis for the valuation of a substantial part of the assets of the UCITS is closed or if trading on such a market is restricted or suspended;
2. In the event of political, economic, or other emergencies; or
3. if transactions become unfeasible for the UCITS due to restrictions on the transfer of assets.

The Management Company may also decide to suspend the issue of units in full or temporarily if new investments could impair the achievement of the investment objective.

The issue of units shall be temporarily suspended in particular if the calculation of the net asset value per unit is discontinued. If the issue of units is discontinued, the investors shall be informed immediately of the reason and the time of the discontinuation by means of a notice in the organ of publication and in the media specified in the prospectus and trust agreement or by means of permanent data carriers (letter, fax, e-mail or similar).

In addition, the management company shall be entitled, while safeguarding the interests of the investors, to make substantial redemptions only, i.e. to temporarily suspend redemption, after corresponding assets of the UCITS can be sold without delay while safeguarding the interests of the investors.

As long as the redemption of units is suspended, no new units of the UCITS shall be issued. The exchange of units whose redemption is temporarily restricted is not possible.

The management company shall ensure that sufficient liquid assets are available to the assets of the UCITS so that a redemption or conversion of units upon request of investors can be effected without delay under normal circumstances.

The management company shall immediately notify the FMA and the investors in an appropriate manner of the suspension of unit redemption and payment. Subscription, redemption and conversion applications shall be settled after the calculation of the net asset value has resumed. Investors may revoke their subscription, redemption or conversion applications until the resumption of unit trading.

## 9 Use of success

The realized income of the UCITS is composed of the net income and the net realized capital gains. The net income is composed of the income from interest and/or dividends as well as other or miscellaneous income received less expenses.

The management company may distribute the net income and/or the net realized capital gains of the UCITS or of a unit class, respectively, to the investors of the UCITS or of the respective unit class, respectively, or reinvest (accumulate) such net income and/or net realized capital gains in the UCITS or the respective unit class, respectively, or carry them forward to new account.

The net income and the net realized capital gains of those unit classes which have a distribution pursuant to Annex A "The UCITS at a glance" may be distributed annually or more frequently, in whole or in part.

The net income and/or the net realized capital gains as well as the carried-forward net income and/or the carried-forward net realized capital gains of the UCITS or of the respective unit class may be distributed. Interim distributions of net income carried forward and/or realized capital gains carried forward are permissible.

Distributions are paid on the units issued on the distribution date. No interest is paid on declared distributions from the date they are due.

## 10 Tax regulations

### 10.1 Fund assets

All Liechtenstein UCITS in the legal form of a (contractual) investment fund or collective trusteeship are subject to unlimited tax liability in Liechtenstein and are subject to income tax. The income from the assets under management constitutes tax-exempt income.

#### Emission and sales taxes<sup>1</sup>

The establishment (issue) of units in such a UCITS is not subject to the issue and turnover tax. The transfer of ownership of investor units against payment is subject to the turnover tax if one party or an intermediary is a domestic securities dealer. The redemption of investor units is exempt from the turnover tax. The contractual investment fund or the collective trusteeship is deemed to be an investor exempt from the turnover tax.

<sup>1</sup> Pursuant to the Customs Union Treaty between Switzerland and Liechtenstein, Swiss stamp duty legislation also applies in Liechtenstein. For the purposes of Swiss stamp duty legislation, the Principality of Liechtenstein is therefore considered domestic.

### Withholding or imprest taxes

Depending on the person who directly or indirectly holds the units of the UCITS, income as well as capital gains, whether distributed or reinvested, may be partially or fully subject to a so-called paying agent tax (e.g. final withholding tax, European Savings Tax, Foreign Account Tax Compliance Act).

The UCITS in the legal form of the contractual investment fund or the collective trusteeship is not subject to any withholding tax liability in the Principality of Liechtenstein, in particular no coupon or withholding tax liability. Foreign income and capital gains generated by the UCITS in the legal form of the contractual investment fund or the collective trusteeship may be subject to the respective withholding taxes of the country of investment. Possible double taxation deductions remain reserved.

The UCITS has the following tax status:

### Automatic exchange of information (AIA)

With respect to the UCITS, a Liechtenstein paying agent may be obliged, in compliance with the AEOI agreements, to report the unit-holders to the local tax authority or to carry out the corresponding statutory reports.

### FATCA

The UCITS is subject to the provisions of the Liechtenstein FATCA agreement as well as the corresponding implementing provisions in the Liechtenstein FATCA law.

## 10.2 Natural persons with tax domicile in Liechtenstein

The private investor domiciled in the Principality of Liechtenstein must declare his units as assets and these are subject to wealth tax. Any income distributions or reinvested income of the UCITS in the legal form of the contractual investment fund or the collective trusteeship are exempt from acquisition tax. Capital gains realized upon the sale of the units are exempt from acquisition tax. Capital losses cannot be deducted from the taxable acquisition.

## 10.3 Persons with tax domicile outside Liechtenstein

For investors domiciled outside the Principality of Liechtenstein, the taxation and other tax consequences of holding or buying or selling investor units are governed by the tax laws of the respective country of domicile, and in particular with regard to final withholding tax, by the country of domicile of the paying agent.

### Disclaimer

The tax statements are based on the currently known legal situation and practice. We expressly reserve the right to make changes to legislation, case law, decrees and the practice of the tax authorities.

**Investors are encouraged to consult their own professional advisor regarding the relevant tax consequences. Neither the management company, the depositary nor their agents can assume any responsibility for the individual tax consequences for the investor arising from the purchase or sale or holding of investor units.**



## 11 Costs and fees

### 11.1 Costs and fees to be borne by investors

#### 11.1.1 Issue surcharge

In order to cover the costs incurred by the placement of the units, the management company may levy an issue premium on the net asset value of the newly issued units for the benefit of the management company, the depositary, and/or distributors in Liechtenstein or abroad in accordance with Annex A "The UCITS at a glance".

Any issue premium in favor of the UCITS can also be found in Annex A "The UCITS at a glance".

#### 11.1.2 Redemption discount

For the payment of redeemed units, the management company shall levy a redemption charge on the net asset value of the redeemed units in accordance with Annex A "The UCITS at a glance".

Any redemption discount in favor of the management company, the depositary, and/or distributors in Liechtenstein or abroad may also be found in Annex A "The UCITS at a glance".

#### 11.1.3 Conversion fee

For the change from one UCITS to another or from one unit class to another unit class requested by the investor, the management company shall levy a fee on the net asset value of the original UCITS or the original unit class, respectively, in accordance with Annex A "The UCITS at a glance".

### 11.2 Costs and fees to be borne by the UCITS

#### A. Expenses dependent on assets (individual expenses)

**11.2.1** The management company shall receive remuneration for the administration of the UCITS in accordance with Annex A "The UCITS at a glance". In addition, the management company may receive remuneration for the investment decision (asset management and investment advice), risk management, and distribution in accordance with Annex A "The UCITS at a glance". These fees are calculated on the basis of the average net fund assets or the corresponding unit class at each valuation and are subsequently withdrawn from the fund assets on a quarterly basis. The fees of the UCITS or the respective unit class can be found in Annex A "UCITS at a glance". The management company is free to determine different management fees for one or more unit classes. This also includes portfolio maintenance commissions, which can be paid to third parties for the brokerage and servicing of investors.

**11.2.2** For its activities, the depositary shall receive a fee from the assets of the UCITS in accordance with Annex A "The UCITS at a glance". The depositary fee shall be calculated on the basis of the average net assets of the UCITS or of the corresponding unit class at each valuation and shall be taken from the assets of the assets of the UCITS subsequently on a quarterly basis. The management company is free to determine different depositary fees for one or more unit classes.

### **11.2.3 Fee dependent on investment performance (performance fee)**

In addition, the management company may charge a performance fee. Insofar as a performance fee is charged, it is described in detail in Annex A "The UCITS at a glance".

## **B. Expenses not related to assets (individual expenses)**

In addition to the remunerations from the preceding paragraphs, the following expenses independent of the may be charged to the assets of the UCITS :

- 11.2.4** Costs for the audit of the UCITS by the auditor as well as fees of tax advisors, insofar as these expenses are incurred in the interest of the investors;
- 11.2.5** Fees and costs for licenses and supervision of the UCITS in Liechtenstein and abroad;
- 11.2.6** all taxes levied on the assets of the UCITS and its income and expenses at the expense of the assets of the UCITS;
- 11.2.7** any taxes arising in connection with the costs of administration and custody;
- 11.2.8** Fees, costs and charges in connection with the determination and publication of tax factors for the countries of the EU/EEA and/or all countries where distribution licenses exist and/or private placements are available, according to the effective expenses at market rates.
- 11.2.9** Costs of preparing, printing and mailing the annual and semi-annual reports and other publications required by law;
- 11.2.10** Costs for the publication of notices of the UCITS addressed to the investors in the organs of publication and possibly additional newspapers or electronic media determined by the management company, including price publications;
- 11.2.11** Costs incurred in connection with the fulfillment of the prerequisites and follow-up obligations of a distribution of the units in Germany and abroad (e.g. fees for paying agents, representatives and other agents with a comparable function, fees at fund platforms (e.g. listing fees, setup fees en, etc.), consulting, legal, translation costs);
- 11.2.12** Costs and expenses for regular reports and reporting to insurance companies, pension funds and other financial services providers (e.g. GroMiKV, Solvency II, VAG, MiFID II, ESG/SRI reports and sustainability ratings, etc.);
- 11.2.13** Costs for preparation or amendment, translation, filing, printing and mailing of the prospectus and the constituent documents (trust agreement, KIID, PRIIP, calculation SRRI/SRI, etc.) in the countries where the units are distributed;
- 11.2.14** Costs incurred in connection with obtaining, maintaining and terminating listings of the shares;
- 11.2.15** Costs for the preparation, the announcement of the taxation bases and the certificate that the tax information was determined according to the rules of the respective foreign tax law;

- 11.2.16** Expenses in connection with the exercise of voting rights or creditor rights by the UCITS, including the fee costs for external advisors;
- 11.2.17** Administrative fees and reimbursement of costs of government agencies;
- 11.2.18** Costs for legal representation and tax advice incurred by the management company or the depositary when acting in the interest of the investors of the UCITS;
- 11.2.19** Internal and external costs for the reclaim of foreign withholding taxes, insofar as these can be made for the account of the UCITS. With regard to the reclaim of foreign withholding taxes, it shall be noted that the management company does not undertake to reclaim and such reclaim shall only be made if the procedure is justified according to the criteria of materiality of the amounts and the proportionality of the costs in relation to the possible reclaim amount. With respect to investments that are subject to securities lending, the Management Company will not make any withholding tax reclaim;
- 11.2.20** Costs for the credit rating of the assets of the UCITS or its target investments by nationally or internationally recognized rating agencies;
- 11.2.21** a reasonable share of costs for printed matter and advertising directly incurred in connection with the offering and sale of shares;
- 11.2.22** Fees and costs incurred as a result of other legal or regulatory requirements that must be met by the management company as part of the implementation of the investment strategy (such as reporting and other costs incurred as part of compliance with the European Market Infrastructure Regulation (EMIR, EU Regulation 648/2012));
- 11.2.23** Research costs;
- 11.2.24** External costs for assessing the sustainability ratings (ESG research) of the sub-fund's assets or its target investments;
- 11.2.25** License fees for the use of any reference values ("benchmarks");
- 11.2.26** Costs of establishing and maintaining additional counterparties when it is in the interest of investors;
- 11.2.27 Transaction costs**  
In addition, the UCITS shall bear all ancillary costs arising from the management of the assets for the purchase and sale of the investments (brokerage fees in line with the market, commissions, duties) as well as all taxes levied on the assets of the UCITS and its income and expenses (e.g. withholding taxes on foreign income). The UCITS shall also bear any external costs, i.e. fees from third parties, incurred in the purchase and sale of the investments. These costs shall be offset directly against the cost or sales value of the relevant investments.
- 11.2.28 Any costs for currency hedging of unit classes**  
The costs, if any, of currency hedging of unit classes are allocated to the corresponding unit class.
- 11.2.29 Formation costs**  
The costs for the formation of the UCITS and the initial issue of units shall be amortized at the expense of the assets of the UCITS over 3 years.

### **11.2.30 Liquidation fees**

In the event of the dissolution of the UCITS, the management company may levy a liquidation fee in the amount of max. CHF 10,000 in its favor. In addition to this amount, all third-party costs incurred shall be borne by the UCITS.

### **11.2.31 Extraordinary disposition costs**

In addition, the management company may charge costs for extraordinary dispositions to the assets of the UCITS. Extraordinary disposition costs consist of expenses incurred for the purpose of safeguarding the interests of the investors, which arise in the course of the regular business activity and which were not foreseeable at the time the UCITS was established. Extraordinary disposition costs are in particular costs for legal action in the interest of the UCITS or the investors. In addition, all costs of any extraordinary dispositions which may become necessary pursuant to the UCITSG and UCITSV (e.g. amendment of the fund documents, etc.) shall be understood hereunder.

### **11.2.32 Grants**

In connection with the acquisition and disposal of objects and rights for the UCITS, the management company, the depositary, and any agents shall ensure that in particular contributions directly or indirectly benefit the UCITS.

### **11.2.33 Ongoing charges (total expense ratio, TER)**

The total ongoing charges before any performance-related expenses (total expense ratio before performance fee) shall be calculated in accordance with general principles laid down in the rules of conduct and shall comprise, with the exception of transaction costs, all costs and charges which are charged on an ongoing basis to the assets of the UCITS. The TER of the UCITS or of the respective unit class shall be indicated in the semi-annual and annual reports and shall be shown on the website of the LAFV Liechtenstein Investment Fund Association at [www.lafv.li](http://www.lafv.li) upon publication of the next semi-annual or annual report.

## **12 Information to investors**

The publication medium of the UCITS is the website of the LAFV Liechtenstein Investment Fund Association [www.lafv.li](http://www.lafv.li) as well as other media mentioned in the prospectus.

All notices to investors, including those concerning amendments to the trust agreement and Annex A "The UCITS at a glance", shall be published in the above-mentioned organ of publication of the UCITS and in other media and data carriers mentioned in the prospectus.

The net asset value as well as the issue and redemption price of the units of the UCITS or of a unit class shall be published in the above-mentioned publication organ of the UCITS as well as in other media and permanent data carriers (letter, fax, e-mail, or similar) mentioned in the prospectus.

The annual report audited by an auditor and the semi-annual report, which need not be audited, shall be made available to investors free of charge at the registered office of the management company and depositary.

## 13 Duration, dissolution, merger and structural measures of the UCITS

### 13.1 Duration

The UCITS is established for an indefinite period of time.

### 13.2 Resolution

#### Resolution on dissolution

The dissolution of the UCITS shall be mandatory in the cases provided for by law. In addition, the management company shall be entitled to dissolve the UCITS at any time.

Investors, heirs, and other beneficiaries may not demand the division or dissolution of the UCITS or of an individual unit class.

The resolution on the dissolution of the UCITS or of a unit class shall be published on the website of the Liechtenstein Investment Fund Association LAFV ([www.lafv.li](http://www.lafv.li)) as the organ of publication of the UCITS as well as on other media and permanent data carriers (letter, fax, e-mail, or the like) specified in the prospectus. From the day of the dissolution resolution, no more units shall be issued, exchanged or redeemed.

Upon dissolution of the UCITS, the management company may immediately liquidate the assets of the UCITS in the best interest of the investors. In all other respects, the liquidation of the UCITS shall be effected in accordance with the provisions of the Liechtenstein Persons and Companies Act (PGR).

If the management company dissolves a unit class without dissolving the UCITS, all units of this class shall be redeemed at their then valid net asset value. This redemption shall be published by the management company and the redemption price shall be paid out by the depositary in favor of the former investors.

#### Reasons for the dissolution

Insofar as the net assets of the UCITS fall below a value required for economically efficient management, as well as in the event of a significant change in the political, economic, or monetary environment, or within the scope of a rationalization, the management company may decide to redeem or cancel all units of the UCITS or of a unit class at the net asset value (taking into account the actual realization prices and realization costs of the investments) of the valuation day on which the corresponding decision becomes effective.

#### Dissolution costs

The costs of dissolution shall be charged to the net fund assets of the UCITS.

#### Dissolution and bankruptcy of the management company or the depositary, respectively

In the event of the dissolution and bankruptcy of the management company, the assets managed for the purpose of collective capital investment for the account of the investors shall not become part of its bankruptcy estate and shall not be dissolved together with its own assets. The UCITS shall form special assets for the benefit of its investors. With the consent of the FMA, each special fund shall be transferred to another management company or dissolved by way of separate satisfaction for the benefit of the investors of the UCITS.

In the event of bankruptcy of the depositary, the managed assets of the UCITS shall be transferred to another depositary or dissolved by way of separate satisfaction for the

benefit of the investors of the UCITS pursuant to Art. 31 para. 2 UCITSG with the consent of the FMA.

#### **Termination of the depositary agreement**

In the event of termination of the depositary agreement, the net fund assets of the UCITS shall, with the consent of the FMA, be transferred to another depositary or dissolved by way of separate satisfaction for the benefit of the investors of the UCITS.

### **13.3 Merger**

Within the meaning of Art. 38 UCITSG, the management company may decide at any time and at its own discretion, with the approval of the relevant supervisory authority, to merge the UCITS with one or more other UCITS, irrespective of the legal form of the UCITS and whether the other UCITS is domiciled in Liechtenstein or not. Unit classes of the UCITS may also be merged with each other, but also with one or more other UCITS and unit classes.

#### **Investor information, consent and investor rights**

The investors shall be informed about the planned merger. The investor information must enable investors to make an informed judgment about the effects of the planned merger on their investment and to exercise their rights under Articles 44 and 45 UCITSG.

The investors have no right of co-determination with regard to the merger.

#### **Costs of the merger**

Legal, consulting, or administrative costs associated with the preparation and implementation of the merger shall neither be charged to the assets of one of the UCITS involved in the merger nor to the investors.

This applies mutatis mutandis to structural measures pursuant to Art. 49 lit. a to c UCITSG.

If a UCITS exists as master UCITS, a merger will only become effective if the UCITS concerned provides its investors and the competent authorities of the home Member State of its feeder UCITS with the information provided for by law until 60 days before the proposed effective date. In this case, the UCITS concerned shall further grant the feeder UCITS the option to redeem or pay out, respectively, all units before the merger becomes effective, unless the competent authority of the feeder UCITS home Member State approves the investment in units of the master UCITS resulting from the merger.

## **14 Applicable law, place of jurisdiction and authoritative language**

The UCITS is subject to Liechtenstein law. The exclusive place of jurisdiction for all disputes between the investors, the management company, and the depositary shall be Vaduz.

However, the management company and/or the depositary may submit to the jurisdiction of the countries in which units are offered and sold with regard to claims of investors from these countries. The right is reserved to other legally binding places of jurisdiction.

The legally binding language for the prospectus, the trust agreement, and for Annex A "The UCITS at a glance" shall be German.

This prospectus shall enter into force on October 14, 2022. This is subject to the amendment of the performance fee, which will enter into force on January 1, 2023.

## 15 Specific information for individual sales countries

Under the applicable law in the Principality of Liechtenstein, the constituent documents are approved by the FMA. This approval only relates to information concerning the implementation of the provisions of the UCITSG. For this reason, Annex B "Specific information for individual countries of distribution", which is based on foreign law, is not subject to review by the FMA and is excluded from approval.



# PART II: THE TRUST AGREEMENT

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## Preamble

The trust agreement and Annex A "UCITS at a glance" form an essential unit.

To the extent that a matter is not regulated in this trust agreement, the legal relationships between the investors and the management company shall be governed by the Law of June 28, 2011 on Certain Undertakings for Collective Investment in Transferable Securities (UCITSG) and the Ordinance of July 5, 2011 on Certain Organisms for Collective Investment in Transferable Securities (UCITSV) and, to the extent that no provisions are made therein, by the provisions of the Law of Persons and Companies on trusteeship.

## I. General provisions

### Art. 1 The UCITS

The **H.A.M. Global Convertible Bond Fund** (hereinafter: UCITS) was granted a license by the Liechtenstein Government on March 14, 2000, and was entered in the Liechtenstein Commercial Register on March 21, 2000.

The Investment Fund was established pursuant to Art. 3 (2) of the Liechtenstein Law on Investment Undertakings of May 3, 1996 ("Law of May 3, 1996") as a legally dependent open-ended investment fund in the legal form of a collective trusteeship.

On June 13, 2012, the FMA approved the trust agreement adapted to the requirements of the Liechtenstein Law of June 28, 2011, on undertakings for collective investment in transferable securities (hereinafter: UCITSG) and Annex A "UCITS at a glance". The trust agreement and Annex A "UCITS at a glance" entered into force for the first time on June 30, 2012.

The trust agreement and Annex A "UCITS at a glance" were approved by the FMA on October 06, 2022, and entered into force on October 14, 2022. The amendment of the performance fee, which will enter into force on January 1, 2023, remains reserved.

The UCITS is subject to the law of June 28, 2011 on undertakings for collective investment in transferable securities (UCITSG).

The UCITS has the legal form of a collective trusteeship. A collective trusteeship is the entering into a substantively identical trusteeship with an indefinite number of investors for the purpose of asset investment and management for the account of the investors, whereby the individual investors participate in this trusteeship according to their share and are personally liable only up to the amount of the investment.

The UCITS is not an umbrella structure and is therefore an individual fund.

The UCITS may invest in securities and other assets in accordance with its investment policy. The investment policy of the UCITS shall be determined within the framework of the investment objectives. The net assets of the UCITS or of each unit class and the net asset value of the units of the UCITS or its unit classes shall be expressed in the respective reference currency.

The respective rights and obligations of the owners of the units (hereinafter referred to as "investors") and of the Management Company and the Depositary are governed by this Trust Agreement.

By acquiring units (the "units") of the UCITS, each investor acknowledges the trust agreement which establishes the contractual relations between the investors, the management company, and the depositary, as well as the duly executed amendments to this document.

## **Art. 2 Management Company**

The UCITS shall be managed by IFM Independent Fund Management AG, domiciled in Schaan, Principality of Liechtenstein, which was established in the legal form of a stock corporation, in accordance with the present trust agreement. In accordance with the UCITSG, the management company is licensed by the Financial Market Authority Liechtenstein (FMA) and is entered on the list of licensed management companies in Liechtenstein officially published by the FMA.

The management company shall manage the UCITS for the account and in the exclusive interest of the investors in accordance with the principle of risk diversification and pursuant to the provisions of the trust agreement and Annex A "The UCITS at a glance".

The management company shall be entitled to dispose of the objects belonging to the UCITS in its own name in accordance with the legal provisions and the trust agreement and to exercise all rights therefrom.

## **Art. 3 Transfer of tasks**

The management company may, in compliance with the provisions of the UCITSG and the UCITSV, delegate some of its duties to third parties for the purpose of efficient management. The precise execution of the assignment shall be governed in each case by a contract concluded between the management company and the assigned party.

## **Art. 4 Depositary**

The management company has appointed as depositary for the UCITS a bank or securities company pursuant to the Banking Act having its registered office or a branch office in the Principality of Liechtenstein. The assets of the UCITS may be held in custody by different depositaries. The function of the depositary is governed by the UCITSG, the depositary agreement, this trust agreement, and the prospectus.

## **Art. 5 Auditor**

The audit of the annual reports of the UCITS shall be entrusted to an auditor licensed in the Principality of Liechtenstein.

## **Art. 6 Calculation of the net asset value per unit**

The net asset value (NAV) per unit shall be calculated by the management company at the end of the accounting year and on the respective valuation day on the basis of the last known prices, taking into account the valuation interval. The management company may adopt a deviating regulation for individual UCITS, taking into account that the NAV per unit shall be calculated at least twice a month.

The NAV of a unit in a unit class of a UCITS is expressed in the accounting currency of the UCITS or, if different, in the reference currency of the respective unit class and results from the quota of the assets of this UCITS attributable to the respective unit class, reduced by

any debt obligations of the same UCITS allocated to the unit class concerned, divided by the number of outstanding units of the respective unit class. It shall be rounded as follows when units are issued and redeemed:

- ◆ to CHF 0.01 if it is the Swiss franc; and
- ◆ to EUR 0.01 if the currency is the euro; and
- ◆ to 0.01 GBP if it is the British pound; and
- ◆ to 0.01 USD if it is the US dollar.

The net fund assets are valued at fair value according to the following principles:

Securities that are officially listed on a stock exchange shall be valued at the last available price. If a security is officially listed on several stock exchanges, the last available price of the stock exchange that is the main market for this security shall be decisive.

2. Securities that are not officially listed on a stock exchange but are traded on a market open to the public shall be valued at the last available price. If a security is traded on different markets open to the public, in case of doubt, the last available price of the market with the highest liquidity shall be taken into account.
3. Securities or money market instruments with a remaining term of less than 397 days may be written down or up on a straight-line basis at the difference between the cost price (purchase price) and the redemption price (price at final maturity). Valuation at the current market price can be omitted if the repayment price is known and fixed. Any changes in creditworthiness are also taken into account.
4. investments whose price is not in line with the market and those assets which do not fall under item 1, item 2 and item 3 above shall be set at the price which would probably be obtained by diligent sale at the time of valuation and which is determined in good faith by the management of the management company or under its direction or supervision by agents .
5. OTC derivatives shall be valued on a daily basis at a verifiable valuation to be determined by the Management Company, as determined by the Verwaltungsgesellschaft in good faith and in accordance with generally accepted valuation models verifiable by auditors, based on the sales value that is likely to be achieved.

UCITS or undertakings for collective investment (UCI) shall be valued at the last determined and available net asset value. If the redemption of units is suspended or, in the case of closed-end UCIs, there is no right to redemption or no redemption prices are fixed, these units, like all other assets, shall be valued at the respective market value as determined by the management company in good faith and in accordance with generally accepted valuation models verifiable by auditors.

7. If no tradable price is available for the respective assets, these assets, as well as the other legally permissible assets, shall be valued at the respective fair market value as determined by the Management Company in good faith and in accordance with generally accepted valuation models verifiable by auditors on the basis of the probable attainable sales value.
8. Cash and cash equivalents are measured at their nominal value plus accrued interest.
9. The market value of securities and other investments denominated in a currency other than the fund currency is converted into the corresponding fund currency at the latest mean rate of exchange.

The valuation is carried out by the management company.

The management company is entitled to temporarily apply other adequate valuation principles for the fund assets if the above-mentioned criteria for valuation appear impossible or inappropriate due to extraordinary events. In the case of massive redemption requests, the management company may value the units of the corresponding fund assets on the basis of the prices at which the necessary sales of securities are expected to be made. In this case, the same calculation method shall be used for simultaneously submitted issue and redemption applications.

## **Art. 7 Issue of shares**

Units shall be issued on each valuation day (issue day) from at the net asset value per unit of the corresponding unit class of the UCITS, plus any issue premium, plus any taxes and duties.

The shares are not certificated as securities.

Subscription applications must be submitted to the depositary by the acceptance deadline at the latest. If a subscription application is received after the acceptance deadline, it will be earmarked for the following issue date. For applications placed with sales agents in Germany and abroad, earlier closing times for the submission of applications may apply in order to ensure timely forwarding to the depositary in Liechtenstein. These can be obtained from the respective sales agents. Information on the issue date, the acceptance deadline, and the amount of the maximum issue premium, if any, can be found in Annex A "The UCITS at a glance".

The payment must be received within the period specified in Annex A "The UCITS at a glance" after the valuation day (issue day) .

The management company shall ensure that the issue of units is settled on the basis of a net value per unit unknown to the investor at the time of application (forward pricing).

All taxes and duties incurred as a result of the issue of units will also be charged to the investor.

If shares are acquired through banks that are not entrusted with the distribution of the shares, it cannot be ruled out that such banks will charge further transaction costs.

If payment is made in a currency other than the reference currency, the equivalent value from the conversion of the payment currency into the reference currency, less any fees, is used to purchase units.

The minimum investment that must be held by an investor in a given unit class can be found in Annex A "The UCITS at a glance". The minimum investment may be waived at the discretion of the management company.

Contributions in kind are not permitted.

The Management Company may also decide to suspend the issue of units in full or temporarily if new investments could impair the achievement of the investment objective.

The depositary and/or the management company and/or the sales agent may at any time reject a subscription application or temporarily limit, suspend, or permanently discontinue the issuance of units if this appears necessary in the interest of the investors, in the public interest, for the protection of the management company or the UCITS, or of the investors. In this case, the depositary shall immediately refund, without interest, any

payments received on subscriptions not already executed to ; if necessary, this shall be done with the assistance of the paying agents.

The issue of units shall be temporarily suspended in particular if the calculation of the net asset value per unit is discontinued. If the issue of units is discontinued, investors shall be informed immediately of the reason and the time of the discontinuation by means of a notice in the organ of publication and in the media or permanent data carriers (letter, fax, e-mail or similar) specified in the prospectus.

## **Art. 8 Redemption of units**

Units shall be redeemed on each valuation day (redemption day) at the net asset value per unit of the corresponding unit class of the UCITS, less any redemption discounts and any taxes and duties.

Redemption requests must be received by the depositary by the acceptance deadline at the latest. If a redemption application is received after the acceptance deadline, it will be earmarked for the following redemption day. For applications placed with distributors in Germany and abroad, earlier closing times for the submission of applications may apply in order to ensure timely forwarding to the depositary in Liechtenstein. These can be obtained from the respective distribution agent.

Information on the redemption day, the valuation interval, the acceptance deadline, and the amount of the maximum redemption discount, if any, can be found in Annex A "The UCITS at a glance".

Since an adequate share of liquid assets must be provided for in the assets of the UCITS, the redemption of units shall be effected within the period specified in Annex A "The UCITS at a glance" after the valuation day (redemption day). This shall not apply in the event that the transfer of the redemption amount proves impossible pursuant to legal provisions such as foreign exchange and transfer restrictions or due to other circumstances beyond the control of the depositary.

If, at the request of the investor, payment is to be made in a currency other than the currency in which the units concerned are issued, the amount payable shall be calculated from the proceeds of the exchange from the reference currency into the payment currency, less any fees and charges.

Upon payment of the redemption price, the corresponding share expires.

Non-cash expenses are not allowed.

The management company and/or depositary may redeem units against payment of the redemption price against the will of the investor, insofar as this appears necessary in the interest or for the protection of the investors, the management company, the depositary, or the UCITS, in particular if

1. there is a suspicion that the respective investor is engaging in "market timing", "late trading" or other market techniques with the acquisition of the shares, which could be detrimental to the investors as a whole,
2. the investor does not fulfill the conditions for an acquisition of the shares or
3. the units are distributed in a country in which the UCITS is not authorized for distribution or have been acquired by a person for whom the acquisition of the units is not permitted.

The management company shall ensure that the redemption of units is settled on the basis of a net asset value per unit unknown to the investor at the time the application is submitted (forward pricing).

If the execution of a redemption request results in the portfolio of the respective investor falling below the minimum investment of the respective unit class listed in Annex A "The UCITS at a glance", the management company may, without further notice to the investor, treat such redemption request as a request for redemption of all units held by the respective investor in such unit class or as a request for conversion of the remaining units into another unit class of the UCITS with the same reference currency whose participation requirements are met by the investor.

The redemption of fund units may be suspended in cases of application of Art. 12.

## **Art. 9 Exchange of shares**

An exchange of units into another unit class of the UCITS is only possible if the investor fulfills the conditions for the direct acquisition of units of the respective unit class.

Insofar as different unit classes are offered, units of one unit class may also be exchanged for units of another unit class of the UCITS. In the event that an exchange takes place within the UCITS, no exchange commission shall be charged. If an exchange of units is not possible for certain unit classes, this shall be mentioned for the unit class of the UCITS in the prospectus.

The management company may reject a conversion request for the UCITS or a unit class at any time if this appears to be in the interest of the management company or the UCITS or in the interest of the investors, in particular if:

1. there is a suspicion that the respective investor is using market timing, late trading or other market techniques in acquiring the shares which could be detrimental to all investors;
2. the investor does not meet the conditions for acquiring the shares; or
3. the units have been distributed in a state in which the UCITS is not authorized for distribution or have been acquired by a person for whom the acquisition of the units is not permitted.

The Management Company shall ensure that the conversion of units is settled on the basis of a net asset value per unit unknown to the investor at the time the application is submitted (forward pricing).

## **Art. 10 Late Trading and Market Timing**

If there is any suspicion that an applicant is engaging in late trading or market timing, the Management Company and/or the Depositary will refuse to accept the subscription, conversion or redemption application until the applicant has cleared up any doubts regarding its application.

### **Late Trading**

Late trading is understood to mean the acceptance of a subscription, conversion or redemption order received after the order acceptance deadline (cut-off time) of the day in question and its execution at the price based on the net asset value applicable on that day. Late trading allows an investor to profit from knowledge of events or information published after the cut-off time of the orders but not yet reflected in the price at which the investor's order is settled. As a result, this investor has an advantage over investors who have met the official order acceptance deadline. The advantage of this investor is even more significant if he can combine late trading with market timing.

### Market Timing

Market timing means the arbitrage process by which an investor systematically subscribes and resells or converts units of the same unit class on a short-term basis by taking advantage of timing differences and/or errors or weaknesses in the system used to calculate the net asset value of the unit class.

## Art. 11 Prevention of money laundering and terrorist financing

The Management Company shall ensure that the domestic distributors undertake vis-à-vis the Management Company to comply with the provisions of the Due Diligence Act and the associated Due Diligence Ordinance applicable in the Principality of Liechtenstein as well as with the guidelines of the FMA as amended from time to time.

If domestic distributors accept funds from investors themselves, they are obliged in their capacity as due diligence agents to identify the subscriber in accordance with the Due Diligence Act and the Due Diligence Ordinance, to establish the beneficial owner, to draw up a profile of the business relationship and to comply with all local regulations applicable to them for the prevention of money laundering.

In addition, the distributors and their sales agents must also comply with all regulations on the prevention of money laundering and terrorist financing that are in force in the respective countries of distribution.

## Art. 12 Suspension of the calculation of the net asset value and the issue , redemption and conversion of units

The management company may temporarily suspend the calculation of the net asset value and/or the issue, redemption, and conversion of units of the UCITS if this is justified in the interest of the investors, in particular:

1. if a market which forms the basis for the valuation of a substantial part of the assets of the UCITS is closed or if trading on such a market is restricted or suspended;
2. In the event of political, economic, or other emergencies; or
3. if transactions become impracticable for the UCITS due to restrictions on the transfer of assets.

The Management Company may also decide to suspend the issue of units in full or temporarily if new investments could impair the achievement of the investment objective.

The issue of units shall be temporarily suspended in particular if the calculation of the net asset value per unit is discontinued. If the issue of units is discontinued, the investors shall be informed immediately of the reason and the time of the discontinuation by means of a notice in the organ of publication and in the media specified in the prospectus and trust agreement or by means of permanent data carriers (letter, fax, e-mail or similar).

In addition, the management company shall be entitled, while safeguarding the interests of the investors, to effect substantial redemptions only, i.e. to temporarily suspend redemption, after corresponding assets of the UCITS can be sold without delay while safeguarding the interests of the investors.

As long as the redemption of units is suspended, no new units of the UCITS shall be issued. Conversion of units whose redemption is temporarily restricted is not possible.



The management company shall ensure that sufficient liquid assets are available to the assets of the UCITS so that a redemption or conversion of units upon request of investors can be effected without delay under normal circumstances.

The management company shall immediately notify the FMA and the investors in an appropriate manner of the suspension of unit redemption and payment. Subscription, redemption or conversion applications shall be settled after the calculation of the net asset value has been resumed. The investor may revoke his subscription, redemption or conversion application until the resumption of unit trading.

### **Art. 13 Sales restrictions**

The units of the UCITS are not authorized for distribution in all countries of the world. When units are issued, redeemed, and exchanged abroad, the provisions applicable in the respective country shall apply. For details, please refer to the prospectus .

## **II. Structural measures**

### **Art. 14 Merger**

Pursuant to Art. 38 UCITSG, the management company may decide at any time and at its own discretion, with the approval of the relevant supervisory authority, to merge the UCITS with one or more other UCITS, irrespective of the legal form of the UCITS and whether or not the other UCITS has its registered office in Liechtenstein. Unit classes of the UCITS may also be merged with each other, but also with one or more other UCITS or their subfunds and unit classes.

All assets of the UCITS may, with the approval of the relevant supervisory authority, be transferred to another existing UCITS or to a UCITS newly established by the merger as of the end of the financial year (transfer date). The UCITS may also be merged with a UCITS that was launched in another EU or EEA state and also complies with the requirements of Directive 2009/65/EC. With the consent of the Financial Market Authority Liechtenstein (FMA), another transfer date may be determined. All assets of another UCITS or of a foreign Directive-compliant UCITS may also be transferred to a UCITS at the end of the financial year or on another transfer date. Finally, it is also possible that only the assets of a foreign directive-compliant UCITS without its liabilities are transferred to the UCITS.

Until five working days prior to the planned transfer date, the investors shall have the option either to redeem their units without a redemption discount, or to exchange their units for units of another UCITS which is also managed by the management company and has an investment policy similar to that of the UCITS to be merged.

On the transfer date, the values of the receiving and the transferring investment fund or UCITS are calculated, the exchange ratio is determined, and the entire process is audited by the auditor. The exchange ratio shall be determined according to the ratio of the net asset values of the acquired and the receiving investment fund at the time of the acquisition. Investors receive the number of units in the new investment fund that corresponds to the value of their units in the transferring investment fund. It is also possible for investors in the transferring investment fund to be paid up to 10 percent of the value of their units in cash. If the merger takes place during the current fiscal year of the transferring investment fund, its managing management company must prepare a report as of the transfer date that complies with the requirements for an annual report.

The management company shall announce in the publication organ of the UCITS, the website of the LAFV Liechtenstein Investment Fund Association [www.lafv.li](http://www.lafv.li) if the UCITS has absorbed another UCITS and the merger has become effective. Should the UCITS cease

to exist as a result of a merger, the management company shall take over the announcement, which shall manage the absorbing or newly established UCITS.

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

### **Art. 15 Investor information, consent and investor rights**

The investors shall be informed about the planned merger. The investor information must enable the investors to make an informed judgment of the effects of the project on their investment and to exercise their rights under Articles 44 and 45 UCITSG.

The investors have no right of co-determination with regard to the merger.

### **Art. 16 Costs of the Merger**

Legal, consulting or administrative costs associated with the preparation and implementation of the merger shall not be charged to any of the UCITS involved in the merger, nor to the investors.

This applies mutatis mutandis to structural measures pursuant to Art. 49 lit. a to d UCITSG.

If a UCITS exists as master UCITS, a merger will only become effective if the UCITS concerned provides its investors and the competent authorities of the home Member State of its feeder UCITS with the legally required information by 60 days prior to the proposed effective date. In this case, the UCITS concerned shall further grant the feeder UCITS the option to redeem or pay out, as the case may be, all units before the merger becomes effective, unless the competent authority of the feeder UCITS home Member State does not approve the investment in units of the master UCITS resulting from the merger.

## **III. Dissolution of the UCITS and its unit classes**

### **Art. 17 In general**

The provisions on the dissolution of the UCITS shall also apply to its unit classes.

### **Art. 18 Resolution on dissolution**

The dissolution of the UCITS or unit classes shall be mandatory in the cases provided for by law. In addition, the management company shall be entitled to dissolve the UCITS or an individual unit class at any time.

Investors, heirs, and other persons may not demand the division or dissolution of the UCITS or of an individual unit class.

The resolution on the dissolution of the UCITS or of a unit class shall be published on the website of the LAFV Liechtenstein Investment Fund Association ([www.lafv.li](http://www.lafv.li)) as the publications body of the UCITS as well as on other media mentioned in the prospectus and on permanent data carriers (letter, fax, e-mail or comparable). As of the day of the dissolution resolution, no more units shall be issued, exchanged for or redeemed.

Upon dissolution of the UCITS, the management company may immediately liquidate the assets of the UCITS in the best interest of the investors. In all other respects, the

liquidation of the UCITS shall be effected in accordance with the provisions of the Liechtenstein Persons and Companies Act (PGR).

If the management company dissolves a unit class without dissolving the UCITS, all units of this class shall be redeemed at their then valid net asset value. This redemption shall be published by the management company and the redemption price shall be paid out by the depositary for the benefit of the former investors.

#### **Art. 19 Reasons for dissolution**

Insofar as the net assets of the UCITS fall below a value required for economically efficient management, as well as in the event of a significant change in the political, economic, or monetary environment, or within the scope of a rationalization, the management company may decide to redeem or cancel all units of the UCITS or of a unit class at the net asset value (taking into account the actual realization prices and realization costs of the investments) of the valuation day on which the corresponding decision becomes effective.

#### **Art. 20 Costs of dissolution**

The costs of the dissolution shall be charged to the net assets of the UCITS.

#### **Art. 21 Dissolution and bankruptcy of the management company or the agent**

In the event of the dissolution and bankruptcy of the management company, the assets managed for the purpose of collective capital investment for the account of the investors shall not become part of its bankruptcy estate and shall not be dissolved together with its own assets. The UCITS shall form special assets for the benefit of its investors. With the consent of the FMA, each special fund shall be transferred to another management company or dissolved by way of separate satisfaction for the benefit of the investors of the UCITS.

In the event of bankruptcy of the depositary, the managed assets of the UCITS shall, with the consent of the FMA, be transferred to another depositary or dissolved by way of separate satisfaction in favor of the investors of the UCITS.

#### **Art. 22 Termination of the depositary agreement**

In the event of termination of the depositary agreement, the net assets of the UCITS shall, with the consent of the FMA, be transferred to another depositary or dissolved by way of separate satisfaction in favor of the investors of the UCITS.

### **IV. Creation of share classes and subfunds**

#### **Art. 23 Creation of unit classes**

The management company may form several unit classes for the UCITS. The formation of unit classes is permitted at any time and is at the discretion of the management company. The prospectus as well as the trust agreement including the fund-specific Annex A "The UCITS at a glance" shall be adjusted accordingly.

#### **Art. 24 Characteristics of the unit classes**

Unit classes may be formed for the UCITS which differ from the existing unit classes with respect to the application of income, the front-end load, the reference currency and the use of currency hedging transactions, the management fee, the minimum investment amount, or a combination of these features. However, the rights of investors who have acquired units from existing unit classes remain unaffected.

The unit classes issued in connection with the UCITS, as well as the fees and remunerations incurred in connection with the units of the UCITS, are specified in Annex A "The UCITS at a glance".

## **Art. 25 Creation of subfunds**

The UCITS is not an umbrella structure and thus there are no sub-funds. The management company may decide at any time to convert the UCITS into an umbrella structure and thus to launch subfunds. The prospectus as well as the trust agreement including the fund-specific Annex A "The UCITS at a glance" shall be adapted accordingly.

## **Art. 26 Structural measures for unit classes**

The Management Company may implement all structural measures provided for in Art. 14 et seq. of this Trust Agreement.

# **V. General investment principles and restrictions**

## **Art. 27 Investment policy**

The fund-specific investment policy is described in Annex A "UCITS at a glance".

The following general investment principles and restrictions apply to the UCITS, unless deviations or supplements for the UCITS are contained in Annex A "UCITS at a glance".

## **Art. 28 General investment principles and restrictions**

The assets of the UCITS shall be invested in compliance with the principle of risk diversification within the meaning of the rules of the UCITSG and in accordance with the policy principles described below at large and within the investment restrictions.

## **Art. 29 Approved installations**

The assets of the UCITS may invest the assets for the account of its legers from conclusively in one or more of the following assets :

1. securities and money market instruments:
  - a) which are listed or traded on a regulated market within the meaning of Art. 4 par. 1 fig. 21 of Directive 2014/65/EU;
  - b) which are traded on another regulated market of an EEA Member State which is recognized and open to the public and which operates regularly;
  - c) which are officially listed on a securities exchange of a third country or traded on another market worldwide which is recognized, open to the public and whose mode of operation is orderly.
2. Securities from new issues, provided that:

- a) the terms and conditions of issue contain the obligation that admission to official listing or to trading on one of the securities exchanges mentioned under no. 1 a) to c) or on a market regulated there has been applied for, and
  - b) this approval is obtained at the latest before the expiry of one year after the issue.
- 3. Units of UCITS and other collective investment undertakings comparable with a UCITS within the meaning of Art. 3 (1) No. 17 UCITSG, provided that according to their constituent documents, such UCITS may invest no more than 10% of their assets in units of another UCITS or comparable collective investment undertakings;
- 4. demand deposits or deposits redeemable at notice with a term not exceeding twelve months with credit institutions which have their registered office in an EEA Member State or in a third country whose supervisory law is equivalent to EEA law;
- 5. derivatives whose underlying assets are investment items within the meaning of this Article or financial indices, interest rates, exchange rates or currencies. In the case of transactions with OTC derivatives, the counterparties must be supervised institutions of a category approved by the FMA, and the OTC derivatives must be subject to a reliable and auditable valuation on a daily basis via and must be able to be sold, liquidated, or closed out by a transaction at an appropriate fair value at any time on the initiative of the UCITS gen ;
- 6. money market instruments which are not traded on a regulated market, provided that the issue or the issuer of such instruments is subject to regulations on the protection of investors and the protection of investors:
  - a) issued or guaranteed by a central, regional or local authority or the central bank of an EEA Member State, the European Central Bank, the Community or the European Investment Bank, a non-Member State or, if it is a federal State, by one of the members of the federation or by a public international body of which at least one EEA Member State is a member;
  - b) issued by a company whose securities are traded on the regulated markets referred to under a);
  - c) issued or guaranteed by an institution subject to prudential supervision in accordance with the criteria laid down in EEA law or by an institution whose prudential law is equivalent to EEA law and which complies with that law; or
  - d) issued by an issuer belonging to a category approved by the FMA, provided that investments in these instruments are subject to investor protection provisions equivalent to those in paras. a to c and the issuer is either a company with equity capital of at least EUR 10 million and prepares and publishes its annual financial statements in accordance with the provisions of Directive 78/660/EEC, implemented in Liechtenstein by PGR, or is a legal entity belonging to a group which is responsible for the financing of the group with at least one listed company or is a legal entity which is to finance the securitization of liabilities by using a credit line granted by a bank.
- 7. the Management Company may also hold liquid assets.

### **Art. 30 Non-permitted installations**

The management company may not:

- 1. invest more than 10% of the assets of the UCITS in securities and money market instruments other than those referred to in Art. 29;
- 2. acquire precious metals or certificates on precious metals;
- 3. make uncovered short sales.

## Art. 31 Use of derivatives, techniques and instruments

The total risk associated with derivatives may not exceed the total net value of the assets of the UCITS. The UCITS or the sub-fund may, as part of the investment policy, make investments in derivatives within the limits set forth in Art. 53 UCITSG. When calculating this risk, the market value of the underlying assets, the default risk, future market fluctuations, and the liquidation period of the positions shall be taken into account. The UCITS may, as part of its investment policy and within the limits of Art. 53 UCITSG, make investments in derivatives, provided that the overall risk of the underlying assets does not exceed the investment limits of Art. 54 UCITSG.

Unless the protection of investors and the public interest conflict, investments of the UCITS in index-based derivatives shall not be taken into account with regard to the ceilings of Art. 54 UCITSG.

If a derivative is embedded in a security or a money market instrument, it must also be taken into account with regard to compliance with the provisions of Art. 54 UCITSG.

The Management Company may, with the approval of the FMA, use techniques and instruments involving securities and money market instruments for the efficient management of the portfolios in compliance with the provisions of the UCITSG.

Borrowing, securities lending and repurchase agreements are permitted within the limits provided for in the UCITSG and the corresponding ordinance.

## Art. 32 Investment limits

### A. The following investment limits must be observed for the UCITS:

1. The assets of the UCITS may invest no more than 5% of its assets in securities or money market instruments of the same issuer and no more than 20% of its assets in deposits of the same issuer.
2. The default risk from transactions of the UCITS with OTC derivatives with a credit institution as counterparty which is domiciled in an EEA member state or in a third country whose supervisory law is equivalent to that of EEA law may not exceed 10% of the assets of the UCITS ; in the case of other entities, the maximum default risk is 5% of the assets.
3. Provided that the total value of the securities and money market instruments of the issuers in which the UCITS invests more than 5% of its assets at does not exceed 40% of its assets, the issuer limit mentioned in item 1 is raised from 5% to 10%. The limit of 40% shall not apply to deposits or to transactions with OTC derivatives with financial institutions supervised by . When the increase is applied, the securities and money market instruments referred to in item 5 and the bonds referred to in item 6 shall not be taken into account.
4. Irrespective of the individual upper limits pursuant to items 1 and 2, a UCITS may not combine entities if this would lead to an investment of more than 20% of its assets with one and the same institution:
  - a) securities or money market instruments issued by that institution;
  - (b) Deposits with that institution;
  - c) OTC derivatives acquired by that entity.
5. If the securities or money market instruments are issued or guaranteed by an EEA member state or its local authorities, by a third country or by an in

ternational institution under public law to which at least one EEA member state belongs, the upper limit of 5% specified in item 1 is raised to a maximum of 35%.

6. If bonds are issued by a credit institution domiciled in an EEA member state which, by virtue of statutory provisions for the protection of the holders of such bonds, is subject to special public supervision and, in particular, is required to invest the proceeds from the issue of such bonds in assets which, during the entire term of the bonds, adequately cover the liabilities arising therefrom and are earmarked on a priority basis for the repayment of principal and interest falling due in the event of the issuer's default, the limit specified in no. 1 above is raised for such bonds. 1 is raised from 5% to a maximum of 25%. In this case, the total value of the investments may not exceed 80% of the assets of the UCITS.
7.
  - a. The limits specified in items 1 to 6 may not be cumulated. The maximum issuer limit is 35% of the assets of the UCITS.
  - b. In the case of an exemption by the FMA, this limit may also be more than 35%. This must be clearly mentioned in the prospectus and in the advertising .
8. Companies of the same corporate group shall be considered as a single issuer for the purpose of calculating the investment limits provided for in this Article. For investments in securities and money market instruments of the same group of companies, the issuer limit shall be raised to a combined total of 20% of the assets of the UCITS.
9. The UCITS may invest no more than 10% of its assets in units of other UCITS or in other undertakings for collective investment comparable to a UCITS.
10. If the investments pursuant to item 9 constitute a substantial part of the assets of the UCITS, the prospectus must provide information on the maximum amount and the annual report on the maximum share of the management fees to be borne by the UCITS or the undertakings for collective investment pursuant to item 9 comparable to a UCITS whose units have been acquired.
11. If units are managed directly or indirectly by the management company or by a company with which the management company is linked by common management, control, or qualified participation, neither the management company nor the other company may charge fees for the issue or redemption of units to or from the assets of the UCITS .
12. A management company shall not acquire for any UCITS managed by it voting rights shares of the same issuer with which it can exercise a significant influence on the management of the issuer. A notable influence is presumed from 10% of the voting rights of the issuer. If a lower limit for the acquisition of voting shares of the same issuer applies in another EEA member state, this limit shall be decisive for the management company if it acquires shares of an issuer domiciled in this EEA member state for a UCITS.
13. The UCITS may use financial instruments of the same issuer in an amount not exceeding:
  - a) 10% of the issuer's capital stock is acquired insofar as non-voting shares are concerned;
  - b) 10% of the total nominal amount of the issuer's outstanding debt securities - or money market instruments are acquired, insofar as debt securities or money market instruments are concerned. This limit need not be observed if the total nominal amount cannot be determined at the time of acquisition;



- c) 25% of the units of the same undertaking are acquired, insofar as units of other UCITS or of undertakings for collective investment comparable to a UCITS are concerned. This specific limit need not be observed if the net amount cannot be determined at the time of acquisition.
- 14. Clauses 12 and 13 are not applicable:
  - a) on securities and money market instruments issued or guaranteed by a government issuer;
  - b) to shares held by the UCITS in the capital of a company of a third country which invests its assets mainly in securities of issuers domiciled in this third country, if such participation represents the only possibility for the UCITS to make investments in securities of issuers of this country due to the legal provisions of this third country. In this context, the requirements of the UCITSG shall be observed;
  - c) on shares held by management companies in the capital of their subsidiaries or daughter companies, which in the country of establishment organize the repurchase of shares at the request of the investors exclusively for the Verwaltungsgesellschaft.

In addition to the listed restrictions pursuant to Art. 32, letter A, items 1 - 14, any further restrictions in Annex A "UCITS at a glance" must be observed.

#### **B. The investment limits may be deviated from in the following cases:**

1. The UCITS is not required to comply with the investment limits when exercising subscription rights from securities or money market instruments that are part of its assets.
2. in the event that the aforementioned limits are exceeded, the assets of the UCITS shall, in their sales, strive as a priority objective for the normalization of this situation, taking into account the interests of the investors.
3. Within the first six months after its liberation, the UCITS may deviate from the investment limits of this chapter "Provisions on investment policy". Articles 29 and 30 shall remain unaffected by this exception and shall be complied with at all times. The requirement of risk diversification shall continue to be complied with.

#### **C. Active investment limit violations:**

Any loss incurred as a result of an active violation of the investment limits/investment regulations must be reimbursed to the UCITS without delay in accordance with the applicable rules of conduct.

#### **D. Special techniques and instruments involving securities and money market instruments**

As stipulated under art. 29 item 5 of this trust agreement, the management company may, under the conditions and within the limits laid down by law, use as a central element for achieving the investment policy for the UCITS special techniques and financial instruments whose underlying assets are securities, money market instruments, and other financial instruments.

The management company must use a **risk management procedure** which allows it to monitor and measure the risk associated with the investment positions as well as their respective share in the overall risk profile of the investment portfolio at any time; it must also use a procedure which allows for an accurate and independent assessment of the value of the OTC derivatives. The Verwaltungsgesellschaft shall submit reports to the FMA at least once a year containing information that provides a true and fair view of the derivatives used for each managed UCITS, the underlying risks,

the investment limits, and the methods used to estimate the risks associated with the derivative transactions.

The management company is also permitted, subject to the conditions and limits laid down by the FMA, to use techniques and instruments that have securities and money market instruments as their counterpart, provided that these techniques and instruments are used with a view to the efficient management of the portfolio. If these transactions relate to the use of derivatives, the conditions and limits must comply with the provisions of the UCITSG.

Under no circumstances may the UCITS deviate from its investment objectives in these transactions.

The management company shall ensure that the total risk associated with derivatives does not exceed the total net value of the UCITS. When calculating the risks, the market value of the underlying assets, the default risk, future foreseeable market developments, and the liquidation period of the positions are taken into account.

The management company may invest in derivatives as part of its investment strategy pursuant to Art. 29 No. 5, provided that the total risk of the underlying assets does not exceed the investment limits set forth in Art. 32 "Investment limits". Investments of the UCITS in index-based derivatives need not be taken into account in the investment limits of Art. 32 "Investment limits".

If a derivative is embedded in a security or a money market instrument, it must be taken into account with regard to compliance with the provisions of Art. 32 "Investment limits".

The Management Company does not engage in **securities lending transactions**.

The management company does not engage in **repurchase** agreements.

## **Art. 33 Joint management**

In order to reduce operating and management costs while enabling a broader diversification of investments, the management company may decide to manage some or all of the assets of the UCITS jointly with assets belonging to other undertakings for collective investment.

The assets of this UCITS are currently managed individually and thus not jointly with assets belonging to other undertakings for collective investment in transferable securities.

## **VI. Costs and fees**

### **Art. 34 Current fees**

#### **A. Expenses dependent on assets (individual expenses)**

##### **Administration, investment decision, risk management and distribution**

The management company shall receive remuneration for the administration of the UCITS in accordance with Annex A "The UCITS at a glance". In addition, the management company may receive remuneration for the investment decision (asset management and investment advice), risk management, and distribution pursuant to Annex A "The UCITS at a glance". These fees shall be calculated on the basis of the average net fund assets of the UCITS or the corresponding unit class at each valuation and shall be taken from the assets of the UCITS in arrears on a quarterly basis. The fees of the UCITS or the respective unit class can be found in Annex A "The UCITS at a glance". The management

company shall be free to determine different management fees for one or more unit classes.

This also includes portfolio maintenance commissions, which can be paid to third parties for the brokerage and servicing of investors.

### Depository

For its activities, the depository shall receive a fee from the assets of the UCITS in accordance with Annex A "The UCITS at a glance". The depository fee shall be calculated on the basis of the average net assets of the UCITS or of the corresponding unit class at each valuation and shall be subsequently withdrawn from the assets of the UCITS on a quarterly basis. The management company is free to determine different depository fees for one or more unit classes.

Any compensation for third parties commissioned by is included in the fees pursuant to Art. 34 of this Trust Agreement.

### B. Expenses not related to assets (individual expenses)

In addition to the remuneration from the preceding paragraphs, the following expenses independent of the assets may be charged to the assets of the UCITS:

- ◆ Costs for the audit of the UCITS by the auditor as well as fees of tax advisors, insofar as these expenses are incurred in the interest of the investors;
- ◆ Fees and costs for licenses and supervision of the UCITS in Liechtenstein and abroad;
- ◆ all taxes levied on the assets of the UCITS and its income and expenses at the expense of the assets of the UCITS;
- ◆ any taxes arising in connection with the costs of administration and custody;
- ◆ Fees, costs and charges in connection with the determination and publication of tax factors for the countries of the EU/EEA and/or all countries where distribution licenses exist and/or private placements are available, according to the effective expenses at market rates.
- ◆ Costs of preparing, printing and mailing the annual and semi-annual reports and other publications required by law;
- ◆ Costs for the publication of notices of the UCITS addressed to the investors in the organs of publication and possibly additional newspapers or electronic media determined by the investment company, including price publications;
- ◆ Costs incurred in connection with the fulfillment of the prerequisites and follow-up obligations of a distribution of the units in Germany and abroad (e.g. fees for paying agents, representatives and other agents with a comparable function, fees at fund platforms (e.g. listing fees, setup fees, etc.), consulting, legal, translation costs);
- ◆ Costs and expenses for regular reports and reporting to insurance companies, pension funds and other financial services providers (e.g. GroMiKV, Solvency II, VAG, MiFID II, ESG/SRI reports and sustainability ratings, etc.);
- ◆ Costs for preparation or amendment, translation, filing, printing and mailing of the prospectus and the constituent documents (trust agreement, KIID, PRIIP, calculation SRRI/SRI, etc.) in the countries where the units are distributed;
- ◆ Costs incurred in connection with obtaining, maintaining and terminating listings of the shares;

- ◆ costs of determination, the announcement of the tax bases and the certificate that the tax information was determined in accordance with the rules of the respective foreign tax law;
- ◆ Expenses in connection with the exercise of voting rights or creditors' rights by the UCITS, including the fee costs for external consultants;
- ◆ Administrative fees and reimbursement of costs of government agencies;
- ◆ Costs for legal representation and tax advice incurred by the management company or the depositary when acting in the interest of the investors of the UCITS ;
- ◆ Internal and external costs for the reclaim of foreign withholding taxes, insofar as these can be made for the account of the UCITS. With regard to the reclaim of foreign withholding taxes, it shall be noted that the management company does not undertake to reclaim and such reclaim shall only be made if the procedure is justified according to the criteria of materiality of the amounts and the proportionality of the costs in relation to the possible reclaim amount. With respect to investments that are subject to securities lending, the Management Company will not make any withholding tax reclaim;
- ◆ Costs for the credit rating of the assets of the UCITS or its target investments by nationally or internationally recognized rating agencies;
- ◆ a reasonable share of costs for printed matter and advertising directly incurred in connection with the offering and sale of shares.
- ◆ Fees and costs incurred as a result of other legal or regulatory requirements that must be met by the management company as part of the implementation of the investment strategy (such as reporting and other costs incurred as part of compliance with the European Market Infrastructure Regulation (EMIR, EU Regulation 648/2012));
- ◆ Research costs;
- ◆ External costs for the assessment of the sustainability ratings (ESG research) of the subfund's assets or its target investments;
- ◆ License fees for the use of any reference values ("benchmarks");
- ◆ Costs of establishing and maintaining additional counterparties when it is in the interest of investors.

#### Transaction costs

In addition, the UCITS shall bear all ancillary costs arising from the management of the assets for the purchase and sale of the investments (brokerage fees in line with the market, commissions, duties) as well as all taxes levied on the assets of the UCITS and its income and expenses (e.g. withholding taxes on foreign income). The UCITS shall also bear any external costs, i.e. fees from third parties, incurred in the purchase and sale of the investments. These costs are charged directly against the cost or sales value of the relevant investments.

#### Any costs for currency hedging of unit classes

The costs, if any, of currency hedging of unit classes are allocated to the corresponding unit class.

#### Liquidation fees

In the event of the dissolution of the UCITS, the management company may charge a liquidation fee in the amount of max. CHF 10,000 in its favor. In addition to this amount, all third-party costs incurred shall be borne by the UCITS.

#### **Extraordinary disposition costs**

In addition, the management company may charge costs for extraordinary dispositions to the assets of the UCITS. Extraordinary disposition costs consist of expenses that serve exclusively to safeguard the interests of the investors, are incurred in the course of regular business activities, and were not foreseeable at the time the UCITS was established. Extraordinary disposition costs are in particular costs for legal action in the interest of the UCITS or the investors. In addition, all costs of any extraordinary dispositions which may become necessary pursuant to UCITSG and UCITSV (e.g. amendment of the fund documents, etc.) shall be understood hereunder.

#### **Grants**

In connection with the acquisition and disposal of objects and rights for the UCITS, the management company, the depositary, and any agents shall ensure that in particular contributions directly or indirectly benefit the UCITS.

#### **Ongoing charges (total expense ratio, TER)**

The total of ongoing charges before any performance-related expenses (total expense ratio before performance fee; TER) shall be calculated according to general principles laid down in the rules of conduct and shall comprise, with the exception of transaction costs, all costs and charges that are charged on an ongoing basis to the respective sub-fund assets. The TER of the UCITS or of the respective unit class shall be indicated in the semi-annual and annual report and shall be shown on the website of the LAFV Liechtenstein Investment Fund Association at [www.lafv.li](http://www.lafv.li) upon publication of the next semi-annual or annual report.

### **Art. 35 Costs to be borne by the investors**

Issue, redemption and conversion fees as well as any related taxes and duties shall be borne by the investor.

### **Art. 36 Fee dependent on investment performance (performance fee)**

In addition, the management company may charge a performance fee. Insofar as a performance fee is charged, it is described in detail in Annex A "The UCITS at a glance".

### **Art. 37 Formation costs**

The costs for the formation of the UCITS and the initial issue of units shall be amortized over three years at the expense of the assets of the UCITS.

## **VII. Final provisions**

### **Art. 38 Appropriation of profit**

The realized income of the UCITS is composed of the net income and the net realized capital gains. The net income is composed of the income from interest and/or dividends as well as other or miscellaneous income received less expenses.

The management company may distribute the net income and/or the net realized capital gains of the UCITS or of a unit class, respectively, to the investors of the UCITS or of the

respective unit class, respectively, or reinvest (accumulate) such net income and/or net realized capital gains in the UCITS or the respective unit class, respectively, or carry them forward to new account.

The net income and the net realized capital gains of those unit classes which have a distribution pursuant to Annex A "The UCITS at a glance" may be distributed annually or more frequently, in whole or in part.

The net income and/or the net realized capital gains as well as the net income carried forward and/or the net realized capital gains of the UCITS or of the respective unit class may be distributed. Interim distributions of net income carried forward and/or realized capital gains carried forward are permissible.

Distributions are paid on the units issued on the distribution date. No interest is paid on declared distributions from the date they are due.

### **Art. 39 Use of reference values ("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 ("benchmark") in financial instruments and financial contracts or to measure the performance of a collective investment undertaking, regulated entities (such as UCITS management companies and AIFMs) may use benchmarks within the meaning of the Benchmark Regulation ("Benchmark Regulation") in the EU if the benchmark is provided by an administrator registered in the Administrators and Benchmarks Directory maintained by ESMA pursuant to the Benchmark Regulation (the "Directory").

Benchmarks may be used by the UCITS in the key investor information documents (KIID) and in any marketing documents as a reference for comparison purposes in order to measure the performance of the UCITS against them. The UCITS is actively managed and the asset manager is thus free to decide in which securities it invests. Consequently, the performance may deviate significantly from that of the benchmark. The benchmark index, if used by the management company or the asset manager on its behalf, is indicated in Annex A "The UCITS at a glance".

The benchmark index may change over time. In this case, the prospectus and Annex A "UCITS at a glance" of the constituent documents shall be updated at the next opportunity and the investors shall be informed by notice in the organ of publication as well as in the media mentioned in the prospectus or by means of durable data carriers (letter, fax, e-mail, or the like).

Moreover, the UCITS may use benchmarks for the calculation of performance-related fees. Detailed information on the performance fee, if any, can be found in section 11.2 of the prospectus and article 36 of the trust agreement, as well as in Annex A "The UCITS at a glance".

With respect to a benchmark index, the Management Company assumes no liability 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 methods.

The management company has drawn up a written plan with measures it will take with regard to the UCITS if the index changes significantly or is no longer provided. Information relating to this plan is available free of charge upon request at the registered office of the management company.

## Art. 40 Allowances

The management company reserves the right to grant inducements to third parties for the provision of services. As a rule, the basis for measuring such contributions shall be the commissions, fees, etc. charged and/or the assets/asset components placed with the management company. Their amount corresponds to a per centual share of the respective basis of assessment. Upon request, the management company shall disclose at any time further details of the agreements made with third parties. The investor hereby expressly waives any right to further information from the management company; in particular, the management company shall not be subject to any detailed accounting obligation with respect to benefits actually paid.

The investor acknowledges and accepts that the management company may receive inducements from third parties (including group companies) in connection with the allocation of investors, the acquisition/distribution of collective investment schemes, certificates, notes, etc. (hereinafter referred to as "products"; this also includes those managed and/or issued by a group company), generally in the form of portfolio payments. (hereinafter referred to as "products"; this also includes products that are managed and/or issued by a group company), as a rule in the form of portfolio payments. The amount of such grants varies depending on the product and product provider. As a rule, payments are calculated on the basis of the volume of a product or product group held by the management company. Their amount usually corresponds to a percentage share of the management fees charged to the respective product, which are remunerated periodically during the holding period. In addition, distribution commissions may also be paid by issuers of securities in the form of discounts on the issue price (percentage discount) or in the form of one-time payments, the amount of which corresponds to a percentage of the issue price. Subject to any other provision, the investor may at any time before or after the provision of the service (purchase of the product) request further details from the management company regarding the agreements entered into with third parties with respect to such inducements. However, the right to information on further details regarding transactions already carried out is limited to the 12 months preceding the request. The investor expressly waives any right to further information. If the investor does not request any further details prior to the provision of the service or if the investor obtains the service after obtaining further details, the investor waives any claim to surrender within the meaning of Section 1009 of the Austrian Civil Code (Allgemeines Bürgerliches Gesetzbuch, ABGB).

## Art. 41 Information for investors

The publication medium of the UCITS shall be the website of the LAFV Liechtensteiner Anlagefonds verband ([www.lafv.li](http://www.lafv.li)) as well as other media mentioned in the prospectus.

All notices to investors, including those concerning amendments to the trust agreement and Annex A "The UCITS at a glance", shall be published on the website of the LAFV Liechtensteiner Anlagefonds verband ([www.lafv.li](http://www.lafv.li)) as the organ of publication of the UCITS, as well as on other media and data carriers mentioned in the prospectus.

The net asset value as well as the issue and redemption prices of the units of the UCITS or its unit classes shall be announced on each valuation day in the above-mentioned publication organ of the UCITS as well as in other media and permanent data carriers (letter, fax, e-mail, or similar) mentioned in the prospectus.

The annual report audited by an auditor and the semi-annual report, which need not be audited, shall be made available to investors free of charge at the registered office of the management company and depositary.



## **Art. 42 Reports**

The management company shall prepare an audited annual report as well as a semi-annual report for each UCITS in accordance with the legal provisions in the Fürstentum Liechtenstein.

No later than four months after the end of each financial year, the Management Company shall publish an audited annual report in accordance with the provisions of the Principality of Liechtenstein.

Two months after the end of the first six months of the financial year, the management company publishes an unaudited semi-annual report.

Additional audited and unaudited interim reports can be generated.

## **Art. 43 Business year**

The financial year of the UCITS shall begin on January 1 of each year and end on December 31 of the same year. Annex A "The UCITS at a glance" shows whether the first financial year is an extended or a shortened financial year.

## **Art. 44 Amendments to the Trust Agreement**

This Trust Agreement may be amended or supplemented in whole or in part by the Management Company at any time.

Amendments to the trust agreement require the prior approval of the FMA.

## **Art. 45 Limitation**

The claims of investors against the management company, the liquidator, Sachwalter or the depositary shall become time-barred upon the expiry of five years after the occurrence of the damage, but no later than one year after the redemption of the unit or after knowledge of the damage.

## **Art. 46 Applicable law, place of jurisdiction and authoritative language**

The UCITS is subject to Liechtenstein law. The exclusive place of jurisdiction for all disputes between the investors, the management company, and the depositary shall be Vaduz.

The management company and/or the depositary may, however, subject themselves and the UCITS to the jurisdiction of the countries in which units are offered and sold to with regard to claims of investors from these countries.

The legally binding language for this Trust Agreement shall be German.

## **Art. 47 General**

In all other respects, reference is made to the provisions of the UCITSG, the provisions of the ABGB, the provisions of the Persons and Companies Act (PGR) on collective trusteeship and the general provisions of the PGR as amended.

## **Art. 48 Entry into force**

This Trust Agreement shall enter into force on October 14, 2022. This is subject to the amendment of the performance fee, which will enter into force on January 1, 2023.

Schaan/Vaduz, October 06, 2022

**Management Company:**

IFM Independent Fund Management Aktiengesellschaft, Schaan

**Depository:**

Liechtensteinische Landesbank AG, Vaduz

# Annex A: UCITS at a glance

The trust agreement and this Annex A "UCITS at a glance" form an essential unit and therefore complement each other.

## H.A.M. Global Convertible Bond Fund

### A. The UCITS at a glance

Master data and information of the UCITS and its unit classes				
	Unit classes of the UCITS			
Share classes <sup>1</sup>	EUR-A	USD-A	CHF-A	GBP-A
ISIN number	LI0010404585	LI0028897788	LI0045967341	LI0364737259
Valor number	1.040.458	2.889.778	4.596.734	36.473.725
Suitable as UCITS target fund	Yes	Yes	Yes	Yes
SFDR classification	Article 8			
Duration of the UCITS	indeterminate			
Listing	no			
Accounting currency of the UCITS	Euro (EUR)			
Reference currency of the share classes	Euro (EUR)	US Dollar (USD)	Swiss franc (CHF)	British Pound (GBP)
Minimum investment	1 Share			
Initial issue price	EUR 1'000	USD 1'000	CHF 1'000	GBP 1'000
Initial subscription date	24.03.2000	06.04.2007	07.12.2008	24.05.2017
Payment (first value date)	29.03.2000	11.04.2007	10.12.2008	24.05.2017
Valuation date <sup>2</sup> (T)	Wednesday			
Evaluation interval	weekly			
Issue and redemption date <sup>3</sup>	each valuation day			
Value date Issue and redemption date (T+2)	two banking days after calculation of the net asset value (NAV)			
Deadline for acceptance of share transaction (T)	Valuation day at 16.00h (CET) at the latest			
Denomination	three decimal places			
Securitization	by the book / no issuance of certificates			
Closing financial year	each as of December 31			
End of the first fiscal year	December 31, 2000			
Appropriation of earnings	Accumulating			

<sup>1</sup> The currency risks of the currency classes can be hedged in whole or in part.

<sup>2</sup> If the valuation date falls on a national holiday in Liechtenstein, the valuation date shall be moved to the next following bank business day in Liechtenstein.

<sup>3</sup> On December 31, the issue and redemption day is omitted in each case. This valuation day is decisive for the annual report of the UCITS.

## Costs to be borne by investors

	Unit classes of the UCITS			
Share classes	EUR-A	USD-A	CHF-A	GBP-A
Max. Issue surcharge	3%	3%	3%	3%
Max. Redemption discount in favor of the asset manager <sup>4</sup>	0.25%	0.25%	0.25%	0.25%
Conversion fee when switching from one unit class to another unit class	None	None	None	None

## Costs charged to the assets of the UCITS<sup>5,6</sup>

	Unit classes of the UCITS											
Share classes	EUR-A			USD-A			CHF-A			GBP-A		
Max. Fee for administration, investment decision, risk management and distribution <sup>4</sup>	1.2% p.a.			1.2% p.a.			1.2% p.a.			1.2% p.a.		
Max. Depositary fee <sup>4</sup>	0.15% p.a.											
Performance fee	From 0%	Until 7.5%	Perf. fee 0%	From 0%	Until 7.5%	Perf. fee 0%	From 0%	Until 7.5%	Perf. fee 0%	From 0%	Until 7.5%	Perf. fee 0%
	7.5%	15%	10%	7.5%	15%	10%	7.5%	15%	10%	7.5%	15%	10%
	15%		15%	15%		15%	15%		15%	15%		15%
Calculation model	High-on-High (HoH) model											
Hurdle rate	Yes, 7.5% for perfor- mance fee			Yes, 7.5% for perfor- mance fee			Yes, 7.5% for perfor- mance fee			Yes, 7.5% for perfor- mance fee		
High-on-High-Mark	Yes			Yes			Yes			Yes		
Basis: Launch	29.03.2000			11.04.2007			10.12.2008			24.05.2017		

## Use of benchmarks

	Unit classes of the UCITS			
Share classes	EUR-A	USD-A	CHF-A	GBP-A
Benchmark	The UCITS does not use a benchmark.			

<sup>4</sup> The commission or fee actually charged is disclosed in the semi-annual and annual reports.

<sup>5</sup> Plus taxes and other costs and fees: Transaction costs as well as expenses incurred by the management company and the depositary in the performance of their functions. The details can be found in the prospectus in items 10 (Tax regulations) and 11.2 (Costs and fees to be borne by the UCITS).

<sup>6</sup> In the event of the dissolution of the UCITS, the management company may charge a liquidation fee in the amount of max. CHF 10,000 in its favor.

## Master data and information of the UCITS and its unit classes

	Unit classes of the UCITS			
Share classes <sup>7</sup>	EUR-D	USD-D	CHF-D	GBP-D
ISIN number	LI0336894352	LI0336894360	LI0336894378	LI0364737267
Valor number	33.689.435	33.689.436	33.689.437	36.473.726
Suitable as UCITS target fund	Yes	Yes	Yes	Yes
SFDR classification	Article 8			
Duration of the UCITS	indeterminate			
Listing	no			
Accounting currency of the UCITS	Euro (EUR)			
Reference currency of the share classes	Euro (EUR)	US Dollar (USD)	Swiss franc (CHF)	British Pound (GBP)
Minimum investment	Countervalue of EUR 20 million			
Initial issue price	EUR 1'000	USD 1'000	CHF 1'000	GBP 1'000
Initial subscription date	31.08.2016	31.08.2016	31.08.2016	open
Payment (first value date)	31.08.2016	31.08.2016	31.08.2016	open
Valuation date <sup>8</sup> (T)	Wednesday			
Evaluation interval	weekly			
Issue and redemption date <sup>9</sup>	each valuation day			
Value date Issue and redemption date (T+2)	two banking days after calculation of the net asset value (NAV)			
Deadline for acceptance of share transaction (T)	Valuation day at 16.00h (CET) at the latest			
Denomination	three decimal places			
Securitization	by the book / no issuance of certificates			
Closing financial year	each as of December 31			
End of the first fiscal year	December 31, 2000			
Appropriation of earnings	Accumulating			

## Costs to be borne by investors

	Unit classes of the UCITS			
Share classes	EUR-D	USD-D	CHF-D	GBP-D
Max. Issue surcharge	3%	3%	3%	3%
Max. Redemption discount in favor of the asset manager <sup>10</sup>	0.25%	0.25%	0.25%	0.25%
Conversion fee when switching from one share class to another share class	None	None	None	None

<sup>7</sup> The currency risks of the currency classes can be hedged in whole or in part.

<sup>8</sup> If the valuation date falls on a national holiday in Liechtenstein, the valuation date shall be moved to the next following bank business day in Liechtenstein.

<sup>9</sup> On December 31, the issue and redemption day is omitted in each case. This valuation day is decisive for the annual report of the UCITS.

<sup>10</sup> The commission or fee actually charged is disclosed in the semi-annual and annual reports.

Costs charged to the assets of the UCITS <sup>11,12</sup>												
	Unit classes of the UCITS											
Share classes	EUR-D			USD-D			CHF-D			GBP-D		
Max. Fee for administration, investment decision, risk management and distribution <sup>13</sup>	0.90%			0.90%			0.90%			0.90%		
Max. Depositary fee <sup>13</sup>	0.10% p.a.											
Performance fee	From	Until	Perf. fee	From	Until	Perf. fee	From	Until	Perf. fee	From	Until	Perf. fee
	0%	7.5%	0%	0%	7.5%	0%	0%	7.5%	0%	0%	7.5%	0%
	7.5%	15%	10%	7.5%	15%	10%	7.5%	15%	10%	7.5%	15%	10%
	15%		15%	15%		15%	15%		15%	15%		15%
Calculation model	High-on-High (HoH) model											
Hurdle rate	Yes, 7.5% for performance fee			Yes, 7.5% for performance fee			Yes, 7.5% for performance fee			Yes, 7.5% for performance fee		
High-on-High-Mark	Yes			Yes			Yes			Yes		
Basis: Launch	31.08.2016			31.08.2016			31.08.2016			open		

Use of benchmarks				
	Unit classes of the UCITS			
Share classes	EUR-D	USD-D	CHF-D	GBP-D
Benchmark	The UCITS does not use a benchmark.			

## B. Task transfer

### a) Asset Manager

Holinger Asset Management AG, Gotthardstrasse 21, CH-8002 Zurich, acts as asset manager for the UCITS.

### b) Distributor

The distribution agent for the UCITS is HighValue Partners AG, Drescheweg 1a, FL-9490 Vaduz.

## C. Investment Advisor

No investment advisor has been appointed.

## D. Depositary

The depositary function for the UCITS is exercised by Liechtensteinische Landesbank AG, Städtle 44, FL-9490 Vaduz.

## E. Auditor

Ernst & Young AG, Schanzenstrasse 4a, CH-3008 Bern, has been appointed as auditor for the UCITS.

<sup>11</sup> Plus taxes and other costs and fees: Transaction costs as well as expenses incurred by the management company and the depositary in the performance of their functions. The details can be found in the prospectus in items 10 (Tax regulations) and 11.2 (Costs and fees to be borne by the UCITS).

<sup>12</sup> In the event of the dissolution of the UCITS, the management company may charge a liquidation fee in the amount of max. CHF 10,000 in its favor.

<sup>13</sup> The commission or fee actually charged is disclosed in the semi-annual and annual reports.

## F. Investment principles of the UCITS

The following provisions govern the fund-specific investment principles of the **H.A.M. Global Convertible Bond Fund**:

### a) Investment objective and policy

The investment objective of the **H.A.M. Global Convertible Bond Fund** is primarily to achieve long-term capital appreciation by investing **globally in wan del and warrant bonds**, with integration of certain ESG (i.e. environmental, social and corporate governance) characteristics and sustainability risks into the investment process.

In managing the UCITS, the asset manager shall take into account, among other things, ecological (E) and/or social (S) characteristics and shall invest in companies which apply good governance practices (G). The UCITS does not make ecologically sustainable investments within the meaning of Art. 2 No. 17 SFDR in ecologically sustainable economic activities.

This UCITS is a product pursuant to Art. 8 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosure requirements in the financial services sector.

It is an actively managed UCITS without reference to a benchmark. Insofar as no deviating investment principles are laid down for the UCITS in lit. F of this Annex, item V of the trust agreement "General investment principles and restrictions" shall apply. **No assurance can be given that the investment objective will be achieved.**

In accordance with the principle of risk diversification, the UCITS shall invest **at least two-thirds of its assets in convertible bonds, bonds with warrants, and comparable securities and book-entry securities with conversion and option rights of** private, mixed-economy, and public-sector borrowers. At least 40% of this must be invested at all times in convertible bonds and bonds with warrants with an investment grade rating of at least BBB- (Standard & Poor's) or at least Baa3 (Moody's) or for which a corresponding implicit rating has been determined. **In addition, the fund will invest at least two-thirds of its net assets in companies that are aligned with the advertised environmental and social characteristics.**

The principle of "avoidance of significant adverse impacts" applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities

**For further details on the sustainable orientation of the investment fund and on the disclosures pursuant to Art. 8 of Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosure requirements in the financial services sector ("Disclosure Regulation"), please refer to Annex D "Sustainability-related disclosure".**

The UCITS is not subject to any restrictions regarding the currency allocation. The proportion of the assets of the UCITS invested in securities not denominated in euros will vary depending on the market situation. In order to minimize the currency risk, assets that are not denominated in the accounting currency of the UCITS may be hedged temporarily or permanently. The currency risks of the currency classes issued in USD, CHF, and GBP may be hedged in whole or in part; this may have negative effects on the NAV of the currency class issued in EUR. The possible costs of a currency hedge of the USD, CHF and GBP unit classes are allocated accordingly.



Derivatives, other transferable securities, cash and near cash instruments may not be subject to the same ESG restrictions as other securities held in the financial product.

The UCITS may invest up to a maximum of 10% of its assets in equity securities and equity securities. Furthermore, the UCITS shall be authorized, within the limits of the investment limits set forth in item V of the trust agreement "General investment principles and restrictions", to invest in vestie other investments admitted to it.

The UCITS may invest a maximum of 10% of its assets in units of other UCITS or other undertakings for collective investment comparable to a UCITS. According to their prospectus, these other undertakings for collective investment may invest no more than 10% of their assets in units of another UCITS or another comparable undertaking for collective investment.

Important factors influencing the performance of the assets of the UCITS are the international stock and bond markets as well as the international currencies against the euro.

Convertible bonds are bonds that are generally convertible into shares or other equity securities at the bondholder's option for a specified period of time under predetermined conditions. Convertible bonds offer the security of a bond with the option for potential capital gains. In principle, in addition to the conversion right, each convertible bond securitizes the same claims as an ordinary bond.

Warrant bonds are fixed-interest securities that grant their holder the right to subscribe to shares or participation certificates at a predefined price within a certain period of time. Compared to the convertible bond, the main difference of the - warrant bond is that the share subscription right is not inseparably linked to the bond, but is embodied in a separate subscription certificate, warrant or option.

With respect to the investments described herein, the following criteria of a regulated, recognized and orderly market are met:

- ◆ Regular trading, which enables buy or sell orders to be placed daily, at least at certain times of the day;
- ◆ Transparent pricing that is comprehensible to third parties;
- ◆ A minimum set of trade practices that are considered to be followed by all as mandatory and whose violation leads to sanctions;
- ◆ Settlement of transactions through a recognized clearing house; and
- ◆ Recognition of the market by an authority and/or a self-regulatory organization.

The UCITS is further authorized to invest in other permitted investments within the investment limits set forth in item V of the trust agreement "General investment principles and restrictions".

Further product-specific information is available at [www.ifm.li](http://www.ifm.li).

In addition, further information on sustainability-related disclosures can be found in Appendix D.

**No assurance can be given that the investment objective will be achieved. Accordingly, the value of the units and their return may increase as well as decrease.**

**The fund-specific risks in lit. G of this appendix and the general risks in section 7.2 of the prospectus must be observed. Information on the risk of ESG investments and sustainability risks can also be found in the general risks in section 7.2 of the prospectus.**

**b) Invoice -/reference currency**

The accounting currency of the UCITS as well as the reference currency per unit class are specified in lit. A of this Annex "The UCITS at a glance".

The accounting currency is the currency in which the accounts of the UCITS are kept. The reference currency is the currency in which the performance and the net asset value of the unit classes are calculated. The investments are made in the currencies which are optimally suited for the performance of the UCITS.

**c) Profile of the typical investor**

The **H.A.M. Global Convertible Bond Fund** is suitable for investors with a long-term investment horizon who wish to invest in a broadly diversified portfolio of convertible and warrant bonds.

## **G. Risks and risk profiles of the UCITS**

**a) Fund-specific risks**

**The performance of the units depends on the investment policy as well as on the market development of the individual investments of the UCITS and cannot be determined in advance. In this context, it should be noted that the value of the units may rise or fall at any time compared to the issue price. It cannot be guaranteed that the investor will receive back his invested capital.**

**It should be noted that the assets of the UCITS are partly invested in convertible bonds of small and medium-sized companies whose shares are traded on local stock exchanges or "over-the-counter". Various rating companies classify the creditworthiness of the convertible bonds of these companies as speculative. Convertible bonds usually carry a significantly lower fixed interest rate (coupon) than ordinary bonds. The market value of the convertible bond during its term therefore depends very much on the development of the share price of the company to which the conversion right relates.**

Due to the fact that the assets of the **H.A.M. Global Convertible Bond Fund** are predominantly invested in convertible bonds and bonds with warrants, this investment type is exposed to interest rate risk, but also to market risk. This can have a negative impact on net assets. In addition, other risks such as issuer risk, liquidity risk and currency risk may arise.

The use of derivative financial instruments that are not used for hedging purposes may result in increased risks. The risk associated with derivative financial instruments may not exceed 100% of the net fund assets. The total risk may not exceed 200% of the net fund assets. In the case of borrowing permitted under the UCITSG, the total risk may not exceed 210% of the net fund assets. The management company uses the modified commitment approach as a recognized calculation method for risk management.

**b) General risks**

In addition to the fund-specific risks, the investments of the UCITS may be subject to general risks. An exemplary, but not exhaustive, list of such risks can be found under item 7.2 of the prospectus.

## **H. Costs reimbursed from the UCITS**

An overview of the costs reimbursed from the UCITS can be found in the table "Master data and information of the UCITS and its unit classes" from lit. A of this Annex A "The UCITS at a glance".

## I. Performance fee

Furthermore, the management company shall be entitled to receive a performance-related remuneration ("performance fee") pursuant to Annex A "The UCITS at a glance" of the increase in value of the unit value of the respective unit class adjusted for any distributions or corporate actions, provided that the performance of the net fund assets of the respective unit class exceeds the hurdle rate pursuant to Annex A "The UCITS at a glance". As calculation model, the High-on-High (HoH) model shall be applied for the calculation of the performance fee as follows:

Any performance fee is calculated and accrued on each valuation date on the basis of the number of outstanding units of the respective unit class, provided that the unit price of the respective unit class is cumulatively above the hurdle rate and above the high-on-high mark. Any shortfall in the hurdle rate at the end of a previous financial year does not have to be made up in the following financial year.

Based on the result of the daily valuation, any calculated performance fee within the UCITS is accrued per unit issued or already formed provisions are released accordingly. Reversals of provisions are attributed to the UCITS.

The reference period for the high-on-high mark corresponds to the entire life cycle of the UCITS.

The accounting period for the calculation of the performance fee corresponds to the financial year. A shortening of the accounting period is possible in the event of mergers or the dissolution of the UCITS. The payout designates the point in time from which the deferred performance fee is owed to the asset manager on a fixed basis. In addition, a deferred performance fee shall be deemed to be owed if unit redemptions occur before the end of the financial year. The performance fee owed due to unit redemptions is calculated in proportion to the unit redemptions. Any performance fee for the respective unit class is paid out in arrears at the end of each financial year.

The high-on-high-mark principle (basis: launch of the respective unit class) is applied as the basis for calculation. If the UCITS suffers a loss in value, the performance fee shall only be charged again if the unit price of the respective unit class, adjusted for any distributions or corporate actions, after deduction of all costs, is above the unit price at which the performance-related remuneration was last paid out (high-on high mark).

A schematic calculation example is included in lit. J "Calculation example for the performance fee".

Schaan/Vaduz, October 06, 2022

### **Management Company:**

IFM Independent Fund Management Aktiengesellschaft, Schaan

### **Depository:**

Liechtensteinische Landesbank AG, Vaduz

## J. Calculation example for the performance fee

The following examples schematically describe the calculation of the performance fee:

Performance fee 1	10%
Performance fee 2	15%
Hurdle rate 1	7.50%
Hurdle rate 2	15.00%
Update hurdle rate	No
High-on-High-Mark	Yes
Calculation performance fee	with each NAV calculation
Payout frequency	at the end of each fiscal year
Calculation model	High-on-High (HoH) model

Valuation date	NAV Start	Hurdle- Value 1	Hurdle- Value 2	High-on- High-Mark	NAV be- fore Perf. fee <sup>14</sup>	Perf. fee	cum. Perf. fee	NAV ac- cording to Perf. fee
<b>Year 1</b>								
Week 1	100.00	107.50	115.00	100.00	105.00	0.00	0.00	105.00
Week 2	105.00	107.50	115.00	100.00	110.00	0.25	0.25	109.75
Week 3	109.75	107.50	115.00	100.00	117.00	0.80	1.05	116.20
Week 4	116.20	107.50	115.00	100.00	112.00	-0.60	0.45	112.60
Week 5	112.60	107.50	115.00	100.00	110.00	-0.20	0.25	110.20
Week 52	110.20	107.50	115.00	100.00	114.00	0.40	<b>0.65</b>	<b>113.60</b>
<b>Year 2</b>								
Week 1	113.60	122.82	131.39	114.00	118.74	0.00	0.00	118.74
Week 2	118.74	122.82	131.39	114.00	118.48	0.00	0.00	118.48
Week 3	118.48	122.82	131.39	114.00	116.14	0.00	0.00	116.14
Week 4	116.14	122.82	131.39	114.00	112.49	0.00	0.00	112.49
Week 5	112.49	122.82	131.39	114.00	109.37	0.00	0.00	109.37
Week 52	109.37	122.82	131.39	114.00	107.28	0.00	<b>0.00</b>	<b>107.28</b>
<b>Year 3</b>								
Week 1	107.28	115.33	123.37	114.00	110.25	0.00	0.00	110.25
Week 2	110.25	115.33	123.37	114.00	112.01	0.00	0.00	112.01
Week 3	112.01	115.33	123.37	114.00	115.50	0.02	0.02	115.48
Week 4	115.48	115.33	123.37	114.00	117.00	0.15	0.17	116.85
Week 5	116.85	115.33	123.37	114.00	115.66	-0.13	0.03	115.79
Week 52	115.79	115.33	123.37	114.00	114.50	-0.03	<b>0.05</b>	<b>114.53</b>
<b>Year 4</b>								
Week 1	114.53	123.12	131.71	114.50	118.30	0.00	0.00	118.30
...								

<sup>14</sup> NAV before performance fee includes all current accruals including performance fee accruals of the prior period.

## Explanations of the calculation example for the performance fee

<b>High-on-High (HoH) model:</b>	A model for performance-based remuneration in which the performance-based remuneration (performance fee) may only be calculated if the net asset value (NAV) is above the net asset value before performance fee at which the performance-based remuneration was last paid.
<b>High-on-High-Mark:</b>	The last net asset value (NAV) before performance fee of the business year in which a performance fee was last paid.
<b>Reference period:</b>	The reference period for the high-on-high mark corresponds to the developed life cycle of the UCITS.
<b>Hurdle value:</b>	The basis for calculating the hurdle value is the net investment value (NAV) after performance fee at the end of the previous financial year plus the cumulative performance fee for the previous financial year plus the hurdle rate for the current financial year.
<b>Minimum return (hurdle rate):</b>	A pre-determined minimum rate of return.
<b>Payout frequency:</b>	The frequency with which the accrued performance fee, if any, is payable to the management company or the AIFM.
<b>Year 1:</b>	In year 1, a performance fee was charged because the unit price at the end of the fiscal year is cumulatively above the hurdle rate and above the high-on-high mark. The performance fee is calculated and accrued on each valuation date. The performance fee of the respective unit class accrued during the year was partially reversed due to the decrease in the net asset value (NAV) of the respective unit class.
<b>Year 2:</b>	In year 2, no performance fee was charged as the high-on-high mark principle was applied. Any performance fee shall only be charged again if the value per unit of the respective unit class, after deduction of all costs, is cumulatively above the hurdle rate and above the high-on-high mark.
<b>Year 3:</b>	In year 3, a performance fee was charged as the net asset value (NAV) of the respective share class cumulatively exceeded the hurdle rate and the high-on-high mark. In this context, the performance fee was partially reversed by the decrease in the net asset value (NAV) of the respective share class.
<b>Disbursement period:</b>	The payment period for the calculation of the performance fee is one financial year. Any performance fee of the respective unit class shall be paid out in arrears at the end of each financial year (payment date). In addition, an accrued performance fee shall be deemed to be owed if unit redemptions occur before the end of the financial year.
<b>Notice:</b>	It should be noted that a performance fee may be charged on unrealized gains even though the unrealized gains may never be subsequently realized.

# Appendix B: Specific information for individual sales countries

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## Notes for investors in Switzerland

### 1. Representative

The representative in Switzerland is LLB Swiss Investment AG, Claridenstrasse 20, CH-8002 Zurich.

### 2. Paying agent

The paying agent in Switzerland is Helvetische Bank AG, Seefeldstrasse 215, CH-8008 Zurich.

### 3. Place of reference of the relevant documents

The prospectus, the Key Investor Information Document (KIID) or the Key Investor Information Document as well as the annual and semi-annual reports may be obtained free of charge from the Representative as well as from the Paying Agent in Switzerland.

### 4. Publications

Publications relating to foreign collective investment schemes are made in Switzerland on the electronic platform [www.fundinfo.com](http://www.fundinfo.com).

The issue and redemption prices or the net asset value with the note "excluding commissions" are published daily on the electronic platform [www.fundinfo.com](http://www.fundinfo.com).

### 5. Payment of retrocessions and rebates

#### 5.1 Retrocessions

The management company and its agents as well as the depositary may pay retrocessions to cover distribution and brokerage activities of fund units in Switzerland or from Switzerland. In particular, any activity aimed at promoting the distribution or brokerage of fund units, such as the organization of road shows, participation in events and trade fairs, the production of advertising material, the training of sales staff, etc., shall be deemed to be distribution and brokerage activities.

Retrocessions are not considered rebates, even if all or part of them are ultimately passed on to investors.

The disclosure of the receipt of retrocessions is governed by the relevant provisions of the FIDLEG.

#### 5.2 Discounts

The Management Company and its agents may pay rebates directly to investors upon request in the distribution in Switzerland. Discounts serve to reduce the fees and/or costs attributable to the investors concerned. Discounts are permissible provided that they

- ◆ are paid from fees of the management company and thus do not additionally burden the fund assets;
- ◆ be granted on the basis of objective criteria;
- ◆ granted to all investors who meet the objective criteria and request discounts, under the same time conditions, to the same extent.

The objective criteria for granting discounts by the management company are:

- ◆ The volume subscribed or the total volume held by the investor in the collective investment scheme or in the promoter's product range, as the case may be;
- ◆ the amount of fees generated by the investor;

- ♦ the investment behavior practiced by the investor (e.g. expected investment duration);

Upon the investor's request, the Management Company shall disclose the corresponding amount of discounts free of charge.

**6. Place of performance and jurisdiction**

For units offered in Switzerland, the place of performance is established at the registered office of the representative. The place of jurisdiction is the registered office of the representative or the registered office or place of residence of the investor.



## Notes for investors in Germany

The Company has notified its intention to distribute shares in the Federal Republic of Germany and has been authorized to distribute shares since completion of the notification procedure.

### **Institution pursuant to Section 306a KAGB:**

IFM Independent Fund Management AG  
Country road 30  
PO Box 355  
FL-9494 Schaan  
Email: [info@ifm.li](mailto:info@ifm.li)

Subscription, payment, redemption and conversion applications for the units are processed in accordance with the sales documents.

Investors will be informed by the Institution on how to place the aforementioned orders and how redemption proceeds will be paid.

IFM Independent Fund Management AG has established procedures and made arrangements with respect to the exercise and safeguarding of investor rights pursuant to Art. 15 of Directive 2009/65/EC. The institution facilitates access within the scope of this law and investors can obtain information about this from the institution.

The sales prospectus, the key investor information, the trust agreement of the EU UCITS, and the annual and semi-annual reports may be obtained free of charge in paper form from the institution or at [www.ifm.li](http://www.ifm.li) or also from the Liechtenstein depositary.

The issue, redemption and exchange prices as well as other information and documents to be published in the Principality of Liechtenstein (e.g. the relevant contracts and laws) are also available free of charge at the institution.

The institution shall provide investors with relevant information on the tasks performed by the institution in a durable medium.

The institution also acts as a contact point for communication with BaFin.

### **Publications**

The issue prices, redemption prices and conversion prices are published on [www.fundinfo.com](http://www.fundinfo.com). Other information for investors is published at [www.fundinfo.com](http://www.fundinfo.com).

In the following cases, investors will be informed by means of a durable medium in accordance with section 167 of the KAGB in German and generally in electronic form:

- Suspension of the redemption of the units of the EU UCITS,
- termination of the management of the EU UCITS or its liquidation,
- Amendments to the investment terms and conditions that are inconsistent with the previous investment principles or changes to material investor rights that are detrimental to investors or changes that are detrimental to investors that affect the remuneration and reimbursement of expenses that can be withdrawn from the investment fund, including the background to the amendments and the rights of investors in a comprehensible manner; in this context, information must be provided on where and how further information on this can be obtained,
- the merger of EU UCITS in the form of merger information to be drawn up pursuant to Article 43 of Directive 2009/65/EC, and
- the conversion of an EU UCITS into a feeder fund or the changes to a master fund in the form of information to be prepared pursuant to Article 64 of Directive 2009/65/EC.

## Notes for investors in Austria

### Contact and information point in Austria

Contact and information point in Austria according to the provisions of EU Directive 2019/1160 Art. 92:

Erste Bank der oesterreichischen Sparkassen AG  
At the Belvedere 1  
A-1100 Vienna  
E-mail: [foreignfunds0540@erstebank.at](mailto:foreignfunds0540@erstebank.at)

## Notes for investors in the United Kingdom

### 1. sales restrictions

The UCITS is an investment vehicle authorized in the United Kingdom with effect from the date specified by the Financial Services Authority in the United Kingdom ("UK FSA"), within the meaning of section 264 of the UK Financial Services and Markets Act 2000, as amended ("FSMA"). This prospectus is issued in the United Kingdom by the UCITS. Accordingly, the UCITS may be offered to the general public in the United Kingdom. Certain provisions embodied in the FSMA for the protection of private investors do not apply to investments in the UCITS. Compensation benefits under the Financial Services Compensation Scheme are generally not available.

According to the constituent documents of the UCITS, units in the UCITS confer rights vis-à-vis the UCITS. Among other things, investors shall be granted the right to be informed about important events with regard to the business of the UCITS; furthermore, they shall be permitted to request the management company at any time to provide the necessary information with regard to the basis for calculating the issue and redemption prices of the units.

In connection with the recognition of the UCITS under Section 264 of the FSMA, the UCITS maintains the facilities required of a recognized investment vehicle under the regulations in the UK FSA's New Collective Investment Schemes Sourcebook at the office of **Bank Frick & Co. AG**, UK Branch, 25 Bedford Square, London WC1B 3HH, UK. These facilities allow, among other things:

- a) an investor to sell back his units in the UCITS and receive payment of the redemption price in return;
- b) oral and written information in English at the latest published prices of the fund's shares;
- c) any person who has a complaint regarding the operations of the UCITS to submit such complaint in writing to the UCITS; and
- d) Review (free of charge) and delivery (free of charge with respect to items 3., 4. and 5. below, otherwise at a reasonable charge only) of English language copies of:
  - 1. the constituent documents of the UCITS;
  - 2. any documents amending the constituent documents of the UCITS;
  - 3. the terms of the contract;
  - 4. the prospectus
  - 5. the Key Investor Information Document (KIID)
  - 6. the most recent annual and semi-annual reports

### 2. tax aspects relating to the UCITS and the investors

Interest income and other distributions of a UCITS, as well as payments of the proceeds based on the sale or redemption of fund units, are subject (depending on the investment portfolio of the UCITS) to withholding tax or to a cross-border information system on the basis of Directive 2003/48/EC of the EU Council of 3 June 2003 on taxation of savings income in the form of interest payments ("Savings Directive"). June 2003 on the taxation of savings income in the form of interest payments ("Savings Directive"), if payments are made to the unit holder (or to a "residual entity" established in a Member State) who is a natural person resident in an EU Member State and these payments were made through a paying agent in another EU Member State. Certain other countries (including Switzerland) have established or will establish a corresponding withholding tax or information system with respect to payments through a paying agent.

This summary should not be construed as legal or tax advice and potential unitholders should consult their professional advisors regarding the United Kingdom tax treatment of returns from unit ownership in the UCITS.

#### The UCITS

The UCITS intends to manage and conduct its business so as not to be resident in the United Kingdom for tax purposes. Accordingly, the UCITS is not subject to corporate income tax or income tax on its profits applicable in the United Kingdom - provided that the UCITS is not distributed in the United Kingdom through permanently established companies or agents constituting a "permanent establishment" within the meaning of the tax legislation of the United Kingdom, and all trading transactions in the United Kingdom are executed through a broker or investment manager, respectively, which has an independent status in the regular exercise of its activities. Both the UCITS and the management company intend to conduct the respective business of the UCITS and the management company in such a way that these requirements are met within the scope of their respective control. Nevertheless, it cannot be guaranteed that the requirements necessary for this purpose are met at all times.

Certain interest and other income earned by the UCITS from sources in the United Kingdom may be subject to withholding tax in the United Kingdom.

## Investor

Depending on their personal situation, owners of fund units with tax residence in the UK must pay the income or corporation tax applicable in the UK according to their units in the UCITS - regardless of whether such income is distributed or reinvested.

If a shareholder holds an interest in an offshore fund and such offshore fund does not qualify as a reporting fund, any gain accruing to the investor on the sale, redemption or other disposal of such interest (which may include a redemption by the UCITS) will be taxed under the Offshore Funds (Tax) Regulations in the United Kingdom at the time of such sale, redemption or disposal as income ("offshore income gain") and not as a capital gain. Insofar as a shareholder holds an interest in an offshore fund and this offshore fund fulfills the requirements to be considered a reporting fund, all profits accruing to the investor upon the sale, redemption or other disposal of said interest (which may also include a redemption by the UCITS) shall be taxed as capital gains at the time of said sale, redemption or disposal.

In the case of umbrella constructions, each part of the umbrella construction is to be treated as a separate entity. In addition, each share class constitutes a separate participation in an offshore fund within the meaning of the Regulations.

The management company of the UCITS intends to apply for the certification of the UCITS as a reporting fund and to fulfill the annual reporting obligations required as a consequence of such certification.

Certification as a reporting fund would require that investors be subject to income tax with respect to the share of the reporting fund's income that may be allocated to them each year, whether or not it is distributed. Gains from the sale of their holdings would be subject to capital profit tax. In calculating the gain on disposal, an amount equal to the offshore income gain shall be deducted from the amount or value representing the consideration for the disposal.

Persons subject to corporation tax in the United Kingdom should note that the tax regime applicable to most corporate bonds in Part 5 of the Corporation Tax Act 2009 ("loan relationship regime") provides, that, to the extent that such person holds an interest in an offshore fund within the meaning of the relevant provisions of Part 6 of the Corporation Tax Act 2009 at any time during an accounting period and such UCITS does not satisfy the "qualifying investments test" at any time during such period, the interest held by such person during such accounting period shall be construed as if it were claims under a creditor relationship within the meaning of the "loan relationship ships regime". An offshore fund will not satisfy the qualifying investments test if at any time more than 60% of its assets by market value comprise government and corporate bonds, cash deposits, certain derivative contracts or interests in other collective investment vehicles that also do not satisfy the qualifying investments test at any time during the said accounting period. In this case, the units represent participations in an offshore fund; based on the investment policy of the UCITS, the UCITS could also invest more than 60% of its assets in government and corporate bonds, cash deposits, certain derivative contracts or participations in other collective investment vehicles which at any time during the said accounting period themselves do not meet the "qualifying investments test", for which reason the UCITS could fail the "qualifying investments test". Should this be the case, the shares will be considered for corporate income tax purposes under the "loan relationship regime", whereby all income from such shares in respect of such person's accounting period (including accretions, gains and losses) will be taxed or relieved as income or costs, subject to daily revaluation. Accordingly, a person who acquires units in the UCITS may, depending on his own circumstances, be subject to corporate income tax for unrealized increases in the value of his fund units (likewise, he may receive a reduction in corporate income tax for an unrealized decrease in the value of his fund units).

Individuals who are ordinarily resident in the United Kingdom for tax purposes are invited to note Section II of Part XIV of the Income Taxes Act 2007, which provides that they may be subject to income tax in respect of undistributed funds or contributions.

The attention of companies with their tax domicile in the United Kingdom is drawn to the fact that the legal before provisions on "controlled foreign companies" in Section IV of Part XVII of the Income and Corporation Taxes Act may be applicable to a company established in the United Kingdom, which, either alone or with other persons associated with it for tax purposes, holds an interest of 25% or more in any taxable profits of the UCITS during an accounting period, provided that the UCITS is at the same time controlled (as defined under section 755D of the Income and Corporation Taxes Act) by persons (companies, individuals or others) who are resident for tax purposes in the United Kingdom; this shall also apply if the UCITS is jointly controlled by two persons, one of whom maintains his tax residence in the United Kingdom and holds at least 40% of the participations, rights and powers with which these persons control the UCITS, and the other person holds at least 40% (at most 55%) of these participations, rights and powers. The "taxable profits" of the UCITS do not include its capital gains. These provisions could result in such UCITS being subject to corporate income tax in the UK with regard to undistributed fund income.

Transfers of Shares are not subject to stamp duty in the United Kingdom - unless the instrument for such transfer is applied in the United Kingdom, provided that the transfer is subject to ad valorem stamp duty of 0.5% of the consideration paid, rounded up to the next higher pound amount divisible by 5. No stamp duty reserve tax is payable in the United Kingdom on such transfers or arrangements to make them.

It should be noted that tax brackets, bases and reliefs are subject to change.

## Notes for qualified investors in Italy

The UCITS is authorized in Italy exclusively for distribution to **qualified investors**.

## Appendix C: Regulatory Disclosures

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### Conflicts of interest

The following conflicts of interest may arise at the UCITS:

The interests of the investor may conflict with the following interests:

- ◆ Interests of the management company and the companies and persons closely associated with them
- ◆ Interests of the management company and its clients
- ◆ Interests of the management company and its investors
- ◆ Interests of the various investors of the management company
- ◆ Interests of an investor and a fund
- ◆ Interests of two funds
- ◆ Interests of the employees of the management company

Circumstances or relationships that may give rise to conflicts of interest include, but are not limited to:

- ◆ Incentive systems for employees
- ◆ Employee Business
- ◆ Regroupings in the UCITS
- ◆ Positive presentation of fund performance
- ◆ Transactions between the management company and the funds or individual portfolios it manages
- ◆ Transactions between funds and/or individual portfolios managed by the management company
- ◆ Combination of several orders (so-called "block trades")
- ◆ Commissioning of closely related companies and persons
- ◆ Individual installations of significant size
- ◆ High turnover rate of assets (so-called "frequent trading")
- ◆ Determination of the cut-off time
- ◆ Suspension of unit redemption
- ◆ IPO allocation

In order to deal with conflicts of interest, the Management Company implements the following organizational and administrative measures to avoid and, if necessary, resolve, identify, prevent, resolve, monitor and disclose conflicts of interest:

- ◆ Existence of a compliance department that monitors adherence to laws and rules and to which conflicts of interest must be reported
- ◆ Disclosure obligations
- ◆ Organizational measures such as
  - Assignment of responsibility to prevent improper influence
  - Rules of conduct for employees with regard to employee transactions
  - Rules of conduct regarding the acceptance and granting of gifts, invitations, other benefits and donations
  - Prohibition of insider trading
  - Prohibition of front and parallel running
- ◆ Establishment of compensation policies and practices
- ◆ Principles for the consideration of customer interests
- ◆ Principles for monitoring the agreed investment guidelines
- ◆ Principles for the execution of trading decisions (Best Execution Policy),
- ◆ Principles for the division of partial executions
- ◆ Setting up order acceptance times (cut-off times)

## Complaint handling

Investors are entitled to submit complaints about the Management Company or its employees, complaints in connection with funds managed by the Management Company, as well as their concerns, wishes and needs, free of charge, in writing or orally to the Management Company.

The Management Company's Complaints Policy and the procedure for dealing with investor complaints are available free of charge on the Management Company's website at [www.ifm.li](http://www.ifm.li).

## Principles of voting policy at general meetings

The management company exercises the shareholder and creditor rights associated with the investments of the managed fund assets independently and exclusively in the interests of the investors.

With regard to the individual transactions, the management company is free to decide whether to exercise the shareholder and creditor rights for the respective fund assets itself or to delegate the exercise to the depositary or third parties or to waive the exercise.

In the absence of express instructions from the management company, the respective depositary is authorized, but not obligated, to exercise the rights arising from the investments as a shareholder, co-owner, etc.

In the case of transactions that significantly influence the interests of the investors, the management company must exercise the voting right itself or issue express instructions.

Active exercise of voting rights occurs in particular in cases where there is a clearly identified need to protect investor interests. Voting rights only have to be exercised if sustainable interests are affected. If the share positions concerned do not represent a significant proportion of the market capitalization, no sustainable interests are affected.

The management company aims to prevent conflicts of interest arising from the exercise of voting rights and to resolve or regulate them in the interests of the investors.

When exercising the voting rights, the management company shall observe the investor interests of the assets of the UCITS as well as the requirement that the exercise of voting rights is in line with the objectives of the investment policy of the assets concerned.

The voting rights policy of the management company (strategies for the exercise of voting and creditor rights, measures, details on the avoidance of conflicts of interest, etc.) can be accessed free of charge on the homepage of the management company at [www.ifm.li](http://www.ifm.li).

## Best possible execution of trading decisions

The Management Company shall act in the best interests of the funds it manages when executing trading decisions on their behalf in the management of its portfolios.

The Management Company shall take all reasonable measures, taking into account the price, costs, speed of execution, likelihood of execution and settlement, size, nature of the order and other aspects relevant to the execution of the order, to achieve the best possible result for the Funds (best execution).

To the extent that the Asset Managers are authorized to execute transactions, they will be contractually bound to apply the relevant best execution policies to the extent that they are not already subject to the relevant best execution laws and regulations. The Best Execution Policy is available to investors on the Management Company's website at [www.ifm.li](http://www.ifm.li).

## Compensation policies and practices

IFM Independent Fund Management AG ("IFM") is subject to the regulatory requirements applicable to management companies under the Law on Undertakings for Collective Investment



in Transferable Securities (UCITSG) and to AIFMs under the Law on Alternative Investment Fund Managers (AIFMG) with respect to the design of its compensation policies and practices. IFM has regulated the detailed design in an internal directive on remuneration policy and practice, the aim of which is to ensure a remuneration system that is compliant with while avoiding false incentives to take excessive risks. IFM's compensation policies and practices are reviewed at least annually by the members of the Board of Directors to ensure that they are appropriate and comply with all legal requirements. They comprise fixed and variable (performance-related) compensation elements.

IFM has established a compensation policy that is consistent with its business and risk policies. In particular, no incentives are created to take excessive risks. Remuneration for implementing and executing the sustainability strategy is included in the fixed salary component of the Sustainability Officer. Either the overall result of IFM and/or the personal performance of the employee concerned and his or her department are included in the calculation of the performance-related remuneration. In the target achievement determined as part of the personal performance assessment, the focus is in particular on sustainable business development and protecting the company from excessive risks. The variable compensation elements are not linked to the performance of the funds managed by IFM. Voluntary employer fringe benefits or benefits in kind are permitted.

The definition of ranges for the total compensation also ensures that there is no significant dependence on the variable compensation and that there is an appropriate ratio of variable to fixed compensation. The amount of the fixed salary component is structured in such a way that an employee can cover his or her living expenses with the fixed salary component in isolation (taking into account salaries in line with the market) if he or she is employed 100%. The members of the Executive Board and the Chairman of the Board of Directors have the final decision on the allocation of the variable compensation. The Chairman of the Board of Directors is responsible for reviewing the compensation principles and practices.

Special rules apply to members of IFM's Executive Board and employees whose activities have a significant influence on the overall risk profile of IFM and the funds it manages (risk takers). Risk takers have been identified as employees who can exert a decisive influence on IFM's risk and business policy. For these risk-takers, variable compensation is paid in arrears over several years. It is mandatory that a portion of at least 40% of the variable compensation be deferred over a period of at least three years. The portion of compensation deferred at is risk-dependent during this period. Variable compensation, including the deferred portion, is only paid or served if it is sustainable in view of IFM's overall financial situation and justified on the basis of the performance of the department and individual concerned. A weak or negative financial performance of IFM generally results in a significant reduction in total compensation, taking into account both ongoing compensation and reductions in payouts of previously earned amounts.

# Appendix D: Sustainability-related disclosure

Pre-contractual information on financial products referred to in Article 8(1), (2) and (2a) of Regulation (EU) 2019/2088 and Article 6(1) of Regulation (EU) 2020/852

Product Name:  
H.A.M. Global Convertible Bond Fund

Legal entity identifier:  
5299001ET6GBMVZPV415

## Ecological and/or social characteristics

Does this financial product target sustainable investments?

☒ ☒ ☐ Yes

☒ ☐ ☒ No

☐ A minimum percentage of **sustainable investments with an environmental goal** is thus made: \_\_\_\_%

- ☐ in economic activities that are classified as environmentally sustainable according to the EU taxonomy
- ☒ in economic activities that are not classified as environmentally sustainable according to the EU taxonomy

☐ A minimum percentage of **sustainable investments with a social objective** is thus made: \_\_\_\_%

☐ It **advertises environmental/social features** and although it does not target sustainable investments, it includes a minimum sustainable investment percentage of \_\_\_\_%.

- ☐ With an environmental objective in economic activities that are classified as environmentally sustainable according to the EU taxonomy
- ☐ With an environmental objective in economic activities that are not classified as environmentally sustainable according to the EU taxonomy
- ☐ With a social purpose

☒ Ecological/social features are thus advertised, but **no sustainable investments** are made.

• **What environmental and/or social features are being promoted with this financial product?**

The financial product takes into account, among other things, environmental (E) and/or social (S) characteristics by applying exclusion and positive criteria and invests in companies that apply good governance practices (G). The financial product thereby pursues an overall ESG approach, in which the sustainable orientation of the financial product is to be ensured by taking into account various sustainability factors.

Furthermore, the financial product uses activity-based as well as norm-based exclusions, which are described in more detail in the investment strategy below.

- **What sustainability indicators are used to measure the achievement of each environmental or social characteristic promoted by this financial product?**

The sustainability indicators used to measure the achievement of the financial product's environmental or social investment objectives include:

- Number of direct investments with violations against the exclusion criteria
- The average ESG score of the financial product

- **Does this financial product address key adverse impacts on sustainability factors?**

No

- **What is the investment strategy of this financial product?**

To achieve the investment objective of the financial product, a multi-stage sustainability process is applied, in which issuers are selected according to the following process:

**I. Activity-based negative testing:**

In order to achieve its investment objective, the asset manager **first** sets **exclusion criteria** or thresholds for the acquisition of certain assets.

This excludes from a global universe companies that are themselves or through companies controlled by them:

- Develop or manufacture controversial weapons
- Produce tobacco or tobacco products
- Produce cannabis for recreational use

Observation or exclusion may be decided for mining companies and power generators consolidated either by themselves or by companies controlled by them:

- derive 30% or more of their income from hard coal
- 30% or more of their activities are based on thermal coal
- produce more than 20 million metric tons of hard coal per year or
- have the capacity to generate more than 10,000 MW of electricity from thermal coal

**II. Standards-based negative testing:**

In a **second step**, companies can be excluded or placed under observation if there is an unacceptable risk that the company contributes to or is responsible for the following:

- Serious or systematic human rights violations
- gross corruption or other serious financial crime

To perform this analysis, the Asset Manager uses data provided by one or more external ESG research services.

**III. Positive criteria:**

In a **third step**, to meet environmental and social characteristics, an ESG score is assigned to the assets of the investment fund. The ESG score shows the exposure of each company to the main ESG factors. It is based on the fine-grained breakdown of business activity, main products and segments, locations, assets and revenues, as well as other relevant metrics such as production outsourcing etc.

The following criteria, among others, are used to value the individual positions in the investment fund:

- ESG Rating
- Environmental, Social and Governance Disclosure Score
- ESG Risk Score

- Science based Targets
- Biodiversity Policy
- Women Board Members in %

A 3-level rating scale is applied for each criterion. The weighted average of all criteria of a security finally results in an ESG score for each security (if a security has a score on less than 3 criteria, it is not rated).

Further information on how the ESG and sustainability methodology works, how it is integrated into the investment process, the selection criteria, and the ESG and sustainability guidelines can be found on the [Sustainability Disclosure IFM Independent Fund Management AG](#) website.

○ ***What are the mandatory elements of the investment strategy used to select investments to meet advertised environmental or social goals?***

The mandatory elements of the investment strategy are the systematic exclusions of certain companies based on the exclusion policy described above.

○ ***How are the practices of good corporate governance of the companies in which investments are made evaluated?***

The Management Company and the Asset Manager promote the adoption of better practices with respect to environmental, client and social issues.

The management company believes in contributing to corporate values and behaviors by actively exercising its voting rights. With the engagements of the management company, it encourages companies to adopt best-practice corporate governance standards. When exercising voting rights, the management company takes into account the internal directive on voting rights policy. In designing the engagement with companies, the management company works closely with a proxy voting provider and combines its analysis with the investment policy of the financial product.

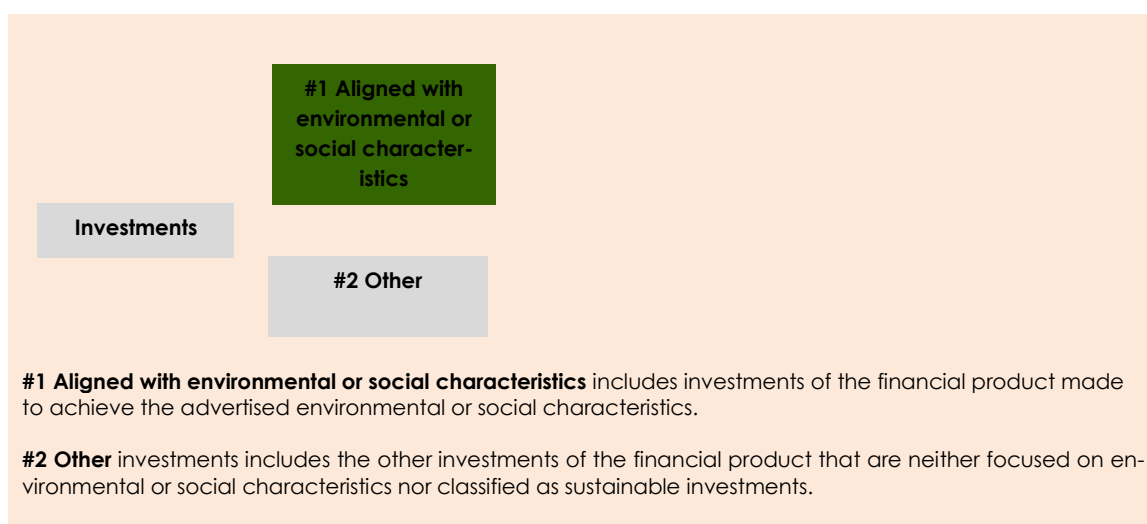
The voting policy is available at:

<https://www.ifm.li/files/attachments/Stimmrechtspolitik.pdf?t=061221181423>

• ***What asset allocation is planned for this financial product?***

In accordance with the principle of risk diversification, the investment fund invests at least two-thirds of its assets in convertible bonds, bonds with warrants and comparable securities and book-entry securities with conversion and option rights issued by private, mixed-economy and public-sector borrowers. At least 40% of these assets must be invested at all times in convertible bonds and bonds with warrants with an investment grade rating of at least BBB- (Standard & Poor's) or at least Baa3 (Moody's) or for which a corresponding implicit rating has been determined.

The fund will invest at least two-thirds of its net assets in companies aligned with the advertised environmental and social characteristics (#1). Thus, the remaining portion (< 33.333%) will consist of (#2) "Other investments".



○ **To what extent does the use of derivatives achieve the environmental or social characteristics advertised by the financial product?**

For efficient management, the financial product may use derivative financial instruments on securities, equity and bond indices, currencies, volatilities and exchange traded funds as well as forward exchange contracts and swaps for hedging and investment purposes.

Derivatives, other transferable securities, cash and near cash instruments at may not be subject to the same ESG restrictions as other securities held in the financial product's assets.

• **Which investments fall under "#2 Other Investments", what is their investment purpose and is there a minimum environmental or social protection?**

1. Cash and cash equivalents for liquidity purposes
2. Derivative financial instruments that are part of the investment strategy and are used for hedging purposes
3. Investments for diversification purposes or investments for which data are lacking and do not follow minimum protection rules related to E&S

Due to the nature of the facilities under items 1 and 2, no minimum environmental or social protection requirements are established.

• **Has an index been determined as a reference value to determine whether this financial product is aligned with the advertised environmental and/or social characteristics?**

No, no index has been identified as a benchmark for determining whether this financial product is aligned with the advertised environmental and/or social characteristics.

• **Where can I find more product-specific information on the Internet?**

- Further product-specific information can be found on the website: [www.ifm.li](http://www.ifm.li)



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