



EnCor Funds SICAV, a.s.

Investment fund sub-fund statutes

EnCor Fixed Income Strategy

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1 Definition

1.1 Unless otherwise specified below, capitalized terms used in these Articles shall have the meanings defined in the Fund's Articles of Incorporation and the Fund's By-Laws.

1.2 For the purposes of these Articles of Association (the "**Articles**"), capitalised terms used in these Articles shall have the following meanings:

"Administrator" means a person authorised to carry out the administration of the Company pursuant to Section 38 of the ISIF Act who performs such activities for the Fund under a contractual arrangement as defined in Article 4 of these Articles.

"Shareholder" means each Shareholder of the Fund who is the holder of a Founding Share of the Fund.

"Auditor" means a firm providing auditing services to the Fund as defined in Article 3 of these Articles.

"CNB" means the Czech National Bank, with registered office at Na Příkopě 28, Postal Code: 115 03, Prague 1, Czech Republic, telephone: +420 800 160 170, email address: podatelna@cnb.cz, internet address: www.cnb.cz.

"Depository" means the company carrying out the business of depository for the Fund as defined in Article 5 of these Articles.

"Sub-Fund Credit Date" means the date on which funds transferred by the Investor to the Sub-Fund Account are credited to the Sub-Fund Account. In the case of the fulfilment of an obligation by set-off against payable obligations pursuant to Section 1982 et seq. of the CC or Section 21(3) of the CCC, this date shall be the effective date of the netting agreement.

"Distribution Ratio" means the amount of the share of the Class of Investment Shares issued to the Sub-Fund in the Fund Capital of the Sub-Fund, determined on the basis of the rules set out in the Articles of Association and the Sub-Fund's Articles of Association.

"EUR" stands for Euro, the currency of the euro area.

"Fund" means **EnCor Funds SICAV, Inc.** as defined in Article 2 of these Articles.

"Fund Capital" means, in accordance with Section 191(6) of the ICIIF, the value of the assets in the Sub-Fund less the value of the debts in the Sub-Fund.

"Investment Shares" means the investment shares issued to the Sub-Fund as defined in the Articles of Association and in Article 14 of these Articles, unless the wording of these Articles indicates otherwise.

"Investor" means each Shareholder of the Sub-Fund who is the owner of an Investment Share.

"CZK" means the Czech crown, the legal currency of the Czech Republic.

"Qualified Investor" means a qualified investor as defined in Section 272 of the AIFMD.

"Regulation" means Government Regulation No. 243/2013 Coll., on the investment of investment funds and techniques for their management, as amended.

"Immovable property" means immovable property within the meaning of Sections 498(1) and 3055 CC (in particular, land, a right in rem over land, a right declared by law to be immovable property, and a building connected to the ground by a fixed foundation which has not become part of the land on which it is established by the CC).

"Real Estate Company" means a capital company within the meaning of the Real

Estate Act or a comparable legal entity under Czech law or the law of a foreign state, the object of which is mainly the acquisition of Real Estate, the management of Real Estate, the lease of Real Estate and the transfer of the ownership right to Real Estate for profit.

"Manager" means a person authorised to manage the Company's assets within the meaning of Section 5 of the ISIF Act who performs such activities for the Fund under a contractual arrangement as defined in Article 4 of these Articles.

"CC" means Act No. 89/2012 Coll., the Civil Code, as amended.

"Business Day" means any day (other than Saturday, Sunday and statutory public holidays) on which banks are open for normal business in the Czech Republic.

"Sub-Fund" means accounting and asset segregated portion of the Fund's assets into which the Fund includes the assets and debts of its investment activities, called the **EnCor Fixed Income Strategy Sub-Fund**.

"Bylaws" means the current Bylaws of the Fund in effect on the date of adoption of the Articles.

"Class" means a type of Investment Shares within the meaning of Section 276 of the Code of Conduct or Section 167(1) of the ISIF Act, i.e. Investment Shares with which the same rights are associated.

"Participation" means the Fund's or the Sub-Fund's ownership interest and the rights and obligations arising therefrom in capital companies within the meaning of the CCC or in comparable legal entities governed by Czech law or the law of a foreign state.

"Decree on data reporting" means Decree No. 267/2020 Coll., on the reporting of data by the investment fund manager and administrator of an investment fund and a foreign investment fund to the Czech National Bank.

"ZISIF" means Act No. 240/2013 Coll., on Investment Companies and Investment Funds, as amended.

"ZOK" means Act No. 90/2012 Coll., on Commercial Companies and Cooperatives (Act on Commercial Corporations), as amended.

"Act on Conversions" means Act No. 125/2008 Coll., on Conversions of Commercial Companies and Cooperatives, as amended.

2 Fund and Subfund

2.1 Basic information:

- a) Name: **EnCor Funds SICAV, a.s.**
- b) Short name: EnCor Funds SICAV, a.s.
- c) ID: 06760295
- d) Headquarters: Perneroova 691/42, Karlín, 186 00 Praha 8
- e) The Fund is a company registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, Insert 23196
- f) Sub-fund: EnCor Fixed Income Strategy Sub-fund

2.2 As of the date of the Statute, the Fund is registered in the list of investment funds with legal personality maintained by the CNB pursuant to Section 597(1)(a) of the ISIF Act. The Sub-Fund has been registered in the above list since 13.02.2018.

2.3 The sub-fund is established for an indefinite period of time.

- 2.4 The Fund is a Qualified Investor Fund, which, within the meaning of Section 95(1) of the ICIF, collects cash or valuables from multiple Qualified Investors by issuing Investment Shares and makes joint investments of the collected cash or valuables on the basis of a designated investment strategy for the benefit of such Qualified Investors and further manages such assets.
- 2.5 Designation of the Fund's Internet address: <https://>
- 2.6 As of the date of approval of these Articles, the Fund does not belong to any consolidation unit.
- 2.7 The sub-fund does not use the services of a lead sponsor.
- 2.8 The sub-fund does not yet record any historical data.

3 Auditor

- 3.1 Basic information:
- a) Name: Ernst & Young Audit, s.r.o.
 - b) ID: 26704153
 - c) Headquarters: Na Florenci 2116/15, Nové Město, 110 00 Prague 1
 - d) Auditor's certificate number: 401
- 3.2 The Auditor's activities in relation to the Fund:
- a) verification of the Sub-Fund's financial statements pursuant to Section 187 of the ICIF;
 - b) an opinion on the consistency of the Sub-Fund's annual report with its financial statements pursuant to Section 292 of the ISIF Act.

4 Manager and Administrator of the Sub-Fund

- 4.1 Basic information about the Operator:
- a) Name: **EnCor Asset Management, Investment Company, a.s**
 - b) ID: 10891498
 - c) Headquarters: Perneroва 691/42, Karlín, 186 00 Praha
- 4.2 Basic information about the Administrator:
- a) Name: **a.s.**
 - b) ICKO: 275 90 241
 - c) Headquarters: Hvězdova 1716/2b, Nusle, 140 00 Praha 4
- 4.3 In the case of the Manager, the decision on the authorisation to operate as an investment company is CNB Decision No. 2021/042851/CNB/570 of 22 April 2021, which came into force on 24 April 2021.
- 4.4 In the case of the Administrator, the decision of the CNB No.41/N/157/2006/5 2007/5698/540 of 4 April 2007, which came into force on 4 April 2007, is the decision on the authorisation to operate as an investment company.
- 4.5 Both the Manager and the Administrator are registered in the list of investment companies maintained by the CNB pursuant to Section 596(a) of the ISIF Act.
- 4.6 The Manager is the sole member of the statutory body of the Fund in accordance with

Section 9(1) and (2) of the ICIF. Without undue delay, the manager shall authorise a natural person who meets the requirements and prerequisites for the performance of the function laid down by law for a single member of the elected body to represent it in the body.

- 4.7 The farmer is entitled to exceed the applicable limit. The administrator is entitled to exceed the decisive limit
- 4.8 The designation of the Administrator's Internet address is: <https://www.avantfunds.cz/cs/informacni-povinnost/>. The Fund publishes mandatory information under the ICIF, the IOC and the Statute at this address.
- 4.9 The activities of the Manager in relation to the Sub-Fund and the activities of the Administrator in relation to the Fund::
- a) Manager - the management of the Sub-Fund:
- a. managing the Sub-Fund's assets, including investing on behalf of the Sub-Fund,
 - b. managing the risks associated with investing;
- b) Administrator - administration of the Sub-Fund, in particular:
- a. bookkeeping;
 - b. provision of legal services;
 - c. compliance and internal audit;
 - d. handling of Investors' complaints and claims;
 - e. valuation of the Sub-Fund's assets and debts to the extent provided for in these Articles;
 - f. calculation of the current value of the Investment Shares;
 - g. ensuring compliance with obligations relating to taxes, fees or other similar monetary payments;
 - h. maintenance of the list of owners of Investment Shares;
 - i. distribution and payment of income from the Sub-Fund's assets;
 - j. arranging the issue, exchange and redemption of Investment Shares;
 - k. preparation and updating of the Sub-Fund's annual report;
 - l. the preparation and updating of the Sub-Fund's Key Information Document or a comparable document under the law of a foreign country and the making of amendments thereto;
 - m. preparation of a promotional communication concerning the Sub-Fund;
 - n. publication, disclosure and provision of data and documents to Investors and other persons;
 - o. reporting data and providing documents, in particular to the CNB or to the supervisory authority of another Member State;
 - p. performance of other activities related to the management of the Sub-Fund's assets;
 - q. distribution and payment of cash benefits in connection with the dissolution of the Sub-Fund;
 - r. keeping records of the issuance and redemption of Investment Shares
 - s. performing or procuring:

- i. custody of securities and record keeping of book-entry securities issued by the Fund, or
 - ii. offering investments in the Sub-Fund;
 - t. other activities directly related to the activities listed in a. to s.
 - u. compliance with obligations arising from AML/CFT legislation;
 - v. evaluating the suitability and adequacy of an investment in the Sub-Fund for those interested in investing in the Sub-Fund within the scope set out in the AIFMD.
- 4.10 The manager is entitled to entrust another with the performance of the individual activities referred to in these Statutes, subject to the exercise of professional care and under the conditions set out in the ICIF. The person entrusted with the performance of each of the activities referred to in these Statutes is entitled to entrust another person with the performance of any act or some acts of that activity. The costs of the performance of the various activities referred to in this Statute by delegation to another shall be borne by the assets of the Sub-Fund.
- The management of the Sub-Fund is carried out solely by the Manager and is not, even in part, entrusted to any other person.
- 4.11 The Administrator is authorised to delegate to another the performance of individual activities referred to in these Statutes with professional care and under the conditions set out in the ICLF. A person entrusted with the performance of particular activities referred to in these Statutes is entitled to entrust another person with the performance of any act or some acts of such activities. The costs of the performance of the various activities referred to in this Statute by delegation to another shall be borne by the assets of the Sub-Fund.
- The Administrator may, at its discretion, delegate to another the performance of individual activities involving the administration of the Sub-Fund as referred to in Article 4.9(b) of the Articles of Association, subject to the approval of the Manager.

5 Depository

- 5.1 Basic information:
- a) Name: Česká spořitelna a.s.
 - b) ID: 45244782
 - c) Headquarters: Praha 4, Olbrachtova 1929/62, Postal Code 140 00
- 5.2 The Depository is a company registered in the list of depositaries maintained by the CNB in accordance with Section 596(d) of the ISIF Act.
- 5.3 The activities of the Depository in relation to the Sub-Fund:
- The Depository for the Sub-Fund carries out activities pursuant to Section 60 of the ISIF Act, in particular:
- a) has custody of the assets of the Sub-Fund, if the nature of the Sub-Fund so permits;
 - b) establish and maintain cash accounts and record the movements of all cash belonging to the assets of the Sub-Fund;
 - c) record, if its nature allows, other assets of the Sub-Fund than those referred to in points a) and b).
- 5.4 The Depository performs control duties for the Sub-Fund in accordance with Section

73 of the AIFMD, in particular checking that the Sub-Fund complies the AIFMD, directly applicable European Union legislation in the field of investment fund management, these Statutes and the provisions of the Depositary Agreement:

- a) Investment Shares were issued and redeemed,
- b) the current value of the Investment Share was calculated,
- c) the assets and debts of the Sub-Fund were valued,
- d) consideration from transactions in the Sub-Fund's assets was paid within the usual time limits,
- e) the proceeds accruing to the Sub-Fund are used.

- 5.5 The Depositary does not perform activities for the Sub-Fund under Section 73(1)(f) of the AIFMD.
- 5.6 The Deposit Agreement does not allow for the transfer or further use of the assets of the Sub-Fund by the Depositary.
- 5.7 The activities referred to in Section 71(1) of the AIFMD performed by the Depositary may be entrusted to another person.

6 Management principles of the Sub-Fund

- 6.1 The principles for the management of assets in the Sub-Fund are also derived from the Articles of Association. The assets of the Sub-Fund are the assets of the Sub-Fund.
- 6.2 The accounting period of the Sub-Fund is set as a calendar year. Any changes during the accounting period in connection with a conversion carried out pursuant to the Conversion Act or the ICIF Act or the dissolution of the Sub-Fund are not excluded. The first accounting period shall commence on the date of formation of the Sub-Fund. The approval of the financial statements of the Sub-Fund is the responsibility of the General Meeting of the Fund.
- 6.3 The assets and debts of the Sub-Fund are valued at fair value as at the date on which the value of the Investment Shares is calculated. The fair value of the Sub-Fund's assets and debts (or individual assets) is determined by:
 - a) Administrator under the conditions of § 194 and § 195 of the ISIF Act; or
 - b) independent expert.
- 6.4 The fair value of securities issued by an investment fund or a foreign fund that is an open-end investment fund is the value of the security as announced by the administrator of such investment fund for the date on which the current value of the Investment Share is determined. If the Administrator does not announce the value of the Security for such day, the value of the Security announced by the Administrator of the Investment Fund or Foreign Fund for the next preceding day shall be used for valuation purposes. In the event that the Investment Fund Administrator or the Foreign Fund Administrator does not announce the value of the Security within 20 days after the day for which the current value of the Investment Share is determined, the last known value of the Security announced by the Investment Fund Administrator or the Foreign Fund Administrator or the value determined by the Administrator by a model calculation that takes into account the characteristics of the Securities and an estimate of the development of the value of the underlying assets of the Investment Fund or the Foreign Fund shall be used for the valuation. The Administrator is entitled to extend the period under the preceding sentence up to 90 days or to decide on another

appropriate method of determining the fair value of such securities.

- 6.5 The Administrator is also entitled to determine the fair value of the Participation in the assets of the Sub-Fund, including the fair value of securities issued by an investment fund or a foreign fund that is a closed-end investment fund, by using an independent expert determination of the fair value of the principal assets in the assets of the Participation being valued or of a company in which the Participation being valued has a direct or indirect interest.
- 6.6 The fair value of the Properties and Interests in the Sub-Fund, including the fair value of securities issued by an investment fund or a foreign fund that is a closed-end investment fund, shall be determined as at the end of each accounting period, and the value so determined shall be deemed to be the fair value for the period from the last day of the accounting period to the day preceding the date of the next fair value determination, i.e. the day before:
- a) an exceptional award; or
 - b) the valuation at the end of the following financial year.
- 6.7 The Administrator shall arrange for an external expert appraisal of the value of the Property in the event of acquisition or disposal of title to the Property under the terms of the ZISIF. Both the Manager and the Administrator shall be bound by this valuation of the value of the Property.
- 6.8 The custodian shall determine annually the level of leverage in accordance with Articles 6 to 11 of Regulation No 231/2013 supplementing Directive 2011/61/EU of the European Parliament and of the Council as regards exemptions, general operating conditions, depositaries, leverage, transparency and supervision, as amended.
- 6.9 In the event of a sudden change in circumstances affecting the price of the assets of the Sub-Fund, upon the recommendation of the investment committee of the Sub-Fund or at the request of all shareholders holding the founder shares of the Fund, the Administrator shall carry out a valuation reflecting the current circumstances affecting the price of the assets of the Sub-Fund (hereinafter referred to as "**extraordinary valuation**"). On the basis of the Extraordinary Valuation, the Administrator shall also make an extraordinary determination of the current value of the Investment Shares, which, together with the date of the Extraordinary Valuation, shall be promptly sent to all shareholders of the Sub-Fund in accordance with the Sub-Fund's shareholder information rules.
- 6.10 When converting the value of assets denominated in foreign currency, the CNB foreign exchange market rate announced by the CNB and valid on the day on which the conversion is carried out is used.
- 6.11 The Sub-Fund is a separate part of the Fund's assets in terms of accounting and assets.
- 6.12 The creation of the Sub-Fund was decided by the Board of Directors of the Fund in accordance with the current wording of the Fund's Articles of Association.
- 6.13 Only assets in the Sub-Fund may be used to satisfy or satisfy a claim of a creditor or Shareholder or Investor against the Fund arising in connection with the creation of the Sub-Fund, the implementation of its investment strategy or its dissolution. Assets in a Sub-Fund may not be used to satisfy a debt that is not a debt of that Sub-Fund.
- 6.14 Rules for payment from own resources
- a) The economic result of the Sub-Fund is the difference between the income from the activities carried out by the Sub-Fund and the costs of providing the Sub-Fund's activities.

- b) Proceeds from the assets of the Sub-Fund shall be used to cover expenses, unless otherwise provided for by generally binding legal regulations, the Articles of Association or these Statutes. If the performance of the Sub-Fund for an accounting period ends in profit (excess of income over expenses), the profit need not be used for distribution but may be used for reinvestment to increase the assets of the Sub-Fund and to increase the value of individual Investment Shares. If the performance of the Sub-Fund for an accounting period ends in a loss (excess of expenses over income), the loss incurred will be charged to the resources of the Sub-Fund. Retained earnings from previous years shall be used to cover the loss in preference to the profit from previous years.
- c) In accordance with the provision of the preceding paragraph, the General Meeting of the Fund may decide that the profits shall be distributed to the Investors, based on a proposal by the Manager and after prior opinion of the Investment Committee. The Investors' share of the profit shall be a dividend determined by the proportion of the Investor's share of the Sub-Fund's capital attributable to each Class of Investment Shares as defined in these Articles of Association as at the record date for the exercise of the right to dividend determined for such purpose by the Articles of Association.
- d) The General Meeting of the Fund may determine by its decision the criteria for the entitlement of members of the supervisory and statutory bodies to the payment of royalties.
- e) The General Meeting of the Fund may determine by its decision the criteria for the entitlement of members of the Investment Committee to remuneration.

7 Investment objectives of the Sub-Fund

- 7.1 The investment objective of the Sub-Fund is to achieve stable long-term appreciation of the investment assets allocated in the Sub-Fund, while minimizing the risk/volatility of its assets. The Sub-Fund will invest mainly in sovereign and corporate debt instruments from various sectors, issued by issuers mainly from the Czech Republic, supplemented by issuers from the EU and the USA, in CZK, EUR, USD and other currencies with partial hedging against exchange rate risk (against CZK), while maintaining a balanced level of credit risk. Thus, the Sub-Fund's strategy includes diversification of risks based on investments in various uncorrelated assets
- 7.2 An investment in the Sub-Fund is suitable for Qualified Investors who are willing to take a higher level of risk in order to achieve an adequate appreciation of the invested funds in the medium to long term.
- 7.3 The investment policy of the Sub-Fund is that of a growth investment fund, which means that it generally does not use profits to pay out profit shares to Investors, but profits are reinvested in accordance with the investment strategy of the Sub-Fund and are reflected in an increase in the value of the Investment Shares. Investors should therefore be aware that they are highly unlikely to receive a dividend yield from holding Investment Shares. However, the general meeting of the Fund may decide to pay a share of the Sub-Fund's profits.
- 7.4 A change in the Investment Objectives is subject to the prior approval of at least three-fifths (3/5) of the votes of all Shareholders at a general meeting, a resolution passed outside a general meeting or a separate written consent delivered to the Manager.

8 Investment Strategy Sub-Fund

- 8.1 The Sub-Fund's assets may be invested in the following types of assets to achieve its

investment objectives :

- a) Participations in companies (directly or indirectly) that are not predefined by sector, whereby the acquisition will be mainly shares, business shares or other forms Participations in such corporations where above-average appreciation of the investment can be expected in the future
 - b) investment securities
 - domestic shares, i.e. shares issued by an issuer with its registered office in the Czech Republic,
 - foreign shares, i.e. shares issued by an issuer with its registered office outside the Czech Republic,
 - debt securities,
 - c) securities issued by an investment fund or a foreign investment fund,
 - d) money market instruments,
 - e) rights arising from the registration of the items referred to in points (a) to (d) in the register and enabling the Sub-Fund to dispose of that value, directly or indirectly, in a manner at least similar to that of the beneficial owner
 - g) claims payment of funds from the account,
 - h) lending and borrowing,
 - i) immovable property,
 - j) other complementary assets with an expected superior return and risk within the European Union, such as Real Estate, property rights in Real Estate, trademarks, movable property, other derivatives other than financial derivatives under the ICIF, receivables not included in the assets under Article 8.1 of the Statute, valuation rights and rights associated with the assets referred to in this Article.
- 8.2 Equity value according to Article 8.1(a) of the Articles of Association may be represented by a security or a book-entry security.
- 8.3 The property values referred to in Article 8.1 (a) to (h) of the Articles of Association shall always constitute more than 90% of the value of the Sub-Fund's assets.
- 8.4 The Sub-Fund shall invest less than 10% of the value of its assets in aggregate in the additional assets referred to in Article 8.1(i) and (j) of the Statute.
- 8.5 The capital trading corporations and/or funds in which the Sub-Fund acquires interests may be temporary special purpose corporations established for the purpose of being able to obtain bank or non-bank financing and risk diversification.
- 8.6 The assets that are the focus of the Sub-Fund's investment strategy may also be acquired by the Sub-Fund in the context of a conversion pursuant to the Conversion Act as part of the assets to be transferred to the Sub-Fund as the successor company pursuant to the relevant conversion project.
- 8.7 The Sub-Fund will not track (copy) any particular index or indicator (benchmark).
- 8.8 The Sub-Fund's investments are not geographically concentrated. The majority of the investments will be made in the European Union.
- 8.9 In accordance with its strategy, the Sub-Fund is entitled to invest in assets in currencies other than CZK.
- 8.10 Neither the return on investment in the Sub-Fund nor the return on such investment is assured or guaranteed. The Sub-Fund is not a secured or guaranteed Sub-Fund

and no guarantees are given by third parties to the Investors in this respect.

- 8.11 The underlying investments of the Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities as set out in Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 establishing a framework to facilitate sustainable investments and amending Regulation (EU) 2019/2088.
- 8.12 In the case of the use of derivatives, the sub-fund uses the methods for calculating the total exposure in accordance with Regulation 231/2013 supplementing Directive 2011/61/EU of the European Parliament and of the Council as regards exemptions, general operating conditions, depositaries, leverage, transparency and supervision, as amended.
- 8.13 Changes to the Statute (including changes to the investment strategy) are decided by the Manager. This is without prejudice to Article 7.4 of the Articles of Association.

9 Limits

- 9.1 In order to ensure its internal operation, the Sub-Fund is obliged to hold liquid funds in the amount of at least CZK 500,000 with the possibility of temporary reduction of this amount until the settlement of a specific business case.
- 9.2 The Manager is entitled to use leverage in managing the Sub-Fund's assets. The leverage ratio shall not exceed 300% of the Sub-Fund's Fund Capital.
- 9.3 If there is a discrepancy between the composition of the Sub-Fund's assets and the investment limits set out above for reasons beyond the control of the Manager, the Manager shall arrange for the correction of such a situation without undue delay so that the interests of the Investors are preserved to the greatest extent possible.
- 9.4 The investment limits for the asset mix of the Sub-Fund pursuant to Articles 8.3 and 8.4 and the leverage limits pursuant to Article 9.2 of the Articles of Association need not be complied with:
 - a) for the first 12 months after the formation of the Sub-Fund;
 - b) if the Fund Capital of the Sub-Fund corresponds to an amount of less than EUR 2,000,000;
 - c) upon the adoption of a resolution to enter into liquidation of the Sub-Fund; and
 - d) if the Manager has previously decided that no new investments will be made on behalf of the Sub-Fund.

10 Risk profile

- 10.1 The Manager advises Investors that the value of an investment in the Sub-Fund may go down as well as up and that the return on the amount originally invested is not guaranteed. The performance of the Sub-Fund in previous periods does not guarantee the same or better performance in the future. An investment in the Sub-Fund is intended to provide a return when held for the long term and is therefore not suitable for short-term speculation.
- 10.2 The Sub-Fund may take advantage of the current market situation to increase its exposure to a particular asset class, which may entail a higher risk due to a lack of portfolio diversification.
- 10.3 Relevant risks associated with the Sub-Fund's investment strategy that may affect the value of an investment in the Sub-Fund include, but are not limited to:

- a) Credit risk associated with the potential default of the Fund's counterparty, where the issuer of an investment instrument held by the Fund or the counterparty to a contractual relationship (when making a specific investment) fails to meet its obligation or the debtor of the receivable fails to pay the receivable in full and on time;
- b) The risk arising from public regulation related to the acquisition, ownership and leasing of assets owned by the Sub-Fund or Real Estate Companies or other companies whose shares form part of the Sub-Fund's assets, in particular the introduction or increase of taxes, deductions, fees or restrictions by the relevant public authorities;
- c) Market risk arising from the effect of changes in market developments on the prices and values of assets held by the Sub-Fund;
- d) The risk of insufficient liquidity of assets consisting in not guaranteeing the timely and adequate monetisation of sufficient assets to be sold. If there is a need to promptly convert assets held by the Sub-Fund or the Property Companies or other companies whose shares form part of the Sub-Fund's assets into cash, a particular transaction may then incur additional transaction costs or may not be able to be completed within the required timeframe, or only at the cost of realising a loss on a forced sale of the assets. Risk is mitigated by diversifying individual investments within the investment method defined in the Articles of Association;
- e) Settlement risk in that a transaction involving the assets of the Sub-Fund or the Real Estate Companies or other companies whose shares form part of the assets of the Sub-Fund may be frustrated by the failure of the counterparty to the transaction to meet its obligations to deliver the assets or to pay on the agreed date;
- f) The risk of loss of the assets held in trust consisting in the fact that the Sub-Fund's assets are in custody and therefore there is a risk of loss of the Sub-Fund's assets held in custody or other guardianship, which may be caused by the insolvency, negligence or wilful misconduct of the person holding the Sub-Fund's assets in custody or other guardianship.

10.4 Other relevant risks that may affect the value of an investment in the Sub-Fund:

- a) The risk of the Sub-Fund's chosen asset mix is that, despite the best efforts to safely manage and diversify the Sub-Fund's assets, the asset mix chosen by the Manager may result in a greater loss in value or less growth in value of the Sub-Fund's assets compared to other investment vehicles with similar investment objectives. At the same time, particularly early in the life of the Sub-Fund, individual assets of the Sub-Fund may represent a significant proportion of the total assets of the Sub-Fund and so adverse price movements in the price of an individual asset may have a significant impact on the development of the value of an investment in the Sub-Fund;
- b) The risk of volatile current value of the Investment Shares due to changes in the composition or value of the Sub-Fund's assets;
- c) The risk of deviation of the current value of the Investment Shares from the liquidation value of the Investor's open position in the Sub-Fund due to the application of additional deductions and fees when redeeming the Investment Shares;
- d) The risk associated with the use of external capital to achieve the Sub-Fund's investment objectives is the amplified impact of the market price of the assets held by the Sub-Fund on the value of the Investment Shares, potentially allowing for higher profits but also higher losses;

- e) The risk of suspension of redemptions of Investment Shares is that the Servicer is entitled to suspend redemptions of Investment Shares in certain circumstances, which may cause a change in the current value of the Investment Shares at which redemption requests will be settled and the subsequent settlement of redemptions;
- f) Operational risk, which may result in loss due to deficiencies or failures of internal processes or human factors or due to external events, and the risk of loss of assets entrusted to the custody or other guardianship, which may be caused in particular by the insolvency, negligence or intentional conduct of the person holding the assets of the Sub-Fund or Investment Shares in custody or other guardianship;
- g) The risk associated with the inability to repay the borrowings is that if the Sub-Fund or the Real Estate Companies or other companies whose shares form part of the Sub-Fund's assets are unable to pay their debts properly and on time, there may be a one-off repayment of the debts with an agreed repayment schedule, an increase in the debts by the addition of default interest and the costs of creditors to collect them. The realisation of this risk may adversely affect the growth of debts that are part of the Sub-Fund's assets and the decrease in the value of the Sub-Fund's assets, and in the extreme case may lead to a decision to dissolve the Sub-Fund;
- h) Risks associated with the refinancing of loans taken out on behalf of the Sub-Fund or Real Estate Companies or other companies whose shares form part of the assets of the Sub-Fund, in that the Sub-Fund or the relevant company may face the risk of being unable to refinance its debts by further financing (whether in the form of a loan or otherwise) or refinancing on terms equal to or better than the existing terms or refinancing by sale of assets;
- i) Risk of natural damage to the Sub-Fund's assets. A natural event such as a flood, flood, gas explosion or fire may result in damage to property owned by the Sub-Fund or the Participation. This will adversely affect the value of the Sub-Fund's assets.
- j) Risk relating to liability to third parties, in particular the obligation to compensate for damages caused by any breach of a legal or contractual obligation by the Sub-Fund. This risk may have a negative impact on the value of the Sub-Fund's assets, either by the indemnity being paid out of the Sub-Fund's assets or by the failure of the obligor to fulfil the indemnity obligation to be paid to the Sub-Fund;
- k) Risks associated with the obligation to sell an asset in the Sub-Fund due to failure to meet the conditions attached to its holding arising from a legal regulation or the Articles of Association;
- l) Risk associated with the possibility of lower liquidity of the Property acquired for resale. The Sub-Fund or the Real Estate Companies whose shares form part of the Sub-Fund's assets may, subject to certain conditions, acquire Real Estate for the purpose of resale or it may be that in order to maintain a minimum proportion of liquid assets in the Sub-Fund's assets, the Real Estate may have to be sold from the Sub-Fund's assets. Real Estate is generally a less liquid type of asset. In a particular case, it may be difficult to realise the sale of a Property within the required timeframe at a reasonable price. Such a situation may result in a sale at a lower price than the price at which the Property owned by the Sub-Fund was valued. This will result in a reduction in the value of the Sub-Fund's assets;
- m) Risks associated with an expert's misvaluation of the value of assets in the Sub-Fund's assets, where the misvaluation of the value of assets in the Sub-Fund's assets may result in a decrease in the value of the Sub-Fund's assets after the

sale of such assets;

- n) The risk of other legal defects consisting in the fact that the value of the Sub-Fund's assets may decrease as a result of legal defects in the assets acquired by the Sub-Fund or the Real Estate Companies whose shares form part of the Sub-Fund's assets, i.e., for example, as a result of the existence of a third party's lien, easement, lease or pre-emption right;
- o) Risks associated with the possibility of default of the Real Estate Company, Participation in which forms part of the assets of the Sub-Fund. As a result of this risk, the market value of the participation in the Real Estate Company may decrease or it may be completely devalued (bankruptcy of the Real Estate Company) or it may not be possible to sell it;
- p) The risk that the Sub-Fund may be dissolved for statutory reasons, e.g. because the total fund capital of the Fund, including all Sub-Funds, does not reach EUR 1,250,000 within 1 year from the date of registration of the Fund in the list of investment funds with legal personality, because the Fund has no depositary for more than three months, because of a request for deletion of the Fund or the Sub-Fund from the list of investment funds with legal personality, dissolution of the Fund or the Sub-Fund with liquidation, court decision, decision on conversion, etc;
- q) The risk that the CNB will revoke the Operator's licence to operate if a bankruptcy decision is issued or if the insolvency petition is dismissed because the Operator's assets are insufficient to cover the costs of the insolvency proceedings;
- r) The risk that the Fund or Sub-Fund may be terminated for reasons other than as provided by law. For example, a Fund or Sub-Fund may be terminated for economic and restructuring reasons (in particular in the event of economic problems of the Fund or Sub-Fund);
- s) The risk associated with the fact that the Statutory Body may decide to dissolve the Sub-Fund at any time with the consent of the Controlling Body and the Investor will not hold an investment in the Sub-Fund for its intended investment horizon;
- t) The risk associated with the fact that, as a result of all of the Investment Shares being redeemed, purchased or sold, the Investor will not hold an investment in the Sub-Fund for the full duration of its intended investment horizon. The Statute hereby expressly advises that there is and is given no guarantee by the Fund and/or the Manager as to the Shareholder's ability to remain in the Fund or the Sub-Fund;
- u) Risks arising from the limitation of the Depositary's control activities pursuant to Section 73(1)(f) of the ISIF Act;
- v) Currency risk, which is the risk that the value of an investment may be affected by a change in the exchange rate. The Sub-Fund may hold investments in currencies other than its reference currency and their value may therefore rise or fall as a result of changes in exchange rates. Adverse movements in exchange rates may result in a loss of capital;
- w) The risks associated with each type of derivative to be purchased on behalf of the Sub-Fund, which are essentially market risks, in particular currency or interest rate risks depending on the underlying asset of the derivative. In addition, in the case of financial derivatives that are not traded on European regulated markets, the Sub-Fund may be exposed to counterparty credit risk and settlement risk. Although the initial investment in a financial derivative may be small (or nonexistent), even a slight change in market conditions may cause a substantial

decrease or increase in the market value of the financial derivative (the "leverage effect") and a significant disparity between the performance of the various counterparties to the financial derivative;

- x) The risk associated with repo transactions, consisting primarily of counterparty risk, i.e. the risk that settlement will not take place as expected because the counterparty fails to pay or deliver the investment instruments within a specified time, or the risk that the issuer or counterparty fails to meet its obligation, and the risk associated with adverse developments in the underlying assets.
- y) The risk of different tax regimes in that the net investment income of individual Investors may differ depending on the tax residency of a particular Investor and the related application of different tax regulations and international treaties in the tax residency countries of the Investor and the Fund;
- z) The risk of taxation arising from the fact that the Investor may be liable to pay taxes or other mandatory payments or charges in accordance with the laws and customs of the Czech Republic or the state of its tax residence or any other state relevant in the given situation, which will reduce the net return on its investment;
- aa) The risk of fees and deductions arising from the fact that any fees and deductions applied to the Investor may in effect reduce the net return on its investment;
- bb) The risk of breach of contractual obligations consisting in the fact that if the Investor breaches a contractually assumed obligation, he may be subject to a course of action that will result in a reduction in the net return on his investment or will affect his property. For example, an Investor who fails to disclose relevant information regarding his tax residency may be subject to a special tax rate on the consideration to be paid to him.
- cc) A sustainability risk consisting of an environmental, social or governance event or situation that, if it were to occur, could have an actual or potential material adverse impact on the value of the investment. These risks are assessed within the framework of standardised internal processes in the areas of investment process and risk management, which are in particular in line with Regulation (EU) No 231/2013 supplementing Directive 2011/61/EU of the European Parliament and of the Council as regards exemptions, general operating conditions, depositaries, leverage, transparency and supervision (AIFMD) (Articles 18, 22, 30, 40, 57 and 60). These risks are always assessed on a case-by-case basis, taking into account the nature of each individual investment.

Based on an assessment of the likely impact of sustainability risks on the value of an investment in the Fund, it can be concluded that these risks are comparable to the impact of the other risks described above and that they may represent a decline in the value of such an investment in the Fund.

As there is generally insufficient relevant information on the underlying assets that are the focus of the Fund's investment activities to allow a truly informed outcome of the assessment of the likely impact on sustainability risk factors, the Fund does not consider the adverse impact of investment decisions on sustainability factors.

- 10.5 The occurrence of any of the events constituting the risks referred to in the preceding Articles 10.3 and 10.4 of the Statute may result in the delay, reduction or complete elimination of the anticipated revenues. Such a situation may prevent the Sub-Fund from covering its own investment or, where applicable, from paying its obligations to third parties. In the event of extremely unfavourable developments, the Sub-Fund's own investment will not be returned even in the original amount or the Sub-Fund will

lose its own invested funds completely.

11 Method of investment of the Sub-Fund

- 11.1 Individual investments are decided by the Operator. There is no investment committee.
- 11.2 In justified cases, the General Meeting of the Fund may approve the proposed transaction of the Sub-Fund. The approval of the general meeting of the Fund for the proposed transaction must be given by all Shareholders (Shareholders holding the founder shares of the Fund).

12 Rules on the acceptance and granting of loans and advances

- 12.1 A loan or borrowing may be taken on behalf of the Sub-Fund with a maturity not exceeding 20 years, on terms and conditions consistent with market standards, up to 200% of the value of the Sub-Fund's fund capital (calculated for each individual loan or borrowing). The aggregate of all loans and borrowings on behalf of the Sub-Fund shall not exceed 200% of the value of the Sub-Fund's Fund Capital and, at the same time, the interest charge shall take into account the low capitalisation rules to maintain the full deductibility of interest as a tax expense of the Sub-Fund. In addition to the foregoing, a loan or borrowing may be taken on behalf of the Sub-Fund, in particular for the purpose of efficient liquidity management of the Sub-Fund.
- 12.2 The assets of the Sub-Fund may be used to secure the loan or borrowing received, provided that the provision of such security has a positive economic impact. The provision of collateral must be consistent with the overall investment strategy of the Sub-Fund.
- 12.3 Loans or borrowings may also be granted on behalf of the Sub-Fund up to an aggregate amount of 95% of the value of the Sub-Fund's assets. Loans or borrowings shall be granted on behalf of the Sub-Fund with a maturity not exceeding 20 years and on terms and conditions customary in the ordinary course of business. The granting of a loan or credit from the Sub-Fund's assets shall be subject to the provision of adequate security (e.g. a security interest, pledge, promissory note, surety bond, etc.). This does not apply if the loan is granted to a subsidiary of the Fund. The maximum limit for loans and credits granted to a single borrower is 65% of the value of the Sub-Fund's assets.
- 12.4 If a loan or borrowing is made to a person in which the Sub-Fund has an interest that enables it to control that person, the provision of the loan or borrowing is not a condition of the provision of the security for such loan or borrowing precisely because of the existence of a reciprocal control relationship. The claims of the Sub-Fund on loans or borrowings granted to such person may be contractually subordinated to the claim or claims of another creditor or other creditors. Loans or borrowings to a person in whom the Sub-Fund has a controlling interest shall be granted with a maturity not exceeding 25 years.
- 12.5 Collateral may be provided on behalf of the Sub-Fund to secure loans or borrowings taken by a person in which the Sub-Fund has an interest that enables it to control that person. The provision of collateral must be consistent with the investment objectives of the Sub-Fund.
- 12.6 The Fund is authorised to issue bonds, including bonds convertible into Investment Shares, to the Sub-Fund, subject to the rules for granting and receiving loans and borrowings under this Article of the Articles of Association. The exchange ratio or the

method of determining it shall be determined by a resolution of the General Meeting of the Fund.

13 Rules repo and derivatives negotiation by the Sub-Fund

- 13.1 A Sub-Fund may enter into a derivative for the sole purpose of hedging the value of the Sub-Fund's assets, reducing the Sub-Fund's risk or reducing the costs associated with managing the Sub-Fund's assets.
- 13.2 A Sub-Fund may enter into a repurchase agreement if the subject matter of the repurchase agreement is an asset as defined in Article 8 of the Articles of Association and if the terms of the repurchase agreement are consistent with the investment objectives of the Sub-Fund.
- 13.3 Only derivatives meeting the conditions of § 12 of the Regulation may be negotiated for the account of the Sub-Fund. A Sub-Fund may enter into a derivative if:
 - a) admitted to trading on one of the markets referred to in Article 3(1)(a) of the Regulation; or
 - b) negotiated with an eligible counterparty within the meaning of Article 6(3) of the Regulation; or
 - c) agreed with a person in whom the Sub-Fund has a Participation enabling it to control that person.
- 13.4 The underlying asset of a financial derivative negotiated on behalf of the Sub-Fund may be:
 - a) Actions;
 - b) stock indices;
 - c) interest rates;
 - d) interest rate indices;
 - e) ETFs and similar investment instruments;
 - f) the currencies in which the Sub-Fund invests
 - g) an asset held by the Sub-Fund or a liability of the Sub-Fund.
- 13.5 Spot trades can also be negotiated as part of a currency hedge.

14 Investment shares issued to the Sub-Fund, their subscription and trading

- 14.1 The Fund will issue investment shares of one Class in addition to the Sub-Fund. Investment Shares which are in the form of a **book-entry security are issued in the form of a series, i.e. registered shares**
- 14.2 Investment shares are not admitted to trading on a regulated market or any other public market .
- 14.3 The Company, through the Administrator for shares issued in registered form, maintains a list of shareholders within the meaning of Section 264 of the Companies Act. Investment shares in the form of book-entry securities are also recorded in the property accounts. The list of shareholders shall not be replaced by an extract from the relevant book-entry securities register in the case of shares of the Fund or the Sub-Fund in the form of a book-entry security, unless a generally binding legal

regulation stipulates otherwise.

- 14.4 The value of an Investment Share is expressed in Czech crowns (CZK). Investments in the Sub-Fund, redemptions, purchases and disposals of Investment Shares and any profit-sharing payments are made mainly in Czech crowns (CZK).
- 14.5 Investors have all the rights attached to the Investment Shares conferred by law and the Articles of Association.
- 14.6 Owners of Investment Shares have in particular:
- a) the right to be informed of the current value of the Investment Shares;
 - b) the right to redeem, purchase or sell Investment Shares for the account of the Sub-Fund under the terms and conditions set out in the Articles of Association and these Articles;
 - c) the right to a share of the Sub-Fund's profit (dividend) approved by the General Meeting for distribution under the conditions set out in the Articles of Association and these Articles of Association;
 - d) the right to participate in the general meeting of the Fund when matters concerning the Sub-Fund are discussed;
 - e) the right to vote at the General Meeting under the conditions provided for by law and the Articles of Association;
 - f) the right to request and receive explanations at the general meeting of the Fund on matters relating to the Fund and the Sub-Fund;
 - g) the right to exercise, in the event of an enforcement order for the sale of an Investment Share or in the event of an enforcement order for the sale of an Investment Share, the pre-emptive right to the Investment Shares of another shareholder under the terms of Section 283(1) of the ISIF Act;
 - h) the right to request the exchange of the Bulk Investment Shares;
 - i) the right to a share in the liquidation balance upon the winding up of the Sub-Fund with liquidation;
 - j) the right to be provided free of charge with the current version of the Statutes and the latest annual report.
- 14.7 The rights attaching to the Investment Shares may be exercised in full in the case of Investment Shares in the form of a book-entry security from the date on which such Investment Shares are issued until the date on which such Investment Shares are cancelled. The rights attaching to the Investment Shares may be exercised in full in the case of Investment Shares in certificated form from the date on which such Investment Shares are issued to the Shareholder until the date on which such Investment Shares are cancelled. The date of issue shall be deemed to be the date of credit to the Investor's property account in the case of Investment Shares in the form of a book-entry security. The date of issue shall be deemed to be the date on which the Investment Shares in the form of a security comply with the requirements of generally applicable law and are ready for acceptance by the Fund by the Investor. In the case of Investment Shares in the form of a book-entry security, the date of cancellation shall be deemed to be the date on which they are debited from the Investor's property account. The date of cancellation in the case of Investment Shares in the form of a security shall be deemed to be the date on which the competent authority of the Fund has decided to cancel them.

Transfer of Investment Shares

- 14.8 Prior approval of the Fund's statutory body is required for the transfer of Investment

Shares.

- 14.9 Investment shares in the form of a security are transferable by endorsement and contract.
- 14.10 Investment shares in the form of a book-entry security are transferable by contract and registration in the relevant register.
- 14.11 In order for the transfer of Investment Shares in the form of registered shares to be effective against the Fund, an entry of the change in the Investor's person in the list of shareholders is required upon notification of the change in the Investor's person and submission of the share to the person maintaining the list of shareholders for the Fund. The person maintaining the Shareholder List for the Fund will then enter the new holder of the Investment Shares in the Shareholder List without undue delay.
- 14.12 The transfer of Investment Shares in the form of a book-entry security shall be effective against the Fund if the change of the owner of the share is evidenced by a statement from the owner's account or the date of delivery or receipt of the statement from the share issue register pursuant to the law regulating business on the capital market.
- 14.13 The Fund's statutory body must refuse to give consent to the transfer of Investment Shares, if required, if:
- a) the Acquirer does not meet the conditions imposed on the Investor's person under the Articles of Association and the Articles of Association;
 - b) the transferor would, after the transfer, cease to meet the conditions imposed on the Investor's person under the Articles of Association and the Articles of Association; or
 - c) the transferee or the transferor has failed to provide the cooperation necessary to comply with obligations arising from legislation governing measures against the legalisation of the proceeds of crime, tax legislation or other generally binding legislation.
- 14.14 Upon the death or dissolution of the Investor, his Investment Shares shall pass to his heirs or legal successors.
- 14.15 In the event of a transfer of ownership of the Investment Shares, the purchaser is obliged to inform the Administrator of the change of ownership without undue delay.

Acquisition of Investment Shares

- 14.16 The issuance of Investment Shares is conditional upon the execution of a subscription agreement. Investment Shares may be acquired by a person under contract under the conditions set out in the ICIIF, related legislation and under the conditions specified in the Fund's Articles of Association and these Articles. Investment Shares may only be acquired by a Qualified Investor within the meaning of Section 272 of the ISIF.
- 14.17 A person may acquire investment shares by contract if he or she invests at least:
- a) the amount of CZK 100,000 (one hundred thousand Czech crowns) or its equivalent in another currency if it meets the conditions under Section 272(1)(a) to (h) of the ISIF Act;
 - b) EUR 125,000 (one hundred and twenty-five thousand euros) or its equivalent in another currency if it meets the conditions of Section 272(1)(a) to (i)(1) of the ISIF Act,
 - c) the amount of CZK 1,000,000 (one million Czech crowns) or its equivalent in foreign currency if it meets the conditions of Section 272(1)(i)(2) of the ISIF Act.

The amount of the shareholder's minimum subsequent investment (after repayment of the initial investment) is CZK 100,000 (one hundred thousand Czech crowns).

The decisive exchange rate for the purposes of calculating the minimum invested amounts is the exchange rate announced by the CNB on the decisive date in the case of subscription and on the date of the transaction in the case of transfer.

The amount invested in a currency other than CZK will be converted into CZK at the rate announced by the CNB on the last day of the Decision Period .

- 14.18 In order to maintain the stability and credibility of the Fund or the Sub-Fund, the statutory body of the Fund is entitled to decide with which candidates it will conclude an investment agreement and with which it will not. There is no legal entitlement to enter into an investment agreement.
- 14.19 Subscription for Investment Shares may only be made on the basis of a public invitation to subscribe.
- 14.20 An investment in the Investment Shares is subject to an entry fee, which will be determined between 0% and 3% of the amount of the investment, according to the relevant investment agreement. The entry fee is income of the Sub-Fund.
- 14.21 The Fund shall issue Investment Shares to the Sub-Fund at the current value of the Investment Shares announced always retroactively for the period in which the so-called record date is located, i.e. the date of crediting the funds transferred by the Investor to the account of the Sub-Fund established for this purpose by the Fund's depositary, or for the amount of money credited on the record date in accordance with Section 21(3) of the Code of Conduct. The next lower whole number of Investment Shares of the Sub-Fund calculated as the whole number of the ratio of the amount received and the current value of the Investment Share for the record date shall be issued for the amount of money credited to the account of the Sub-Fund (less any fees) charged pursuant to the investment agreement or for the amount of money credited on the record date in accordance with Section 21(3) of the Code. The difference (the remainder of the amount received) for which the entire Investment Share can no longer be purchased is income of the Sub-Fund (a way of settling arrears or overpayments, as the case may be).
- 14.22 The distribution ratio and rules are not set. Investors in investment shares participate in the performance of the Sub-Fund's portfolio on a pro rata basis.
- 14.23 The current value of the Investment Shares is determined from the Sub-Fund's Fund Capital attributable to the Investment Shares as at the end of the Relevant Period. The Relevant Period begins on the day following the day for which the last current value of the Investment Shares was determined and ends on the last day of the calendar month. In customary cases, the Relevant Period is a calendar month and the date of determination of the current value of the Investment Shares is the last day of the relevant calendar month. Exceptionally, the Relevant Period may be shorter, in particular in cases where the Fund is a party to a conversion under the relevant legislation or in the case of an extraordinary determination of the current value of the Investment Shares. Until the end of the second calendar month following the month in which the issue of Investment Shares commenced (the "**Initial Period**"), the Investment Shares shall be subscribed for at an issue price of CZK 1 (one Czech koruna) per Investment Share. Assuming that Investment Shares of all Classes have not been subscribed for during the Initial Period, the initial issue price of the relevant Class of Investment Shares, the subscription of which has been initiated subsequently to the expiry of the Initial Period, shall be CZK 1.00 (one Czech koruna) per Investment Share, but this initial issue price shall be valid only until the end of the calendar month in which the Investment Shares of the relevant Class were first subscribed for. The provisions of the preceding sentences shall not affect the rules of

distribution of the Sub-Fund's capital among the individual Classes of Investment Shares.

- 14.24 The current value of an Investment Share of a particular Class is determined on the basis of the current value of the portion of the Sub-Fund's capital attributable to the Participating Investment Shares of that Class as at the last day of the Relevant Period, whereby Participating Investment Shares are deemed to be Investment Shares which participate in the investment results of the Sub-Fund's assets during the Relevant Period, i.e. issued Investment Shares whose record date for settlement of their redemption, exchange or redemption is to occur at the earliest relevant date on the last day of the Relevant Period and unissued but fully paid-up Investment Shares whose record date occurs at any time prior to the last day of the Relevant Period.
- 14.25 The current value of an Investment Share is generally determined monthly and is rounded down to four decimal places. The current value of an Investment Share is announced within ten business days of its determination for the relevant period. The current value of an Investment Share is announced by sending it by e-mail to Investors. The current value of the Investment Share will not be published.
- 14.26 Investment shares are issued within sixty business days from the date of announcement of the current share price for the period in which the Investor's funds were credited to the Sub-Fund's account. In justified cases (in particular where an expert revaluation of the Sub-Fund's assets is in progress), this period may be extended to eighty business days. The issue of the Investment Shares in the form of a book-entry security shall take place by crediting the Investment Shares to the relevant asset account. The date of issue shall be deemed to be the date on which the Investment Shares in certificated form comply with the requirements of generally binding legal regulations and are ready for acceptance by the Fund by the Investor.
- 14.27 In the event of a retrospective adjustment to the current value of an Investment Share, the Sub-Fund's assets may be used to offset the difference in the amount of the differences found in respect of the number of Investment Shares issued. If a higher number of Investment Shares has been issued to the Investor than the number that should have been issued to the Investor based on the corrected current value of the Investment Share, the Sub-Fund shall decide to cancel the relevant number of Investment Shares in the amount of the determined difference without compensation. The Investor shall promptly cooperate with the Fund in returning the cancelled Investment Shares. Neither the Fund nor the Sub-Fund shall be liable for any damages resulting from the Investor's delay in providing assistance in returning the Investment Shares. If the number of Investment Shares issued to the Investor is less than the number that should have been issued to the Investor based on the adjusted current value of the Investment Share, the Investor will be issued an additional number of Investment Shares equal to the difference. In the event of a correction in the current value of an Investment Share which represents in absolute value 0.1% or less (unless otherwise provided by law) of the corrected current value of the Investment Share or which results in only negligible damage and the costs reasonably incurred in relation to its replacement would clearly exceed the amount of its replacement, the difference in the number of shares issued will not be compensated unless the Manager decides otherwise. In other cases of damage, the person who caused the damage is liable for compensation.
- 14.28 The Administrator shall maintain a list of shareholders of the Sub-Fund as a list of owners of securities issued by the Fund (Section 38(1)(h) of the ICISF).

Redemption of Investment Shares

- 14.29 Redemption of Investment Shares is based on a request for redemption of Investment Shares delivered by the Investor to the Administrator. The redemption of Investment

Shares shall be made using the Sub-Fund's assets attributable to the Fund Capital of the Class of Investment Shares being redeemed.

- 14.30 Investment shares are extinguished by redemption.
- 14.31 A request for redemption of Investment Shares may be made in the manner set out in Article 18 of the Articles of Association.
- 14.32 When redeeming Investment Shares, it is always assumed that the Investment Shares first acquired by the Investor are redeemed first.
- 14.33 A request for redemption of Investment Shares may be made for the first time after the expiry of six months from the establishment of the Sub-Fund and at any time thereafter.
- 14.34 The Administrator shall arrange for the redemption of the requested Investment Shares to the Sub-Fund's account from the Investor within the time limit:
 - a) within 30 days from the end of the calendar month in which it receives the Investor's request to redeem investment shares, if the Investor requests to redeem investment shares with a total value of less than 10% of the Sub-Fund's Fund Capital;
 - b) within 75 days from the end of the calendar month in which it received the Investor's request to redeem investment shares, if the Investor requests to redeem investment shares with a total value exceeding 10% of the Sub-Fund's Fund Capital.
- 14.35 The Administrator shall arrange for the repurchase of an Investment Share at its current value as announced retrospectively for the period in which the request for repurchase of the Investment Shares was received, such value being the value of the Investment Share determined as at the last day of the calendar month in which the request for repurchase was received by the Administrator.
- 14.36 Payment of funds corresponding to the value of the redeemed Investment Shares shall be made by wire transfer to the Investor's account specified in the list of shareholders or in the application for redemption of Investment Shares. The minimum value of a single redemption of Investment Shares is CZK 100,000 (one hundred thousand Czech crowns). The value of the Investment Shares held by one Investor may not fall below the minimum investment threshold set by law by redeeming the Investment Shares, unless the Investor requests the redemption of all remaining Investment Shares.
- 14.37 No exit fees (deductions) are applied when redeeming Investment Shares.
- 14.38 If the Sub-Fund is subject to an extraordinary revaluation of assets or debts, audit of financial statements or other activities that may affect the calculation of the current value of the Investment Shares for the Relevant Period in the future, the Servicer may, if a redemption request is received during the Relevant Period, extend the redemption settlement period by up to 120 days, but not more than 1 year from the receipt of the redemption request, and may at the same time decide to pay a redemption advance in an amount determined by the last known current value of the Investment Share.
- 14.39 In the event of a retrospective adjustment to the current value of an Investment Share, the Sub-Fund's assets may be used to offset the difference in the amount of the differences found in respect of the amounts for the redeemed Investment Shares. If the Investor has been paid a higher amount for the redeemed Investment Shares than the amount that should have been paid to the Investor based on the corrected current value of the Investment Share, the Investor is not obliged to repay the relevant difference in amounts if the difference was received in good faith. In the event that the Investor fails to demonstrate good faith, the Investor shall be obliged to compensate

the Sub-Fund for the relevant difference in amounts by returning a portion of the monies for the redemption of the Investment Shares, otherwise the Fund may decide to cancel the corresponding number of Investment Shares held by the Investor. The Investor shall promptly provide the Fund with assistance in returning the cancelled Investment Shares. Neither the Fund nor the Sub-Fund shall be liable for any damages resulting from the Investor's delay in providing assistance in returning the Investment Shares. If an Investor has been paid less for redeemed Investment Shares than the amount that should have been paid based on the corrected current value of the Investment Shares, such Investor will be compensated without undue delay by an additional payment for the redeemed Investment Shares in the amount of the difference. In the event of a correction to the current value of an Investment Share which represents in absolute value 0.1% or less (unless otherwise provided by law) of the corrected current value of the Investment Share or which in only negligible damage and the costs reasonably incurred in relation to its replacement would clearly exceed the amount of its replacement, the difference in the number of Shares issued will not be compensated unless the Manager decides otherwise. In other cases of damage, the person who caused the damage is liable for compensation.

- 14.40 The Administrator may decide to pay an advance on the redemption of Investment Shares and subsequently implement it in the event that the value of an individual redemption of Investment Shares of the Sub-Fund corresponds to an amount of at least CZK 3,000,000 (three million Czech crowns). This advance payment shall be paid within 7 working days from the end of the calendar month in which the Administrator received the Investor's request to redeem the Sub-Fund's Investment Shares. The amount of the advance payment is always determined by the Administrator according to the following formula: $(\text{number of Investment Shares to be redeemed} \times \text{value of the Investment Shares from the month preceding the receipt of the redemption request}) \times 0.9$. In this case, the Administrator shall be entitled to charge an exit deduction from the value of the redeemed Investment Shares in the amount of the consideration pursuant to Article 15.2(h) hereof. This is without prejudice to the Administrator's entitlement to payment of the remuneration determined pursuant to Article 15.2(a) of these Articles. If the Administrator decides not to pay the advance on the redemption of the Investment Shares, it shall notify the Investor in writing to the relevant email address.

Suspension of issuance or redemption of Investment Shares

- 14.41 The Manager is entitled to suspend the issuance or redemption of Investment Shares for a period not exceeding 3 months, and only if necessary to protect the rights or legally protected interests of Investors.
- 14.42 Reasons for suspending the issuance or redemption of Investment Shares may include:
- a) reaching the lower or upper limit of the range of the Sub-Fund's Fund Capital according to the Articles of Association;
 - b) insufficient liquidity of the Sub-Fund;
 - c) significant movements in the value of the Sub-Fund's assets;
 - d) the protection of the common interest of the Investors, for example, if a decision has been taken to dissolve the Sub-Fund;
 - e) potential damage to the interests of Investors who remain in the Sub-Fund;
 - f) termination of the Fund's depository agreement.
- 14.43 In the event that the lower or upper limit of the Sub-Fund's capital range is reached in accordance with the Articles of Association, the Manager shall take effective remedial

action without undue delay in accordance with Section 163(4) of the ICIF.

15 Information on fees, expenses and total expenses Sub-Fund

- 15.1 The fee to the Manager is paid from the assets of the Sub-Fund and amounts to:
- (a) for the performance of asset management activities of the Sub-Fund for each commenced month of the performance of the function, an amount of 0.2% p.a. of the value of the Sub-Fund's assets up to CZK 576,000,000 and 0.45% p.a. of the value of the Sub-Fund's assets above CZK 576,000,000, calculated as at the end of the calendar month for which the fee is payable, but at least CZK 40,000 (forty thousand Czech crowns)
 - (b) for offering investments in the Sub-Fund, 90% of the entry fee according to the subscription agreements for investment shares concluded in the relevant month, if the Manager has arranged the conclusion of the relevant subscription agreement for investment shares;
 - (c) for offering investments in the Sub-Fund 0.4% p.a. on the current amount of investment (value of the relevant investment shares, calculated as at the end of the previous calendar month) of the Fund's shareholders, if the Manager has arranged the conclusion of the relevant subscription agreement for investment shares, whereby the right to this fee arises from the calendar month following the month in which the amount invested was paid by the investor to the Sub-Fund's account, regardless of whether the relevant investment shares are issued or not, whereby the "current amount of investment" is deemed to be the nominal amount of the subscription for such shares until the issue of the relevant investment shares. Entitlement to this consideration continues until the end of the calendar month in which the relevant investor has made a request to redeem the last investment shares of the Sub-Fund held by him. In the event that an investor submits a partial redemption request, the redemption amount is part of the "current investment amount" on which the remuneration is calculated, for the last time at the end of the calendar month preceding the month in which the investor submitted the relevant redemption request (i.e. e.g. in the case of a redemption request submitted in May, the remuneration on the redemption amount is calculated for the month of May for the last time according to the current investment amount at the end of April). The entitlement to this remuneration continues even if the Manager is not the manager of the Sub-Fund;
- 15.2 The fee of the Administrator for the administration of the Sub-Fund is paid from the assets of the Sub-Fund and amounts to:
- (a) for the performance of the Administration Activities referred to in Article 4.9(b)(a) to (f) and (h) to (q) of this Statute, for each month commenced, an amount equal to 0.25% p.a. of the value of the Sub-Fund's assets, calculated as of the end of the calendar month immediately preceding the calendar month for which the fee is payable, but with a minimum of CZK 40,000 (forty thousand Czech crowns) and a maximum of CZK 120,000 (one hundred and twenty thousand Czech crowns) per month. ;
 - (b) if the assets of the Sub-Fund as of the last day of any calendar month of the term of this Agreement exceed CZK 1,000,000,000,000 (in words: one billion Czech crowns), the Administrator shall be entitled to the Administrator's remuneration **in excess of the** Administrator's remuneration pursuant to Article VII, paragraph 1, letter i) of this Agreement for the performance of the administration activities referred to in Article III, paragraph 1, letters b) to f) and further in letter i). (h) to (q) of this Agreement, starting from 1 January 2024, **an additional remuneration**

of 0.06% p.a. (in words: six hundredths of a percent) of the amount by which the Sub-Fund's assets exceed at the end of the calendar month immediately preceding the calendar month for which the remuneration is payable the amount of CZK 1,000,000,000 (in words: one billion crowns), for each such calendar month;

- (c) for each case of securing the issue, exchange and redemption of investment shares issued by the Fund CZK 1.000,- (one thousand Czech crowns);
 - (d) for consultancy in the field of corporate changes, valuation, accounting, marketing and legal services in the amount of CZK 3,000 (three thousand Czech crowns) per hour of services provided;
 - (e) an amount of 0.1% p.a. of the actual amount of the investment (value of the relevant investment shares) of the Fund's shareholders made on the basis of each individual cooperation agreement concluded after 30 September 2021 between the investment intermediary contacted by the Administrator, the Administrator and the Fund's manager, whereby the right to this remuneration arises from the calendar month following the month in which the amount invested was paid by the investor to the Sub-Fund's account. The entitlement to this remuneration lasts until the end of the calendar month in which the relevant investor has made a request to redeem the last investment shares of the Sub-Fund held by him;
 - (f) and the amount of CZK 3,000 (three thousand Czech crowns) for each redemption of investment shares pursuant to Article 14.40 of these Articles of Association. This amount shall be paid from the value of the investment shares redeemed.
- 15.3 If, for any type of payment, even 20 days after the end of the period for which the payment is due, some of the parameters necessary for the calculation of the payment are not known, the Operator and the Administrator shall be entitled to receive 90% of the last known payment of the relevant type as an advance payment. Once the necessary parameters for the calculation of the relevant remuneration are known, the subsequent settlement of such remuneration shall take place without undue delay, but no later than two months from the date on which all necessary parameters for the calculation of the relevant remuneration are known .
- 15.4 The fee for the performance of the activities of the Depositary is paid from the assets of the Sub-Fund and amounts to 0.12% p. of the net asset value of the Sub-Fund as at the end of the relevant calendar month, unless the value of assets does not exceed CZK 400,000,000. If the value of assets exceeds CZK 400,000,000, the remuneration shall be the sum of CZK 40,000 and 0.10% p. a. of the value of assets exceeding CZK 400,000,000, up to the amount of assets of CZK 800,000,000. If the value of the assets exceeds CZK 800,000,000, the remuneration shall be the sum of CZK 73,333 and 0.08% per annum of the value of the assets exceeding CZK 800,000,000, up to the amount of assets of CZK 1,600,000,000. If the value of the assets exceeds CZK 1,600,000,000, the remuneration is the sum of CZK 126,666 and 0.06% per annum of the value of the assets exceeding CZK 1,600,000,000. At the same time, the amount of the monthly remuneration shall be at least CZK 18,000. VAT will be added to the remuneration at the statutory rate.
- 15.5 Other costs that are or may be incurred in connection with the management and administration of the Sub-Fund, which are paid out of the assets of the Sub-Fund, include:
- a) costs incurred in connection with the acquisition, management and monetisation of the assets in which the Sub-Fund invests under these Articles (in particular, costs of analyses, studies, due diligence, audits, expert opinions, commissions,

- fees, etc.),
 - b) the cost of offering investments in the Sub-Fund (fundraising),
 - c) remuneration to the Depositary for activities other than the performance of activities under the Depositary Agreement,
 - d) costs associated with the Sub-Fund's investment activities,
 - e) costs incurred as remuneration for authorised representatives,
 - f) remuneration of employees and members of the Fund's bodies attributable to the Sub-Fund,
 - g) interest on loans and borrowings taken in connection with the management of the Sub-Fund's assets,
 - h) fees for maintaining accounts and handling funds,
 - i) payment for custody of securities or book-entry securities held by or issued to the Sub-Fund,
 - j) the cost of insuring the Sub-Fund's assets,
 - k) the cost of risk mitigation instruments, hedging the value of the Sub-Fund's assets,
 - l) the cost of winding up the Sub-Fund,
 - m) costs associated with the conversion of the Sub-Fund,
 - n) the cost of audit of the Sub-Fund and expert opinions,
 - o) legal costs,
 - p) marketing and advertising costs of the Sub-Fund,
 - q) the cost of keeping records of book-entry securities,
 - r) notary, court and administrative fees and taxes,
 - s) the cost of official translations into foreign languages.
- 15.6 Costs incurred or likely to be incurred in connection with the management and administration of the Sub-Fund (excluding the costs of the investment itself, the auditor, the valuer and the offering of investments), paid out of the assets of the Sub-Fund, shall not exceed 3% per annum. of the value of the Sub-Fund's assets, but will always be at least equal to the minimum monthly fees for the Manager, the Administrator and the Depositary as set out in these Articles or in the Fund's Articles of Association, multiplied by the number of months in the year in which the services are provided to the Sub-Fund, and may therefore temporarily exceed the expense ratio, particularly at the beginning of the operation of the Fund.
- 15.7 Other costs that are or may be incurred in connection with the activities of the Sub-Fund are the costs of remuneration for offering and arranging investments in the Sub-Fund. These are paid out of the assets of the Sub-Fund and may not exceed the sum of:
- a) a maximum of 100% of the entry fee associated with the investment; and
 - b) a maximum of 0.4% p.a. of the fair value of ongoing investments from Eligible Investors (according to the current value of the Investment Shares) that have been demonstrably intermediated by a third party, whereby this cost is calculated (assessed) for each calendar month; for the purposes of calculating the cost for a given calendar month, it is based on the value of the relevant Investment Shares at the end of the preceding calendar month.
- 15.8 Table of data on fees charged to Investors and expenses paid from the Sub-Fund's

assets:

One-off fees charged before or after the investment
(This is the maximum amount that can be charged to the investor before the investment is made or before the investment is paid out.)

Entry fee (surcharge)

0 % to 3 % of the investment volume according to the investment contract

Exit fee (deduction)

0% of the value of the repurchased

For the purposes of determining the Exit Fee, the subscription of the Investment Shares being redeemed shall mean the date on which the Investor's funds are credited to the Fund's account, provided that a valid Investment Agreement has been entered into for such subscription of Investment Shares.

- 15.9 All fees and expenses attributable to a particular Sub-Fund created by the Fund will be allocated directly to that Sub-Fund. Any fees and expenses that are not directly allocable to a particular sub-fund created by the Fund will be allocated equally among the sub-funds created by the Fund in proportion to their respective fund capital or in another fair and transparent manner that respects the interests of the Fund's shareholders .

16 Further information

16.1 Information on the Statute:

- a) The information contained in the Statutes is continuously updated.
- b) The amendment to the Statute is not subject to the approval of the CNB.
- c) Each subscriber to the Investment Shares must be
 - (i) the Articles of Association as amended prior to the conclusion of the investment agreement are offered free of charge; and
 - (ii) provided free of charge upon request with the current version of the Statutes and the latest Annual Report.
- d) Any Underwriter may obtain the documents referred to in Article 16.1 (c) of the Articles of Association from the registered office of the Administrator.

16.2 Information about the Fund and the Supervisory Authority

- a) Additional information about the Fund is available at the Administrator's office on weekdays from 9:00 a.m. to 4:00 p.m.
- b) The CNB is the Fund's supervisory authority.
- c) The Fund advises Investors that registration in the list of investment funds maintained by the CNB and the exercise of supervision by the CNB do not guarantee the return on investment or performance of the Fund, cannot exclude the possibility of a breach of legal obligations or the Statute by the Fund, the Manager, the Administrator, the Depositary or any other person and do not guarantee that any damage caused by such a breach will be compensated.

16.3 Additional information about the Sub-Fund:

- a) The sub-fund is established for an indefinite period of time. This does not prevent the Sub-Fund from being terminated at any time in accordance with the Articles of Association or the Manager from deciding on purchases or disposals of Investment Shares, even repeatedly, under the conditions set out in the Articles of Association.
- b) The procedure for the dissolution or conversion of the Fund and the Sub-Fund as well as the rights of Shareholders and Investors in the event of dissolution or conversion of the Fund and the Sub-Fund are governed by generally binding legal regulations, in particular the ICIF, the ZOK and the Act on Conversions, as well as the Articles of Association.

16.4 Basic information on the tax system applicable to the Sub-Fund:

- a) Taxation of the Sub-Fund and its shareholders is subject to the tax regulations of the Czech Republic, in particular Act No. 586/1992 Coll., on Income Taxes, as amended. The Sub-Fund is a basic investment fund whose income is currently subject to income tax at the rate of 5%.
- b) If the proceeds from the sale of the Sub-Fund's shares to a tax non-resident in the Czech Republic are derived, the Czech purchaser is obliged to withhold income tax from the purchase price in accordance with generally binding legislation.
- c) The dividend paid by the Fund from the Sub-Fund's assets is generally subject to a 15% withholding tax. The withholding tax rate may be limited by an international double taxation treaty to which the Czech Republic is bound. Therefore, the Fund may require proof of the tax domicile of the recipient - a foreign Investor - prior to the payment of a dividend.
- d) Dividends paid to a legal entity may be exempt from taxation if the conditions set out in the legislation are met.
- e) The tax treatment of foreign investors generally depends on the investor's state of tax residence. The investor is obliged to provide the Fund or the Administrator with assistance in determining his/her state of tax residence in accordance with the Articles of Association. The investor is obliged to report a change in its tax domicile to the Administrator promptly after such change occurs. If the Administrator does not have up-to-date information on the tax domicile of a Shareholder, it may deny performance to that Investor.
- f) The tax treatment of each Investor's income or gains depends on the applicable tax rules, which may not be the same for all Investors, and therefore if an Investor is unsure of the tax treatment applicable to them, they should seek professional tax advice.

16.5 The courts of the Czech Republic shall have jurisdiction to resolve disputes in connection with the Investor's investment in the Sub-Fund, unless otherwise provided by the Agreement or a mandatory provision of a generally binding legal regulation. The law applicable to the contractual obligation in connection with the Investor's investment in the Sub-Fund is the law of the Czech Republic, unless otherwise provided by the contract or a mandatory provision of a generally binding legal regulation.

16.6 In the event that an express provision of these Bylaws conflicts with an express provision of the Articles of Incorporation in the consideration of a particular legal case, that legal case shall be determined in accordance with the Articles of Incorporation.

16.7 The Manager does not specifically assess the likely impact of sustainability risks on the return on the Investment Shares beyond the standard internal processes in the areas of investment process and risk management. However, the Manager continuously assesses current developments in this area for the purpose of any future implementation of relevant processes in light of further legislative developments in

this area and emerging market standards.

17 Provision of information on the management of Sub-Fund

17.1 The Fund is obliged to send an annual report to the CNB no later than 4 (four) months after the end of the accounting period. The Manager and the Administrator are obliged to submit reports to the CNB of the Qualified Investor Fund pursuant to Section 5(1)(c) of the Data Reporting Ordinance.

17.2 Informing Investors

Type of information provided	Frequency and/or time limit for providing information	Method of providing information
Current version of the Statutes	At the request of	In paper form, electronically by email, via the website
Annual Report of the Sub-Fund	At the request of	In paper form, electronically by email, via the website
Current value of Investment shares	Monthly	Electronically by email, via the website
An indication of the Sub-Fund's asset structure and an indication of the level of leverage and changes in leverage	Annually	Electronically by email, via the website

18 Communication with Investors and payment account Investor

18.1 The rules for communication with Investors and the Investor's payment account are governed by the regulations contained in the Investment Agreement or the Administrator's terms and conditions to which the Investment Agreement refers, otherwise by the Articles of Association. The rules contained in the Articles of Association shall apply in the alternative.

18.2 Any communication from an Investor concerning the Investor's details (including email address, telephone number and payment account details, tax residency and name and address) or any other information concerning the Investor which is necessary for the proper and timely performance of the Fund's, the Manager's or the Administrator's obligations to that Investor must be made by the Investor in writing and delivered to the Administrator:

- a) personally;
- b) through the person of the Operator or the person of the Distributor;
- c) via a postal service provider (including courier services);
- d) by e-mail or

e) by any form of electronic communication other than email (e.g. via a web application operated by the Administrator, Distributor or a third party).

However, a form of electronic communication shall be deemed to be in writing only if the Fund, the Manager or the Administrator confirms the form of communication so chosen to the Investor in the relevant case after delivery.

- 18.3 Communication by the Investor through the Manager or the Distributor's person is effective only upon delivery to the Administrator.
- 18.4 Except as otherwise provided in these Articles or the Articles, neither the Fund, the Manager nor the Administrator shall be obliged to verify that the signature on an Investor's expression of intent in writing is the signature (handwritten or electronic) of such Investor.
- 18.5 A request to change the details entered in the shareholders' register (including email address, telephone number and tax residency and name and registered office) or a request to exchange Investment Shares must always be made:
- a) in writing by personal delivery at the Administrator's registered office with verification of the Investor's identity by a representative of the Administrator;
 - b) in writing by personal delivery to the Operator or Distributor with verification of the Investor's identity by a representative of the Operator or Distributor;
 - c) in writing with a certified signature of the Investor through a postal service provider (including courier services); or
 - d) by another form of electronic communication enabling verification of the Investor's identity (e.g. via a web application operated by the Administrator, the Distributor or a third party) or via the Investor's data box to the Administrator's data box.
- 18.6 A request for redemption of Investment Shares, notification of the Investor's withdrawal from the Investment Agreement or notification of a bank account number for the purpose of providing a cash payment must always be made:
- a) in writing by personal delivery at the Administrator's registered office with verification of the Investor's identity by a representative of the Administrator;
 - b) in writing by personal delivery to the Operator or Distributor with verification of the Investor's identity by a representative of the Operator or Distributor. The Investor's signature must be officially authenticated except for a request request requesting payment of a cash benefit to the Investor to the Investor's account specified in the Investor's Investment Agreement, an account previously notified to the Administrator for the purpose of providing the cash benefit or to an account from which the investment was sent, in which case it need not be officially authenticated;
 - c) in writing with a certified signature of the Investor through a postal service provider (including courier services); or
 - d) by another form of electronic communication enabling verification of the Investor's identity (e.g. via a web application operated by the Administrator, the Distributor or a third party) or via the Investor's data box to the Administrator's data box.
- 18.7 The data and information for all communications from the Fund, the Manager or the Administrator to the Investor shall be the data and information provided by the Investor for such purposes.
- 18.8 Information obligations and notifications by the Fund , the Manager or the Administrator to the Investor are preferably made by e-mail or through a web application operated by the Administrator, unless the Articles of Association, the Statutes, generally binding legal regulations or the Investment Agreement require another form of communication. Information obligations and notifications by the Fund,

the Manager or the Administrator to the Investor may be made through the Distributor, in which case the obligation to the Investor is fulfilled by sending the relevant information to the Distributor .

- 18.9 The data and information in Article 18.2 of these Articles of Association shall always be binding on the Fund for the purposes of communication with the Investor and payment of monetary benefits (consideration) to the Investor, unless otherwise expressly stated in the Articles of Association, the Articles of Association or the Investment Agreement.
- 18.10 The investor is responsible for the accuracy and timeliness of the data and information provided. Neither the Fund , the Manager nor the Administrator shall be liable for any loss suffered by an Investor as a result of such Investor providing incorrect data or information or failing to properly and timely notify a change in data or information.
- 18.11 The Administrator shall arrange for changes to the data and information in Article 18.2 of these Articles to be made by written notice within five (5) Business Days, unless it agrees with the notifying Investor to make the change within a shorter period.
- 18.12 If the Administrator designates in writing a particular department or person to be the recipient of a communication, the communication is ineffective on the part of the Investor unless it specifies that it is addressed to such department or person.
- 18.13 All cash payments to Investors can only be paid by bank transfer to a bank account.
- 18.14 The Fund is entitled to refuse to pay a monetary or non-monetary benefit to an Investor if the Investor has not provided the Fund, the Manager or the Administrator with the necessary cooperation to ensure compliance with the obligations arising from legislation governing measures against the laundering of the proceeds of crime, tax legislation or other generally binding legislation.
- 18.15 Neither the Fund, the Manager nor the Administrator shall be liable for any loss incurred by the Investor as a result of the Investor's failure to provide the cooperation referred to in Article 18.14 of these Articles.
- 18.16 For the purposes of this Article, a person listed as a downstream record keeper in the shareholders' register shall also be deemed to be an Investor.

In Prague on 15.1.2025



EnCor Asset Management, Investment Company, a.s., Manager

Represented by Mgr. Jan Kubín, authorised representative