

# **STATUTES**

## **EnCor Bond, open-end mutual fund**

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## DEFINITION

The following terms shall have the following meanings in this Statute:

|                                               |                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Administrator</b>                          | the person carrying out administration activities for the Fund, for more details see Article III                                                                                                                                                                                                                                                                   |
| <b>AIFMR</b>                                  | Commission Delegated 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                                                                                                                        |
| <b>AKAT CZECH REPUBLIC</b>                    | Capital Market Association of the Czech Republic                                                                                                                                                                                                                                                                                                                   |
| <b>Current value of the share certificate</b> | the value of the fund capital of the fund attributable to one unit of the relevant class of units                                                                                                                                                                                                                                                                  |
| <b>Net asset value</b>                        | the assets of the mutual fund, in particular for the purposes of calculating investment limits and limits on the total exposure of the fund's assets                                                                                                                                                                                                               |
| <b>Member State</b>                           | a member state of the European Union, or another state party to the Agreement on the European Economic Area                                                                                                                                                                                                                                                        |
| <b>CNB</b>                                    | Czech National Bank                                                                                                                                                                                                                                                                                                                                                |
| <b>Depository</b>                             | the person acting as depositary for the Fund, for more information see VV                                                                                                                                                                                                                                                                                          |
| <b>Distributor</b>                            | a person authorised to distribute (offer) units of the fund                                                                                                                                                                                                                                                                                                        |
| <b>Dividend</b>                               | a share of the profit from the management of the Fund's assets during the accounting period, which may be paid to the holders of dividend class (Class D) units under the terms of these Articles; the dividend paid may include a share of taxes and fees already paid by the Fund; the dividend may also include profits not paid in previous accounting periods |
| <b>Fund capital</b>                           | the value of the investment fund's assets less the value of the investment fund's debts                                                                                                                                                                                                                                                                            |
| <b>Collective investment funds</b>            | standard funds and special funds                                                                                                                                                                                                                                                                                                                                   |
| <b>Investment funds</b>                       | collective investment funds and qualified investor funds                                                                                                                                                                                                                                                                                                           |
| <b>Investment company or asset manager</b>    | EnCor Asset Management, Investment Company, a.s., with registered office at Pernerova 691/42, Karlín, 186 00 Praha 8, ID No.: 108 91 498, registered in the Commercial Register maintained by the Municipal Court in Prague under the Commercial Register No. B 26357                                                                                              |
| <b>Assets in a mutual fund</b>                | for the purposes of calculating investment limits and limits on the total exposure of the fund's assets                                                                                                                                                                                                                                                            |
| <b>Investment Regulation</b>                  | Government Regulation No. 243/2013 Coll., on the investment of investment funds and on techniques for their management                                                                                                                                                                                                                                             |
| <b>Shareholder</b>                            | unit holder                                                                                                                                                                                                                                                                                                                                                        |
| <b>Mutual fund or just fund</b>               | a mutual fund specified in Article II of these Articles                                                                                                                                                                                                                                                                                                            |
| <b>Share certificate</b>                      | a security or book-entry security representing a unit holder in a mutual fund and carrying the rights of the unit holder under the law or the statutes of the mutual fund                                                                                                                                                                                          |
| <b>Repo shop</b>                              | repo and/or reverse repo                                                                                                                                                                                                                                                                                                                                           |
| <b>Repo</b>                                   | the provision of securities for cash with a simultaneous obligation to accept those securities on a specified date for an amount equal to the original cash funds plus interest                                                                                                                                                                                    |

|                                                                      |                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                      | (conventional repo, sell-and-buy-back, cash-secured securities lending)                                                                                                                                                                                                                                                                                                            |
| <b>Reverse repo</b>                                                  | the receipt of securities for cash with a simultaneous obligation to deliver those securities on a specific date for an amount equal to the cash transferred plus interest (conventional reverse repo, buy-and-sell-back, cash collateralised securities lending)                                                                                                                  |
| <b>SFDR</b>                                                          | Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector                                                                                                                                                                                                                 |
| <b>Statutes</b>                                                      | these Articles of Association of the EnCor Bond, Open-ended Mutual Fund, containing the requirements set out in the AIFMD and the Statutory Instrument.                                                                                                                                                                                                                            |
| <b>Class of units</b>                                                | a group of units that have the same rights attached to them. Some of the rights or obligations attached to a unit may differ between classes in a manner governed by the statutes.                                                                                                                                                                                                 |
| <b>The total expense ratio (TER) of a collective investment fund</b> | an indicator as a percentage of the ratio of total costs to the average monthly value of the fund capital. Total expenses shall be the sum of fees and commissions, administrative expenses and other operating expenses in the statement of expenses and gains or losses of the collective investment fund, net of fees and commissions on transactions in investment instruments |
| <b>Decree on the modification of certain rules of the</b>            | Decree No. 244/2013 Coll., on further regulation of certain rules of the Investment Companies and Investment Funds Act                                                                                                                                                                                                                                                             |
| <b>Decree on the</b>                                                 | Decree No. 246/2013 Coll., on the statute of a collective investment fund                                                                                                                                                                                                                                                                                                          |
| <b>Decree on separate registration of investment instruments</b>     | Decree No. 58/2006 Coll., on the manner of keeping separate records of investment instruments and records related to the separate records of investment instruments                                                                                                                                                                                                                |
| <b>ZISIF or just the law</b>                                         | Act No. 240/2013 Coll., on investment companies and investment funds                                                                                                                                                                                                                                                                                                               |
| <b>ZPKT</b>                                                          | Act No. 256/2004 Coll., on capital market business                                                                                                                                                                                                                                                                                                                                 |

## **I. Details of the collective investment fund**

1. *Fund name*  
EnCor Bond, open-end mutual fund  
The fund may also use the short name EnCor Bond OPF
2. *The day of the fund's creation*  
7 August 2023
3. *Details of the fund's registration in the list of investment funds*  
The fund is registered in the list of investment funds pursuant to Section 597(b) of the ISIF Act.
4. *The period for which the fund is created or established*  
The Fund is established for an indefinite period of time.
5. *Indication of the type of fund*  
The Fund is a special fund. It is neither a managing nor a subordinate fund. It is in the form of an open-ended mutual fund
6. *Historical data on the status items of the fund*  
There has been no change in the status of the mutual fund since its inception.
7. *Details of whether a shareholders' meeting is being established*  
A meeting of unit-holders of a mutual fund shall not be established.

## **II. Manager**

1. *Data on the operator*  
business firm: EnCor Asset Management, Investment Company, a.s.  
Headquarters: Pernerova 691/42, Karlín, 186 00 Prague  
identification number: 108 91 498
2. *Day of Origin*  
26 May 2021
3. *Entry in the list of investment companies*  
The manager is registered in the list of investment companies pursuant to Section 596(a) of the ISIF Act.
4. *Amount of share capital and information on the repayment of share capital*  
The share capital of the investment company amounts to CZK 3,500,000 and is 100% paid up.
5. *Details of the investment firm authorisation decision*  
The investment company was granted a licence to operate on the basis of the CNB's decision of 22 April 2021, No. 2021/042851/CNB/570, S-Sp-2019/00126/CNB/571, which came into force on 24 April 2021, which also approved the investment company's managers.
6. *Details of the consolidated entity in which the operator is included*  
The investment company is not part of the consolidating entity
7. *List of senior managers of the investment company, indicating their functions*  
The officers of the investment company are Lubor Žalman, Chairman of the Board of Directors, Jan Kubín, Deputy Chairman of the Board of Directors and Mark Robinson, Member of the Board of Directors.
8. *Details of the functions performed by the directors outside the investment company insofar as they are relevant to the activities of the investment company or the collective investment fund managed by the investment company*  
The managers of the investment company hold the following positions that are relevant in relation to the activities of the investment company or the collective investment fund managed by the investment company: Mr Lubor Žalman (through the controlled company MANZAL1 s.r.o.) and Mr Jan Kubín are the managing directors of EnCor Wealth Management s.r.o., which is an

investment intermediary within the meaning of the CIFA.

9. *Information on the business of the investment company*

The subject of business of the investment company is the activity of an investment company pursuant to Act No.240/2013 Coll., on Investment Companies and Investment Funds, consisting in the management of investment funds or foreign investment funds and in the performance of activities corresponding to investment services, within the scope of the relevant investment company permit issued by the Czech National Bank.

10. *List of investment funds managed by the investment company*

The list of investment funds managed by the investment company is set out in Annex 1 to the Statute.

### III. Administrator

1. *Data about the administrator*

|                        |                                                        |
|------------------------|--------------------------------------------------------|
| business firm:         | WOOD & Company investiční společnost, a.s.             |
| Headquarters:          | náměstí Republiky 1079/1a, Nové Město, 110 00 Prague 1 |
| identification number: | 601 92 445                                             |

2. *Day of Origin*  
26 October 1993

3. *Entry in the list of investment companies*

The Administrator is registered in the list of investment companies pursuant to Section 596(a) of the ISIF Act.

4. *Amount of share capital and information on the repayment of share capital*

The share capital of the investment company amounts to CZK 20 000 000,- and is 100% paid up.

5. *Details of the decision on the authorisation to act as*

The administrator obtained the initial permit to operate on the basis of the decision of the Ministry of Finance of the Czech Republic dated 14.10.1993 No.: 101/58 024/1993. In connection with the amendment of the legal regulations, the Company obtained a new valid operating permit, replacing all previous ones, on the basis of the decision of the Securities Commission, now the CNB, No.: 41/N/71/2004/6 dated 13.10.2004, which became effective on 14.10.2004.

6. *Description of the scope of the main activities carried out by the administrator for the fund*

Within the framework of administration, the administrator performs all activities that are part of the administration of the fund pursuant to Section 38(1) of the ISIF Act, in particular:

- a) bookkeeping,
- b) provision of legal services,
- c) compliance and internal audit,
- d) handling investor complaints and claims,
- e) valuation of its assets and debts,
- f) calculating the current value of the security and book-entry security issued by the fund,
- g) compliance with obligations relating to taxes, fees or other similar monetary payments,
- h) maintaining a list of owners of securities and book-entry securities issued by the fund,
- i) the distribution and disbursement of income from the assets of the Fund,
- j) arranging for the issue, exchange and redemption of securities and book-entry securities issued by the Fund,
- k) the production and updating of the Fund's annual and half-yearly reports,
- l) the preparation and updating of the key information document of this fund or a comparable document under the law of a foreign state and the making of amendments thereto,
- m) the production of a promotional communication relating to the Fund,
- n) publishing, disclosing and providing data and documents to unit holders, members or members of the fund and other persons,

- o) reporting data and providing documents, in particular to the Czech National Bank or to the supervisory authority of another Member State,
  - p) the performance of other activities related to the management of the values in the assets of this fund, such as
  - q) advising the persons in whom the fund has an interest on capital structure, industrial strategy and related matters,
  - r) the provision of services relating to the conversion of companies or the transfer of business establishments to persons in whom the Fund has an interest; and
  - s) maintenance of individual items owned by this fund,
  - t) the distribution and payment of cash benefits in connection with the dissolution of the Fund,
  - u) keeping records of the issuance and redemption of securities and book-entry securities issued by this fund,
  - v) safekeeping of securities and keeping records of book-entry securities issued by the Fund
  - w) other activities directly related to the activities listed in (a) to (w).
7. *Details of the consolidated entity in which the administrator is included*  
The Administrator is part of a consolidation entity where the controlling party and the entity that prepares the consolidated financial statements is WOOD & Company Group S.A., with registered office at 6C, Rue Gabriel Lippmann, L-5365 Munsbach, Grand Duchy of Luxembourg.
8. *List of the administrator's senior managers, indicating their functions*  
The managers of the investment company are Miroslav Nosál, Chairman of the Board of Directors, Jan Sýkora, Member of the Board of Directors, and Jaromír Kaska, Member of the Board of Directors.
9. *Details of the functions performed by the managers outside the administrator, insofar as they are relevant to the activities of the administrator or the collective investment fund it administers*  
Apart from their activities for the Administrator, the following persons perform the following activities that are relevant to the Administrator's activities or collective investment funds: Mr Jan Sýkora is the Chairman of the Board of Directors of WOOD & Company Financial Services, a.s.
10. *Information about the 's business*  
The subject of the investment company's business is the activity of an investment company according to the ISIF, consisting in the management of investment funds or foreign investment funds, in the administration of investment funds or foreign investment funds, and in the performance of activities corresponding to investment services, within the scope of the relevant investment company permit issued by the Czech National Bank.
11. *List of investment funds administered by the administrator*  
The list of investment funds administered by the Administrator is set out in Annex 1 to the Statutes.

#### **IV. Entrusting another with the performance of an individual activity**

1. *Indication of the delegation to another of the performance of the particular activity covered by the management of the fund*  
The investment company has not entrusted other persons with the performance of individual activities involving the management of the fund.
2. *Indication of the delegation to another of the performance of the particular activity covered by the administration*  
The Administrator has entrusted the performance of compliance activities to KLB Legal, s.r.o., advokátní kancelář, with registered office at Letenská 121/8, Malá Strana, 118 00 Prague 1, ID No.: 294 14 709.
3. The manager and the administrator are entitled to delegate other activities to another, in accordance with the statutes, their internal regulations and legal provisions, in particular the ICIF. In such a case, the manager and/or the administrator shall ensure that they can control and influence by their orders the performance of the delegated activities. The operator and the administrator shall be

entitled to terminate with immediate effect the contracts under which the activities have been entrusted. The delegation of these activities shall be without prejudice to the liability of the manager or the administrator to compensate for damage caused by the breach of its obligations as manager and administrator of the fund arising from the statutes, the ICIF and other legislation.

## **V. Depositary**

### *1. Data on the person of the depositary*

The depositary of the Fund is UniCredit Bank Czech Republic and Slovakia a.s., with its registered office at Želetavská 1525/1, Prague 4, 140 92, ID No. 64948242, registered in the Commercial Register maintained by the Municipal Court in Prague, file mark B, insert 3608.

### *2. Data on registration in the list of depositaries*

The depositary is registered in the list of depositaries pursuant to Section 596(d) of the ISIF Act.

### *3. A description of the basic activities of the fund depositary and its obligations to the fund, including a definition of its responsibilities*

The depositary's activities derive in particular from the AIFMD and the manner of performance of the depositary's duties derives from the relevant provisions of the AIFMD. The specific specification of the performance of these activities is then regulated in the depositary agreement.

Depositary:

- has custody of fungible investment instruments held by the fund by registering them in the ownership account that the fund's depositary maintains for the fund in the central register of book-entry securities, in a separate register of investment instruments, in a register related to them or in a similar register maintained under the law of a foreign state
- has physical custody of the Fund's assets, the nature of which allows it,
- maintains records of the Fund's assets, the nature of which permits,
- establishes or maintains cash accounts in the name of the investment company established for the benefit of the Fund,
- shall establish or maintain cash accounts in its name for the benefit of the Fund,
- keep records of all the Fund's cash accounts and control the movement of funds in these accounts
- checks that the fund complies with the Investment Company Act, directly applicable European Union legislation in the field of investment fund management, the fund's statute and the provisions of the depositary agreement,
  - share certificates were issued and redeemed,
  - the current value of the share certificate was calculated,
  - the Fund's assets and debts were valued,
  - consideration was paid on transactions in the assets of this fund within the usual time limits,
  - the proceeds accruing to the Fund are used
  - the Fund's assets are acquired and disposed of.
- carry out the instructions of the investment company in accordance with the law or the mutual fund statutes.

A depositary of a fund who causes damage to the manager of that fund, to that fund or to a unitholder of the fund by breaching its duty established or agreed for the performance of its activities as a depositary shall be obliged to compensate for it. The obligation to compensate shall be discharged only if the depositary of the fund proves that the damage was not caused by negligence.

If investment instruments held in the custody or safekeeping of the fund's depositary are lost, the depositary shall compensate the fund without undue delay for the resulting loss; it shall not be decisive whether the depositary has entrusted another depositary with the performance of any activity.

4. *Description of other activities that the fund depositary performs for the fund*  
The Depositary shall not carry out any other activities for the Fund.
5. *Details of the consolidation unit in which the depositary is included*  
The Depositary is part of the consolidation unit of UniCredit S.p.A., with registered office at 20154 Milan, Piazza Gae Aulenti 3 - Tower A, Italy, registration number: 00348170101.
6. *Details of the delegation to another of the depositary's activities*  
The Depositary has delegated custody or other care of foreign investment instruments, depending on the type of investment instrument, the country of issuer or the market on which the investment instrument was purchased. The Depositary has established securities accounts with the relevant entities and these securities accounts hold client securities (including the Fund) separately from the Depositary's securities. For this purpose, the Depositary shall keep the necessary records and documents in its registers

## **VI. Investment strategies**

1. *Investment objective*  
The investment objective of the fund is to achieve stable appreciation over the long term with low volatility. To this end, the fund will invest mainly in fixed income instruments such as government and corporate bonds issued by issuers mainly from the Czech Republic, supplemented by issuers from the EU or other countries, money market instruments, reverse repo operations and other instruments. To a lesser extent and depending on the expected development of the markets, the Fund may invest in riskier asset classes such as equities or commodities. The Fund will use partial or full hedging of exchange rate risk against the CZK, interest rate risk and other risks by means of financial derivatives to ensure stability or increase returns. The objective is to maximise returns in CZK
2. *Benchmark and reinsurance*  
The Fund does not use any benchmark and does not replicate any market index. Returns on investments in the Fund, their portion or yield are not guaranteed in any way. No guarantees are provided by third parties for the protection of Unitholders.
3. *Types of assets that may be acquired into the fund*  
The following can be acquired into the fund's assets:
  - a) Investment security,
    - a. which is admitted to trading on a European regulated market or multilateral trading facility of an operator established in a Member State pursuant to Section 623(a) of the AIFMD, or
    - b. which is admitted to trading on a market similar to a regulated market established in a state which is not a member state of the European Union, or traded on a market similar to a regulated market established in a state which is not a member state of the European Union, if such markets are listed in the CNB's list of foreign markets similar to a regulated market established in a state which is not a member state of the European Union,
  - b) an investment security from a new issue,
    - a. if its terms of issue imply an undertaking by the issuer that an application will be made for admission to trading on any of the markets referred to in paragraph 3 (a) a) , and
    - b. if the application for its admission to trading on one of the markets referred to in point (a) is made so that the security is admitted to trading within one year from the date on which its issue ceased,
  - c) an investment security issued by a collective investment fund that does not redeem securities or book-entry securities issued by it, or by a comparable foreign investment fund, if the manager of such a fund complies with one of the codes of corporate governance and is subject to supervision by the CNB, a supervisory authority of another Member State or a supervisory authority of another state that contributes to the protection of investors in the exercise of supervision,

- d) an investment security whose value relates to property values, which may be property values other than those referred to in this paragraph,
- e) A bond issued by the State, a central bank of the State, a bank or a foreign bank or guaranteed by the State, unless it is an investment security referred to in this paragraph (aa) to d)
- f) an investment security, whether or not it has been fully redeemed, unless a) to e) otherwise follows,
- g) an investment security containing a derivative that is an investment security as defined in a) to f) containing a component,
  - a. for the presence of which some or all of the cash flows associated with that investment security may vary depending on an interest rate, the price of another investment instrument, a foreign exchange rate, a price index, an interest rate index, a rating, a credit rating, a credit index or other variable, with the result that it may vary in value in a manner similar to a derivative,
  - b. the economic nature of which and the risks associated with it are not closely related to the economic nature of the investment security and the risks associated with it; and
  - c. which has a significant impact on the risk profile of the Fund and the value of the investment security,
- h) securities and book-entry securities issued by a collective investment fund, even if they have not been fully redeemed,
- i) a security or book-entry security issued by a qualified investor fund or a comparable foreign investment fund,
  - a. if the qualified investor fund or a comparable foreign investment fund is managed by a manager authorised to exceed the applicable limit,
  - b. if the Qualified Investor Fund or comparable foreign investment fund may, according to its statutes or comparable document, grant loans and advances only under the conditions set out in Section 74(1) and (2) of the Investment Regulation,
  - c. if the qualified investor fund or a comparable foreign investment fund can be offered in the Czech Republic; and
  - d. if that qualified investor fund or comparable foreign investment fund invests, according to its statutes or comparable document, only in items that can be acquired in the assets of that fund,
- j) money market instruments.

The following can be arranged on behalf of the Fund:

- k) a financial derivative admitted to trading on the markets referred to in paragraph 3 (aa) , if the value to which the value of that derivative relates is only
  - a. an item referred to in this paragraph 3 that may be acquired into the assets of the Fund in accordance with the Fund's investment strategy set out in the Fund's constitution,
  - b. interest rate, exchange rate or currency, or
  - c. a financial index that is sufficiently diversified, sufficiently representative and publicly available.
- l) A financial derivative not admitted to trading on the markets referred to in paragraph 3 a) , if the value to which the derivative relates is
  - a. the value of this derivative relates only to the values listed in k)
  - b. this derivative is priced reliably and verifiably every business day,
  - c. the servicer may, on its own initiative, assign or terminate or otherwise terminate the derivative at any time for an amount that is achievable between the parties on terms that are not materially imbalanced for either party, or may enter into a new derivative for that amount that offsets the underlying assets of the derivative in accordance with a procedure specified in accordance with the standard commitment method; and
  - d. the derivative is negotiated with an eligible counterparty that is subject to the supervision of the CNB, the supervisory authority of another Member State or the supervisory authority of another country.
- m) A commodity derivative that is traded on the markets referred to in paragraph 3 (aa) ,
- n) A commodity derivative that is not traded on the markets referred to in paragraph 3 (aa) ,

- a. if it is valued reliably and verifiably on each business day and the servicer has the right to assign or terminate it or otherwise terminate it at any time for an amount that can be reached between the parties on terms that are not materially unfair to either party; a commodity derivative shall be deemed to be valued reliably and verifiably if the conditions set out in the Investment Regulations are similarly met; and
  - b. if the derivative is negotiated with an eligible counterparty that is subject to supervision by the supervisory authority of the country in which it is established.
- o) Claims for payment of funds from the account in Czech or foreign currency with a term to maturity of not more than 1 year for any of the following persons:
  - a. CNB or the central bank of another country,
  - b. banks based in the Czech Republic,
  - c. a foreign bank with a branch located in the Czech Republic,
  - d. a foreign bank with its registered office in another Member State and which does not have a branch located in the Czech Republic,
  - e. a foreign bank or similar person domiciled in a third country requiring compliance with prudential rules comparable to those under European Union law,
  - f. a credit union, or
  - g. who is the main backer of the fund.

4. *Investment limits for the fund's asset mix.*

- a) No more than 20% of the Fund's net asset value may be invested in investment securities and money market instruments issued by any one issuer,
- b) No more than 10% of the net asset value of the Fund may be invested in investment securities not listed in paragraph 3a) to e),
- c) up to 35 % of the net asset value of the fund may be invested in investment securities and money market instruments issued by a single issuer if these securities or book-entry securities have been issued or guaranteed by a State, a territorial self-governing unit of a Member State or an international financial organisation of which one or more Member States are members,
- d) in bonds issued by one bank, one credit union or one foreign bank which is domiciled in a Member State and is subject to supervision by that State protecting the interests of bondholders, if the funds raised by the issue of such bonds are invested in such types of assets, which, until the maturity date of the bonds, cover the obligations of the issuer under the bonds and which may be used in priority in the event of the insolvency of the issuer for the repayment of the bond and for the payment of the proceeds, up to 25% of the net asset value of the fund may be invested, but the sum of such investments may not exceed 80% of the net asset value of the fund,
- e) no more than:
  - a. 10% of the total nominal value or the total number of shares issued by one issuer that do not carry voting rights,
  - b. 10 % of the total nominal value of bonds issued by a single issuer, and
  - c. 10% of the total nominal value or total number of money market instruments issued by a single issuer;

these limits shall not apply to investment securities or money market instruments issued or guaranteed by a State or a local authority of a Member State or by an international financial organisation of which one or more Member States are members.
- f) up to 100% of the net asset value of the Fund may be invested in investment securities or money market instruments issued or guaranteed by a State, a self-governing territorial unit of a State or an international financial organisation of which a Member State is a member, provided that the investment is divided into at least 6 different issues, where securities from one issue may not account for more than 30% of the net asset value of the Fund,
- g) The value of investment securities and money market instruments provided to another counterparty as collateral for financial derivatives referred to in paragraph 3l) shall be included in the limits under paragraphs 4a) to f)

- h) no more than 20% of the net asset value of the fund may be invested in securities or book-entry securities issued by a single collective investment fund or a comparable foreign investment fund; securities or book-entry securities issued by a collective investment fund whose manager is not authorised or supervised by the supervisory authority of the country of its domicile or which are not redeemed within a period of less than one year may not in aggregate account for more than 10% of the net asset value of the fund,
- i) no more than 50% of the net asset value of an investment fund or of a comparable foreign investment fund may be acquired into the fund,
- j) No more than 10% of the net asset value of the Fund may be invested in the securities or book-entry securities referred to in paragraph 3 (i) ,
- k) the counterparty risk arising from the financial derivatives and commodity derivatives referred to in paragraph 3 , expressed as the sum of the positive fair values of those derivatives, and the counterparty risk arising from special fund management techniques, shall not exceed for any one counterparty
  - a. 10% of the net asset value of the fund if that counterparty is a person referred to in paragraph 3o) , or
  - b. 5% of the net asset value of the fund if that party is a person other than a person referred to in paragraph 3o)
- l) claims for payment of funds from an account in Czech or foreign currency against one of the persons referred to in paragraph 3 (oo) may not account for more than 20% of the net asset value of the Fund,
- m) cannot invest more than
  - a. 20% of the Fund's net asset value in one commodity that is a precious metal,
  - b. 10% of the net asset value of the fund in one commodity that is not a precious metal.
- n) the sum of the values of investment securities or money market instruments issued by a single issuer, the values of claims for payment of funds from a Czech or foreign currency account on that issuer and the values of counterparty risk arising from derivatives negotiated with that issuer must not exceed 35% of the net asset value of the fund.

When hedging the spread of risk, the limits set out in this paragraph may be waived for a period of 6 months from the date of inception of the fund.

If, irrespective of the will of the manager, the fund's asset composition is not in compliance with the fund's asset composition rules, the manager must restore the fund's asset composition to compliance with those rules without undue delay, taking into account the interests of the unitholders.

#### 5. *Investment concentration data*

A mutual fund does not focus its investment strategy on a particular economic sector or parts thereof, a particular geographical area or a particular part of the financial market. Concentration on the types of items listed in the Statute shall be based on the possibilities and limits given by the Investment Regulation.

#### 6. *Lever effect*

The Fund may use leverage for efficient management purposes. Only transactions that are consistent with the permitted asset classes may be entered into on behalf of the Fund using leverage, and only with a permissible counterparty pursuant to Section 6(3) of the Investment Regulation. The leverage ratio shall not exceed 100% of the net asset value of the Fund.

#### 7. *Exposure to counterparty risk*

The exposure to counterparty risk, expressed as the difference between the value of the financial collateral or comparable collateral under foreign law transferred to another counterparty for a negotiated loan or borrowing and the residual value of such loan or borrowing, shall not exceed 20 % of the net asset value of the Fund to any one counterparty.

#### 8. *Options and limits for the use of the credit or loan received on the Fund's account*

- a) A loan or borrowing with a maturity of more than 6 months may be taken on behalf of the Fund only for the purpose of investing the Fund.
  - b) The sum of the value of all loans and borrowings on behalf of the Fund shall not exceed 25% of the net asset value of the Fund.
9. *Possibilities and limits of using the Fund's assets to grant credit, loans, gifts and collateral for another person's obligation or to pay a debt not related to its management*  
The assets of the Fund may not be used to grant a loan or credit, to make a gift, to secure the debt of another person or to pay a debt unrelated to its management.
10. *Options and limits relating to the sale of assets on behalf of the Fund that are not held by the Fund*  
Contracts for the sale on behalf of the Fund may only be concluded for the sale of investment instruments which, according to the Investment Regulation or the Articles of Association, may be acquired for the Fund's assets but which are not held by the Fund or which are temporarily assigned to the Fund:
- a) where such contracts relate to investment instruments admitted to trading on the market referred to in paragraph 3 (a) a) ; where such contracts relate to other investment instruments, such investment instruments must be liquid and the total liability relating to such investment instruments under such contracts must not exceed 10% of the net asset value of the Fund,
  - b) if such contracts do not involve more than 10% of the total nominal value or of the total number of investment instruments of the same type issued by a single issuer,
  - c) if the obligations under such contracts relating to investment instruments issued by a single issuer do not represent more than 10% of the net asset value of the fund,
  - d) if the fund holds, throughout the duration of those contracts, funds in such an amount that it can close out open positions on all those contracts at any time; and
  - e) if the other party to this Agreement is a person who is an eligible counterparty and is subject to the supervision of the CNB, a supervisory authority of another Member State or a supervisory authority of another State.

Contracts for the sale on behalf of the Fund may only be concluded for the sale of commodities which, under the Investment Regulations or the Statutes, may be acquired for the Fund's assets but which are not held by the Fund or which are temporarily assigned to the Fund:

- f) where the total liability under such contracts does not exceed 10 % of the net asset value of the fund; and
  - g) if the other party to this Agreement is a person who is an eligible counterparty and is subject to the supervision of the CNB, a supervisory authority of another Member State or a supervisory authority of another State.
11. *An indication of the techniques used to manage the investment fund and the possibilities and limits of their use.*  
The techniques for managing the Fund are the repos referred to in the statute and the financial derivatives and commodity derivatives referred to in paragraph 3 (k) (ton)

Management techniques can only be used if

- a) relate to investment securities and money market instruments,
- b) are used solely for the purpose of the efficient management of the Fund and for the purpose of
  - a. reduce the risk associated with investing on behalf of the Fund,
  - b. a reduction in investment-related costs on behalf of the fund; or
  - c. raising additional capital or generating additional returns if the risk taken is consistent with the risk profile of the fund,
- c) the use of these techniques does not circumvent the rules set out in the Investment Regulation and determined by the fund's statutes or investment strategy; and
- d) the Fund is able to meet its obligation to transfer funds or deliver the underlying asset arising from a financial derivative contracted for the account of the Fund at any time.

A repo using the assets of the Fund may only be negotiated with an eligible counterparty that is subject to supervision by the supervisory authority of the country in which it is domiciled.

The items to be sold, purchased or otherwise transferred in a repo must be sufficiently diversified. Such items shall be sufficiently diversified if they are diversified in terms of geographical areas, economic sectors and, in the case of securities or book-entry securities, their issuers. Items are diversified in terms of issuers if securities and book-entry securities issued by one issuer do not account for more than 20 % of the net asset value of the fund.

A repo can only be agreed if the obligation under it can be terminated without notice or with less than 7 days' notice.

Only the assets listed in paragraph 3o) or a high quality bond may be acquired with the funds raised from the repo.

The funds received from the repo may be used to enter into a reverse repo to which the other party is a person referred to in paragraph 3 (o) , and from which the obligation may be terminated without notice.

A reverse repurchase agreement may be entered into only if the obligation under the reverse repurchase agreement can be terminated without or with less than 7 days' notice or if the funds subject to the reverse repurchase agreement can be recovered at any time, including proceeds, or at mark-to-market value if mark-to-market value is used for the valuation of the reverse repurchase agreement.

Property values subject to reverse repo

- a) must be highly liquid and must be admitted to trading on one of the markets listed in paragraph 3 (a) a) points a) a
- b) must be valued every business day and must not be highly volatile unless their value is appropriately haircut,
- c) they must not be issued by a person that is not independent of another counterparty or by an issuer that has been assigned a credit rating other than investment grade; and
- d) must be in the possession of the fund or in the custody of a person who is independent of another party.

The items subject to the reverse repo may not be encumbered by an absolute right of possession or transferred to another person during the term of the reverse repo, unless it is a resale or other reverse transfer to another party to the contract.

## *12. Total exposure limit*

The Fund, as an investment fund managed by a manager authorised to exceed the Applicable Limit, calculates the Fund's total exposure in accordance with the AIFMR.

For the purpose of calculating the total exposure, the Fund may use:

- a) the commitment method,
- b) the gross asset value method,
- c) the value-at-risk method, or
- d) another advanced method of measuring risk.

If the calculation of the Fund's total exposure is carried out using the commitment method, the calculation of the total exposure related to derivatives shall be carried out at least once every two weeks and the exposure related to financial derivatives shall not exceed 100% of the net asset value of the Fund at any time; if the limit is exceeded due to changes in fair values, the Fund's position in relation to financial derivatives shall be adjusted without undue delay so that the exposure related to financial derivatives complies with the limit.

If the calculation of total exposure is performed using the value-at-risk method, then the value-at-risk calculation and back-testing shall be performed at least bi-weekly, stress testing shall be performed at least monthly and the absolute value-at-risk shall not be greater than 20% of the net asset value of the fund.

*13. Changes to investment strategy*

It is not permissible to change the investment strategy of a fund to the extent set out in Section 93(3)(a) to (i) of the ICIIF, unless it is a change:

- a) directly caused by the change in legislation,
- b) as a result of a change in the statutes, unless that change results in a significantly different investment pattern for that fund,
- c) as a result of an amendment to the statute that allows the fund to invest as a subordinated fund, or
- d) as a result of a final decision of the CNB to restrict the scope of the investment strategy (Section 549(1) and (2) of the ISIF Act).

## VII. Risk profile

*1. Warning that the value of the investment may go down as well as up and that there is no guarantee of a return on the amount originally invested*

Due to possible unpredictable fluctuations in the financial markets, the Investment Company cannot guarantee the achievement of the stated objectives. The Investment Company cautions investors that past performance of a mutual fund does not guarantee the same performance in future periods. The value of a unit trust is inherently volatile and may fluctuate with fluctuations in the value of the individual components of the assets in the unit trust and with active changes in the composition of those assets. As a result, the value of an investment in a mutual fund may go up or down and an investor is not guaranteed to receive a return on the amount originally invested.

*2. Aggregate risk indicator*

The aggregate risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely the product is to lose money due to market movements or because we are unable to pay you.

The fund is classified as class 2 out of 7, which is a low risk class. Even if the Fund is in the lowest risk class, this does not mean that it is a risk-free investment.

Risk profile of the mutual fund

|            |   |   |   |   |   |             |
|------------|---|---|---|---|---|-------------|
| 1          | 2 | 3 | 4 | 5 | 6 | 7           |
| lower risk |   |   |   |   |   | higher risk |

The aggregate risk indicator assumes that the investor will retain the investment for at least the recommended minimum investment horizon.

*3. A description of the material risks associated with the Fund's investment strategy*

*a. credit risk*

In particular, credit risk may consist in the fact that entities that have payment obligations to the mutual fund (e.g. borrowers on investment instruments, etc.) default on their obligation.

*b. liquidity risk*

It consists of the possibility that an asset of the Fund will not be redeemed in a timely manner at a reasonable price and that the Fund will not be able to meet its obligations under requests for redemption of Units for that reason or that redemptions of Units issued by the Fund may be suspended. In the extreme case, liquidity risk may lead to a liquidity crisis, which may result in a reduction in the liquidity of the Units themselves by suspending redemptions.

*c. settlement risk*

It is associated with the fact that the settlement of a transaction does not take place as expected due to the counterparty's failure to pay or deliver the investment instruments within a specified time period. This risk is mainly represented by the failure of the counterparty at the time of settlement of the transaction. These risks are mitigated in particular by selecting credible counterparties and by settling transactions in investment instruments within reliable settlement systems.

*d. market*

It results from the impact of changes in the overall market on the prices and values of individual assets in the fund's assets. Due to the investment focus of the Fund, it is mainly equity risk, characterising the effect of changes in the market price of shares, and interest rate risk, characterising the effect of changes in market interest rates on the market prices of debt instruments,

*e. operational risk*

It consists of 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 custody, which may be caused in particular by the insolvency, negligence or intentional conduct of the person holding the assets of the Fund or securities issued by the Fund.

*f. currency risk*

The Fund may invest in investment instruments denominated in a currency other than the currency of the Fund and there will be a change in the value of the Fund's assets due to movements in foreign exchange rates.

*g. the risk associated with the Fund's investment focus on a particular economic sector or part thereof, a particular geographical area, another part of the market or certain types of assets*

A mutual fund's investment focus on a particular economic sector, country or region creates a systematic risk where developments in that sector affect a significant portion of the mutual fund's portfolio. This systematic risk is addressed by diversification, i.e. spreading the investments.

*h. the risk of cancellation of*

A fund may be dissolved in particular due to a decision to convert the fund, the withdrawal of authorisation, for example if the fund's capital does not reach the required minimum threshold, or in the case of the withdrawal of the authorisation of an investment company.

The Statute hereby explicitly draws attention to the possibility and the related risk that a mutual fund may be terminated, for example, also for economic and restructuring reasons (in particular in the event of economic problems of the mutual fund), which may result in the shareholder not remaining in the mutual fund for the entire duration of its intended investment horizon. The Statute hereby expressly cautions that there is and is no guarantee in the sense set out above as to the continuance (or possibility of continuance) of a Unitholder (investor) in the Mutual Fund.

*i. risk associated with derivatives*

They are mainly related to changes in the market prices of the underlying assets; the associated risks are liquidity risk, counterparty risk and the risk of possible progressive dependence on the price of the underlying asset, where a small initial investment opens up room for both higher profits and losses.

*j. risk of leverage*

It relates to the use of foreign capital to make further investments in the Fund's assets. Leverage may increase the performance of the Fund, but may decrease the performance of the Fund in adverse developments.

*k. sustainability risk*

Sustainability risk means 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 Fund's investment.

## **VIII. Historical performance**

The mutual fund was established in 2023. Therefore, historical performance data is not yet available.

Historical mutual fund performance data is not an indicator of future performance. An investment in Units involves the risk of fluctuations in the current value of the Unit and is not guaranteed to return the original amount invested.

Fees associated with the issuance and redemption of units are not included in the performance of the Fund. The historical performance of the Fund is calculated in CZK.

## **IX. Management principles and payment of profit or revenue shares**

*1. Accounting period*

The accounting period of the Fund is the calendar year. The first accounting period may be extended by up to 3 months preceding the current accounting period.

*2. Information on the approval of the financial statements of the Fund*

The approval of the financial statements of the mutual fund as well as the decision on the distribution of profits or other income from the assets of the mutual fund is the responsibility of the statutory body of the investment company. The provisions of Section 212 of the ISIF Act do not apply to a mutual fund

*3. Rules and deadlines for valuation of the Fund's assets and debts*

Assets and debts arising from the Fund's investment activities are measured at fair value in accordance with international accounting standards as governed by European Union law. The procedures for determining the fair value of the Fund's assets and debts are also set out in the Decree on the modification of certain rules of the AIFMD and the AIFMR.

The valuation of the Fund's assets and debts is carried out once a week, always as of Friday. If Friday is not a working day in a given week, the valuation shall be carried out as at the nearest following working day. Valuations of the Fund's assets and debts shall also be made as at 31 December of each calendar year, irrespective of whether it is a working day. In justified cases, the valuation may be carried out within a longer period, but at least once a month. In justified cases, the Board of Directors of the investment company shall decide on a change in the frequency of valuation; this decision shall be published on the website of the investment company well in advance.

The administrator shall account for the state and movement of the assets and other assets, liabilities and other liabilities, as well as the expenses and income and the result of the management of the assets in the unit trust separately from the subject matter of its own accounts and those of the other

funds it administers, and to the extent necessary to determine the value of the fund capital attributable to each class of units. The common property and the profit and loss of the Fund shall be distributed among the classes by an allocation ratio.

The administrator shall ensure, in accordance with the accounting methods under the law governing accounting, that the subject matter of the accounts is accounted for in books kept separately for the individual unit trusts which it administers, so as to enable the preparation of financial statements for the unit trust. The accounts of the mutual fund shall be audited by an auditor.

4. *Method of using the profit or income from the result of the management of the fund's assets*  
The Mutual Fund does not use the profits or income corresponding to Class A, B, C and E units to pay out shares of the profits or income from the results of the management of the assets in the Fund to Unitholders holding units of those classes, but the profits corresponding to those classes of units are reinvested in the management of the Fund. The profits generated corresponding to class D units may, subject to the terms of the Statutes, be used as a source for the payment of dividends attributable to class D units.

## **X. Data on securities issued by the Fund**

1. *Security*  
The mutual fund issues units as book-entry securities.
2. *An indication of whether the securities are admitted to trading on a European regulated market or admitted to trading on a multilateral trading facility*  
The mutual fund issues units that are neither admitted to trading on a European regulated market nor admitted to trading on a multilateral trading facility. These markets do not publish information on the price of these units.
3. *Nominal value of securities*  
All share certificates have the same nominal value of CZK 1,- (in words one Czech crown).  
Units of different classes may be issued.

Class A units may be owned by an investor investing through a distributor or by a customer of the investment company who has an asset management agreement with the investment company (pursuant to the investment management service for the management of the customer's assets, if the investment instrument is part of the investment service, on a discretionary basis under the contractual arrangement, hereinafter also referred to as "asset management"), provided that the asset management fee is agreed as nil in the agreement.

Only an investor making an investment through a distributor in the amount of at least CZK 5 million or an investor making an investment directly through an investment company may become an owner of Class B units.

Class C units may only be owned by a client of the investment company who has an asset management agreement with the investment company or by investment funds managed by the investment company.

Only a customer of the investment company who has concluded an asset management agreement with the investment company, or investment funds managed by the investment company, with a volume of at least CZK 10 million, may become an owner of Class D units.

Only a customer of the investment company who has an asset management agreement with the investment company may become an owner of Class E units.

The Board of Directors of the investment company decides on the commencement or termination of the issue of units of a particular class of units. There is no limit to the number of units issued.

4. *Indication of the currency in which the value of the securities is quoted*

The value of all units of the mutual fund is stated in Czech crowns (CZK).

5. *Identification of securities according to the International Securities Identification Numbering System ("ISIN")*

Units are assigned a securities identification number according to the International Securities Identification Numbering System (ISIN), which differs for each class:

| Class designation | ISIN         |
|-------------------|--------------|
| A                 | CZ0008477924 |
| B                 | CZ0008477940 |
| C                 | CZ0008477932 |
| D                 | CZ0008478690 |
| E                 | CZ0008478864 |

6. *Details of the person who records securities in book-entry form and a brief description of the method of such*

The administrator shall keep records of unit certificates in separate records in the accounts of owners or customers. If the administrator keeps unit certificates in the customer account, the customer account holder shall keep records linked to the records kept by the administrator in the owners' accounts on the basis of an agreement concluded with the administrator. Only a person authorised to keep downstream records may be a customer account holder. The separate records kept by the administrator and the downstream records shall be kept in accordance with Section 93 of the FCTC and the Decree on the recording of investment instruments.

7. *Description of the special rights attached to the securities*

Units of a mutual fund confer the same rights on unit-holders; it is not a breach of this principle to differentiate the value of the fund capital attributable to different classes of units. A unit-holder shall have the right to redeem his unit, subject to the conditions laid down by law and these Statutes. The administrator shall redeem units using the assets in the unit trust. Unitholders shall not be entitled to request the distribution of the assets in the unit trust or the dissolution of the unit trust. A unitholder shall not be entitled to receive a share of the profits or income from the management of the assets in the unit trust in accordance with these Articles (except for holders of Class D units). The investment company or the unit trust shall not establish a meeting of unitholders

8. *More detailed information about the dividend class (class D) of the units*

The profit share of Class D units is paid out at the discretion of the manager, usually once a year. The decision whether or not to pay a dividend for the relevant financial year and the specific amount of the dividend depends on the performance of the Fund and is entirely at the discretion of the manager. The profits generated by the Fund corresponding to Class D may be used in full as a source for the payment of profit shares attributable to Class D units. The manager may decide to reduce the amount to be paid out, e.g. to make the amount of the profit to be paid out equal only to the already taxed income of the fund corresponding to the Class D units.

Shareholders holding Class D Units on the day following the end of the Fund's accounting period for which the dividend is paid (the record date for the payment of the dividend) are entitled to receive the Class D Profit Share. A Unitholder who holds Class D Units on that date shall be entitled to receive a dividend in an amount equal to the number of Class D Units held by him.

The dividend attributable to Class D Units will be distributed by paying to each Unitholder an after-tax dividend equal to the multiple of the number of Class D Units held by the Unitholder on the record date for payment of the dividend and the dividend attributable to one Class D Unit.

Dividend payments may commence no earlier than the date of approval of the Fund's financial statements. The manager may decide to pay an advance dividend under the terms of the ICIIF.

The payment of the dividend, including any withholding tax, is carried out by the administrator. Dividends attributable to Class D units shall be sent to the bank account held by the administrator for the unit holder.

A claim for payment of an unpaid dividend (e.g. due to a shareholder's failure to provide assistance to clarify his/her bank account number) shall be extinguished by the expiry of the limitation period in accordance with the law. Upon expiry of this period, unpaid dividends will be transferred to the income of the Fund.

9. *Information on the conditions under which the administrator is not obliged to compensate for damage caused by incorrect calculation of the current value of a unit or share*

The Administrator is not obliged to compensate for damage caused by an incorrect calculation of the current value if the amount of the damage is negligible and the costs reasonably incurred in compensating for it would clearly exceed the amount of the compensation, or the deviation from the correct calculation of the current value does not exceed 0.5% of the value of the fund capital.

10. *Method of determining and time limit for calculating the current value of a unit*

The current value of a unit of each class is determined weekly, always as at Friday, and is valid until the next following valuation date and determination of the current value of the unit. However, if Friday is not a business day in a given week, the current value of a Unit shall be determined as at the next following business day.

The current value of a unit of each class is determined as the ratio of the value of the fund capital of each class on the valuation date to the sum of the nominal values of all outstanding units of each class on the valuation date, rounded to four decimal places.

First, the fund capital of the mutual fund shall be determined as at the valuation date, which is the sum of the values of the holdings, investment instruments, cash in bank accounts, receivables and other assets held by the mutual fund, less debts owed to the investment company, unitholders, creditors and the government and transitional asset accounts. Accrual of current expenses, such as fees for the management and administration of the assets in the mutual fund, fees for acting as depositary of the mutual fund, audit costs and expected tax liability at the date for which the fund capital is calculated, is taken into account.

The value of the fund capital of each class is then determined as the product of the fund capital of the mutual fund before taking into account the specific costs and returns of the class and the allocation ratio for the class of units of the mutual fund; the resulting product is adjusted for the specific costs and returns of the class. Shareholders of the same class shall participate in the value of the fund capital of the class in the ratio of the number of units of that class held by them to the total number of units of that class in issue.

The class allocation ratio on D-day shall be determined according to the following formula:

$$AP_{TD} = AP_{T(D-1)} * (1 + (PLV_{F(D-1)} - PLO_{T(D-1)} - MGMT_{T(D-1)}) / (AP_{T(D-1)} * AV_{TD})) / (1 + (PLV_{F(D-1)} - PLO_{F(D-1)} - MGMT_{F(D-1)}) / AV_{TD})$$

Where

e

$AP_{TD}$  is the class allocation ratio on D-day,

$AP_{T(D-1)}$  is the class allocation ratio on day D-1,

$AV_{TD}$  is the value of the fund's assets after taking into account the costs that are common to all classes on D-day,

$MGMT_{T(D-1)}$  is the operator's fixed remuneration for the class booked at D-1

$MGMT_{F(D-1)}$  is the fixed remuneration of the operator of all classes booked at D-1

$PLV_{T(D-1)}$  is the value of newly issued units of that class from D-1 to D-day

$PLV_{F(D-1)}$  is the value of all newly issued units of the fund from D-1 to D-day

$PLO_{T(D-1)}$  is the value of the redeemed units of the class from D-1 to D-day,

$PLO_{F(D-1)}$  is the value of all redeemed units of the Fund from D-1 to D-day,

Class-specific expenses and income means all expenses and income of a mutual fund related only to that class. A specific cost is, for example, the different management fee rates for each class of unit and, in the case of Class D, any profit-sharing costs.

The payment of a dividend may correspondingly reduce the value of a Class D Unit.

11. *Notice that the Administrator will issue Units of the Mutual Fund for the amount as per Section 130(2) of the Act,*

The fund administrator will issue the units at their nominal value, i.e. CZK 1, for a maximum period of 3 months from the start of their issue. This amount may be increased by a surcharge specified in the Articles of Association. The termination of such issuance and redemption of units before the expiry of the 3-month period shall be decided by the Board of Directors of the investment company. This decision shall be published on the investment company's website.

12. *Place and frequency of publication of the current value of the unit certificate*

The current value of each class of unit is published electronically on the investment company's website. The current value of a unit shall be published no later than the third business day following the day on which the value is determined.

13. *Procedures and conditions for the issue of units, in particular the determination of the record date for the issue of units, the minimum amount or quantity of units to be issued, the method of rounding off the value of the unit, the deadlines for settlement of applications for the issue of units, including the settlement of arrears or overpayments*

The Administrator shall issue a Unit of a Class of a Unit Trust for an amount equal to its current value as announced on the next Valuation Day following receipt of an application for the issue of Units (including applications received up to the end of the Valuation Day and the determination of the current value of the Units). The date of receipt of an application for the issue of Units shall be deemed to be the date on which the following conditions are met: (i) the closed contractual

documentation and the application for the issue of Units to the Unitholder have been delivered to the Administrator (ii) the Unitholder's funds have been credited to the account of the Mutual Fund maintained with the Depositary with the payment variable symbol duly indicated. Payments received into the Fund's account on non-business days shall be deemed to have been received on the next business day.

The minimum amount for the issue of units is CZK 1,000 (including the entry fee or distributor fee)

Applications for the issue of units can be made daily (on working days).

For the amount credited to the Fund's account, the Unitholder is credited with the next lower whole number of Units, calculated as the whole number portion of the quotient of the amount credited and the current Unit value plus the entry fee. Any overpayment shall be income to the Fund.

The issue date shall be the date on which the relevant number of units is credited to the unit holder's asset account. Units shall be issued to the unitholder no later than three business days after the amount for settlement of the application for the issue of units has been determined. The rights attached to a unit trust certificate shall vest on the date of issue.

The investment company reserves the right to decide which applications for the issue of units it will accept and which it will refuse, in particular if the stability of the fund or the interests of unit-holders are likely to be undermined.

*14. Procedures and conditions for the redemption of units, in particular the time limits for the redemption of units, the method of rounding up the value of the unit, including the settlement of any underpayments or overpayments*

Each unitholder has the right to redeem his/her units in the amount or number of units selected.

A Unit is redeemed at the current value of the Unit of the relevant Class as published by on the next valuation date following the date on which the Administrator receives a request to redeem a Unit

If the Unitholder requests redemption in the amount of money requested, the number of Units to be redeemed shall be determined as the next higher whole number of the requested amount and the redemption price of the Unit. The total amount sent for the redeemed units shall be the product of that number of units and the redemption price and shall be rounded to two decimal places.

The minimum amount for redemption of units is CZK 1,000. If the redemption of Units would result in the volume of Units held by the Unitholder falling below the minimum investment set out in the Articles of Association, i.e. CZK 1,000, the Fund shall redeem the Units in the full amount held by the Unitholder.

A request for redemption of Units may be made on a daily (business day) basis. A request for redemption of Units made to the Administrator outside business days shall be deemed to have been received on the next business day following the instruction.

The Administrator shall arrange for the redemption of Units within a maximum of one (1) month from the receipt of the request for redemption of Units.

It is understood that the units acquired first by the shareholder are redeemed first.

The manager reserves the right to introduce an exit fee in the event of an impending liquidity crisis, at the discretion of the manager's board of directors. The exit fee is a revenue of the Fund.

*15. Reasons for which redemption of units may be suspended*

The investment company may suspend the issuance or redemption of units of a mutual fund for up to 3 months if this is necessary to protect the rights or legally protected interests of the unit holders (e.g. run on the fund, price turbulence, etc.).

The investment company may decide to suspend the issue or redemption of units for the period of time necessary or to determine the current value of a unit valid for several days and to temporarily change the determination of the record date also for operational reasons, in particular in relation to activities related to the preparation of the annual accounts and related activities at the end of the year; in such a case, it shall not calculate the current value of the units during the suspension period and the current value shall be deemed to be the last known current value prior to the suspension.

The decision to suspend the issuance or redemption of units is taken by the board of directors of the investment company, which is obliged to draw up a record of its decision. The minutes shall state the date and exact time of the decision to suspend, the reasons for the suspension, the period for which the issue or redemption of units is suspended, the point in time from which the issue or redemption of units ceases, the decision whether the suspension also applies to units for which the issue or redemption was requested before the point in time from which the issue or redemption of units is suspended and the decision whether, after the resumption of the issue or redemption of units, the procedure under Section 139(1)(a) of Directive 2009/65/EC shall be followed. 1(a) or (b) of the AIFMD.

The issuance or redemption of units shall be suspended at the time of the decision to suspend their issuance or redemption. From that moment, until the date on which the issue or redemption of units is resumed, units may not be issued or redeemed, except for units for which the issue or redemption has been requested before the moment from which the issue or redemption of units is suspended and for which the issue or payment of the redemption consideration has not yet taken place. This exemption shall not apply if the board of directors of the investment company has decided that the decision to suspend the issue or redemption shall also apply to those units.

The investment company shall promptly deliver the record of the suspension of the issuance or redemption of units of the open-end mutual fund to the CNB and inform the unitholders of this fact, and the administrator shall simultaneously publish the record in a manner allowing remote access on the fund's website.

If the suspension of the issuance or redemption of units of a mutual fund endangers the interests of the unit holders, the CNB will cancel the decision. In such a case, the administrator shall immediately publish on the fund's website, in a manner allowing remote access, information that the CNB has lifted the suspension of the issuance or redemption of units of the mutual fund. The administrator shall then, without undue delay, arrange for the issue and redemption of all units for which the unitholders have requested the issue or redemption and for which no redemption consideration has been paid or for which the units have been issued, for an amount equal to their current value determined on the date of the request.

Upon the resumption of the issue and redemption of Units after the expiry of the period for which the issue and redemption of Units has been suspended, the Administrator shall without undue delay arrange for the issue and redemption of all Units applied for and for which no redemption consideration has been paid or Units have been issued, at an amount equal to their current value determined at the date of application or the first current value determined at the date of resumption of the issue or redemption of Units. Where a decision of the investment company so provides, applications for the issue or redemption of units in respect of which no redemption consideration has been paid or units issued shall not be considered and persons who have made such an application shall be invited by the administrator to resubmit their application without undue delay after the date of resumption of the issue or redemption of units if their interest continues.

A unitholder is not entitled to interest on the delay for the period of suspension of the issue and

redemption of units unless the administrator is already in default in paying the redemption amount on the date of suspension or the CNB has cancelled the decision to suspend the issue and redemption of units. In such a case, the administrator shall pay the default interest out of its assets.

16. *Details of the place of issue and redemption of units*

Units are issued and redeemed at the registered office of the Administrator

## **XI. Fees and costs**

The fees charged to investors and the expenses paid out of the assets in the mutual fund are used to provide for the management of the assets of the mutual fund, including the issuance or sale and redemption of its units. These fees and expenses reduce the potential return on investment for the investor.

1. *Method of determination and amount of remuneration to the fund manager*

Fixed remuneration

The investment company is the manager of the fund. For this activity, the investment company is entitled to remuneration paid out of the fund's assets, with the remuneration for the management of the fund's assets being determined as a proportion of the average value of the fund's capital for the period attributable to each class of units. The amount of the remuneration (the proportion referred to in the preceding sentence) shall be determined by the Board of Directors of the investment company and shall not exceed 1.25% for Class A, 1.0% for Class B, 0.6% for Class E and 0% for Classes C and D. The average value of the fund capital for the purpose of calculating the remuneration shall be calculated as the simple arithmetic average of the value of the fund capital at the valuation date and the value of the fund capital at the previous valuation date. The fund management fee is paid monthly.

2. *Method of determination and amount of the remuneration to the fund administrator*

For the administration of the fund, the administrator is entitled to a fee paid out of the assets of the fund. The fee is determined by a percentage of the average value of the fund capital for the period, and at a rate of 0.25% per annum if the fund capital is less than CZK 500,000,000, but at least CZK 500,000 per annum. The remuneration under the preceding sentence shall be increased by 0.15% p.a. if the fund capital is more than CZK 500 000 000 and less than CZK 1 000 000 000, and by a further 0.06% p.. if the fund capital is more than CZK 1 000 000 000. The average value of the fund capital for the purpose of calculating the consideration shall be calculated as the simple arithmetic average of the value of the fund capital at the valuation date and the value of the fund capital at the previous valuation date. The fee shall be paid monthly.

3. *Method of determination and amount of payment to the depositary*

For the performance of the function of the fund's depositary, the depositary is entitled to a remuneration paid from the fund's assets, which amounts to a maximum of 0.1% per annum of the average annual value of the fund's capital plus value added tax at the statutory rate. The average annual value of the fund capital shall be calculated as the simple arithmetic average of the values of the regular valuation and the determination of the fund capital of the mutual fund. The specific amount of the remuneration is determined by the depositary agreement and may be set differently for each class of unit. The current level of remuneration to the depositary is 0.08% per .

The fee for the performance of the functions of the Fund's depositary is paid monthly on the basis of an invoice issued by the depositary.

4. *The method of determining and the amount of remuneration to be paid to persons who have been entrusted with the performance of a particular activity involving the management or administration of the fund, if such entrustment occurs and if the fee is paid out of the assets of the fund*

The management of the fund's assets is carried out exclusively by the investment company.

The Administrator has delegated to another the performance of activities pursuant to Article IV (2) of the Bylaws. The person referred to therein is entitled to remuneration for these according to the respective outsourcing contracts. This remuneration is paid by the administrator and is not a direct cost of the Fund.

5. *Overview of other costs paid from the Fund's assets*

Other costs paid from the assets in the mutual fund are:

- the cost of external capital (i.e. interest on loans and borrowings taken in connection with the management of assets in the mutual fund),
- costs associated with trading in investment instruments (commissions, fees to market operators and securities dealers),
- fees for the deposit and management of investment instruments,
- remuneration for the maintenance of equity accounts of investment instruments,
- costs related to repos and reverse repos,
- costs from option, futures and other derivative transactions,
- fees to banks for maintaining accounts and handling funds,
- accounting and tax services, including audit costs,
- legal, administrative and notary fees, costs of consultancy directly related to the investment in the fund's assets,
- other costs not expressly mentioned which are necessarily and reasonably incurred by the manager and administrator acting with professional care in connection with the establishment and formation of the fund (establishment expenses), its management and administration,
- taxes.

All other expenses and costs related to the management and administration of the Fund not listed in paragraphs 1 to 5 are included in the management fee and are borne by the investment company.

6. *Entry fee*

Investors may be charged an entry fee (mark-up) of up to of the amount invested before the investment is made.

7. *Explanation of the impact on valuation*

The fees and expenses of the Fund are used to provide for the management of its assets and may reduce the appreciation of the value of unitholders' invested funds.

8. *Overall cost-effectiveness*

The basic data on the investment company's fee and the total cost of the fund are shown in the table below.

|                                                                                                                                                                                                             |                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| <b>One-off fees charged before or after the investment</b><br>(This is the highest amount that can be directly charged to the investor before the investment is made or before the investment is paid out.) |                            |
| <b>Entry fee (surcharge)</b>                                                                                                                                                                                | max. 3 % of the investment |
| <b>Exit fee (deduction)</b>                                                                                                                                                                                 | not applicable             |
| <b>Costs charged to the Fund's assets during the year</b><br>(These costs are not charged directly to the investor, but are paid out of the fund's assets, thus reducing the fund's performance.)           |                            |
| <b>Overall cost-effectiveness</b>                                                                                                                                                                           |                            |
| <b>Class A</b>                                                                                                                                                                                              | estimated max. 1,75 %      |
| <b>Class B</b>                                                                                                                                                                                              | estimated max. 1,25 %      |
| <b>Class C, D</b>                                                                                                                                                                                           | estimated max. 0,50 %      |

|                                                                                                                                                                                                          |                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| <b>Class E</b>                                                                                                                                                                                           | estimated max. 1,10 % |
| <b>Costs charged to the Fund's assets under special conditions</b><br>(These costs are not charged directly to the investor but are paid out of the fund's assets, thus reducing the fund's performance) |                       |

The Total Expense Ratio (TER) is equal to the ratio of total expenses to the average monthly value of the fund capital. The total expense ratio is the sum of the cost of fees and commissions, administrative expenses and other operating expenses in the statement of expenses and gains or losses of the collective investment fund, net of fees and commissions on transactions in investment instruments

## **XII. Data related to sustainability**

The underlying investments of the Mutual 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.

The Operator does not take into account the adverse impacts of investment decisions on sustainability factors within the meaning of Article 4(1)(b) of the SFDR as it is not a product within the meaning of Article 8 or 9 of the SFDR.

The manager integrates sustainability risks, including their impact on unit returns, in accordance with internal regulations and processes in the areas of investment process and risk management.

As the Fund is focused on investing in various types of financial assets, in particular equities, bonds or similar securities representing the right to repayment of outstanding amounts, money market instruments and commodities, without any geographical limitation or sector focus, the Investment Company's investment decision-making primarily takes into account criteria other than the selected financial asset's attitude towards sustainability factors as defined in the SFDR and its potential susceptibility to sustainability risk.

## **XIII. Additional information necessary for investors to make an informed investment assessment**

### **A. INFORMATION ABOUT THE STATUTE**

#### **1. Rules for updating the Statutes and the manner of publication of the Statutes and amendments thereto**

The information in the Statutes must be kept up to date.

The manager and administrator shall continuously monitor whether or not there is a need to update the statute. In the event that they conclude that an amendment to the statutes is relevant, they shall inform the board of directors of the investment company in the first instance, including the submission of a proposal for appropriate amendments. The board of directors of the investment company shall then decide whether and how to amend the statutes.

The change in the statute is not subject to prior approval by the Czech National Bank.

The current version of the Articles of Association and amendments thereto are published without undue delay on the website of the investment company [www.encoram.com](http://www.encoram.com).

Every investor has the right to request the statute in paper form both at the distributor's branches and at the registered office of the investment company or the administrator.

2. *Notice that a key information document is published alongside the statutes and that the information contained therein must be consistent with that contained in the statutes*

In addition to the articles of association, a mutual fund publishes a key information document, which is a document containing key information for investors and the information contained therein must be consistent with the information contained in the articles of association. It shall contain the concise basic characteristics of the mutual fund necessary for investors to make an informed assessment of the nature and risks of the investment offered to them in a form that is understandable to the ordinary investor. The key information document shall be published on the website of the investment company [www.encoram.com](http://www.encoram.com).

Every investor has the right to request the disclosure of key information in paper form both from the distributor and at the registered office of the investment company or the administrator.

3. *Identification of the management body responsible for approving the statutes and amendments thereto*

Amendments to the Articles of Association, including any changes to the investment strategy, must be approved by the Board of Directors of the investment company.

4. *Date of signature of the valid version of the statutes by the statutory body or a member of the statutory body of the operator, indicating his name, surname and function*

The date and the subject signature of the current version of the By-Laws is set out at the end of these By-Laws.

## B. ADDITIONAL INFORMATION ABOUT THE FUND

1. *Designation of the fund according to the assets that may be acquired into the fund's assets, if such designation is commonly used*

In terms of the types of assets acquired, it can be stated that it is a rather conservative mutual fund that acquires less risky assets.

According to the classification binding for the members of AKAT CR as of the date of approval of these Statutes, the designation "mixed" may be used for the mutual fund.

2. *Characteristics of the typical investor for whom the collective investment fund is intended*

An investment in a fund is suitable for investors who want to achieve stable appreciation with a lower level of risk through a mutual fund and want to incorporate this type of investment into their investment portfolio. The Fund's units are particularly suitable for shareholders with average securities experience and average risk appetite. The shareholder should have an idea of the medium to long term time horizon of the investment. To limit the overall risk of the mutual fund, the mutual fund is at least partially actively managed against currency risk. The investor should be able to accept an intermediate period of negative development in the value of the unit trust. The mutual fund is therefore suitable for investors who can afford to defer their invested capital for at least two years. In view of the risks to which investments in the unit trust may be exposed, it is not recommended to acquire units on credit.

3. *A brief explanation of how decisions are made about investments in assets that may be acquired for the fund's assets*

The acquisition of assets into the fund's assets is decided by the fund manager. The decision is based on the Fund's investment strategy and the investment manager takes professional care to select investments appropriate to the risk profile of the Fund with the aim of securing the maximum return for the Fund within that risk profile.

4. *Details of the Fund's auditor*

The Fund's auditor is Ernst & Young Audit, s.r.o., with registered office at Na Florenci 2116/15,

5. *Details of the main supporter of the Fund*

The Fund does not have a lead sponsor.

6. *Information on the conditions under which a decision may be taken to liquidate or convert the fund*

The fund will be dissolved with liquidation if any of the facts under §375 of the ICLIF occur, i.e. if:

- a) the investment company will decide,
- b) the investment company is dissolved with liquidation and the CNB does not decide to transfer the management of the Fund to another manager,
- c) the authorisation of the investment company to manage the fund expires and the CNB does not decide to transfer the management of the fund to another manager, or
- d) the CNB or the court will decide.

In the event of liquidation of the fund, the investment company shall monetize the assets in the fund and settle the debts in the fund within 6 months from the date of liquidation of the fund and the administrator shall pay the shareholders their shares in the liquidation balance within 3 months from the date of monetization of the assets in the fund and settlement of the debts in the fund. More detailed rules on the procedure for the liquidation of the Fund are set out in Sections 375 to 379 of the ICIIF.

The conversion of the fund may occur in the following ways:

- e) by merging mutual funds,
- f) by merging mutual funds,
- g) by converting the fund into a public limited company, or
- h) by converting the fund into a standard fund.

The merger of unit trusts is governed by Sections 382 to 397 of the ICIIF. The merger is carried out in accordance with the approved merger project. The merger requires the permission of the CNB. The administrator of the mutual fund to be dissolved by the merger shall publish the decision of the CNB on the authorisation of the merger and the statutes of the mutual fund to be created by the merger on its website within one month of the date of entry into force of the decision. At the same time, it shall publish on its website a notice of the creation of the right to redeem units. The publication of this notice shall give the unit-holders of the merging unit trusts the right to redeem the unit without deduction; however, an amount corresponding to the reasonable costs incurred in redeeming the unit may be deducted. This right shall expire 2 months after the date of publication of the notice. The merging unit trusts shall be dissolved and the holders of the securities issued by them shall become the unit-holders of the newly created unit trust on the expiry of a specified period on the record date for the merger. Detailed rules on the procedure for the merger of a fund are set out in the AIFMD.

The merger of mutual funds is governed by Sections 398 to 413 of the ICIIF. The merger is carried out in accordance with an approved merger project for which the permission of the CNB is required. The administrator of the mutual fund which is being dissolved by the merger shall publish on its website the decision of the CNB to authorise the merger and the statutes of the acquiring mutual fund within one month from the date of entry into force of the decision. At the same time, it shall publish a notice of the creation of the right to redeem units. The publication of this notice shall give the unit-holders of the merging fund the right to redeem their units without deduction; however, an amount corresponding to the reasonable costs incurred in redeeming the unit may be deducted. This right shall expire 2 months after the date of publication of the notice. The merging unit trusts shall be dissolved and the holders of the securities issued by them shall become the unit-holders of the receiving unit trust on the expiry of the period prescribed on the record date for the merger. The administrator of the acquiring mutual fund shall, within 3 months of the merger record date, exchange the unit holders of the dissolved mutual fund for units of the acquiring mutual fund in the proportion determined by the amount of the fund capital in the mutual fund attributable to the units

of the dissolved mutual fund on the merger record date. Detailed rules for the fund merger procedure are set out in the AIFMD.

The Fund may convert into a public limited company with variable share capital. The conversion shall be governed by Sections 414 to 424 of the ICIIF. The conversion shall be carried out in accordance with an approved conversion project for which the permission of the CNB is required. The company shall publish the CNB's decision on the authorisation of the conversion within one month from the date of entry into force of this decision, as well as the conversion project, the memorandum and articles of association of the joint stock company with variable share capital into which the fund is to be converted. The company shall also publish on its website a notice of the creation of the right to redeem units. The administrator of the public limited liability company into which the Fund has been converted shall, within 3 months of the effective date of conversion, arrange for the exchange of the Unit Trust for a share of the newly formed public limited liability company or for an investment share of the newly formed public limited liability company with variable share capital in a proportion determined by the value of the Unit Trust on the effective date of conversion. More detailed rules on the procedure for conversion of the Fund are set out in the AIFMD.

A fund as a special fund may be converted into a standard fund. The conversion shall be governed by Sections 429 to 432 of the ICIIF. The conversion of a special fund into a standard fund is decided by the manager of the special fund being converted and requires the permission of the CNB. From the date of the application for conversion, the investment fund administrator shall publish on its website information on the intended conversion and its consequences for unit-holders. More detailed rules on the procedure for converting a fund into a standard fund are set out in the AIFMD.

The rules for informing unitholders of the intention to close or convert a mutual fund and the time limits within which they will be informed are set out in the relevant provisions of the AIFMD referred to above.

7. *Information about the person whose name or a representative element of the name is included in the designation of the mutual fund*

The name of the fund contains a characteristic element of the name of the investment company, i.e. EnCor Asset Management, investiční společnost, a.s. The investment company has powers as the founder and manager of the fund, not as the promoter of the fund within the meaning of Section 188 of the ICIIF.

8. *Contact point where additional information can be obtained if needed*

Address: Pernerova 691/42, Karlín, 186 00 Prague 8

phone: +420 230 234 111

e-mail address [info@encorfunds.com](mailto:info@encorfunds.com)

Investment company website (URL address): [www.encoram.com](http://www.encoram.com)

9. *Basic information on the tax regime applicable to the Fund and the holding and transfer of the Fund's securities,*

The taxation of the mutual fund and its shareholders is subject to the tax regulations of the Czech Republic, in particular Act No. 586/1992 Coll., on Income Taxes ("ITA"). The income tax rate of 5% applies to the taxation of the income of the mutual fund.

The ITA also regulates the taxation of income or gains of unit holders arising from the holding or transfer of units. It is noted that the income taxation regime for individual unitholders depends on the applicable tax regulations, which may change over time. In the case of Unitholders who are not Czech tax residents, the taxation regime may be governed, in addition to the ITA, by relevant international double taxation treaties. The taxation of the income of each Unitholder depends on the tax regulations in force at the time and may not be the same for each Unitholder. Neither the Investment Company, the Administrator nor the Distributor are authorised to provide tax advice

beyond the information obligations imposed by law. Accordingly, the Investment Company recommends that a Unitholder seek professional advice (tax adviser) if in doubt about the taxation regime applicable to him.

*10. Method and frequency of publication of reports on the Fund's management*

The fund administrator is obliged to publish the fund's annual report no later than 4 months after the end of the financial year. The annual report shall include audited financial statements.

The administrator of the fund is obliged to prepare and publish a semi-annual report of the fund no later than 2 months after the end of the first 6 months of the financial year. The half-yearly report shall include the balance sheet of the Fund.

The Administrator shall provide each Unitholder, upon request, with the latest published annual or half-yearly report in paper form.

The Administrator publishes on its website [www.woodis.cz](http://www.woodis.cz):

- a) for each day on which units of the Fund are issued and redeemed, the current value of the Fund's capital and the amount at which units are issued and redeemed, and the current unit value of each class of units,
- b) for each calendar month, the number of units issued and redeemed and the amounts for which such units were issued and redeemed,
- c) for each calendar month, the composition of the assets in the mutual fund as at the last day of the month.

If leverage is used to invest in the Fund, information will be disclosed in the Fund's annual report:

- a) on the degree of leverage used by the fund,
- b) changes in the extent to which leverage is used, guarantees provided in connection with the use of leverage, as well as any changes in the authorisation to continue to use financial collateral or comparable collateral provided under the law of a foreign country,
- c) the proportion of assets subject to special measures due to low liquidity in the total assets of the Fund.

*11. Information about the Czech National Bank as the Fund's supervisory authority*

Supervision over compliance with the Act, the conditions set out in the decision issued under the Act, the Fund's statute and other obligations under the Act is exercised by the Czech National Bank, which is the supervisory authority over the capital market.

Address: Na Příkopě 28, Prague 1, Postal Code 115 03

phone: 800 160 170

e-mail address: [podatelna@cnb.cz](mailto:podatelna@cnb.cz)

Website (URL address): <http://www.cnb.cz>.

*12. Details of the main legal implications*

The contractual obligations of the Unitholder in connection with his investment in the Fund shall be governed by Czech law and the Czech courts shall have jurisdiction to decide on disputes, unless otherwise provided by a legal regulation from which no derogation may be made.

*13. Notice to investors*

The investment company authorisation and the exercise of supervision by the CNB are not a guarantee of investment return or fund performance, cannot exclude the possibility of a breach of legal obligations or statute by the manager, administrator, custodian or any other person and do not guarantee that any damage caused by such a breach will be compensated.

*14. Statement*

The Board of Directors of the Investment Company declares that the information in these Articles of Association is true and complete and that the Articles of Association of the Fund have been approved by the Board of Directors of the Company.

15. *Efficiency*

This version of the Statutes shall take effect on 31.12.2024.

Prague, 31 December 2024



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**Jan Kubín**

Vice-Chairman of the Board of Directors

## **Annex 1**

### **List of investment funds managed by the investment company**

- EnCor Bond, open-end mutual fund
- EnCor Growth, open-end mutual fund
- EnCor Equity, open-end mutual fund
- CCE (B), investment fund with variable share capital, a.s.
- FestLen SICAV a.s.
- G Futura SICAV a.s.
- Fortress Fusion Fund SICAV a.s.
- EnCor Funds SICAV, a.s.
- EnCor Private Equity I., closed-end mutual fund

### **List of investment funds administered by the administrator:**

- WOOD & Company investment fund with variable share capital, a.s.
- WOOD & Company Equity - open-end mutual fund, WOOD & Company investiční společnost, a.s.
- WOOD & Company Corporate bonds - open-end mutual fund, WOOD & Company investiční společnost, a.s.
- WOOD & Company Real Estate - open-end mutual fund, WOOD & Company investment company, a.s.
- WOOD & Company Government bonds - open-end mutual fund, WOOD & Company investment společnost, a.s.
- CCE (A), investment fund with variable share capital, a.s.
- CCE (B), investment fund with variable share capital, a.s.
- LitFin SICAV a.s.
- Max Development Fond SICAV a.s.
- EnCor Bond, open-end mutual fund
- EnCor Growth, open-end mutual fund
- EnCor Equity, open-end mutual fund
- FestLen SICAV a.s.
- G Futura SICAV a.s.
- Fortress Fusion Fund SICAV a.s.