

# Prospectus

and

# Fund Contract

including fund-specific appendices

as of 07.2025

## **ANDES Latin American Bond Fund**

UCITS under Liechtenstein law in the legal form of of the contractual form

(hereinafter referred to as the "UCITS")

Asset Manager:



Management Company:



## Overview of the UCITS organisation

<b>Management company:</b>	IFM Independent Fund Management AG Landstrasse 30, FL-9494 Schaan
<b>Board of Directors:</b>	Heimo Quaderer S.K.K.H. Archduke Simeon of Habsburg Hugo Quaderer
<b>Management</b>	Luis Ott Alexander Wymann Michael Oehry Ramon Schäfer
<b>Asset Manager:</b>	Osiris Asset Management AG Austrasse 52, FL-9490 Vaduz
<b>Investment Advisor:</b>	n/a
<b>Custodian:</b>	Liechtensteinische Landesbank Aktiengesellschaft Städtle 44, FL-9490 Vaduz
<b>Distribution agent:</b>	Osiris Asset Management AG Austrasse 52, FL-9490 Vaduz
<b>Auditor:</b>	Grant Thornton AG Bahnhofstrasse 15, FL-9494 Schaan
<b>Representative for qualified investors in Switzerland:</b>	LLB Swiss Investment AG Bahnhofstrasse 74, CH-8001 Zurich
<b>Paying agent for qualified investors in Switzerland:</b>	Helvetische Bank AG Seefeldstrasse 215, CH-8008 Zurich

## The UCITS at a glance

<b>Name of the UCITS:</b>	<b>ANDES Latin American Bond Fund</b>
<b>Legal structure:</b>	UCITS in the legal form of a contractual investment fund in accordance with the Law of 28 June 2011 on certain undertakings for collective investment in transferable securities (UCITSG)
<b>Umbrella structure:</b>	No, single fund
<b>Country of incorporation:</b>	Liechtenstein
<b>Date of establishment of the UCITS:</b>	July 02, 2025
<b>Financial</b>	The financial year of the UCITS begins on 1 January and ends on 31 December.
<b>Accounting currency of the UCITS:</b>	US dollar (USD)
<b>Competent supervisory authority:</b>	Liechtenstein Financial Market Authority (FMA); <a href="http://www.fma-li.li">www.fma-li.li</a>

Information on the UCITS can be found in Appendix A, "UCITS at a glance," at .

German is the legally binding language for the prospectus and fund contract including fund-specific annexes.

## Note for investors/sales restrictions

Shares in the UCITS are purchased on the basis of the prospectus, the fund contract and the key information documents (the "**PRIIP KID**") as well as the most recent annual report and, if already published, the subsequent semi-annual report. Only the information contained in the prospectus and, in particular, in the fund contract including Appendix A "UCITS at a glance" is valid. Upon acquisition of the units, these are deemed to have been approved by the investor.

This prospectus does not constitute an offer or invitation to subscribe for units of the UCITS by any person in any jurisdiction where such an offer or invitation is unlawful or where the person making such an offer or invitation is not authorised to do so or is making such an offer or invitation to a person to whom it is unlawful to make such an offer or invitation. Information not contained in this prospectus and fund contract or in documents available to the public is not authorised and is not reliable. Potential investors should inform themselves about the possible tax consequences, legal requirements and possible foreign exchange restrictions or control regulations applicable in the countries of their nationality, residence or domicile that may be relevant to the subscription, holding, conversion, redemption or sale of shares. Further tax considerations are explained in section 11, "Tax regulations". Appendix B, "Specific information for individual distribution countries", contains information regarding distribution in various countries. The units of the UCITS are not authorised for distribution in all countries of the world. The provisions applicable in the country of issue, conversion and redemption apply to the issue, conversion and redemption of units abroad. In particular, the units have not been registered in the United States of America (USA) in accordance with the United States Securities Act of 1933 and may therefore not be offered or sold in the USA or to US citizens. US citizens are considered to be, for example, natural persons who (a) were born in the USA or one of its territories or sovereign territories, (b) are naturalised citizens (or green card holders), (c) were born abroad as children of a US citizen, (d) are not US citizens but are predominantly resident in the USA, (e) are married to a US citizen, or (f) are liable to pay tax in the USA. The following are also considered US citizens: (a) investment companies and corporations established under the laws of one of the 50 US states or the District of Columbia, (b) an investment company or partnership established under an "Act of Congress", (c) a pension fund established as a US trust, (d) an investment company that is taxable in the US, or (e) investment companies that are considered as such under Regulation S of the US Securities Act of 1933 and/or the US Commodity Exchange Act. In general, units of the UCITS may not be offered in jurisdictions or to persons in which or to whom this is not permitted.

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# PART I: THE PROSPECTUS

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The issue and redemption of units of the UCITS are based on the currently valid fund contract and Appendix A "UCITS at a glance". This fund contract is supplemented by the most recent annual report. If the reporting date of the annual report is more than eight months ago, the semi-annual report must also be offered to the purchaser. The "Key Information Documents" (**PRIIP KID**) shall be made available to investors free of charge in good time prior to the purchase of shares.

It is not permitted to provide information or explanations that deviate from the prospectus, fund contract, Appendix A "UCITS at a glance" or the key investor information. The management company is not liable if and to the extent that information or explanations are provided that deviate from the current prospectus, fund contract or key investor information.

The prospectus and fund contract, including Appendix A, "UCITS at a glance," are presented in this document. The fund contract, including Appendix A, "UCITS at a glance," is the key founding document of the fund. Only the fund contract, including the Special Provisions on Investment Policy in Appendix A, "UCITS at a Glance," are subject to substantive legal review by the Liechtenstein Financial Market Authority (FMA).

## 1 Sales documents

The prospectus, the "Key Information Documents" (**PRIIP KIDs**), the fund contract and Appendix A "UCITS at a glance" as well as the latest annual and semi-annual reports, if already published, are available free of charge on a durable medium from the management company, the custodian, the paying agents and all distributors and abroad, as well as on the website of the LAFV Liechtenstein Investment Fund Association at [www.lafv.li](http://www.lafv.li).

At the investor's request, the aforementioned documents will also be provided free of charge in paper form. Further information is available on the Internet at [www.ifm.li](http://www.ifm.li) and from IFM Independent Fund Management AG, Landstrasse 30, FL-9494 Schaan, during business hours.

## 2 The fund contract

The fund contract comprises a general section and Appendix A, "UCITS at a glance". The fund contract and Appendix A "UCITS at a glance" are reproduced in full in this prospectus. The fund contract and Appendix A "UCITS at a glance" may be amended or supplemented in whole or in part by the management company at any time. Amendments to the fund contract and Appendix A "UCITS at a glance" require the prior approval of the FMA.

Any amendment to the fund contract and Appendix A "UCITS at a glance" will be published in the UCITS' publication medium and will then be legally binding for all investors. The UCITS' publication medium is the website of the LAFV Liechtenstein Investment Fund Association at [www.lafv.li](http://www.lafv.li).

## 3 General information about the UCITS

The **ANDES Latin American Bond Fund** (hereinafter: UCITS) was established on 2 July 2025 as an undertaking for collective investment in transferable securities (UCITS) under the laws of the Principality of Liechtenstein.

The Fund Contract and Appendix A "UCITS at a glance" were approved by the FMA on 2 July 2025 and the UCITS was entered in the Liechtenstein Commercial Register at the Office of Justice on 4 July 2025. The fund contract and Appendix A "UCITS at a glance" entered into force on 2 July 2025.

The UCITS is an open-ended collective investment undertaking with no legal personality and is subject to the Law of 28 June 2011 on certain undertakings for collective investment in transferable securities.

The UCITS has the legal form of a contractual investment fund. A contractual investment fund is the conclusion of an identical contract with an indefinite number of investors for the purpose of investing and managing assets on behalf of the investors, whereby the individual investors participate in accordance with their share in this contract and are only personally liable up to the amount of their investment.

The UCITS is not an umbrella structure and is therefore a single fund.

The management of the UCITS consists primarily of investing the funds raised from the public for joint account in accordance with the principle of risk diversification in securities and/or other liquid financial assets in accordance with Art. 51 UCITSG. The UCITS or each of its UCITS forms a special fund for the benefit of its investors. In the event of the management company's dissolution or bankruptcy, the special fund does not form part of the management company's bankruptcy estate.

The investment instruments in which the management company may invest the money and the provisions it must observe in doing so are set out in the UCITSG, the fund contract and Appendix A "UCITS at a glance".

The securities and other assets of the UCITS are managed in the interests of the investors. The investors are solely entitled to the entire assets of the UCITS in proportion to their shares. Claims by investors and creditors against the UCITS or arising from the formation, existence or liquidation of the UCITS are limited to the assets of the UCITS.

By acquiring units of the UCITS, each investor acknowledges the fund contract, including fund-specific appendices, which sets out the contractual relationships between the investors, the management company and the custodian, as well as any amendments to this document that have been duly implemented. Upon publication of amendments to the fund contract and prospectus, the annual or semi-annual report or other documents on the website of the LAFV Liechtenstein Investment Fund Association [www.lafv.li](http://www.lafv.li), these amendments shall become binding on investors.

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

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

The duration of the UCITS is specified in Appendix A, "UCITS at a glance".

### **3.2 Share classes**

The management company is authorised to form several share classes within the UCITS, which may differ from the existing share classes in terms of the appropriation of income, the front-end load, the reference currency and the use of currency hedging transactions, the management fee, the minimum investment amount or a combination of these characteristics. However, the rights of investors who have acquired shares from existing share classes prior to the establishment of the sub-fund remain unaffected.

The share classes established in connection with the UCITS and the fees and expenses arising in connection with the shares of the UCITS are listed in Appendix A, "UCITS at a glance". Further information on the share classes can be found in section 9.2.

### 3.3 Previous performance of the UCITS

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

## 4 Organisation

### 4.1 Country of domicile / Competent supervisory authority

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

### 4.2 Legal relationships

The legal relationships between investors and the management company are governed by the Law of 28 June 2011 on certain undertakings for collective investment in transferable securities (UCITSG) and the Ordinance of 5 July 2011 on certain undertakings for collective investment in transferable securities (UCITSV) and, insofar as no provisions are made therein, to the provisions of the Austrian General Civil Code (ABGB). Insofar as no provisions are made therein, the provisions of the Austrian Personal and Company Law Act (PGR) on trusteeship shall apply mutatis mutandis.

### 4.3 Management company

IFM Independent Fund Management Aktiengesellschaft (hereinafter referred to as the "Management Company"), Landstrasse 30, FL-9494 Schaan, Commercial Register Number FL-0001-532-594-8.

IFM Independent Fund Management AG was established on 29 October 1996 as a public limited company for an unlimited period. The government granted the management company authorisation to commence business on 26 November 1996. The management company has its registered office and head office in Schaan, Principality of Liechtenstein. The management company is authorised by the Liechtenstein supervisory authority in accordance with Chapter III of the Law of 28 June 2011 on Undertakings for Collective Investment and is registered on the official list of Liechtenstein management companies.

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

The Management Company manages the UCITS on behalf of and in the exclusive interest of the investors in accordance with the principle of risk diversification and in accordance with the provisions of the fund contract and Appendix A "UCITS at a glance".

The management company is vested with the broadest possible powers to perform all administrative and management activities in its own name and on behalf of the investors. In particular, it is authorised to purchase, sell, subscribe for and exchange securities and other assets and to exercise all rights relating to the assets of the UCITS.

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

#### 4.3.1 Board of Directors

Chairman	Heimo Quaderer, Managing Partner of Principal Vermögensverwaltung AG, Schaan
Members:	S.K.K.H. Simeon von Habsburg, Archduke of Austria, Managing Partner of Principal Vermögensverwaltung AG, Schaan Hugo Quaderer, Independent Member of the Board of Directors of IFM Independent Fund Management AG, Schaan

#### 4.3.2 Management

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

#### 4.4 Asset Manager

Osiris Asset Management AG, Austrasse 52, FL-9490 Vaduz, acts as asset manager for the UCITS.

Osiris Asset Management AG focuses on investment and asset management for institutional and private clients and is subject to prudential supervision by the Liechtenstein Financial Market Authority (FMA).

The asset manager's main job is to independently implement the investment policy on a daily basis and manage the day-to-day business of the UCITS, as well as other related services, under the supervision, control and responsibility of the management company. These tasks are carried out in accordance with the investment policy and investment restrictions of the UCITS, as described in this prospectus, as well as the legal investment restrictions.

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

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

#### 4.5 Investment advisor

No investment advisor has been appointed.

#### 4.6 Distributor Agent

Osiris Asset Management AG, Austrasse 52, FL-9490 Vaduz, acts as the distributor for the UCITS.

The exact execution of the order is governed by a distribution agreement concluded between the management company and Osiris Asset Management AG.

## 4.7 Custodian

Liechtensteinische Landesbank AG, Städtle 44, FL-9490 Vaduz, acts as the custodian for the UCITS.

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

The custodian holds the financial instruments eligible for custody on behalf of the UCITS. It may entrust them in whole or in part to other banks, financial institutions and recognised clearing houses that meet the legal requirements.

The function of the custodian and its liability are governed by the UCITS Directive and the relevant regulation in their currently valid version, the custodian agreement and the constituent documents of the UCITS. It acts independently of the management company and exclusively in the interests of the investors.

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

The custodian also keeps the unit register of the UCITS on behalf of the management company.

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

- ◆ the sale, issue, redemption, payment and cancellation of units of the UCITS are carried out in accordance with the provisions of the UCITSG and the constituent documents
- ◆ the valuation of the units of the UCITS is carried out in accordance with the provisions of the UCITS and the constituent documents
- ◆ in the case of transactions involving the assets of the UCITS, the equivalent value is transferred to the UCITS within the usual time limits,
- ◆ the income of the UCITS is used in accordance with the provisions of the UCITS and the constituent documents;
- ◆ the cash flows of the UCITS are properly monitored and, in particular, to ensure that all payments made by or on behalf of investors when subscribing for units of a UCITS have been received and that all funds of the UCITS have been recorded in accordance with the provisions of the UCITS Directive and the constituent documents.

### Sub-custody

The custodian may delegate the custody function to other companies (sub-custodians). The custodian may delegate the custody function to other companies (sub-custodians). A list of sub-custodians used for the custody of assets held in the name and on behalf of the UCITS may be requested from the custodian.

This transfer does not give rise to any conflicts of interest.

### Information about the custodian

Investors in the UCITS may at any time obtain free of charge from the custodian, using the contact details provided above, up-to-date information on the tasks and duties of

the custodian, the sub-depositaries, any conflicts of interest relating to the activities of the custodian and the sub-depositaries, and information on the UCITS.

The custodian is subject to the provisions of the Liechtenstein FATCA Agreement and the relevant implementing provisions in the Liechtenstein FATCA Act.

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

Auditor of the management company: Ernst & Young AG, Schanzenstrasse 4a, CH-3008 Bern

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

The UCITS and the management company shall have their business activities audited annually by an auditor who is independent of them and recognised by the FMA in accordance with the UCITS Directive.

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

The fund assets shall be invested in accordance with the principle of risk diversification within the meaning of the UCITS Directive and in accordance with the investment policy principles set out in Article 28 of the fund contract and in Appendix A "UCITS at a glance" and within the investment restrictions.

#### **5.1 Investment policy objective**

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

#### **5.2 's investment policy**

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

The general investment principles and investment restrictions set out in Articles 27 and 28 of the fund contract apply to all UCITS, unless deviations or additions for the UCITS are contained in Appendix A "UCITS at a glance".

#### **5.3 Accounting/reference currency of the UCITS**

The accounting currency of the UCITS and the reference currency per share class are specified in Appendix A, "UCITS at a glance".

The invoice currency is the currency in which the UCITS' accounts are kept. The reference currency is the currency in which the performance and net asset value of the share classes are calculated. Investments are made in currencies that are best suited to the performance of the UCITS.

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

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

## 6 Investment rules

### 6.1 Permitted investments

The fund assets may only be invested on behalf of its investors in one or more of the following assets:

#### 6.1.1 Securities and money market instruments:

- a) listed or traded on a regulated market within the meaning of Article 4(1)(21) of Directive 2014/65/EU;
- b) which are traded on another regulated market of an EEA member state that is recognised, open to the public and functions properly;
- c) are officially listed on a stock exchange in a third country or traded on another market in a European, American, Asian, African or Oceanic country that is recognised, open to the public and operates in accordance with the applicable rules.

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

- a) the terms of issue contain the obligation that admission to official listing or trading on a stock exchange mentioned in section 6.1.1 a) to c) or on a regulated market mentioned therein has been applied for, and
- b) such admission is obtained at the latest within one year of the issue.

**6.1.3** Shares in UCITS and other collective investment undertakings comparable to UCITS within the meaning of Article 3(1)(17) of the UCITS Directive, provided that, according to their constitutional documents, they may invest no more than 10% of their assets in shares of another UCITS or comparable collective investment undertakings;

**6.1.4** Demand deposits or deposits with a maturity of no more than twelve months with credit institutions that have their registered office in an EEA Member State or a third country whose supervisory law is equivalent to that of the EEA;

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

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

- a) issued or guaranteed by a central government, regional or local authority or the central bank of an EEA Member State, the European Central Bank, the Community or the European Investment Bank, a third country or, if it is a federal state, a member state of the federation, or by an international body governed by public law to which at least one EEA Member State belongs;
- b) issued by an entity whose securities are traded on the regulated markets referred to in point (a);
- c) issued or guaranteed by an institution subject to supervision in accordance with the criteria laid down in EEA law or by an institution whose supervisory law is equivalent to EEA law and which complies with that law; or

- d) issued by an issuer belonging to a category approved by the FMA, provided that investor protection rules equivalent to those set out in points (a) to (c) apply to investments in these instruments and the issuer is either an undertaking with equity capital of at least EUR 10 million and prepares its annual financial statements in accordance with the provisions of Directive 78/660/EEC, as implemented in Liechtenstein by PGR, or is a legal entity belonging to a group that is responsible for financing the group of companies with at least one listed company, or is a legal entity that is intended to finance the securitisation of liabilities by using a credit line granted by a bank.

**6.1.7** The management company may also hold liquid assets.

## **6.2 Non-permitted investments**

The management company may not:

- 6.2.1** invest more than 10% of the UCITS' assets in securities and money market instruments other than those specified in section 6.1;
- 6.2.2** acquire precious metals or certificates representing precious metals;
- 6.2.3** engage in uncovered short selling.

## **6.3 Investment limits**

### **A. The following investment limits must be observed for the fund assets individually:**

- 6.3.1** The fund assets may invest a maximum of 5% of its assets in securities or money market instruments of the same issuer and a maximum of 20% of its assets in deposits of the same issuer.
- 6.3.2** The default risk arising from transactions by the UCITS in OTC derivatives with a credit institution as counterparty that is domiciled in an EEA member state or, in a third country whose supervisory law is equivalent to that of the EEA, may not exceed 10% of the UCITS' assets; for other counterparties, the maximum default risk is 5% of the assets.
- 6.3.3** Provided that the total value of the securities and money market instruments of issuers in which the UCITS invests more than 5% of its assets does not exceed 40% of its assets, the issuer limit of 5% referred to in section 6.3.1 is increased to 10%. The 40% limit does not apply to deposits or transactions in OTC derivatives with supervised financial institutions. If the increase is utilised, the securities and money market instruments referred to in section 6.3.5 and the debt securities referred to in section 6.3.6 are not taken into account.
- 6.3.4** Notwithstanding the individual limits set out in sections 6.3.1 and 6.3.2, a UCITS may not combine the following if this would result in an investment of more than 20% of its assets in the same institution:
  - a) securities or money market instruments issued by that institution;
  - b) Deposits with this institution;
  - c) OTC derivatives acquired from this institution.
- 6.3.5** If the securities or money market instruments are issued or guaranteed by an EEA Member State or its local authorities, by a third country or by an international institution governed by public law to which at least one EEA Member State belongs, the 5% limit specified in section 6.3.1 is increased to a maximum of 35%.

- 6.3.6** If debt securities are issued by a credit institution based in an EEA member state that is subject to special public supervision due to legal provisions for the protection of the holders of these debt securities and, in particular, is required to invest the proceeds from the issue of these debt securities in assets which, throughout the life of the debt securities, are sufficient to cover the liabilities arising therefrom and are primarily intended for the repayment of the principal and interest due in the event of the issuer's default, the upper limit of 5% specified in section 6.3.1 is increased to a maximum of 25% for such debt securities. In this case, the total value of the investments may not exceed 80% of the assets of the UCITS.
- 6.3.7** The limits specified in sections 6.3.1 to 6.3.6 may not be cumulated. The maximum issuer limit is 35% of the assets per UCITS.
- 6.3.8** Companies belonging to the same group of companies are treated as a single issuer for the purposes of calculating the investment limits set out in section 6.3. For investments in securities and money market instruments of the same group of companies, the issuer limit is increased to a total of 20% of the assets of the UCITS.
- 6.3.9** The UCITS may invest a maximum of 10% of its assets in units of other UCITS or other collective investment undertakings comparable to a UCITS.
- 6.3.10** The UCITS may subscribe for, acquire and/or hold units to be issued or issued by one or more other UCITS, provided that:
- ◆ the target UCITS does not itself invest in the UCITS that invests in that target UCITS; and
  - ◆ the proportion of the assets which the target UCITS intends to acquire, in accordance with its prospectus or its constituent documents, may be invested in units of other target UCITS of the same UCITS-like collective investment undertaking, does not exceed 10%; and
  - ◆ the voting rights attached to the securities concerned are suspended for as long as they are held by the UCITS concerned, notwithstanding any appropriate disclosure in the financial statements and periodic reports; and
  - ◆ in any case, the value of these securities is taken into account in the calculation of the net asset value of the UCITS imposed by the UCITS for the purpose of verifying the minimum net asset value in accordance with UCITS, as long as these securities are held by the UCITS; and
  - ◆ there is no double counting of fees for the issue or redemption of units, either at the level of the UCITS that has invested in the target UCITS or at the level of the target UCITS.
- 6.3.11** If the investments referred to in section 7.3.9 constitute a significant portion of the UCITS' assets, the fund-specific notes must disclose the maximum amount and the annual report must disclose the maximum proportion of management fees payable by the UCITS itself and by the collective investment undertakings referred to in section 7.3.9 whose units have been acquired.
- 6.3.12** If units are managed directly or indirectly by the management company of the UCITS or by a company with which the management company of the UCITS is linked by common management, control or qualifying participation, neither the management company of the UCITS nor the other company may charge fees for the issue or redemption of units to or from the fund's assets.
- 6.3.13** A management company shall not acquire for any of the UCITS it manages voting shares of the same issuer which would enable it to exercise significant influence over the issuer's management. Significant influence is presumed to exist if

the management company holds 10% or more of the voting rights of the issuer. If a lower threshold applies in another EEA member state for the acquisition of voting shares of the same issuer, this threshold shall be decisive for the management company when it acquires shares of an issuer domiciled in that EEA member state for a UCITS.

- 6.3.14** For the fund assets, financial instruments of the same issuer may not exceed:
- a) 10% of the share capital of the issuer, insofar as non-voting shares are concerned;
  - b) 10% of the total nominal amount of the issuer's debt securities or money market instruments in issue, insofar as debt securities or money market instruments are concerned. This limit need not be observed if the total nominal amount cannot be determined at the time of acquisition;
  - c) 25% of the shares of the same entity are acquired, insofar as shares of other UCITS or entities for collective investment comparable to UCITS are affected. This specific limit does not have to be observed if the net amount cannot be determined at the time of acquisition.
- 6.3.15** Sections 6.3.13 and 6.3.14 do not apply:
- a) to securities and money market instruments issued or guaranteed by a government issuer;
  - b) to shares held by a UCITS in the capital of a third-country company which invests its assets primarily in securities of issuers resident in that third country, if such a holding is the only way for the UCITS to invest in securities of issuers in that country under the laws of that third country. The requirements of the UCITS Directive must be observed in this regard;
  - c) shares held by management companies in the capital of their subsidiaries which, in the country of establishment, organise the repurchase of shares at the request of investors exclusively for the management company.

In addition to the restrictions listed in sections 6.3.1 to 6.3.15, any further restrictions in Appendix A "UCITS at a glance" must be observed.

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

- 6.3.16** The UCITS is not required to comply with the investment limits when exercising subscription rights attached to securities or money market instruments included in its assets, but must correct them within a reasonable period of time.
- 6.3.17** In the event of a breach of the investment limits, the management company's primary objective shall be to normalise the situation, taking into account the interests of the investors.
- 6.3.18** The UCITS may deviate from the investment limits set out in this section, "General investment principles and restrictions," within the first six months after their release. Sections 7.1 and 7.2 remain unaffected by this exception and must be complied with at all times. The requirement for risk diversification must continue to be observed.

## **C. Active breaches of investment limits:**

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

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

- 6.4.1 The fund assets of the UCITS may not be pledged or otherwise encumbered, transferred by way of security or assigned as security, unless this involves borrowing within the meaning of section 6.4.2 below or the provision of collateral in connection with the settlement of transactions in financial instruments.
- 6.4.2 Borrowing by an UCITS is limited to temporary loans where the borrowing does not exceed 10% of the UCITS' assets; this limit does not apply to the acquisition of foreign currencies through a "back-to-back loan".
- 6.4.3 The UCITS may not grant loans or act as guarantor for third parties. Agreements that violate these prohibitions are not binding on the UCITS or the investors.
- 6.4.4 Section 6.4.3 does not preclude the acquisition of financial instruments that have not yet been fully paid up.

## 6.5 Use of derivatives, techniques and instruments

The total risk associated with derivatives may not exceed the total net value of the fund assets. As part of its investment strategy, the management company may invest in derivatives within the limits set out in Art. 53 UCITSG, provided that the total risk of the underlying assets does not exceed the investment limits set out in Art. 54 UCITSG. The market value of the underlying assets, the default risk, future market fluctuations and the liquidation period of the positions are taken into account when calculating this risk.

Provided that this does not conflict with investor protection and the public interest, investments by the UCITS in index-based derivatives shall not be taken into account in relation to the limits set out in Article 54 UCITSG.

If a derivative is embedded in a security or money market instrument, it must be taken into account for the purposes of compliance with the provisions of Article 54 UCITSG.

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

### 6.5.1 Risk management procedures

The management company uses a basic model to calculate the risks arising from the investment instruments, in particular with regard to derivative financial instruments, and uses generally accepted calculation methods. It must ensure that at no time does the risk arising from derivative financial instruments exceed the total value of the portfolio and, in particular, that no positions are entered into which represent an unlimited risk to the assets. When measuring the overall risk, both the default risk and the leverage effect achieved with derivative financial instruments must be taken into account. Combinations of derivative financial instruments and securities must also comply with these regulations at all times.

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

## 6.5.2 Derivative financial instruments

The management company may engage in derivative transactions on behalf of the UCITS for the purposes of hedging, efficient portfolio management, generating additional income and as part of the investment strategy. This may increase the risk of loss for the UCITS, at least temporarily.

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

The management company uses the modified commitment approach as its risk management procedure.

The management company may only use the following basic forms of derivatives or combinations of these derivatives or combinations of other assets that may be acquired for the UCITS with these derivatives in the UCITS:

- 6.5.2.1** futures contracts on securities, money market instruments, financial indices within the meaning of Article 9(1) of Directive 2007/16/EC, interest rates, exchange rates or currencies;
- 6.5.2.2** options or warrants on transferable securities, money market instruments, financial indices within the meaning of Article 9(1) of Directive 2007/16/EC, interest rates, exchange rates or currencies and on futures contracts as referred to in section 6.5.2.1, if
  - ◆ exercise is possible either during the entire term or at the end of the term and
  - ◆ the option value is a fraction or multiple of the difference between the strike price and the market price of the underlying asset and becomes zero if the difference has the opposite sign;
- 6.5.2.3** interest rate swaps, currency swaps or interest rate/currency swaps;
- 6.5.2.4** options on swaps in accordance with section 6.5.2.3, provided that they have the characteristics described in section 6.5.2.2 (swaptions);
- 6.5.2.5** Credit default swaps, provided that they are used exclusively and demonstrably to hedge the credit risk of clearly identifiable assets of the UCITS.

The above financial instruments may be independent assets or form part of assets.

### Forward contracts

The management company may, on behalf of the UCITS and in accordance with the investment principles, enter into forward contracts on securities and money market instruments that may be acquired for the UCITS, as well as on financial indices within the meaning of Article 9(1) of Directive 2007/16/EC, interest rates, exchange rates or currencies. Forward contracts are agreements that are binding on both parties to buy or sell a specified quantity of a specified underlying asset at a specified price on a specified date, the maturity date, or within a specified period.

### Options

The management company may, on behalf of the UCITS and in accordance with the investment principles, buy and sell call options and put options on securities and money market instruments as well as on financial indices within the

meaning of Article 9(1) of Directive 2007/16/EC, interest rates, exchange rates or currencies, and trade in warrants. Options involve granting a third party the right, in return for payment (option premium), to demand the delivery or acceptance of assets or the payment of a difference at a predetermined price (strike price) during a specified period or at the end of a specified period, or to acquire corresponding option rights. The options or warrants must provide for exercise during the entire term or at the end of the term. In addition, the option value at the time of exercise must represent a fraction or a multiple of the difference between the strike price and the market price of the underlying asset and become zero if the difference has the opposite sign.

### **Swaps**

The management company may enter into interest rate swaps, currency swaps and interest rate/currency swaps on behalf of the UCITS within the framework of the investment principles. Swaps are exchange agreements in which the underlying cash flows or risks of the transaction are exchanged between the contracting parties.

### **Swaptions**

Swaptions are options on swaps. Only swaptions consisting of the options and swaps described above may be acquired on behalf of the UCITS. A swaption is the right, but not the obligation, to enter into a swap with precisely specified terms at a specific point in time or within a specific period. In all other respects, the principles set out in connection with option transactions apply.

### **Credit default swaps**

Credit default swaps are credit derivatives that enable a potential credit default volume to be transferred to others. In return for assuming the credit default risk, the seller of the risk pays a premium to its contractual partner. The management company may only acquire simple, standardised credit default swaps for the UCITS that are used to hedge individual credit risks in the UCITS. In all other respects, the comments on swaps apply accordingly.

### **Financial instruments securitised in securities**

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

### **OTC derivative transactions**

The management company may engage in derivative transactions that are admitted to trading on a stock exchange or included in another organised market, as well as in over-the-counter (OTC) transactions.

The management company may only enter into derivative transactions that are not admitted to trading on a stock exchange or included in another organised market with suitable credit institutions or financial services institutions on the basis of standardised framework agreements. In the case of over-the-counter derivatives, the counterparty risk in relation to a contractual partner is limited to 5% of the value of the fund assets. If the counterparty is a credit institution domiciled in the European Union, the European Economic Area or a third country with a comparable level of supervision, the counterparty risk may amount to up to 10% of the value of the fund assets. Over-the-counter derivative transactions concluded with a central clearing house of a stock exchange or other organised market as the counterparty are not included in the counterparty limits if the derivatives are subject to daily valuation at market prices with daily margin adjustment.

However, claims of the fund assets against an intermediary must be included in the limits, even if the derivative is traded on an exchange or other organised market.

### **6.5.3 Securities lending**

The management company does not engage in securities lending transactions.

### **6.5.4 Repurchase agreements**

The management company does not engage in repurchase agreements.

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

#### **General**

In connection with transactions in OTC financial derivatives and efficient portfolio management techniques, the management company may accept collateral on behalf of and for the account of the UCITS in order to reduce its counterparty risk. This section sets out the collateral policy applied by the management company in such cases. All assets received by the management company on behalf of and for the account of the UCITS in the context of efficient portfolio management techniques (securities lending, securities repurchase agreements, reverse repurchase agreements) are treated as collateral for the purposes of this section.

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

The management company may use the collateral it receives to reduce counterparty risk, provided that it complies with the criteria set out in the applicable laws, regulations and guidelines issued by the FMA, in particular with regard to liquidity, valuation, creditworthiness of the issuer, correlation, risks associated with the management of collateral and realisability. Collateral should primarily meet the following conditions:

#### **Liquidity**

Any collateral that is not cash or sight deposits must be highly liquid at a transparent price and must be traded on a regulated market or within a multilateral trading facility. In addition, collateral with a short settlement cycle is preferred over collateral with a long settlement cycle, as it can be converted into cash more quickly.

They should be valued at least daily, and assets that are subject to high price volatility should only be accepted as collateral if they have been subject to appropriately conservative haircuts.

They should be issued by an entity that is independent of the counterparty and is not expected to be highly correlated with the counterparty's performance.

They should be sufficiently diversified across countries, markets and issuers, with a maximum exposure of 20% of the UCITS' net asset value (NAV) in individual issuers, taking into account all collateral received. A UCITS may deviate from this in accordance with the provisions set out in sections 7.3.5 to 7.3.7 above.

They should be realisable by the management company at any time without recourse to or approval by the counterparty.

#### **Valuation**

The value of the collateral must be calculated at least daily and must always be up to date. The inability to independently determine the market value ( ) jeopardises the UCITS. This also applies to mark-to-model valuations and rarely traded assets.

### Credit

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

### Correlation

The security is not issued, guaranteed or endorsed by the counterparty or by an entity belonging to the counterparty's group and does not exhibit a high correlation with the performance of the counterparty. However, investors are advised that, in a difficult market environment, experience has shown that the correlation between different issuers increases significantly, regardless of the type of security.

### Diversification of collateral

The collateral received is sufficiently diversified in terms of countries, markets and issuers. The criterion of sufficient diversification with regard to issuer concentration is deemed to be met if the UCITS receives collateral for which the maximum exposure to a single issuer does not exceed 20% of the UCITS' net asset value. In the case of collateral from multiple securities lending transactions, OTC derivative transactions and repurchase agreements attributable to the same issuer, originator or guarantor, the total risk exposure to that issuer must be aggregated for the purpose of calculating the overall risk limit. Notwithstanding this sub-item, UCITS may be fully secured by different securities and money market instruments issued or guaranteed by an EEA Member State, one or more of its local authorities, a third country or an international body governed by public law to which at least one EEA Member State belongs. These UCITS should hold securities issued in at least six different issues, whereby securities from a single issue should not exceed 30% of the net asset value of the UCITS.

A UCITS may deviate from these rules in accordance with the provisions set out in sections 7.3.5 to 7.3.7 above.

### Custody and realisation

If ownership of the transferred collateral has been transferred to the management company for the UCITS, the collateral received must be held in custody by the UCITS' custodian. Otherwise, the collateral must be held by a third-party custodian who is subject to prudential supervision and is independent of the service provider or is legally protected against the default of the related party.

It must be ensured that the UCITS can realise the collateral at any time without reference to or consent from the counterparty.

### Investment of collateral

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

Collateral consisting of liquid assets (sight deposits and callable deposits) may only be used in one of the following ways:

- ◆ Investment in sight deposits in accordance with Art. 51 para. 1 lit. d UCITSG with a maximum term of twelve months with credit institutions domiciled in an EEA member state or a third country whose supervisory law is equivalent to that of the EEA;
- ◆ Debt securities issued by governments with high credit ratings;
- ◆ Investments within the scope of a repurchase agreement within the meaning of Art. 70 UCITSV, provided that the counterparty to the repurchase

agreement is a credit institution domiciled in an EEA member state or a third country whose supervisory law is equivalent to that of the EEA;

- ◆ Investments in money market funds with a short-term structure in accordance with ESMA/2014/937, section 43(j).

The reinvestment of sight deposits and deposits with agreed maturity must comply with the provisions on risk diversification for non-cash collateral.

To value collateral that is subject to a significant risk of fluctuation, the UCITS must apply prudent haircut rates. The management company must have a haircut policy for each type of asset received as collateral for the UCITS and take into account the characteristics of the assets, in particular the creditworthiness and price volatility of the respective assets, as well as the results of the stress tests carried out. The haircut policy must be documented and must make comprehensible any decision to apply or refrain from applying a haircut in respect of the respective types of assets.

### Amount of collateral

The management company determines the required amount of collateral for transactions in OTC derivatives and for efficient portfolio management techniques by reference to the limits applicable to counterparty risks as set out in the prospectus, taking into account the nature and characteristics of the transactions, the creditworthiness and identity of the counterparties and the prevailing market conditions.

### Haircut rules

Collateral is valued daily on the basis of available market prices and taking into account appropriately conservative haircuts determined by the management company for each asset class on the basis of its haircut rules. Depending on the type of collateral accepted, these rules take into account various factors such as the creditworthiness of the issuer, the term, the currency, the price volatility of the assets and, where applicable, the results of liquidity stress tests carried out by the management company under normal and exceptional liquidity conditions. The table below lists the haircuts that the management company considers appropriate as at the date of this prospectus. These values are subject to change.

Collateral	Valuation multiplier (%)
Account balances (in the UCITS reference currency)	95
Account balance (not in the UCITS reference currency)	85
Government bonds [debt securities issued or expressly guaranteed by the following countries (does not include, for example, implicitly guaranteed liabilities): , Denmark, France, Germany, the Netherlands, Sweden, the United Kingdom and the United States, provided that these countries have a minimum rating of AA-/Aa3 and such debt securities can be valued daily at market prices (mark to market)]	
Maturity ≤ 1 year	90
Term > 1 year and remaining term ≤ 5 years	85
Maturity > 5 years and residual maturity ≤ 10 years	80
Corporate securities (debt securities issued or expressly guaranteed by a company (excluding financial institutions) that (i) have a minimum rating	

<b>Collateral</b>	<b>Valuation multiplier (%)</b>
of AA-/Aa3, (ii) have a maximum residual maturity of 10 years, and (iii) are denominated in an OECD currency)	
Maturity ≤ 1 year	90
Maturity > 1 year and residual maturity ≤ 5 years	8
Maturity > 5 years and residual maturity ≤ 10 years	80

### **Total return swaps**

Total return swaps may be entered into for the UCITS. Total return swaps are derivatives in which all income and fluctuations in value of an underlying asset are exchanged for an agreed fixed interest payment. One party to the contract, the hedger, thereby transfers the entire credit and market risk from the underlying asset to the other party, the hedged party. In return, the hedger pays a premium to the hedged party. The management company may enter into total return swaps for the UCITS for hedging purposes and as part of the investment strategy. In principle, all assets that can be acquired for the UCITS may be the subject of total return swaps. Up to 100 per cent of the fund assets may be the subject of such transactions. The management company expects that in individual cases no more than 50 per cent of the fund assets will be subject to total return swaps. However, this is only an estimated value, which may be exceeded in individual cases. The income from total return swaps flows in full to the UCITS after deduction of transaction costs.

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

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

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

#### **6.5.6 Investments in units of other UCITS or other collective investment undertakings comparable to UCITS**

The UCITS may invest a maximum of 10% of its assets in units of other UCITS or other collective investment undertakings comparable to UCITS. These other collective investment undertakings may, according to their prospectus or constituent documents, invest a maximum of 10% of their assets in units of another UCITS or another collective investment undertaking comparable to a UCITS. The UCITS therefore does not have a fund of funds structure.

Investors are advised that additional indirect costs and fees will be incurred at the level of indirect investments and that remuneration and fees will be charged, but these will be charged directly to the individual indirect investments.

If shares are managed directly or indirectly by the management company of the UCITS or by a company with which the management company of the UCITS is linked by common management, control or qualifying participation, neither

the management company of the UCITS nor the other company may charge fees for the issue or redemption of shares to or from the UCITS.

#### 6.5.7 Use of benchmarks

In accordance with the provisions of Regulation (EU) 2016/1011 of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of an undertaking for collective investment, supervised entities (such as UCITS management companies and AIFMs) may use benchmarks within the meaning of the Benchmarks Regulation in the EU if the benchmark is provided by an administrator listed in the register of administrators and benchmarks maintained by ESMA in accordance with the Benchmarks Regulation (the "Register").

Benchmarks may be used by the UCITS in the key information documents (PRIIP KIDs) and in any marketing documents as a reference for comparison purposes in order to measure the performance of the UCITS. The UCITS is actively managed and the asset manager is therefore free to decide which securities to invest in. As a result, performance may differ significantly from that of the benchmark. The benchmark index, if used by the management company or the asset manager on its behalf, is specified in Appendix A "UCITS at a glance".

The benchmark index may change over time. In this case, the prospectus and Appendix A "UCITS summary" of the constituent documents will be updated at the next opportunity and investors will be informed by notice in the publication medium and in the media specified in the prospectus or by means of a durable medium (letter, fax, email or similar).

In addition, the UCITS may use benchmarks when calculating performance-related fees. Detailed information on any performance-related fees is provided in section 12.2 of this prospectus and in Article 36 of the fund contract and in Appendix A, "UCITS at a glance".

The management company accepts no liability for the quality, accuracy or completeness of the data of a benchmark index, nor for the fact that the respective benchmark index is managed in accordance with the index methods described.

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

## 7 Risk warnings

### 7.1 Fund-specific risks

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

The fund-specific risks of the UCITS are set out in Appendix A, "UCITS at a glance".

## 7.2 General risks

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

All investments in the UCITS involve risks. Each risk may also occur in conjunction with other risks. Some of these risks are briefly discussed in this section. However, it should be noted that this is not an exhaustive list of all possible risks.

**Potential investors should be aware of the risks associated with investing in the shares and should only make an investment decision after obtaining comprehensive advice from their legal, tax and financial advisors, auditors or other experts on the suitability of an investment in units of a UCITS, taking into account their personal financial and tax situation and other circumstances, the information contained in this prospectus and the fund contract, and the investment policy of the UCITS.**

### Market risk

This is a general risk associated with all investments, which consists of the possibility that the value of a particular investment may change adversely to the value of the units of the UCITS.

### Price risk

The investments in which the UCITS invests may lose value. In this case, the market value of the investments develops unfavourably compared to the purchase price. Investments are also subject to various price fluctuations (volatility). In extreme cases, the value of the investments may be lost entirely.

### Economic risk

This is the risk of price losses arising from the fact that economic developments are not taken into account or are not taken into account accurately when investment decisions are made, resulting in securities being purchased at the wrong time or held during an unfavourable economic phase.

### Concentration risk

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

### Interest rate risk

If the UCITS invests in interest-bearing securities, it is exposed to interest rate risk. If market interest rates rise, the market value of the interest-bearing securities held in the assets may fall significantly. This applies to an even greater extent if the assets also include interest-bearing securities with longer remaining maturities and lower nominal interest rates.

### Currency risk

If the UCITS holds assets denominated in foreign currencies, it is exposed to direct currency risk (unless foreign currency positions are hedged). Falling exchange rates lead to a decline in the value of foreign currency investments. In addition to direct currency risks, there are also indirect currency risks. Internationally active companies are more or less dependent on exchange rate developments, which can also have an indirect impact on the performance of investments.

### Monetary risk

Inflation can reduce the value of assets. The purchasing power of the invested capital declines if the inflation rate is higher than the return generated by the investments.

### Psychological market risk

Sentiment, opinions and rumours can cause significant price declines, even though the earnings situation and future prospects of the companies in which investments are made may not have changed significantly. Psychological market risk has a particular impact on equities.

### Risks from derivative financial instruments

The UCITS may use derivative financial instruments. These may be used not only for hedging purposes but may also form part of the investment strategy. The use of derivative financial instruments for hedging purposes may alter the overall risk profile due to correspondingly lower opportunities and risks. The use of derivative financial instruments for investment purposes may affect the overall risk profile due to additional opportunities and risks.

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

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

Derivative financial instruments also carry the risk that the UCITS will incur a loss because another party involved in the derivative financial instrument (usually a "counterparty") fails to meet its obligations.

The credit risk for derivatives traded on an exchange is generally lower than the risk for over-the-counter (OTC) derivatives, as the clearing house acting as issuer or counterparty for each derivative traded on the exchange provides a settlement guarantee. There is no comparable guarantee from the clearing house for over-the-counter derivatives ( ). An OTC derivative may therefore not be concluded under certain circumstances.

There are also liquidity risks, as certain instruments may be difficult to buy or sell. If derivative transactions are particularly large, or if the relevant market is illiquid (as may be the case with OTC derivatives), transactions may not always be executed in full or a position may only be liquidated at increased cost.

Further risks associated with the use of derivatives arise from incorrect pricing or valuation of derivatives. Many derivatives are complex and often subject to subjective valuation. Inappropriate valuations may result in increased cash payment demands from counterparties or a loss in value for the UCITS. Derivatives do not always bear a direct or parallel relationship to the value of the assets, interest rates or indices from which they are derived. Therefore, the use of derivatives by the UCITS does not always constitute an effective means of achieving the UCITS' investment objective, but may sometimes even have the opposite effect.

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

If the UCITS carries out over-the-counter transactions (OTC transactions/efficient portfolio management techniques), it may be exposed to risks relating to the creditworthiness of the OTC counterparties: When entering into forward contracts, options and swap transactions, securities lending, securities repurchase agreements, reverse repurchase agreements or using other derivative techniques, the UCITS is exposed to the risk that an OTC counterparty will not (or cannot) meet its obligations under one or more

contracts. Counterparty risk can be reduced by depositing collateral. If the UCITS is owed collateral in accordance with applicable agreements, this shall be held by or on behalf of the custodian for the benefit of the UCITS. Bankruptcy and insolvency or other credit default events at the custodian or within its sub-custodian/correspondent bank network may result in the rights of the UCITS in connection with the collateral being postponed or otherwise restricted. If the UCITS owes collateral to the OTC counterparty in accordance with applicable agreements, such collateral shall be transferred to the OTC counterparty as agreed between the UCITS and the OTC counterparty. Bankruptcy and insolvency or other credit events affecting the OTC counterparty, the custodian or within its sub-custodian/correspondent bank network may result in the rights or recognition of the UCITS in relation to the collateral being delayed, restricted or even excluded, which would force the UCITS to meet its obligations under the OTC transaction regardless of any collateral provided in advance to cover such obligation.

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

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

The UCITS may incur losses when investing the cash collateral it receives. Such losses may arise from a decline in the value of the investments made with the cash collateral received. If the value of the invested cash collateral declines, this reduces the amount of collateral available to the UCITS at the close of the transaction for return to the counterparty. The UCITS would have to cover the difference in value between the collateral originally received and the amount available for return to the counterparty, which would result in a loss for the UCITS.

#### **Liquidity risk**

Assets that are not admitted to trading on a stock exchange or included in another organised market may also be acquired for the UCITS. This may result in a risk that these assets cannot be sold at the desired time, at the desired price or at all.

Even for assets traded on an organised market, there is a risk that the market may be illiquid at times. This may mean that the assets cannot be sold at the desired time and/or in the desired quantity and/or at the desired price.

#### **Counterparty risk**

The risk arises from the possibility that contractual partners (counterparties) may not fulfil their contractual obligations to execute transactions. This may result in a loss for the UCITS.

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

The deterioration of an issuer's solvency or even its bankruptcy may result in at least a partial loss of assets.

#### **Country or transfer risk**

Country risk refers to a situation where a foreign debtor is unable to make payments on time or at all, despite being solvent, due to the inability or unwillingness of its country of domicile to transfer funds (e.g. due to foreign exchange restrictions, transfer risks, moratoriums or embargoes). For example, payments to which the UCITS is entitled may not be made or may be made in a currency that is no longer convertible due to foreign exchange restrictions.

#### **Operational risk**

Operational risk is the risk of loss for the fund assets resulting from inadequate internal processes, human or system failure at the management company or external events,

and includes legal, documentation and reputational risks as well as risks resulting from the trading, settlement and valuation procedures used for the fund assets.

#### **Settlement risk**

When investing in unlisted securities in particular, there is a risk that settlement by a transfer system will not be carried out as expected due to delayed or non-compliant payment or delivery.

#### **Key person risk**

UCITS whose investment performance is very positive over a certain period of time owe this success to the suitability of the persons acting on their behalf and thus to the correct decisions made by their management. However, the composition of the fund management team may change. New decision-makers may then be less successful.

#### **Legal and tax risk**

The purchase, holding or sale of UCITS investments may be subject to tax regulations (e.g. withholding tax) outside the UCITS' country of domicile. Furthermore, the legal and tax treatment of UCITS may change in ways that are unforeseeable and beyond our control. A change in the incorrectly determined basis of taxation of the UCITS for previous financial years (e.g. due to external tax audits) may, in the event of a correction that is fundamentally disadvantageous to the investor for tax purposes, result in the investor having to bear the tax burden from the correction for previous financial years, even though he may not have been invested in the UCITS at that time. Conversely, investors may find that they no longer benefit from a correction that is fundamentally advantageous for tax purposes for the current and previous financial years in which they held units in the UCITS due to the redemption or sale of the units before the corresponding correction was implemented. In addition, a correction of tax data may result in taxable income or tax advantages actually being assessed for tax purposes in a different assessment period than the one that would otherwise apply, which may have a negative impact on individual investors.

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

If the EU or third-party index provider does not comply with the Benchmark Regulation, or if the benchmark changes significantly or is discontinued, a suitable alternative benchmark must be identified for the UCITS, provided that a benchmark index is used. In certain cases, this may prove difficult or impossible. If a suitable replacement benchmark cannot be identified, this may have a negative impact on the relevant UCITS – and, under certain circumstances, on the asset manager's ability to implement the investment strategy of the UCITS in question. Compliance with the Benchmark Regulation may also result in additional costs for the UCITS in question. The benchmark may change over time. In this case, the prospectus will be updated at the next opportunity and investors will be informed by notice in the publication medium and in the media specified in the prospectus or by means of a durable medium (letter, fax, email or similar).

#### **Custody risk**

The custody of assets involves a risk of loss that may result from the insolvency or breach of duty of care on the part of the custodian or from force majeure.

#### **Changes to the investment policy and fees**

A change in the investment policy within the legally and contractually permissible investment spectrum may alter the risk associated with the UCITS. The management company may increase the fees charged to the UCITS and/or significantly change the investment policy of the UCITS within the applicable fund contract at any time by amending the prospectus and the fund contract, including Appendix A "UCITS at a glance".

#### **Amendment to the fund contract**

The management company reserves the right in the fund contract to amend the terms and conditions of the trust. Furthermore, in accordance with the fund contract, it may

dissolve the UCITS entirely or merge it with another UCITS. Investors therefore run the risk of not being able to realise their planned holding period.

### Risk of suspension of redemption

Investors may, in principle, request the management company to redeem their units in accordance with the UCITS' valuation interval. However, the management company may temporarily suspend the redemption of units in exceptional circumstances and only redeem the units at a later date at the price valid at that time (see "Suspension of the calculation of the net asset value and the issue, redemption and conversion of units" for details). This price may be lower than the price before the suspension of redemption. A suspension of the redemption of units may be followed directly by the dissolution of the UCITS.

### Hedging risk

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

### Sustainability risks

The term "sustainability risks" refers to the risk of an actual or potential loss in the value of an investment due to the occurrence of environmental, social or corporate governance (ESG) events. The management company or asset manager takes sustainability risks into account in its investment decisions in accordance with its corporate strategy.

Their assessment does not indicate any relevant impact on returns because, given the broad diversification and past performance, no relevant impact on the overall portfolio is to be expected, although past performance is of course no indication of future results.

## 8 Participation in the " " UCITS

### 8.1 Restrictions on sale

In general, units of the UCITS may not be offered in jurisdictions or to persons where this is not permitted. The units of the UCITS are not authorised for distribution in all countries worldwide. The provisions applicable in the respective country apply to the issue, conversion and redemption of units abroad.

The shares have **not** been registered in the United States of America (USA) in accordance with the United States Securities Act of 1933 and may therefore not be offered or sold in the USA or to US citizens.

US citizens are considered to be, for example, natural persons who (a) were born in the USA or one of its territories or sovereign territories, (b) are naturalised citizens (or green card holders), (c) were born abroad as children of a US citizen, (d) are not US citizens but are predominantly resident in the USA, (e) are married to a US citizen, or (f) are liable to pay tax in the USA.

The following are also considered US citizens: (a) investment companies and corporations established under the laws of one of the 50 US states or the District of Columbia, (b) an investment company or partnership established under an "Act of Congress", (c)

a pension fund established as a US trust, (d) an investment company that is subject to US tax on income from sources other than US sources ( ) or (e) investment companies that qualify as such under Regulation S of the US Securities Act of 1933 and/or the US Commodity Exchange Act.

## 8.2 General information about the shares

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

The management company is authorised to create, cancel or merge several share classes within the UCITS, which may differ from the existing share classes in terms of, for example, the appropriation of profits, the front-end load, the reference currency and the use of currency hedging transactions, the management fee, the minimum investment amount or a combination of these features. However, the rights of investors who have acquired shares in existing share classes remain unaffected.

Currently, there are share classes with the designations "USD-A", "USD-B", "USD-C" and **"USD-D"**. The shares of these share classes are issued and redeemed in the accounting currency of the UCITS, the US dollar (USD).

The share classes established in connection with each UCITS and the fees and expenses payable in connection with the shares of the UCITS are set out in Appendix A "UCITS at a glance".

In addition, certain other fees, remuneration and costs are paid from the assets of the UCITS. See sections 11 and 12 (Tax regulations and costs and fees) for more information.

## 8.3 Calculation of the net asset value per share

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

The NAV of a share in a share class of an UCITS is expressed in the accounting currency of the UCITS or, if different, in the reference currency of the relevant share class and is calculated as follows the proportion of the assets of that UCITS attributable to the relevant share class, less any liabilities of the same UCITS allocated to the relevant share class divided by the number of shares of the corresponding share class in circulation. It is rounded as follows when shares are issued and redeemed:

- ◆ to 0.01 USD.

The net fund assets are valued at fair value in accordance with the following principles:

1. Securities that are officially listed on a stock exchange are valued at the last available price. If a security is officially listed on several stock exchanges, the last available price on the stock exchange that is the main market for that security is decisive.
2. Securities that are not officially listed on a stock exchange but are traded on a market open to the public are valued at the last available price. If a security is traded on several markets open to the public, the last available price of the market with the highest liquidity is generally used.

3. Securities or money market instruments with a remaining term of less than 397 days may be written down or written up using the difference between the cost price (purchase price) and the redemption price (price at maturity). Valuation at current market price may be omitted if the redemption price is known and fixed. Any changes in creditworthiness are also taken into account.
4. Investments whose price is not in line with market conditions and assets that do not fall under points 1, 2 and 3 above are valued at the price that would probably be achieved through careful sale at the time of valuation and which is determined in good faith by the management of the management company or under its direction or supervision by agents.
5. OTC derivatives are valued on a daily basis using a verifiable valuation method to be determined by the management company, as determined by the management company in good faith and in accordance with generally accepted valuation models that can be verified by auditors on the basis of the probable realisable value.
6. UCITS or other undertakings for collective investment (UCIs) are valued at the last determined and available net asset value. If the redemption of units is suspended or no redemption prices are set, these units shall be valued at their respective market value, as determined by the management company in good faith and in accordance with generally accepted valuation models that can be verified by auditors.
7. If no market price is available for the respective assets, these assets, as well as other legally permissible assets, are valued at their fair market value as determined by the management company in good faith and in accordance with generally accepted valuation models that can be verified by auditors on the basis of the probable realisable sales value.
8. Cash and cash equivalents are valued at their nominal value plus accrued interest.
9. The market value of securities and other investments denominated in a currency other than the respective fund currency is converted into the corresponding fund currency at the last exchange rate.

The management company is entitled to apply other appropriate valuation principles for the fund assets from time to time if the above-mentioned valuation criteria appear impossible or impractical due to exceptional circumstances. In the event of large redemption requests, the management company may value the fund assets on the basis of the prices at which the necessary sales of securities are likely to be made. In this case, the same calculation method shall be used for subscription and redemption requests submitted at the same time.

## 8.4 Issue of units

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

The shares are not represented by certificates.

Subscription applications must be received by the custodian by the closing date at the latest. If a subscription application is received after the cut-off time, it will be registered for the following issue date. For applications placed with distributors in domestic and abroad, earlier cut-off times may apply to ensure timely forwarding to the custodian in Liechtenstein. These can be obtained from the respective distributors.

Information on the issue date, the valuation interval, the cut-off time and the amount of any maximum front-end charge can be found in Appendix A, "UCITS at a glance".

Payment must be received within the period specified in Appendix A, "UCITS at a glance," after the relevant issue date.

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

All taxes and duties incurred in connection with the issue of units will also be charged to the investor. If units are purchased through banks that are not responsible for the distribution of the units, it cannot be ruled out that such banks will charge additional transaction costs.

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

The minimum investment that must be held by an investor in a particular share class of an UCITS is set out in Appendix A, "UCITS at a glance". The minimum investment may be waived at the discretion of the management company.

At the request of an investor and with the consent of the management company, shares may also be subscribed in exchange for the transfer of investments at the respective daily rate (contribution in kind or payment in specie). The management company is not obliged to accept such a request.

Contributions in kind must be examined and evaluated by the management company on the basis of objective criteria. The transferred investments must be consistent with the investment policy of the UCITS and, in the opinion of the management company, there must be a current investment interest in the securities. The value of the contribution in kind must be verified by the auditor. All costs incurred in this connection (including the auditor's fees, other expenses and any taxes and duties) shall be borne by the investor concerned and may not be charged to the fund assets.

The management company may also decide to suspend the issue of units in whole or in part if new investments could impair the achievement of the investment objective.

The custodian and/or the management company and/or the distributor may reject a subscription application at any time or temporarily restrict, suspend or permanently discontinue the issue of units if this appears necessary in the interests of investors, in the public interest or to protect the management company or investors. In this case, the custodian shall immediately refund any payments received for subscription applications that have not already been executed, without interest, if necessary with the assistance of the paying agents.

The issue of shares will be temporarily suspended in particular if the calculation of the net asset value per share is suspended. If the issue of shares is suspended, investors will be informed immediately of the reason for and the date of the suspension by notice in the publication organ and in the media specified in the prospectus or by means of a durable medium (letter, fax, email or similar).

## 8.5 Redemption of shares

Shares in a UCITS are redeemed on each valuation day (redemption day) at the net asset value per share of the relevant share class of the relevant UCITS, less any redemption fees and any taxes and duties.

Redemption requests must be received by the custodian by the latest acceptance deadline. If a redemption request is received after the cut-off time, it will be marked for the following redemption day. For requests placed with distributors in domestic and abroad, earlier cut-off times for the submission of requests may apply to ensure timely forwarding to the custodian in Liechtenstein. These can be obtained from the respective distributor.

Information on the redemption date, the valuation interval, the cut-off time and the amount of any maximum redemption fee can be found in Appendix A, "UCITS at a glance".

As it is necessary to ensure that the UCITS has an adequate proportion of liquid assets, shares will be paid out within the period specified in Appendix A, "UCITS at a glance", after the relevant redemption date. This does not apply if the transfer of the redemption amount proves impossible due to legal requirements such as foreign exchange and transfer restrictions or other circumstances beyond the control of the custodian.

If, at the investor's request, payment is to be made in a currency other than the currency in which the relevant units are issued, the amount to be paid shall be calculated on the basis of the proceeds of the conversion from the reference currency into the payment currency, less any fees and charges.

The relevant share shall be cancelled upon payment of the redemption price.

The management company and/or custodian may redeem units against the will of the investor upon payment of the redemption price if this appears necessary in the interests or for the protection of the investors, the management company, the custodian or one or more UCITS, in particular if

1. there is a suspicion that the respective investor is engaging in "market timing", "late trading" or other market techniques that could harm the investors as a whole by acquiring the shares,
2. the investor does not meet the conditions for acquiring the units, or
3. the units are distributed in a country in which the respective UCITS is not authorised for distribution or have been acquired by a person who is not permitted to acquire the units.

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

If the execution of a redemption request results in the holding of the investor concerned falling below the minimum investment for the relevant share class of the UCITS listed in Appendix A "UCITS at a glance", the management company may, without further notice to the investor, treat this redemption request as a request for redemption of all units held by the relevant investor in this unit class or as a request for conversion of the remaining units into another unit class of the same UCITS with the same reference currency, the participation requirements of which are met by the investor.

No payments in kind are permitted.

## 8.6 Conversion of shares

Shares may only be converted into another UCITS or another share class if the investor meets the conditions for the direct purchase of shares in the UCITS or the respective share class.

If different share classes are offered, shares in one share class may also be converted into shares in another share class, both within the same UCITS and from one UCITS to another. No conversion fee will be charged for conversions within the same UCITS. If a conversion of shares is not possible for certain UCITS or share classes, this will be mentioned for the UCITS or share class concerned in Appendix A "UCITS at a glance".

The number of shares into which the investor wishes to convert their holding is calculated using the following formula:

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

- A = Number of units of the new UCITS or any unit class into which the units are to be converted
- B = Number of units of the UCITS or any unit class from which the conversion is to be made
- C = Net asset value or redemption price of the units presented for conversion
- D = Exchange rate between the UCITS or share classes involved. If both UCITS or share classes are denominated in the same currency, this coefficient is 1.
- E = Net asset value of the units of the UCITS or any unit class into which the conversion is to be made, plus taxes, fees or other charges

In individual countries, duties, taxes and stamp duties may be payable in connection with a UCITS switch or share class switch.

The management company may reject a conversion request for a UCITS or a share class at any time if this appears necessary in the interests of the UCITS, the management company or the investors, in particular if:

1. there is a suspicion that the respective investor is engaging in market timing, late trading or other market techniques that could harm the investors as a whole by acquiring the shares;
2. the investor does not meet the conditions for acquiring the shares; or
3. the units are distributed in a country in which the respective UCITS or unit class is not authorised for distribution or have been acquired by a person who is not permitted to acquire the units.

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

## 8.7 Suspension of the calculation of the net asset value and the issue, redemption, and conversion of shares

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

1. if a market on which a significant portion of the assets of the UCITS is valued is closed or trading on such a market is restricted or suspended;

2. in the event of political, economic or other emergencies; or
3. if restrictions on the transfer of assets make transactions for the UCITS impracticable.

The suspension of the calculation of the net asset value of a UCITS shall not affect the calculation of the net asset value of the other UCITS if none of the above conditions apply to the other UCITS.

The management company may also decide to suspend the issue of units in whole or in part if new investments could impair the achievement of the investment objective.

The issue of units shall be temporarily suspended in particular if the calculation of the net asset value per unit is suspended. If the issue of units is suspended, investors shall be informed immediately of the reason for and the date of the suspension by means of a notice in the publication organ and in the media specified in the prospectus and the fund contract or by means of a durable medium (letter, fax, email or similar).

In addition, the management company is entitled, in the interests of investors, to only make significant redemptions, i.e. to temporarily suspend redemptions, after the relevant assets of the UCITS can be sold without delay in the interests of investors.

As long as the redemption of units is suspended, no new units of this UCITS will be issued. Units whose redemption is temporarily restricted cannot be exchanged. The temporary suspension of the redemption of units of a UCITS does not result in the temporary suspension of the redemption of other UCITS that are not affected by the events in question.

The management company shall ensure that sufficient liquid funds are available in the fund assets so that units can be redeemed or converted at the request of investors without delay under normal circumstances.

The management company shall notify the FMA and, in an appropriate manner, the investors without delay of the suspension of the redemption and payment of shares. Subscription, redemption or conversion requests shall be settled after the calculation of the net asset value has been resumed. Investors may revoke their subscription, redemption or conversion requests until trading in shares is resumed.

## 9 Use of profits

The realised profit of an UCITS consists of the net income and the net capital gains realised. The net income consists of income from interest and/or dividends and other or remaining income received, less expenses.

The management company may distribute the net income and/or net capital gains of an UCITS or a share class to the investors of the UCITS or the relevant share class, or reinvest (reinvest) this net income and/or these net capital gains in the UCITS or the relevant share class or carry them forward to new accounts.

The net income and net realised capital gains of those share classes that are subject to distribution in accordance with Appendix A "UCITS at a glance" may be distributed in full or in part on an annual basis or more frequently.

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

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

## 10 Tax regulations

### 10.1 Fund assets

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

#### Issue and turnover taxes<sup>1</sup>

The creation (issue) of units in such an UCITS is not subject to issue and turnover tax. The transfer of ownership of investor units for consideration is subject to turnover tax if one of the parties or an intermediary is a domestic securities dealer. The redemption of investor shares in a contractual investment fund or collective trust is exempt from turnover tax. The contractual investment fund or collective trust is considered an investor exempt from turnover tax.

#### Withholding taxes

Both income and capital gains, whether distributed or reinvested, may be subject in whole or in part to a so-called paying agent tax (e.g. withholding tax, European Interest Tax, Foreign Account Tax Compliance Act), depending on the person who holds the units of the UCITS directly or indirectly.

The UCITS in the legal form of a contractual investment fund or collective trust is otherwise not subject to withholding tax in the Principality of Liechtenstein, in particular not to coupon or clearing tax. Foreign income and capital gains generated by the UCITS in the legal form of a contractual investment fund or collective trust or any UCITS of the Fund may be subject to the respective withholding taxes of the country of investment. Any double taxation agreements remain reserved.

The UCITS has the following tax status:

#### Automatic exchange of information (AEOI)

With regard to the UCITS, a Liechtenstein paying agent may be required to report unit holders to the local tax authority or to make the relevant statutory reports in accordance with the AEOI agreements.

#### FATCA

The UCITS is subject to the provisions of the Liechtenstein FATCA Agreement and the corresponding implementing provisions in the Liechtenstein FATCA Act.

### 10.2 Natural persons with tax domicile in Liechtenstein

Private investors domiciled in the Principality of Liechtenstein must declare their units as assets and these are subject to wealth tax. Any distributions of income or reinvested income of the UCITS in the legal form of a contractual investment fund or collective trust or any UCITS of the fund are exempt from acquisition tax. Capital gains realised on the sale of shares are exempt from acquisition tax. Capital losses cannot be deducted from the taxable acquisition.

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<sup>1</sup> According to the customs union agreement between Switzerland and Liechtenstein, Swiss stamp duty law also applies in Liechtenstein. For the purposes of Swiss stamp duty legislation, the Principality of Liechtenstein is therefore considered to be domestic territory.

### 10.3 Persons with tax domicile outside Liechtenstein

For investors domiciled outside the Principality of Liechtenstein, taxation and other tax consequences relating to the holding, purchase or sale of investor shares are governed by the tax laws of the respective country of domicile and, in particular, by the applicable withholding tax according to the country of domicile of the paying agent.

source tax according to the country of domicile of the paying agent.

#### Disclaimer

The tax information provided is based on the legal situation and practice currently known. Changes in legislation, case law or decrees and practice of the tax authorities are expressly reserved.

**Investors are advised to consult their own professional advisors regarding the relevant tax consequences. Neither the management company, the custodian nor their agents can accept any responsibility for the individual tax consequences for investors arising from the purchase or sale or holding of investor shares.**

## 11 Costs and fees

### 11.1 Costs and fees payable by investors

#### 11.1.1 Issue charge

To cover the costs incurred in placing the units, the management company may charge an issue commission on the net asset value of the newly issued units in favour of the management company, the custodian and/or distributors in the United Kingdom or abroad in accordance with Appendix A "UCITS at a glance".

Any front-end load in favour of the UCITS can also be found in Appendix A, "UCITS at a glance".

#### 11.1.2 Redemption fee

For the payment of redeemed units, the management company charges a redemption fee on the net asset value of the units returned in accordance with Appendix A "UCITS at a glance".

Any redemption fee payable to the management company, the custodian and/or distributors in domestic or abroad can also be found in Appendix A, "UCITS at a glance".

#### 11.1.3 Conversion fee

For any switch requested by the investor from one UCITS to another or from one share class to another, the management company will charge a fee on the net asset value of the original UCITS or share class in accordance with Appendix A, "UCITS at a glance".

### 11.2 Costs and fees payable by the UCITS

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

**11.2.1** The management company receives remuneration for the administration of the UCITS in accordance with Appendix A "UCITS at a glance". In addition, the management company may receive remuneration for investment decisions (asset management and investment advice), risk management and distribution in accordance with Appendix A "UCITS at a glance". These fees are

calculated on the basis of the average net fund assets or the corresponding share class at each valuation and are deducted from the fund assets retrospectively on a quarterly basis. The fees of the UCITS or the respective share class are set out in Appendix A "UCITS at a glance". The management company is free to set different management fees for one or more share classes.

This also includes portfolio management fees that may be paid to third parties for the referral and management of investors.

**11.2.2** The custodian shall receive remuneration for its activities from the assets of the UCITS in accordance with Appendix A, "UCITS at a glance". The custodian fee is calculated on the basis of the average net assets of the UCITS or the corresponding share class at each valuation and is deducted from the UCITS' assets on a quarterly basis. The management company is free to determine different custodian fees for one or more share classes.

**11.2.3 Performance fee**

In addition, the management company may charge a performance fee. If a performance fee is charged, it is described in detail in Appendix A, "UCITS at a glance".

**B. Expenses not dependent on assets (individual expenses)**

In addition to the remuneration specified in the preceding paragraphs, the following expenses not dependent on the assets may be charged to the assets of the UCITS:

**11.2.4** Costs for the audit of the UCITS by the auditor and fees for tax advisors, insofar as these expenses are incurred in the interests of the investors;

**11.2.5** Fees and costs for approvals and supervision of the UCITS in Liechtenstein and abroad;

**11.2.6** all taxes levied on the assets of the UCITS and its income and expenses at the expense of the fund assets of the UCITS;

**11.2.7** any taxes arising in connection with the costs of administration and custody;

**11.2.8** Fees, costs and remuneration in connection with the determination and publication of tax factors for the countries of the EU/EEA and/or all countries where distribution licences exist and/or private placements are available, in accordance with the actual expenses incurred at market rates.

**11.2.9** Costs for the preparation, printing and distribution of annual and semi-annual reports and other publications required by law;

**11.2.10** Costs for the publication of UCITS notices to investors in the publication organs and any additional newspapers or electronic media determined by the management company, including price publications;

**11.2.11** Costs incurred in connection with the fulfilment of the requirements and follow-up obligations of a distribution of units in domestic and abroad (e.g. fees for paying agents, agents and other representatives with comparable functions, fees for fund platforms (e.g. listing fees, setup fees, etc.), consulting, legal and translation costs);

**11.2.12** Costs and expenses for regular reports and reporting, including to insurance companies, pension funds and other financial services companies (e.g.

GroMiKV, Solvency II, VAG, MiFID II, ESG/SRI reports or sustainability ratings, etc.);

- 11.2.13** Costs for the preparation or amendment, translation, filing, printing and distribution of the prospectus and the constituent documents (fund contract, KIID, PRIIP KID, SRI calculation, etc.) in the countries in which the shares are distributed;
- 11.2.14** Costs incurred in connection with the obtaining, maintenance and termination of stock exchange listings for the shares;
- 11.2.15** Costs for preparing and publishing the basis of taxation and certifying that the tax information has been determined in accordance with the rules of the relevant foreign tax law;
- 11.2.16** Expenses in connection with the exercise of voting rights or creditor rights by the UCITS, including fees for external advisors;
- 11.2.17** Administrative fees and reimbursement of costs incurred by government agencies;
- 11.2.18** costs for legal and legal representation services and for tax advice incurred by the management company or the custodian when acting in the interests of the investors of the relevant UCITS;
- 11.2.19** Internal and external costs for the recovery of foreign withholding taxes, insofar as these can be incurred on behalf of the UCITS. With regard to the recovery of foreign withholding taxes, it should be noted that the management company is not obliged to reclaim such taxes and will only do so if the procedure is justified on the basis of the materiality of the amounts and the proportionality of the costs in relation to the amount that can be reclaimed. With regard to investments that are subject to securities lending, the management company will not reclaim withholding taxes.
- 11.2.20** Costs for the credit assessment of the fund assets or their target investments by nationally or internationally recognised rating agencies;
- 11.2.21** Costs for legal and tax advice with regard to the fund assets;
- 11.2.22** a reasonable share of the costs of printed matter and advertising directly related to the offering and sale of units;
- 11.2.23** Fees and costs arising from other legal or regulatory requirements that must be met by the management company in implementing the investment strategy (such as reporting and other costs incurred in complying with the European Market Infrastructure Regulation (EMIR, EU Regulation 648/2012));
- 11.2.24** Research costs;
- 11.2.25** External costs for assessing the sustainability ratings (ESG research) of the UCITS' assets or its target investments;
- 11.2.26** Licence fees for the use of any reference values ("benchmarks");
- 11.2.27** Costs for setting up and maintaining additional counterparties if this is in the interests of investors;

**11.2.28** The applicable amount of expenses per UCITS is stated in the semi-annual and annual reports.

**11.2.29 Transaction costs**

In addition, the UCITS bears all incidental costs arising from the management of the assets for the purchase and sale of investments (market-based brokerage fees, commissions, duties) as well as all taxes levied on the assets of the UCITS and its income and expenses (e.g. withholding taxes on foreign income). The UCITS also bears any external costs, i.e. fees charged by third parties in connection with the purchase and sale of investments. These costs are charged directly to the purchase or sale value of the investments concerned.

**11.2.30 Any costs for currency hedging of share classes**

Any costs incurred for currency hedging of share classes are allocated to the relevant share class.

**11.2.31 Service fee**

Any periodic service fees for additional services provided by the custodian can be found in Appendix A, "UCITS at a glance".

**11.2.32 Formation costs**

The costs of establishing the UCITS and the initial issue of units are charged to the assets of the UCITS and amortised over three years.

**11.2.33 Liquidation fees**

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

**11.2.34 Extraordinary disposal costs**

In addition, the management company may charge the fund assets for costs incurred in connection with extraordinary transactions. Extraordinary transaction costs comprise expenses that are incurred exclusively in the interests of investors, arise in the course of normal business activities and were not foreseeable at the time the UCITS was established. Extraordinary disposition costs include, in particular, costs incurred in complying with legal requirements in the interests of the UCITS or the investors. In addition, all costs of any extraordinary dispositions that may become necessary in accordance with the UCITS Act and the UCITS Regulation (e.g. amendment of the fund documents, etc.) are included here.

**11.2.35 Donations**

In connection with the acquisition and disposal of assets and rights for the UCITS, the management company, the custodian and any agents shall ensure that, in particular, donations directly or indirectly benefit the UCITS. The custodian is entitled to retain a maximum of 30% of the donations as a retention fee.

**11.2.36 Ongoing fees (total expense ratio, TER)**

The total ongoing fees before any performance-related expenses (total expense ratio before performance fee) are calculated in accordance with the general principles laid down in the rules of conduct and include all costs and fees charged to the fund assets on an ongoing basis, with the exception of transaction costs. The TER of the UCITS or the respective share class must be disclosed in the semi-annual and annual reports and published on the website of the LAFV Liechtenstein Investment Fund Association at [www.lafv.li](http://www.lafv.li) when the next semi-annual or annual report is published.

## 12 Information for investors

The UCITS's publication medium is the website of the LAFV Liechtenstein Investment Fund Association [at www.lafv.li](http://www.lafv.li) and other media specified in the prospectus.

All communications to investors, including changes to the fund contract and Appendix A "UCITS at a glance", shall be published in the above-mentioned publication medium of the UCITS and in other media and data carriers specified in the prospectus.

The net asset value and the issue and redemption price of the units of the UCITS or unit class are published in the UCITS's publication medium mentioned above and in other media and durable data carriers (letter, fax, email or similar) specified in the prospectus.

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

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

### UCITS

#### 13.1 Duration

The Umbrella UCITS and its UCITS are established for an indefinite period.

#### 13.2 Dissolution

##### **In general**

The provisions governing the dissolution of the UCITS also apply to its UCITS.

##### **Resolution to terminate**

The UCITS must be dissolved in the cases provided for by law. In addition, the management company is entitled to dissolve the UCITS or individual UCITS at any time.

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

The resolution to dissolve a UCITS or a share class shall be published on the website of the Liechtenstein Investment Fund Association (LAFV) ([www.lafv.li](http://www.lafv.li)) as the UCITS' publication medium and in other media and permanent data carriers (letter, fax, email or similar) specified in the prospectus. No shares will be issued, exchanged or redeemed from the date of the resolution to dissolve the fund.

Upon dissolution of the UCITS, the management company may liquidate the assets of the UCITS immediately in the best interests of the investors. In all other respects, the UCITS shall be liquidated in accordance with the provisions of Liechtenstein law on persons and companies (PGR).

If the management company liquidates a share class without liquidating the UCITS, all shares in that class will be redeemed at their then current net asset value. This redemption will be published by the management company and the redemption price will be paid by the custodian to the former investors.

##### **Reasons for dissolution**

If the net assets of the UCITS fall below the value required for economically efficient management, or in the event of a significant change in the political, economic or

monetary environment or as part of a rationalisation, the management company may decide to redeem or cancel all units of the UCITS or a unit class at the net asset value (taking into account the actual realisation prices and realisation costs of the investments) on the valuation date on which the relevant decision takes effect.

#### **Costs of dissolution**

The costs of dissolution shall be borne by the net assets of the UCITS.

#### **Winding up and bankruptcy of the management company or the custodian**

In the event of the liquidation or bankruptcy of the management company, the assets managed for the purpose of collective investment on behalf of investors shall not form part of the bankruptcy estate and shall not be liquidated together with the management company's own assets. The UCITS shall form a special fund for the benefit of its investors. Each special fund shall be transferred to another management company with the approval of the FMA or dissolved by way of separate satisfaction in favour of the investors of the UCITS.

In the event of the bankruptcy of the custodian, the assets managed by the UCITS shall be transferred to another custodian with the consent of the FMA in accordance with Art. 31 para. 2 UCITSG or liquidated by way of separate satisfaction in favour of the investors of the UCITS.

#### **Termination of the custodian agreement**

In the event of termination of the custodian agreement, the net fund assets of the UCITS shall be transferred to another custodian with the consent of the FMA or liquidated by way of separate satisfaction in favour of the investors of the UCITS.

### **13.3 Merger**

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

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

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

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

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

Legal, advisory or administrative costs associated with the preparation and implementation of the merger will not be charged to the fund assets involved in the merger or to investors.

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

If a UCITS exists as a master UCITS, a merger will only take effect if the UCITS concerned provides its investors and the competent authorities of the home Member State of its feeder UCITS with the information required by law at least 60 days before the proposed effective date. In this case, the UCITS in question shall also give the feeder UCITS the option of redeeming or paying out all units before the merger takes effect, unless the competent authority of the feeder UCITS' home Member State approves the investment in units of the master UCITS resulting from the merger.

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

The UCITS is governed by Liechtenstein law. The exclusive place of jurisdiction for all disputes between investors, the management company and the custodian is Vaduz.

However, the management company and/or the custodian may submit to the jurisdiction of the countries in which units are offered and sold with regard to claims by investors from these countries. Mandatory provisions of law to the contrary remain reserved.

The German language is the legally binding language for the prospectus, the fund contract and Appendix A "UCITS at a glance".

This prospectus shall enter into force on 2 July 2025.

## 15 Specific information for individual distribution countries

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

## PART II: THE FUND CONTRACT

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### Preamble

The fund contract and Appendix A, "UCITS at a glance", form an integral whole.

Insofar as any matter is not regulated in this fund contract, the legal relationships between the investors and the management company shall be governed by the Act of 28 June 2011 on certain undertakings for collective investment in transferable securities (UCITSG) and the Regulation of 5 July 2011 on certain undertakings for collective investment in transferable securities (UCITSV) and, insofar as no provisions are made therein, to the provisions of the Personal and Company Law (PGR) on trusteeship.

### I. General provisions

#### Art. 1 The UCITS

The **ANDES Latin American Bond Fund** (hereinafter: UCITS) was established on 2 July 2025 as an undertaking for collective investment in transferable securities (UCITS) under the law of the Principality of Liechtenstein.

The fund contract and Appendix A "UCITS at a glance" were approved by the FMA on 2 July 2025 and the UCITS was entered in the Liechtenstein Commercial Register at the Office of Justice on 4 July 2025. The fund contract and Appendix A "UCITS at a glance" entered into force on 2 July 2025.

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

The UCITS has the legal form of a contractual investment fund. A contractual investment fund is the conclusion of an identical contract with an indefinite number of investors for the purpose of investing and managing assets on behalf of the investors, whereby the individual investors participate in accordance with their share in this contract and are personally liable only up to the amount of their investment.

The UCITS is not an umbrella structure and is therefore a single fund.

The UCITS may invest in securities and other assets in accordance with its investment policy. The investment policy of the UCITS is defined within the framework of the investment objective. The net assets of the UCITS or each share class and the net asset value of the shares of the UCITS or share classes are expressed in the reference currency.

The rights and obligations of the owners of the units (hereinafter referred to as "investors") and the management company and the custodian are governed by this fund contract.

By acquiring units (the "Units") of the UCITS, each investor acknowledges the fund contract, which sets out the contractual relationships between the investors, the management company and the custodian, as well as any amendments to this document that have been duly implemented.

## Art. 2 Management Company

The UCITS is managed by IFM Independent Fund Management AG, a company incorporated under the laws of the Principality of Liechtenstein with its registered office in Schaan, in accordance with this fund contract. The management company is authorised by the Liechtenstein Financial Market Authority (FMA) in accordance with the UCITSG and is entered in the list of management companies authorised in Liechtenstein officially published by the FMA.

The management company manages the UCITS on behalf of and in the exclusive interest of the investors in accordance with the principle of risk diversification and in accordance with the provisions of the fund Contract and Appendix A "UCITS at a glance".

The management company is authorised to dispose of the assets belonging to the UCITS in its own name in accordance with the statutory provisions and the fund contract and to exercise all rights arising therefrom.

## Art. 3 Delegation of duties

The management company may, in compliance with the provisions of the UCITSG and the UCITSV, delegate some of its tasks to third parties for the purpose of efficient business management. The exact execution of the mandate shall be governed by a contract concluded between the management company and the agent.

## Art. 4 Custodian

The management company has appointed a bank or investment firm governed by banking law with its registered office or a branch in the Principality of Liechtenstein as custodian for the UCITS. The assets of the fund may be held in custody by different custodians. The function of the custodian is governed by the UCITSG, the custodian agreement, this Fund Contract and the prospectus.

## Art. 5 Auditor

The audit of the UCITS' annual reports shall be carried out by an auditor approved in the Principality of Liechtenstein.

## Art. 6 Calculation of the net asset value per share

The net asset value (NAV) per share is calculated by the management company at the end of the accounting year and on the respective valuation date on the basis of the last known prices, taking into account the valuation interval. The management company may adopt a different arrangement for individual UCITS, bearing in mind that the NAV per share must be calculated at least twice a month.

The NAV of a share in a share class of an UCITS is expressed in the accounting currency of the UCITS or, if different, in the reference currency of the relevant share class and is calculated as follows the proportion of the assets of that UCITS attributable to the relevant share class, less any liabilities of the UCITS allocated to the relevant share class divided by the number of shares of the corresponding share class in circulation. It is rounded as follows when shares are issued and redeemed:

- ◆ to 0.01 USD.

The net fund assets are valued at market value in accordance with the following principles:

1. Securities that are officially listed on a stock exchange are valued at the last available price. If a security is officially listed on several stock exchanges, the last available price on the stock exchange that is the main market for that security is decisive.
2. Securities that are not officially listed on a stock exchange but are traded on a market open to the public are valued at the last available price. If a security is traded on various markets open to the public, in case of doubt, the last available price of the market with the highest liquidity should be used.
3. Securities or money market instruments with a remaining term of less than 397 days may be written down or written up using the difference between the cost price (acquisition price) and the redemption price (price at maturity) on a straight-line basis. Valuation at current market price may be omitted if the redemption price is known and fixed. Any changes in credit quality shall also be taken into account.
4. Investments whose price is not in line with market conditions and assets that do not fall under points 1, 2 and 3 above are valued at the price that would probably be achieved through careful sale at the time of valuation and which is determined in good faith by the management of the management company or under its direction or supervision by agents.
5. OTC derivatives are valued on a daily basis using a verifiable valuation method to be determined by the management company, which the management company determines in good faith and in accordance with generally accepted valuation models that can be verified by auditors on the basis of the probable realisable value.
6. UCITS or undertakings for collective investment (UCIs) shall be valued at the last determined and available net asset value. If redemption of units is suspended or if there is no redemption right for closed-end UCIs or no redemption prices are set, these units shall be valued at their respective market value, as determined by the management company in good faith and in accordance with generally accepted valuation models that can be verified by auditors.
7. If no market price is available for the respective assets, these assets, as well as the other legally permissible assets, are valued at their fair market value as determined by the management company in good faith and in accordance with generally accepted valuation models that can be verified by auditors on the basis of the probable realisable sales value.
8. Cash and cash equivalents are valued at their nominal value plus accrued interest.
9. The market value of securities and other investments denominated in a currency other than the respective fund currency shall be converted into the corresponding fund currency at the last exchange rate.

The valuation is carried out by the management company.

The management company is entitled to apply other appropriate valuation principles to the fund assets from time to time if the above valuation criteria appear impossible or impractical due to exceptional circumstances. In the event of large redemption requests, the management company may value the fund assets on the basis of the prices at which the necessary sales of securities are likely to be made. In this case, the same calculation method shall be used for issue and redemption requests submitted at the same time.

## Art. 7 Issue of units

Shares are issued on each valuation day (issue date) at the net asset value per share of the corresponding share class of the UCITS, plus any issue premium, plus any taxes and duties.

The units are not represented by certificates.

Subscription applications must be submitted to the custodian by the latest acceptance deadline. If a subscription application is received after the acceptance deadline, it will be registered for the following issue date. For applications placed with distributors in domestic and abroad, earlier closing times for the submission of applications may apply to ensure timely forwarding to the custodian in Liechtenstein. These can be obtained from the respective distributors.

Information on the issue date, the cut-off time and the amount of any maximum front-end load can be found in Appendix A, "UCITS at a glance".

Payment must be received within the period specified in Appendix A "UCITS at a glance" after the valuation date (issue date).

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

All taxes and duties incurred in connection with the issue of shares will also be charged to the investor. If shares are purchased through banks that are not authorised to distribute the shares, it cannot be ruled out that such banks will charge additional transaction costs.

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

The minimum investment that must be held by an investor in a particular share class of an UCITS is specified in Appendix A, "UCITS at a glance". The minimum investment may be waived at the discretion of the management company.

At the request of an investor and with the consent of the management company, shares may also be subscribed in exchange for the transfer of investments at the respective daily rate (contribution in kind or payment in specie). The management company is not obliged to accept such a request.

Contributions in kind must be examined and evaluated by the management company on the basis of objective criteria. The transferred investments must be consistent with the investment policy of the UCITS and, in the opinion of the management company, there must be a current investment interest in the securities. The value of the contribution in kind must be verified by the auditor. All costs incurred in this connection ( , including the auditor's fees, other expenses and any taxes and duties) shall be borne by the investor concerned and may not be charged to the fund assets.

The management company may also decide to suspend the issue of units in whole or in part if new investments could impair the achievement of the investment objective.

The custodian and/or the management company and/or the distributor may reject a subscription application at any time or temporarily restrict, suspend or permanently discontinue the issue of units if this appears necessary in the interests of investors, in the public interest or to protect the management company or the UCITS or investors. In this case, the custodian shall immediately refund any payments received for subscription

applications that have not already been executed, without interest, if necessary with the assistance of the paying agents.

Trading may be suspended in cases covered by Art. 12.

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

Shares are redeemed on each valuation day (redemption day) at the net asset value per share of the relevant share class of the UCITS, less any redemption fees and any taxes and duties.

Redemption requests must be received by the custodian by the latest cut-off time. If a redemption request is received after the cut-off time, it will be recorded for the following redemption day. For requests placed with distributors in Liechtenstein and abroad, earlier cut-off times for the submission of requests may apply to ensure timely forwarding to the custodian in Liechtenstein. These can be obtained from the respective distributor.

Information on the redemption date, the valuation interval, the cut-off time and the amount of any maximum redemption levy can be found in Appendix A "UCITS at a glance".

As it is necessary to ensure that the UCITS has an adequate proportion of liquid assets, shares will be paid out within the period specified in Appendix A, "UCITS at a glance", after the valuation date (redemption date). This does not apply if the transfer of the redemption amount proves impossible due to legal requirements such as foreign exchange and transfer restrictions or due to other circumstances beyond the control of the custodian.

If, at the investor's request, payment is to be made in a currency other than the currency in which the relevant units are issued, the amount to be paid shall be calculated on the basis of the proceeds of the conversion from the reference currency into the payment currency, less any fees and charges.

The relevant share shall expire upon payment of the redemption price.

No payments in kind are permitted.

The management company and/or custodian may redeem shares against the will of the investor in return for payment of the redemption price if this appears necessary in the interests or for the protection of the investors, the management company, the custodian or one or more UCITS, in particular if

1. there is a suspicion that the respective investor is engaging in "market timing", "late trading" or other market techniques that could harm the investors as a whole by acquiring the shares,
2. the investor does not meet the conditions for acquiring the units, or
3. the shares are distributed in a country in which the respective UCITS is not authorised for distribution or have been acquired by a person who is not permitted to acquire the shares.

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

If the execution of a redemption request results in the holdings of the investor concerned falling below the minimum investment for the relevant share class of the UCITS as

specified in Appendix A "UCITS at a glance", the management company may, without further notice to the investor, treat this redemption request as a request for redemption of all units held by the relevant investor in this unit class or as a request for conversion of the remaining units into another unit class of the same UCITS with the same reference currency whose participation requirements the investor meets.

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

## Art. 9 Conversion of units

Shares may only be converted into another UCITS or another share class if the investor meets the conditions for the direct purchase of shares in the UCITS or the respective share class.

If different share classes are offered, shares in one share class may also be converted into shares in another share class, both within the same UCITS and from one UCITS to another. No conversion fee will be charged for conversions within the same UCITS. If a conversion of shares is not possible for certain UCITS or share classes, this will be mentioned for the UCITS or share class concerned in Appendix A "UCITS at a glance".

The number of shares into which the investor wishes to convert their holding is calculated using the following formula:

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

- A = Number of units of the new UCITS or share class into which the conversion is to be made
- B = Number of units of the UCITS or any unit class from which the conversion is to be made
- C = Net asset value or redemption price of the units presented for conversion
- D = Exchange rate between the UCITS or share classes involved. If both UCITS or share classes are denominated in the same currency, this coefficient is 1.
- E = Net asset value of the units of the UCITS or any unit class into which the conversion is to be made, plus taxes, fees or other charges

In individual countries, duties, taxes and stamp duties may be payable in connection with a UCITS switch or share class switch.

The management company may reject a conversion request for a UCITS or a share class at any time if this appears necessary in the interests of the UCITS, the management company or the investors, in particular if:

1. there is a suspicion that the respective investor is engaging in market timing, late trading or other market techniques that could harm the investors as a whole by acquiring the shares;
2. the investor does not meet the conditions for acquiring the shares; or
3. the units are distributed in a country in which the respective UCITS or unit class is not authorised for distribution or have been acquired by a person who is not permitted to acquire the units.

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

## **Art. 10 Late trading and market timing**

If there is any suspicion that an applicant is engaging in late trading or market timing, the management company and/or the custodian will refuse to accept the subscription, conversion or redemption request until the applicant has removed any doubts regarding their request.

### **Late trading**

Late trading refers to the acceptance of a subscription, conversion or redemption order received after the cut-off time for orders on the relevant day and its execution at the price based on the net asset value applicable on that day. Late trading allows an investor to profit from knowledge of events or information that was published after the cut-off time for orders but is not yet reflected in the price at which the investor's order is settled. This investor therefore has an advantage over investors who complied with the official cut-off time. This investor's advantage is even greater if they can combine late trading with market timing.

### **Market timing**

Market timing refers to the arbitrage technique whereby an investor systematically subscribes to and resells or converts shares of the same class of a UCITS in the short term, exploiting time differences and/or errors or weaknesses in the system used to calculate the net asset value of the UCITS share class.

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

The management company shall ensure that the domestic distributors undertake to the management company to comply with the provisions of the Due Diligence Act and the associated Due Diligence Ordinance applicable in the Principality of Liechtenstein and the guidelines of the FMA in their currently valid version.

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

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

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

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

1. if a market on which a significant portion of the assets of the UCITS are valued is closed or if trading on such a market is restricted or suspended;
2. in the event of political, economic or other emergencies; or
3. if restrictions on the transfer of assets make transactions for the UCITS impracticable.

The suspension of the calculation of the net asset value of a UCITS shall not affect the calculation of the net asset value of the other UCITS if none of the above conditions apply to the other UCITS.

The management company may also decide to suspend the issue of units in whole or in part if new investments could impair the achievement of the investment objective.

The issue of units shall be suspended in particular if the calculation of the net asset value per unit is suspended. If the issue of units is suspended, investors shall be informed immediately of the reason for and the date of the suspension by means of a notice in the publication organ and in the media specified in the prospectus and the fund contract or by means of a durable medium (letter, fax, email or similar).

In addition, the management company is entitled, in the interests of investors, to defer significant redemptions, i.e. to temporarily suspend redemptions, until the relevant assets of the UCITS can be sold without delay in the interests of investors.

As long as the redemption of units is suspended, no new units of this UCITS will be issued. Units whose redemption is temporarily restricted cannot be converted. The temporary suspension of the redemption of units of a UCITS does not result in the temporary suspension of the redemption of other UCITS that are not affected by the events in question.

The management company shall ensure that sufficient liquid funds are available in the fund assets so that units can be redeemed or converted at the request of investors without delay under normal circumstances.

The management company shall notify the FMA and, in an appropriate manner, the investors without delay of the suspension of the redemption and payment of shares. Subscription, redemption or conversion requests shall be settled after the calculation of the net asset value of the sub-fund has been resumed. Investors may revoke their subscription, redemption or conversion requests until trading in shares is resumed.

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

The units of the UCITS are not authorised for distribution in all countries of the world. The provisions applicable in the country of issue apply to the issue, redemption and conversion of units abroad. Details can be found in the prospectus.

## **II. Structural measures**

### **Art. 14**

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

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

Up to five working days before the planned transfer date, investors have the option of either redeeming their units without a redemption fee or exchanging their units for units in another UCITS that is also managed by the management company and has a similar investment policy to the UCITS being merged.

On the transfer date, the values of the transferring and receiving special fund or UCITS are calculated, the exchange ratio is determined and the entire process is audited by the auditor. The exchange ratio is determined based on the ratio of the net asset values of the transferred and receiving special fund at the time of the transfer. Investors receive the number of units in the new special fund that corresponds to the value of their units in the transferring special fund. It is also possible for investors in the transferring special fund to be paid up to 10 per cent of the value of their units in cash. If the merger takes place during the current financial year of the transferring special fund, its management company must prepare a report on the transfer date that meets the requirements for an annual report.

The management company shall announce in the UCITS' publication medium, the website of the LAFV Liechtenstein Investment Fund Association [www.lafv.li](http://www.lafv.li), if the UCITS has acquired another UCITS and the merger has become effective. If the UCITS ceases to exist as a result of a merger, the management company managing the acquiring or newly established UCITS shall make the announcement.

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

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

Investors will be informed of the planned merger. The investor information must enable investors to make an informed judgement on the implications of the merger for their investment and the exercise of their rights under Articles 44 and 45 UCITSG.

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

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

Legal, advisory or administrative costs associated with the preparation and implementation of the merger shall not be charged to any of the UCITS involved in the merger or to investors.

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

If an UCITS is a master UCITS, a merger will only take effect if the UCITS concerned provides its investors and the competent authorities of the home Member State of its feeder UCITS with the information required by law at least 60 days before the proposed effective date. In this case, the UCITS in question shall also give the feeder UCITS the option of redeeming or paying out all units before the merger takes effect, unless the competent authority of the feeder UCITS' home Member State approves the investment in units of the master UCITS resulting from the merger.

### III. Winding up of the UCITS, its UCITS and share classes

#### Art. 17 In general

The provisions governing the dissolution of the UCITS also apply to its UCITS and share classes.

#### Art. 18 Decision to dissolve

The UCITS or one of its UCITS or share classes must be dissolved in the cases provided for by law. In addition, the management company is entitled to dissolve the UCITS or individual UCITS or a single share class at any time.

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

The resolution to dissolve a UCITS or a share class shall be published on the website of the LAFV Liechtenstein Investment Fund Association ([www.lafv.li](http://www.lafv.li)) as the UCITS' publication medium and in other media and permanent data carriers (letter, fax, email or similar) specified in the prospectus. No shares will be issued, exchanged or redeemed from the date of the resolution to dissolve the fund.

Upon dissolution of the UCITS, the management company may liquidate the assets of the UCITS immediately in the best interests of the investors. In all other respects, the UCITS shall be liquidated in accordance with the provisions of Liechtenstein law on persons and companies (PGR).

If the management company dissolves a share class without dissolving the UCITS, all shares in that class shall be redeemed at their then current net asset value. This redemption shall be published by the management company and the redemption price shall be paid by the custodian to the former investors.

#### Art. 19 Reasons for dissolution

If the net assets of the UCITS fall below the level necessary for economically efficient management, or in the event of a significant change in the political, economic or monetary environment, or as part of a rationalisation process, the management company may decide to redeem or cancel all units of the UCITS or a unit class at the net asset value (taking into account the actual realisation prices and realisation costs of the investments) on the valuation date on which the relevant decision takes effect.

#### Art. 20 Costs of dissolution

The costs of dissolution shall be borne by the net assets of the UCITS.

#### Art. 21 Winding up and bankruptcy of the management company or the custodian

In the event of the management company's dissolution or bankruptcy, the assets managed for the purpose of collective investment on behalf of investors shall not form part of the management company's bankruptcy estate and shall not be liquidated together with the management company's own assets. The UCITS shall form a special fund for the benefit of its investors. Each special fund shall be transferred to another management company with the consent of the FMA or liquidated by way of separate satisfaction in favour of the investors of the UCITS.

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

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

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

### **IV. Creation of share classes and sub-funds**

#### **Art. 23 Formation of share classes**

The management company may form several share classes for the UCITS. The formation of share classes is permitted at any time and is at the discretion of the management company. The prospectus and the trust agreement, including fund-specific Appendix A "UCITS at a glance", must be amended accordingly.

#### **Art. 24 Characteristics of share classes**

Share classes may be formed for the UCITS that differ from the existing share classes in terms of the appropriation of income, the front-end load, the reference currency and the use of currency hedging transactions, the management fee, the minimum investment amount or a combination of these characteristics. However, the rights of investors who have acquired shares in existing share classes remain unaffected.

The share classes established in connection with the UCITS and the fees and remuneration arising in connection with the units of the UCITS are listed in Appendix A, "UCITS at a glance".

#### **Art. 25 Formation of sub-funds**

The UCITS is not an umbrella structure and therefore there are no sub-funds. The management company may decide at any time to convert the UCITS into an umbrella structure and thus establish sub-funds. The prospectus and the trust agreement, including the fund-specific Appendix A "UCITS at a glance", must be amended accordingly.

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

The management company may implement all structural measures provided for in Art. 14 ff. of this trust agreement.

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

#### **Art. 27 Investment policy**

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

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

## Art. 28 General investment principles and restrictions

The fund assets are invested in accordance with the principle of risk diversification within the meaning of the UCITS rules and in accordance with the investment policy principles described below and within the investment restrictions.

## Art. 29 Permitted investments

The fund assets may only be invested on behalf of its investors in one or more of the following assets:

1. Securities and money market instruments:
  - a) listed or traded on a regulated market within the meaning of Article 4(1)(21) of Directive 2014/65/EU;
  - b) which are traded on another regulated market of an EEA member state that is recognised, open to the public and functions properly;
  - c) are officially listed on a stock exchange in a third country or traded on another market worldwide that is recognised, open to the public and operates in an orderly manner.
2. Securities from new issues, provided that:
  - a) the terms of issue contain an obligation to apply for admission to official listing or trading on one of the stock exchanges mentioned in points 1 a) to c) or on a regulated market regulated by one of these stock exchanges, and
  - b) such admission is obtained at the latest within one year of the issue.
3. Shares in UCITS and other collective investment undertakings comparable to UCITS within the meaning of Article 3(1)(17) of the UCITS Directive, provided that, according to their constitutional documents, they may invest no more than 10% of their assets in shares of another UCITS or comparable collective investment undertakings;
4. Demand deposits or deposits with a maturity of no more than twelve months with credit institutions that have their registered office in an EEA member state or a third country whose supervisory law is equivalent to that of the EEA;
5. Derivatives whose underlying assets are investment assets within the meaning of this article or financial indices, interest rates, exchange rates or currencies. In the case of transactions in OTC derivatives, the counterparties must be supervised institutions belonging to a category approved by the FMA and the OTC derivatives must be subject to reliable and verifiable valuation on a daily basis and be capable of being sold, liquidated or offset by a counter-transaction at any time at the initiative of the UCITS at an appropriate fair value;
6. Money market instruments not traded on a regulated market, provided that the issuer or issuer of these instruments is subject to deposit and investor protection rules, provided that they are:
  - a) issued or guaranteed by a central government, regional or local authority or the central bank of an EEA Member State, the European Central Bank, the Community or the European Investment Bank, a third country or, if it is a federal state, a member state of the federation, or by an international body governed by public law to which at least one EEA Member State belongs;
  - b) issued by an entity whose securities are traded on the regulated markets referred to in point (a);
  - c) issued or guaranteed by an institution subject to supervision in accordance with the criteria laid down in EEA law or by an institution whose supervisory law is equivalent to EEA law and which complies with that law; or

- d) issued by an issuer belonging to a category approved by the FMA, provided that investor protection rules equivalent to those set out in letters a) to c) apply to investments in these instruments and the issuer is either an undertaking with equity capital of at least EUR 10 million and prepares its annual financial statements in accordance with the provisions of Directive 78/660/EEC, as implemented in Liechtenstein by PGR, or is a legal entity belonging to a group that is responsible for financing the group of companies with at least one listed company or is a legal entity that is to finance the securitisation of liabilities by using a credit line granted by a bank.

7. The management company may also hold liquid assets.

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

The management company may not:

1. invest more than 10% of the assets per UCITS in securities and money market instruments other than those specified in Art. 29;
2. acquire precious metals or certificates representing precious metals;
3. engage in uncovered short selling.

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

The total risk associated with derivatives may not exceed the total net value of the fund's assets. The UCITS or the UCITS may, as part of its investment policy, invest in derivatives within the limits set out in Article 53 of the UCITS Directive. The market value of the underlying assets, the default risk, future market fluctuations and the liquidation period of the positions are taken into account when calculating this risk. The UCITS may invest in derivatives as part of its investment policy and within the limits set out in Article 53 UCITS, provided that the total risk of the underlying assets does not exceed the investment limits set out in Article 54 UCITS.

Provided that investor protection and the public interest are not prejudiced, investments of the OGA in index-based derivatives are not to be taken into account in relation to the limits set out in Article 54 UCITSG.

If a derivative is embedded in a security or money market instrument, it must be taken into account for the purposes of compliance with the provisions of Article 54 UCITSG.

With the approval of the FMA, the management company may use techniques and instruments relating to securities and money market instruments for the efficient management of portfolios in compliance with the provisions of the UCITSG.

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

### **Art. 32 investment limits**

#### **A. The following investment limits must be observed for the fund assets individually:**

1. The fund assets may invest a maximum of 5% of its assets in securities or money market instruments of the same issuer and a maximum of 20% of its assets in deposits of the same issuer.
2. The default risk arising from transactions by the UCITS in OTC derivatives with a credit institution as counterparty that is domiciled in an EEA Member State or a

third country whose supervisory law is equivalent to that of the EEA may not exceed 10% of the UCITS' assets; for other counterparties, the maximum default risk is 5% of the assets.

3. Provided that the total value of the securities and money market instruments of issuers in which the UCITS invests more than 5% of its assets does not exceed 40% of its assets, the issuer limit of 5% referred to in point 1 is increased to 10%. The 40% limit does not apply to deposits or transactions in OTC derivatives with supervised financial institutions. If the increase is utilised, the securities and money market instruments referred to in section 5 and the debt securities referred to in section 6 are not taken into account.
4. Notwithstanding the individual limits set out in sections 1 and 2, a UCITS may not combine the following if this would result in an investment of more than 20% of its assets in the same institution:
  - a) securities or money market instruments issued by that institution;
  - b) deposits with that institution;
  - c) OTC derivatives acquired by this institution.
5. If the securities or money market instruments are issued or guaranteed by an EEA Member State or its local authorities, by a third country or by an international institution governed by public law to which at least one EEA Member State belongs, the 5% limit referred to in point 1 shall be increased to a maximum of 35%.
6. If debt securities are issued by a credit institution with its registered office in an EEA member state which, under statutory provisions designed to protect the holders of such debt securities, is subject to special public supervision and, in particular, is required to invest the proceeds from the issue of such debt securities in assets which, throughout the life of the debt securities, adequately cover the liabilities arising therefrom and are primarily intended for the repayment of the principal and interest payable in the event of the issuer's default, the limit of 5% specified in paragraph 1 shall be raised to a maximum of 25%. In this case, the total value of the investments may not exceed 80% of the assets of the UCITS.
7.
  - a. The limits specified in points 1 to 6 may not be cumulated. The maximum issuer limit is 35% of the fund assets.
  - b. In the event of an exemption granted by the FMA, this limit may also exceed 35%. This must be clearly stated in the prospectus and in any advertising.
8. Companies belonging to the same group of undertakings shall be considered as a single issuer for the purposes of calculating the investment limits provided for in this Article. For investments in securities and money market instruments of the same group of undertakings, the issuer limit shall be increased to 20% of the assets of the UCITS.
9. A UCITS may invest a maximum of 10% of its assets in units of other UCITS or other collective investment undertakings comparable to UCITS.
10. The UCITS may subscribe for, acquire and/or hold units to be issued or issued by one or more other UCITS, provided that:
  - ◆ the target UCITS does not itself invest in the UCITS investing in that target UCITS; and
  - ◆ the proportion of the assets which the target UCITS intends to acquire, in accordance with its prospectus or its constituent documents, may be

- invested in units of other target UCITS of the same UCITS-like collective investment undertaking, does not exceed 10%; and
  - ◆ the voting rights attached to the securities concerned are suspended for as long as they are held by the UCITS concerned, notwithstanding any appropriate disclosure in the financial statements and periodic reports; and
  - ◆ in any event, the value of these securities is taken into account in the calculation of the net asset value of the UCITS imposed by the UCITS for the purpose of verifying the minimum net asset value in accordance with UCITS, as long as these securities are held by the UCITS; and
  - ◆ there is no double counting of fees for the issue or redemption of units, either at the level of the UCITS that has invested in the target UCITS or at the level of the target UCITS.
11. If the investments referred to in point 9 constitute a significant portion of the assets of the UCITS, the fund-specific Appendix A "UCITS at a glance" must disclose the maximum amount and the annual report must disclose the maximum proportion of management fees to be borne by the UCITS itself and by the UCITS or collective investment undertakings referred to in point 9 whose units have been acquired.
  12. If units are managed directly or indirectly by the management company or by a company with which the management company is linked by common management, control or qualifying participation, neither the management company nor the other company may charge fees for the issue or redemption of units to or from the fund's assets.
  13. A management company shall not acquire for any UCITS it manages voting shares of the same issuer with which it can exercise significant influence over the management of the issuer. Significant influence is presumed to exist if the management company holds 10% or more of the voting rights of the issuer. If a lower threshold applies in another EEA member state for the acquisition of voting shares of the same issuer, this threshold shall be decisive for the management company when it acquires shares of an issuer domiciled in that EEA member state for a UCITS.
  14. For the fund assets, financial instruments of the same issuer may not exceed:
    - a) 10% of the share capital of the issuer, insofar as non-voting shares are concerned;
    - b) 10% of the total nominal amount of the issuer's debt securities or money market instruments in issue, insofar as debt securities or money market instruments are concerned. This limit need not be observed if the total nominal amount cannot be determined at the time of acquisition;
    - c) 25% of the shares of the same entity are acquired, insofar as shares of other UCITS or entities comparable to UCITS are affected. This specific limit does not have to be observed if the net amount cannot be determined at the time of acquisition.
  15. Paragraphs 13 and 14 shall not apply:
    - a) to securities and money market instruments issued or guaranteed by a government issuer;
    - b) to shares held by a UCITS in the capital of a third-country company which invests its assets primarily in securities issued by issuers resident in that third country, if such a holding is the only way for the UCITS to invest in securities issued by issuers in that country under the laws of that third country. In this case, the requirements of the UCITS Directive must be observed;
    - c) shares held by management companies in the capital of their subsidiaries which, in the country of establishment, organise the repurchase of shares at the request of investors exclusively for the management company.

In addition to the restrictions listed in Art. 32, letter A, items 1–15, any further restrictions in Appendix A, “UCITS at a glance”, must be observed.

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

1. The fund assets do not have to comply with the investment limits when exercising subscription rights from securities or money market instruments that form part of its assets.
2. If the specified limits are exceeded, the fund assets must, when selling, aim as a priority to normalise this situation, taking into account the interests of the investors.
3. UCITS may deviate from the investment limits set out in this section "Investment policy" within the first six months after their initialisation. Articles 29 and 30 remain unaffected by this exception and must be complied with at all times. The requirement for risk diversification must continue to be observed.

**C. Active breaches of investment limits:**

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

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

As specified in Art. 29 (5) of this fund Contract, the management company may, under the conditions and within the limits laid down by law, use special techniques and financial instruments whose underlying assets are securities, money market instruments and other financial instruments as a central element in achieving the investment policy for each UCITS.

The management company must use a **risk management procedure** that allows it to monitor and measure the risk associated with the investment positions and their respective share of the overall risk profile of the investment portfolio at all times; it must also use a procedure that allows for a precise and independent valuation of the value of OTC derivatives. The management company must provide the FMA with reports at least once a year containing information that gives a true and fair view of the derivatives used for each UCITS managed, the underlying risks, the investment limits and the methods used to estimate the risks associated with derivative transactions.

The management company is also permitted, subject to the conditions and limits set by the FMA, to use techniques and instruments relating to transferable securities and money market instruments, provided that the use of such techniques and instruments is in the interests of the efficient management of the portfolio. If these transactions involve the use of derivatives, the conditions and limits must comply with the provisions of the UCITS Directive.

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

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

The management company may, as part of its investment strategy in accordance with Art. 29(5), invest in derivatives, provided that the total risk of the underlying assets does not exceed the investment limits set out in Art. 32 "Investment limits". Investments of a UCITS in index-based derivatives do not have to be taken into account in the investment limits set out in Article 32 "Investment limits".

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

The management company does not engage in securities lending transactions.

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

### **Art. 33 Joint management**

In order to reduce operating and administrative costs and at the same time enable broader diversification of investments, the management company may decide to manage some or all of the assets of one or more UCITS jointly with assets belonging to other collective investment undertakings.

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

## **VI. Costs and fees**

### **Art. 34 Ongoing fees**

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

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

The management company receives remuneration for the administration of the UCITS in accordance with Appendix A, "UCITS at a glance". In addition, the management company may receive remuneration in accordance with Appendix A "UCITS at a glance" for investment decisions (asset management and investment advice), risk management and distribution. These fees are calculated on the basis of the average net fund assets or the corresponding share class at each valuation and are deducted from the fund assets retrospectively on a quarterly basis. The fees of the UCITS or the respective share class are set out in Appendix A "UCITS at a glance". The management company is free to set different management fees for one or more share classes.

These also include portfolio management fees that may be paid to third parties for the referral and management of investors.

##### **Custodian**

The custodian receives remuneration for its activities from the assets of the UCITS in accordance with Appendix A "UCITS at a glance". The custodian's fee is calculated on the basis of the average net assets of the UCITS or the relevant share class at each valuation and deducted from the UCITS' assets on a quarterly basis. The management company is free to determine different custodian fees for one or more share classes.

Any compensation for third parties commissioned is included in the fees pursuant to Art. 34 of this fund contract.

## B. Expenses not dependent on assets (individual expenses)

In addition to the remuneration specified in the preceding paragraphs, the following expenses not dependent on the assets may be charged to the assets of the UCITS:

- ◆ Costs for the audit of the UCITS by the auditor and fees for tax advisors, insofar as these expenses are incurred in the interests of the investors;
- ◆ Fees and costs for approvals and supervision of the UCITS in Liechtenstein and abroad;
- ◆ all taxes levied on the assets of the UCITS and its income and expenses at the expense of the fund assets;
- ◆ Fees, costs and remuneration in connection with the determination and publication of tax factors for the countries of the EU/EEA and/or all countries where distribution licences exist and/or private placements are available, in accordance with the actual expenses incurred at market rates;
- ◆ any taxes arising in connection with the costs of administration and custody;
- ◆ Costs for the preparation, printing and distribution of annual and semi-annual reports and other publications required by law;
- ◆ Costs for the publication of UCITS notices to investors in the official publications and any additional newspapers or electronic media designated by the management company, including price publications;
- ◆ costs incurred in connection with the fulfilment of the requirements and follow-up obligations for the distribution of units in domestic and abroad (e.g. fees for paying agents, agents and other representatives with comparable functions, fees for fund platforms (e.g. listing fees, set-up fees, etc.), consulting, legal and translation costs);
- ◆ Costs and expenses for regular reports and reporting, including to insurance companies, pension funds and other financial services companies (e.g. GroMiKV, Solvency II, VAG, MiFID II, ESG/SRI reports or sustainability ratings, etc.);
- ◆ Costs for the preparation or amendment, translation, filing, printing and distribution of the prospectus and the constituent documents (fund contract, PRIIP-KID, SRRI/SRI calculation, etc.) in the countries in which the shares are distributed;
- ◆ Costs incurred in connection with the obtaining, maintenance and termination of stock exchange listings of the shares;
- ◆ Costs for determining and announcing the basis of taxation and certifying that the tax information has been determined in accordance with the rules of the respective foreign tax law;
- ◆ Expenses in connection with the exercise of voting rights or creditor rights by the UCITS, including fees for external advisors;
- ◆ Administrative fees and reimbursement of costs incurred by government agencies;
- ◆ Costs for legal and legal representation and for tax advice incurred by the management company or the custodian when acting in the interests of the investors of the UCITS;
- ◆ Internal and external costs for the recovery of foreign withholding taxes, insofar as these can be recovered on behalf of the UCITS. With regard to the recovery of

foreign withholding taxes, it should be noted that the management company is not obliged to reclaim such taxes and will only do so if the procedure is justified on the basis of the materiality of the amounts and the proportionality of the costs in relation to the amount that can be reclaimed. With regard to investments that are subject to securities lending, the management company will not reclaim any withholding taxes.

- ◆ Costs for the credit assessment of the fund assets or their target investments by nationally or internationally recognised rating agencies;
- ◆ a reasonable share of the costs of printed matter and advertising directly related to the offering and sale of units;
- ◆ Fees and costs arising from other legal or regulatory requirements to be met by the management company in connection with the implementation of the investment strategy (such as reporting and other costs incurred in connection with compliance with the European Market Infrastructure Regulation (EMIR, EU Regulation 648/2012));
- ◆ Research costs
- ◆ External costs for assessing the sustainability ratings (ESG research) of the UCITS' assets or its target investments;
- ◆ Licence fees for the use of any reference values ("benchmarks");
- ◆ Costs for setting up and maintaining additional counterparties if this is in the interests of investors;

The applicable amount of expenses per UCITS is stated in the semi-annual and annual reports.

#### **Transaction costs**

In addition, the UCITS bears all incidental costs arising from the management of the assets for the purchase and sale of investments (market-based brokerage fees, commissions, duties) as well as all taxes levied on the assets of the UCITS and its income and expenses (e.g. withholding taxes on foreign income). The UCITS also bears any external costs, i.e. fees charged by third parties in connection with the purchase and sale of investments. These costs are charged directly to the acquisition or sale value of the investments concerned.

#### **Any costs for currency hedging of share classes**

Any costs incurred for currency hedging of share classes are allocated to the relevant share class.

#### **Service fee**

Any periodic service fees for additional services provided by the custodian can be found in Appendix A, "UCITS at a glance".

#### **Liquidation fees**

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

#### **Extraordinary disposition costs**

In addition, the management company may charge the fund assets for costs incurred in connection with extraordinary transactions. Extraordinary transaction costs comprise expenses that are incurred exclusively in the interests of investors, arise in the course of normal business activities and were not foreseeable at the time the UCITS or the UCITS was

established. Extraordinary disposition costs are, in particular, costs incurred for legal compliance in the interests of the UCITS or the UCITS or the investors. In addition, all costs of any extraordinary dispositions that may become necessary in accordance with the UCITS Act and the UCITS Regulation (e.g. amendment of the fund documents, etc.) are included here.

#### **Donations**

In connection with the acquisition and disposal of assets and rights for the UCITS, the management company, the custodian and any agents shall ensure that, in particular, gifts are directly or indirectly for the benefit of the UCITS. The custodian is entitled to retain a maximum of 30% of the gifts as a retention fee.

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

The total ongoing fees before any performance-related expenses (total expense ratio before performance fee; TER) are calculated in accordance with the general principles set out in the rules of conduct and include all costs and fees charged to the fund assets on an ongoing basis, with the exception of transaction costs. The TER of the UCITS or the respective share class must be disclosed in the semi-annual and annual reports and published on the website of the LAFV Liechtenstein Investment Fund Association at [www.lafv.li](http://www.lafv.li) when the next semi-annual or annual report is published.

#### **Art. 35 Costs borne by investors**

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

#### **Art. 36 Performance fee**

In addition, the management company may charge a performance fee. If a performance fee is charged, this is detailed in Appendix A, "UCITS at a glance".

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

The costs of establishing the UCITS and the initial issue of units shall be borne by the UCITS and amortised over three years.

### **VII. Final provisions**

#### **Art. 38 Use of income**

The realised profit of a UCITS consists of the net income and the net capital gains realised. The net income consists of income from interest and/or dividends and other or remaining income received, less expenses.

The management company may distribute the net income and/or net realised capital gains of an UCITS or a share class to the investors of the UCITS or the relevant share class, or reinvest (reinvest) this net income and/or these net realised capital gains in the UCITS or the relevant share class or carry them forward to new accounts.

The net income and net realised capital gains of those share classes that are subject to distribution in accordance with Appendix A "UCITS at a glance" may be distributed in full or in part on an annual basis or more frequently.

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

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

### **Art. 39 Use of reference values ("benchmarks")**

In accordance with the provisions of Regulation (EU) 2016/1011 of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of collective investment undertakings, supervised entities (such as UCITS management companies and AIFMs) may use benchmarks within the meaning of the Benchmarks Regulation in the EU if the benchmark is provided by an administrator who is registered in the Register of Administrators and Benchmarks. may use benchmarks within the meaning of the Benchmarks Regulation in the EU if the benchmark is provided by an administrator listed in the register of administrators and benchmarks maintained by ESMA in accordance with the Benchmarks Regulation (the "Register").

Benchmarks may be used by the UCITS in the key information documents ("**PRIIP KID**") and in any marketing documents as a reference for comparison purposes in order to measure the performance of the UCITS. The UCITS is actively managed and the asset manager is therefore free to decide which securities to invest in. As a result, performance may differ significantly from that of the benchmark. The benchmark index, if used by the management company or the asset manager on its behalf, is specified in Appendix A "UCITS at a glance".

The benchmark index may change over time. In this case, the prospectus and Appendix A "UCITS Profile" of the constituent documents will be updated at the next opportunity and investors will be informed by notice in the publication medium and in the media specified in the prospectus or by means of a durable medium (letter, fax, email or similar).

In addition, the UCITS may use benchmarks when calculating performance-related fees. Detailed information on any performance-related fees (performance fees) can be found in section 12.2 of the prospectus and Article 36 of the fund contract, as well as in Appendix A, "UCITS at a glance".

The management company accepts no liability for the quality, accuracy or completeness of the data of a benchmark index, nor for the fact that the respective benchmark index is managed in accordance with the index methods described.

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

### **Art. 40 Incentives**

The management company reserves the right to grant inducements to third parties for the provision of services. Such inducements are generally based on the commissions, fees, etc. charged and/or the assets/asset components placed with the management company. Their amount corresponds to a percentage of the respective basis of assessment. Upon request, the management company will disclose further details of the agreements concluded with third parties at any time. The investor hereby expressly waives any further right to information from the management company; in particular, the management company is not obliged to provide a detailed statement of the benefits actually paid.

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

#### **Art. 41 Information for investors**

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

All communications to investors, including changes to the fund contract and Appendix A "UCITS at a glance", are published on the website of the LAFV Liechtenstein Investment Fund Association ([www.lafv.li](http://www.lafv.li)) as the UCITS's publication medium and in other media and data carriers specified in the prospectus.

The net asset value and the issue and redemption price of the units of the UCITS or a unit class shall be announced on each valuation day in the above-mentioned publication medium of the UCITS and in other media and durable data carriers (letter, fax, email or similar) specified in the prospectus.

The annual report, which is audited by an auditor, and the semi-annual report, which does not have to be audited, are made available to investors free of charge at the registered office of the management company and the custodian.

#### **Art. 42 Reports**

The management company shall prepare an audited annual report and a semi-annual report for each UCITS in accordance with the legal provisions of the Principality of Liechtenstein.

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

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

Additional audited and unaudited interim reports may be prepared.

### **Art. 43 Financial year**

The financial year of the UCITS begins on 1 January of each year and ends on 31 December of the same year. Appendix A, "UCITS at a glance", indicates whether the first financial year is an extended or shortened financial year.

### **Art. 44 Amendments to the fund contract**

This fund contract may be amended or supplemented in whole or in part by the management company at any time.

Amendments to the fund contract require the prior approval of the FMA.

### **Art. 45 Limitation**

Claims by investors against the management company, the liquidator, the trustee or the custodian shall become time-barred five years after the occurrence of the damage, but no later than one year after the redemption of the unit or after knowledge of the damage.

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

The UCITS is governed by Liechtenstein law. The exclusive place of jurisdiction for all disputes between investors, the management company and the custodian is Vaduz.

However, the management company and/or the custodian may submit themselves and the UCITS to the jurisdiction of the countries in which units are offered and sold with regard to claims by investors from these countries. Mandatory provisions of law to the contrary remain reserved.

The German language is the legally binding language of this fund contract.

### **Art. 47 General**

In all other respects, reference is made to the provisions of the UCITSG, the provisions of the ABGB, the provisions of the Persons and Companies Act (PGR) on trusteeship and the general provisions of the PGR in their currently valid versions.

### **Art. 48 Entry**

This fund contract shall enter into force on 2 July 2025.

Schaan/Vaduz, 2 July 2025

**The management company:**

IFM Independent Fund Management Aktiengesellschaft, Schaan

**The custodian:**

Liechtensteinische Landesbank AG, Vaduz

# Appendix A: Overview of UCITS

The Fund contract and this Appendix A "UCITS overview" form an integral whole and therefore complement each other.

## UCITS: ANDES Latin American Bond Fund

### A The UCITS at a glance

Share classes				
Key data and information on the UCITS and its share classes				
	Share classes of the UCITS			
Share classes <sup>1</sup>	USD-A	USD-B	USD-C	USD-D
ISIN number	LI1458622670	LI1458622688	LI1458622696	LI1458622704
Securities number	145,862,267	145,862,268	145,862,269	145,862,270
Suitable as a UCITS target fund	Yes	Yes	Yes	Yes
SFDR classification	Article 6			
Duration of the UCITS	Indefinite			
Listing	No			
Accounting currency of the UCITS	US dollar (USD)			
Reference currency of the share classes	US (dollar)	US dollar (USD)	US dollar (USD)	US dollar (USD)
Minimum investment	None	None	None	None
Initial issue price	USD 1,000	USD 1,000	USD 1,000	USD 1,000
Initial subscription date	31.07.2025	open	open	31.07.2025
Liberation (first value date)	05.08.2025	open	open	05.08.2025
<sup>2</sup> al valuation date (T)	Monday to Friday			
Assessment interval	Daily			
Issue and return day	Every valuation day			
Value date Issue and redemption day (T+2)	Two banking days after calculation of the net asset value (NAV)			
Cut-off time for share transactions (T-1)	The day before the valuation day by 4 p.m. (CET) at the latest			
Denomination	Three decimal places			
Securitisation	book entry / no certificates issued			
Financial year	31 December			
End of the first financial year	31 December			
Appropriation of profits	capitalised	capitalised	capitalised	thesauring

<sup>1</sup> The currency risks of the share class denominated in CHF may be hedged in whole or in part.

<sup>2</sup> If the valuation date falls on a bank holiday in Liechtenstein, the valuation date will be moved to the next banking day in Liechtenstein.

Costs borne by investors				
	Share classes of the UCITS			
Share classes	USD-A	USD-B	USD-C	USD-D
Max. front-end load <sup>3</sup>	3	2	1	None
Redemption fee in favour of the fund assets	None	None	None	None
Conversion fee when switching from one share class to another	None	None	None	None

Costs borne by the assets of the UCITS <sup>45</sup>				
	Share classes of the UCITS			
Share classes	USD-A	USD-B	USD-C	USD-D
Max. fee for investment decisions, risk management and distribution <sup>36</sup>	1.40% p.a.	1.40% p.a.	1.40%	0.90% p.a.
Max. fee for administration <sup>3</sup>	0.20% p.a. or min. CHF 40,000 p.a. plus CHF 5,000 per share class from the second share class onwards			
Max. custodian fee <sup>3</sup>	0.075% p.a. or min. CHF 10,000 p.a., plus a service fee of CHF 420 per quarter			
Performance fee	None	None	None	None

Use of benchmarks				
	Share classes of the UCITS			
Share classes	USD-A	USD-B	USD-C	USD-D
Benchmark	The UCITS does not use a benchmark.			

## B Transfer of responsibilities

### a) Asset manager

Osiris Asset Management AG, Austrasse 52, FL-9490 Vaduz, acts as the asset manager for the UCITS.

### b) Distributor

Osiris Asset Management AG, Austrasse 52, FL-9490 Vaduz, acts as the distributor for the UCITS. Austrasse 52, FL-9490 Vaduz.

## C Investment advisor

No investment advisor has been appointed.

## D Custodian

The custodian for this UCITS is Liechtensteinische Landesbank AG, Städtle 44, FL-9490 Vaduz.

## E Auditor

Grant Thornton AG, Bahnhofstrasse 15, FL-9494 Schaan, has been appointed as auditor for the UCITS.

<sup>3</sup> The commission or fee actually charged will be reported in the semi-annual and annual reports.

<sup>4</sup> Plus taxes and other costs and fees: Transaction costs and expenses incurred by the management company and the custodian in the performance of their functions. Details can be found in sections 10 (Tax regulations) and 11.2 (Costs and fees payable by the UCITS) of the prospectus.

<sup>5</sup> In the event of the dissolution of the UCITS, the management company may charge a liquidation fee of up to CHF 10,000 in its favour.

<sup>6</sup> plus any VAT.

## F Investment principles of the UCITS

The following provisions govern the fund-specific investment principles of **the ANDES Latin American Bond Fund**.

### a) Investment objective and investment policy

The investment objective of **the ANDES Latin American Bond Fund** is primarily to generate high current income and to achieve the highest possible total return by investing in securities and other investments in accordance with the principle of risk diversification, as described below. This is an actively managed UCITS with no reference to a benchmark. **No assurance can be given that the investment objective will be achieved.**

The assets of the UCITS are invested **primarily** (at least 51% of its assets) in fixed and/or variable-rate **debt securities and debt claims** (bonds, annuities, notes, zero bonds, floating rate notes, debentures, option bonds, convertible bonds, etc.) with above-average interest rates ("**high yield bonds**") issued by private, mixed-economy and public-sector issuers domiciled in **South America (Argentina, Brazil, Bolivia, Chile, Ecuador, Colombia, Peru, Paraguay, Uruguay, Venezuela, etc.) etc.)** or conduct the majority of their main economic activity in **South America (Latin America)** or, as holding companies, hold the majority of their holdings in companies based in South America.

High-yield bonds are high-interest bonds which, with the exception of perpetual bonds (bonds with no maturity), are mostly issued for a fixed period. However, the opportunities arising from the higher interest rates compared to government bonds are offset by corresponding risks. Non-investment grade bonds and unrated securities of comparable credit quality ("junk bonds") have a more risky financial situation than other debtors and are subject to an increased risk that the issuers will not be able to meet their principal and interest obligations. In addition, these securities may involve increased liquidity risks.

The UCITS invests primarily in corporate bonds, debt securities and debt claims of issuers in **South America (Latin America)** and in debt securities or bonds issued or guaranteed by governments in South America (Latin America) or their authorities or institutions and their local authorities and which do not have an investment grade rating or are unrated securities of comparable credit quality (junk bonds). In addition to South America, the UCITS is also permitted to hold debt securities and debt claims of issuers in Central America (Mexico, Belize, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica and Panama) and other emerging markets. The UCITS is also authorised to invest in other debt securities and debt claims that the asset manager considers suitable. Furthermore, the UCITS may acquire distressed bonds if, in the opinion of the asset manager, this is consistent with the UCITS' investment objective.

The average maturity of the UCITS securities will vary depending on the asset manager's assessment of economic and market conditions. As with all debt securities, changes in interest rates will affect the value of the Fund's assets insofar as falling interest rates will generally cause the prices of debt securities to rise and rising interest rates will generally cause the prices of debt securities to fall. Price fluctuations are generally higher for long-term debt securities, as they are more sensitive to interest rate changes than short-term debt securities.

Changes in the creditworthiness of debt securities affect the value of the UCITS' assets in that, when the creditworthiness of an issuer improves, the prices of its debt securities generally rise, and when the creditworthiness of an issuer deteriorates, the prices of its debt securities generally fall.

Furthermore, the UCITS is permitted to invest up to a maximum of 15% of its assets in equity securities and rights (shares, cooperative shares, participation certificates, profit participation certificates, etc.).

The UCITS may hold up to 49% of its assets in sight deposits or deposits with a maturity of no more than twelve months. In special, justifiable cases, these may temporarily exceed 49% if and to the extent that this appears necessary in the interests of the unit holders.

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

The UCITS is not subject to any restrictions on currency allocation. The proportion of the UCITS' assets invested in securities denominated in currencies other than US dollars will vary depending on market conditions. In order to minimise currency risk, assets that are not denominated in the UCITS' accounting currency may be hedged on a temporary or permanent basis.

For efficient management, the management company may use derivative financial instruments on securities, equity and bond indices, currencies, volatility and exchange-traded funds, as well as forward exchange transactions and swaps, provided that such transactions do not deviate from the investment objective of the UCITS and comply with the "General Investment Principles and Restrictions" set out in Section V of the fund contract.

The UCITS is also authorised to invest in other permitted investments within the investment limits set out in Section V of the fund contract, "General investment principles and restrictions".

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

**Fixed-income securities with above-average interest rates (high-yield bonds) in which the UCITS invest tend to have lower liquidity and lower credit ratings. Furthermore, the solvency of various issuers of such securities may be uncertain, both with regard to the principal amount and interest payments, and no assurance can be given that individual issuers will not become insolvent.**

**The returns on non-investment grade securities are higher than those on first-class debt instruments. However, the risk of loss is also greater. The higher returns should be regarded as compensation for the fact that investments in this type of asset carry a higher risk of loss.**

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

**The fund-specific risks in section H of this appendix and the general risks in section 7.2 of the prospectus must be observed.**

**b) Accounting/reference currency**

The invoice currency of the UCITS and the reference currency per share class are specified in section A of this appendix, "UCITS at a glance".

The invoice currency is the currency in which the UCITS' accounts are kept. The reference currency is the currency in which the performance and net asset value

of the share classes are calculated. Investments are made in the currencies that are best suited to the performance of the UCITS.

**c) Profile of the typical investor**

The **ANDES Latin American Bond Fund** is suitable for long-term, risk-tolerant investors who wish to benefit from the potential of the high-yield capital market in **South America (Latin America)** through a broadly diversified bond portfolio and who want to achieve higher returns than can be expected from conventional bond investments. However, the higher returns of the individual investments are offset by higher risks of loss, and it cannot be ruled out that individual debtors may become insolvent. Although the broad diversification of investments across many debtors and several sectors reduces the risks, exposure to the high-yield segment requires a higher risk appetite. It should be noted that investments in these UCITS should only be held as an addition to a portfolio.

**G Valuation**

Valuation is carried out by the management company.

**H Risks and risk profiles of the UCITS**

**a) Fund-specific risks**

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

**Fixed-income securities with above-average interest rates (high-yield bonds) in which the UCITS invest tend to have lower liquidity and lower credit ratings. Furthermore, the solvency of various issuers of such securities may be uncertain, both with regard to the principal amount and interest payments, and no assurance can be given that individual issuers will not become insolvent.**

Due to the fact that the **ANDES Latin American Bond Fund** invests most of its assets in high-yield bonds issued by South American companies (Latin America), this type of investment is primarily exposed to issuer risk, which may have a negative impact on the unit value. Non-investment grade bonds and unrated securities of comparable credit quality (junk bonds) are subject to an increased risk that the issuers will not be able to meet their principal and interest obligations. In addition, these securities may involve increased liquidity risks.

Due to the possibility of investing in high-yield bonds from emerging markets in South America, this type of investment involves additional risks compared to bonds from developed countries. These risks are primarily related to the economic and political development process that some of these countries are undergoing. In addition, these are markets with low market capitalisation, which tend to be volatile and illiquid. Furthermore, the past performance of these markets does not provide any indication of their future performance. Other factors (exchange rate fluctuations, stock market controls, taxes, restrictions on foreign capital investments and capital repatriation, etc.) may also affect the marketability of the securities and the resulting income, and it cannot be ruled out that these factors may have a significant impact on the solvency of some issuers or even lead to their insolvency. Furthermore, the accounting, auditing and reporting standards, practices and disclosure requirements applicable to these companies may differ from those customary in major international financial centres.

In addition, the UCITS is also exposed to interest rate, inflation and currency risks. The use of derivative financial instruments that are not used for hedging purposes may result in increased risks.

**The returns on non-investment grade securities are higher than those on first-class debt instruments. However, the risk of loss is also greater in this case. The higher returns should be regarded as compensation for the fact that investments in this segment involve a higher risk of loss.**

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

**b) General risks**

In addition to fund-specific risks, the UCITS' investments may be subject to general risks. An illustrative but not exhaustive list can be found in section 8.2 of the prospectus.

**I Costs reimbursed by the UCITS**

An overview of the costs reimbursed by the UCITS can be found in the table "UCITS key information" in section A of this Appendix A "UCITS at a glance".

**J Performance fee**

No performance fee is applicable.

Schaan/Vaduz, 2 July 2025

**The management company:**

IFM Independent Fund Management Aktiengesellschaft, Schaan

**The custodian:**

Liechtensteinische Landesbank AG, Vaduz

# Appendix B: Specific information for individual distribution countries

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## Information for qualified investors in Switzerland

This fund (collective investment scheme) may only be offered in Switzerland **to qualified investors** in accordance with Art. 10 of the Collective Investment Schemes Act (CISA).

### 1. Representative

The representative in Switzerland is LLB Swiss Investment AG, Bahnhofstrasse 74, CH-8001 Zurich.

### 2. Paying agent

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

### 3. Where to obtain the relevant documents

The prospectus, the fund contract, the key information documents (PRIIP KIDs) and the annual and semi-annual reports can be obtained free of charge from the representative and the paying agent in Switzerland.

### 4. Payment of retrocessions and rebates

#### 4.1 Retrocessions

The management company and its agents as well as the custodian may pay retrocessions to cover the distribution and brokerage activities of fund units in Switzerland or from Switzerland. Distribution and brokerage activities include, in particular, any activity aimed at promoting the distribution or brokerage of fund units, such as organising road shows, participating in events and trade fairs, producing advertising material, training sales staff, etc.

Retrocessions are not considered discounts, even if they are ultimately passed on to investors in whole or in part.

The disclosure of the receipt of retrocessions is governed by the relevant provisions of the FID-LEG.

#### 4.2 Discounts

The management company and its agents may, upon request, pay discounts directly to investors in connection with distribution in Switzerland. Discounts serve to reduce the fees and/or costs attributable to the investors concerned. Discounts are permissible provided that they

- ◆ are paid from the management company's fees and therefore do not place an additional burden on the fund assets;
- ◆ are granted on the basis of objective criteria;
- ◆ are granted to all investors who meet the objective criteria and request discounts, under the same conditions and to the same extent.

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

- ◆ The volume subscribed by the investor or the total volume held by the investor in the collective investment scheme or, where applicable, in the promoter's product range;
- ◆ the amount of fees generated by the investor;
- ◆ the investment behaviour of the investor (e.g. expected investment period);

At the investor's request, the management company shall disclose the corresponding amount of discounts free of charge.

### 5. Place of performance and jurisdiction

For shares offered in Switzerland, the place of performance is the registered office of the authorised representative of the management company ( ). The place of jurisdiction is the registered office of the authorised representative or the registered office or place of residence of the investor.

# Information for qualified investors in Italy

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

# Appendix C: Regulatory disclosure

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## Conflicts of interest

The following conflicts of interest may arise in relation to the UCITS:

The interests of investors may conflict with the following interests:

- ◆ The interests of the management company and its closely linked undertakings and persons
- ◆ The interests of the management company and its clients
- ◆ The interests of the management company and its investors
- ◆ The interests of the various investors of the management company
- ◆ the interests of an investor and a fund
- ◆ Interests of two funds
- ◆ Interests of the management company's employees

Circumstances or relationships that may give rise to conflicts of interest include, in particular:

- ◆ Incentive systems for employees
- ◆ Employee transactions
- ◆ Reallocations within the UCITS
- ◆ Positive presentation of fund performance
- ◆ Transactions between the management company and the funds it manages or individual portfolios
- ◆ Transactions between funds and/or individual portfolios managed by the management company
- ◆ Combination of multiple orders (so-called "block trades")
- ◆ Commissioning of closely related companies and persons
- ◆ Individual investments of significant size
- ◆ High turnover of assets (so-called "frequent trading")
- ◆ Setting of the cut-off time
- ◆ Suspension of share redemption
- ◆ IPO allocation
- ◆ Greenwashing

In order to deal with conflicts of interest, the management company implements the following organisational and administrative measures to avoid and, where necessary, resolve, identify, prevent, monitor and disclose conflicts of interest:

- ◆ Existence of a compliance department that monitors compliance with laws and regulations and to which conflicts of interest must be reported
- ◆ Disclosure obligations
- ◆ Organisational measures such as
  - Assignment of responsibilities to prevent improper influence
  - Rules of conduct for employees with regard to employee transactions
  - Rules of conduct regarding the acceptance and granting of gifts, invitations, other benefits and donations
  - Prohibition of insider trading
  - Prohibition of front and parallel running
- ◆ Establishment of a remuneration policy and practice
- ◆ Principles for taking customer interests into account
- ◆ Principles for monitoring the agreed investment guidelines
- ◆ Principles for the execution of trading decisions (best execution policy)
- ◆ Principles for allocating partial executions
- ◆ Establishment of order acceptance times (cut-off times)

## Handling of complaints

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

The management company's complaints policy and the procedure for handling complaints from investors can be accessed free of charge on the management company's website at [www.ifm.li](http://www.ifm.li).

## Principles of voting policy at general meetings

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

In individual transactions, the management company is free to decide whether to exercise the shareholder and creditor rights for the respective fund assets itself, to delegate their exercise to the custodian or a third party, or to waive their exercise.

Unless expressly instructed by the management company, the respective custodian is authorised, but not obliged, to exercise the rights arising from the investments as a shareholder, co-owner, etc.

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

Voting rights shall be exercised actively in particular in cases where there is a clearly identified need to protect the interests of investors. Voting rights must only be exercised if sustainable interests are affected. If the share positions concerned do not represent a significant proportion of the market capitalisation, no sustainable interests are affected.

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

When exercising voting rights, the management company shall take into account the interests of the investors in the assets of the UCITS and ensure that the exercise of voting rights is consistent with the objectives of the investment policy of the assets concerned.

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

## Best execution of trading decisions

The management company must act in the best interests of the funds it manages when executing trading decisions in the management of its portfolios.

The management company shall take all reasonable steps to obtain the best possible result for the funds, taking into account the price, costs, speed of execution, likelihood of execution and settlement, size, nature of the order and other aspects relevant to the execution of the order (best execution).

Insofar as the asset managers are authorised to execute transactions, they are contractually bound to apply the relevant best execution principles, unless they are already subject to the relevant laws and regulations on best execution.

The principles for the execution of trading decisions (best execution policy) are available to investors on the management company's website at [www.ifm.li](http://www.ifm.li).

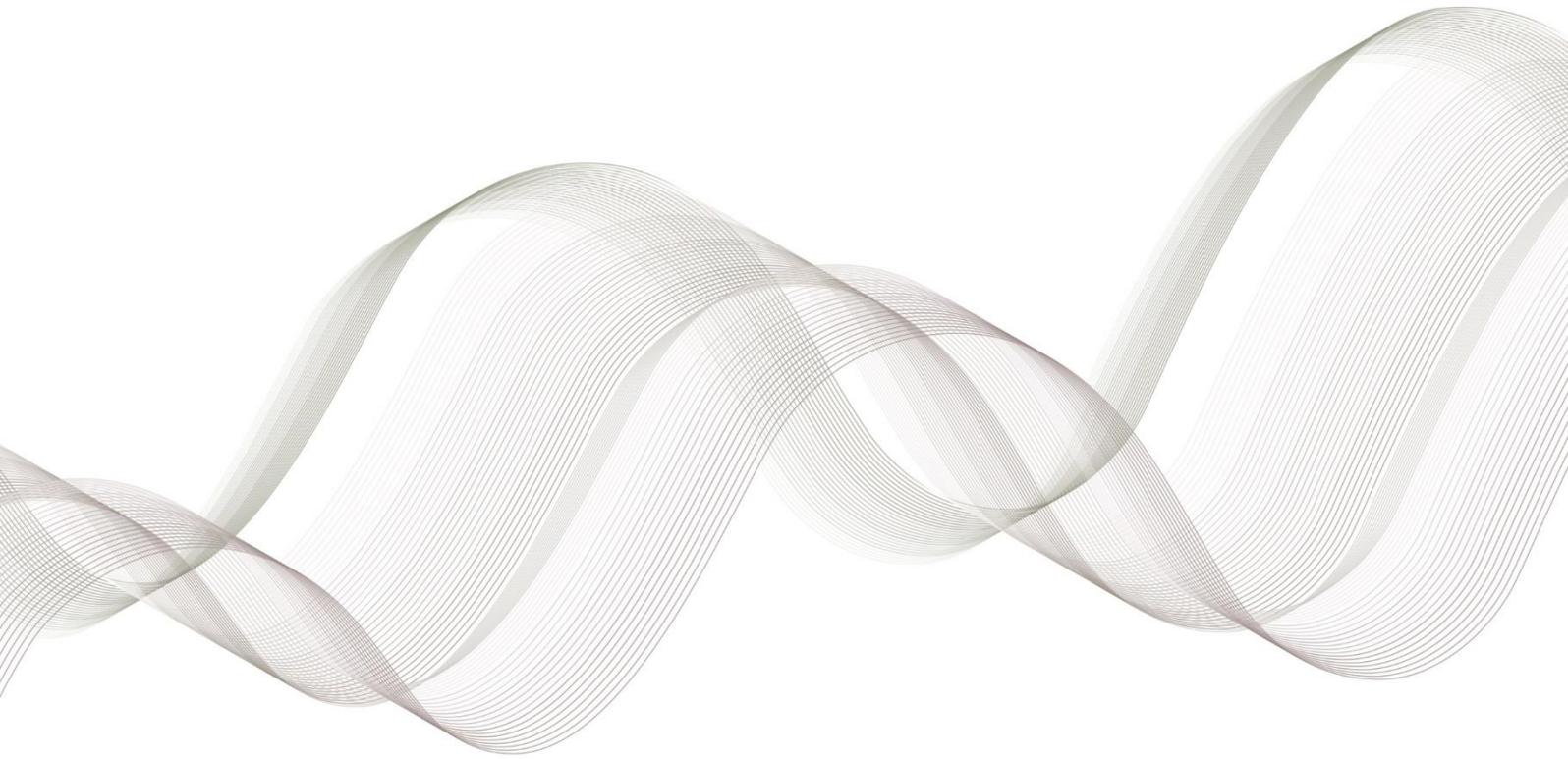
## Remuneration principles and practices

IFM Independent Fund Management AG ("IFM") is subject to the regulatory requirements applicable to management companies under the Law on Undertakings for Collective Investment in Transferable Securities (UCITS) and to AIFMs under the Law on Alternative Investment Fund Managers (AIFMG) with regard to the design of its remuneration principles and practices. IFM has set out the detailed structure in an internal directive on remuneration policy and practices, the aim of which is to ensure a sustainable remuneration system that avoids misguided incentives to take excessive risks. IFM's remuneration principles and practices are reviewed at least once a year by the members of the Board of Directors to ensure that they are appropriate and comply with all legal requirements. They include fixed and variable (performance-related) remuneration components.

IFM has established a remuneration policy that is consistent with its business and risk policy. In particular, no incentives are created to take excessive risks. Remuneration for the implementation and execution of the sustainability strategy is included in the fixed salary component of the Sustainability Officer. The calculation of performance-related remuneration takes into account either the overall results of IFM and/or the personal performance of the employee concerned and their department. The targets set in the personal performance appraisal focus in particular on sustainable business development and protecting the company from excessive risks. The variable remuneration components are not linked to the performance of the funds managed by IFM. Voluntary employer benefits in kind or non-cash benefits are permitted.

The setting of ranges for total remuneration also ensures that there is no significant dependence on variable remuneration and that there is an appropriate ratio of variable to fixed remuneration. The amount of the fixed salary component is structured in such a way that an employee can cover their living expenses with the fixed salary component alone if they are employed full-time (taking into account market-based salaries). The members of the Executive Board and the Chairman of the Board of Directors have the final say in the allocation of variable remuneration. The Chairman of the Board of Directors is responsible for reviewing the remuneration principles and practices.

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



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