Statute

**MeLion Capital SICAV, a.s.**

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| Effective from | 1/9/2021 |
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1. **Definitions**
   1. Unless specified otherwise below, the terms set forth in this statute have the meaning defined in the Fund’s Articles of Association.
   2. For the purposes of this statute (hereinafter referred to as the “**Statute**”), the terms used in this Statute below with capital first letters have the following meaning:

“**Administrator”** is the party authorised to perform company administration pursuant to Section 38, AICIF, who performs this activity for the Fund based on contractual provisions, as defined in Art. 4 of this Statute.

“**Shareholder**” is every Fund Shareholder who is the owner of Fund founder’s shares.

“**Auditor**” is the Company providing the Fund with auditing services, as defined in Art. 3 of this Statute.

“**CNB**” is the Czech National Bank, registered office at Na Příkopě 28, post code: 115 03, Prague 1, Czech Republic, telephone: +420 800 160 170, e-mail address: [podatelna@cnb.cz](mailto:podatelna@cnb.cz), website: [www.cnb.cz](http://www.cnb.cz/).

“**Depository**” is the company performing depository activities for the Fund, as defined in Art. 5 of this Statute.

**“Date of crediting the monetary amount to the Fund account”** is the date of crediting the financial resources paid by the Investor to the Fund account opened for this purpose with the Fund’s depository. Upon fulfilment of the obligation by offsetting against due receivables pursuant to Section 1982 et seq., CC, respectively Section 21(3), BCA, this date is the effective date of the agreement on offsetting mutual receivables.

**“Distribution Ratio”** is the value of the share of the Investment Share Class issued for the Fund to the Fund’s Investment Capital determined on the basis of the rules stipulated in the Articles of Association and Statute.

“**EUR**” is the euro, the legal currency of the Eurozone.

“**Fund**” means **MeLion Capital SICAV, a.s**., as defined in Art. 2 of this Statute.

**“Investment Shares”** are the Investment Shares issued for the Fund, as defined in the Articles of Association and in Art. 14 of this Statute, unless it follows otherwise from the text of this Statute.

“**Investment Fund Capital**” are the assets and debts from the Fund’s investment activity pursuant to Section 164(1), AICIF.

“**Investment Company**” is the Fund manager, as defined in Art. 4 of this Statute.

“**Investor**” is every Shareholder in the Fund who is the owner of Investment Shares issued by the Fund.

“**CZK**”is the Czech koruna, the legal currency of the Czech Republic.

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**Qualified Investor**” is a qualified Investor pursuant to Section 272, AICIF.

“**Regulation**” is Government Regulation No. 243/2013 Coll., on the investing of investment funds and techniques for their management, as amended.

**“Real Estate”** is immovable property in the meaning of Section 498(1) and Section 3055, CC (in particular land, substantive right to land, a right declared to be real estate by the law and any structure attached to the ground by firm foundations, which through effect of the Civil Code has not become a part of the land on which it is built).

**“Real Estate Company”** is a capital commercial company pursuant to the BCA or a comparable legal entity pursuant to Czech laws or the laws of a foreign country, whose subject of activity is primarily the acquisition of Real Estate, management of Real Estate, lease of Real Estate and paid transfer of ownership rights to Real Estate, for the purpose of generating a profit.

**“Manager”** is the party authorised to manage the Company’s assets pursuant to Section 5, AICIF, which performs this activity for the Fund based on contractual provisions, as defined in Art. 4 of this Statute.

“**CC**” is Act No. 89/2012 Coll., Civil Code, as amended.

“**Business Day**” is every day (except Saturday, Sunday and legally recognised public holidays) when banks are open for regular business in the Czech Republic.

“**Articles of Association**” are the current Articles of Association of the Fund effective as at the date of adopting the Statute.

“**Class**” is the type of Investment Share pursuant to Section 276, BCA, respectively Section 167(1), AICIF, i.e. an Investment Share associated with the same rights.

“**Participation**” is the Fund’s asset participation and the ensuing rights and obligations in capital commercial companies pursuant to the BCA or comparable legal entities pursuant to Czech law or the laws of a foreign country.

“**Decree on Data Reporting**” is Decree No. 249/2013 Coll., on the reporting of data by the manager and administrator of an investment fund and foreign investment fund.

“**AICIF**” is in particular Act No. 240/2013 Coll., on investment companies and investment funds, as amended.

“**BCA**” is Act No. 90/2012 Coll., on commercial companies and cooperatives (Business Corporations Act), as amended.

**“Act on Transformations”** is Act No. 125/2008 Coll., on the transformation of commercial companies and cooperatives, as amended.

1. **Fund**
   1. Basic data:
2. Commercial name: **MeLion Capital SICAV, a.s.**
3. Registered office: náměstí 14. října 642/17, 150 00 Praha 5
4. Company ID No.: 09146156
5. The Fund is incorporated in the commercial register kept by the Municipal Court in Prague, Section B, File 25302.
   1. The value of subscribed registered capital of the Fund is **CZK 100,000** (in words: one hundred thousand Czech korunas). The value of recorded registered capital corresponds to the value of subscribed founders’ shares. The Fund’s registered capital is equal to its fund capital.
   2. Date of Fund establishment: 7 May 2020 The Fund is established by incorporation in the commercial register.
   3. Registration date of the Fund in the list of investment funds with legal personality kept by the CNB pursuant to Section 597(1)(a), AICIF: 30 April 2020
   4. The Fund is established for an indefinite term.
   5. The Fund is a qualified Investors’ fund, which in the meaning of Section 95(1), AICIF, collects monetary resources or property appraisable with money from multiple Qualified Investors by issuing subscriber securities, and conducts collective investment of the collected monetary resources or property appraisable with money based on the designated investment strategy in favour of these Qualified Investors, and also manages these assets.
   6. Identification of the Fund website: www.melioncapitalfund.com
   7. As at the date of approval of this Statute, the Fund did not belong to any consolidation group.
   8. The Fund does not use the services of a primary supporter.
   9. An expert committee in the meaning of Section 284(3), AICIF, is not established.
   10. Investments into the Fund may be publicly offered. This does not affect the obligation to offer investments only to Qualified Investors.
   11. The fund does not create sub-funds.
6. **Auditor**
   1. Basic data:
7. Commercial name: BDO Audit s.r.o.
8. Registered office: V Parku 2316/12 Prague 4 – Chodov 148 00 Czech Republic
9. Company ID No. 453 14 381
10. Auditor certification number: 018
    1. Auditor’s activities vis-à-vis the Fund:
11. verification of the Fund’s financial statements pursuant to Section 187, AICIF;
12. statement on compliance of the Fund’s annual report with its financial statements pursuant to Section 292, AICIF.

1. **Manager and Administrator** 
   1. Basic data of the Manager (Investment company):
2. Commercial name: CARDUUS Asset Management, investiční společnost, a.s.
3. Registered office: náměstí 14. října 642/17, Smíchov, 150 00 Prague 5
4. Company ID No. 04113721
   1. The decision on permission of activity of the Investment Company is the decision of the CNB, Ref. No. S-Sp-2014/00295/CNB/571 dated 15 May 2015, which came into legal force on 16 May 2015.
   2. The investment Company is registered in the list of investment companies kept by the CNB pursuant to Section 596(a), AICIF.
   3. The investment Company is the sole member of the statutory body of the Fund in accordance with Section 9(1) and (2), AICIF. The investment Company appoints an authorised representative in accordance with Section 154(5), AICIF.
   4. Activities of the Investment Company vis-à-vis the Fund:
5. management of Fund assets:
   1. Fund asset management,
   2. risk management;
   3. The Manager is allowed to authorise another party to perform the individual activities set forth in this Statute whilst exercising professional care and under the conditions stipulated by the Act. The party authorised to perform the individual activities set forth in this Statute is allowed to authorise another party to perform one or more of the tasks within this activity. The costs for performing the individual activities set forth in this Statute, ensured by authorising another party, are paid from the Fund Assets related to its investment activity.

Management of the Fund is performed only by the Investment Company and is not entrusted to any other party, even in part.

* 1. Basic data of the Administrator:

1. Commercial name: AMISTA investiční společnost, a.s.
2. Registered office: Pobřežní 620/3, Praha 8, PSČ 186 00
3. Company ID No. 27437558
   1. The decision on permission of activity of the Investment Company is the decision of the CNB, Ref. No. 41/N/69/2006/9 dated 19 September 2006, which came into legal force on 20 September 2006. For this reason, after the entry into force of the Act, the administrator was entered in the list kept by the CNB pursuant to Section 596(a) of the Act.
   2. The administration of the Fund includes in particular:
   3. accounting administration;
   4. provision of legal services;
   5. compliance and internal audit;
   6. handling complaints and claims from Investors;
   7. appraisal of Fund assets and debts in the scope stipulated by this Statute;
   8. calculation of the present value of Fund shares;
   9. ensuring fulfilment of obligations related to taxes, fees or other similar monetary fulfilment;
   10. administration of a list of owners of shares issued by the Fund;
   11. division and payment of yields from Fund assets;
   12. ensuring the issuing, exchange and redemption of shares issued by the Fund,
   13. compiling and updating of the Fund’s annual report;
   14. drafting and updating of key information about the Fund or comparable document pursuant to the laws of a foreign country and amendments thereto;
   15. compiling of the Fund’s promotional message;
   16. publication, disclosure and provision of data and documents to Shareholders, Investors and other parties;
   17. reporting of data and provision of documents, in particular to the CNB or overseeing authority of another member state;
   18. performance of other activities related to management of the Fund’s assets;
   19. division and payment of monetary fulfilment in relation to dissolving of the Fund;
   20. administration of records on issuing and redeeming shares issued by the Fund;
   21. offering of investments into the Fund.
   22. The Administrator is, after an agreement with the Manager, allowed to authorise another another party to perform the individual activities set forth in this Statute whilst exercising professional care and under conditions stipulated by the Act. The party authorised to perform the individual activities set forth in this Statute is allowed to authorise another party to perform one or more of the tasks within this activity. The costs for per

forming the individual activities set forth in this Statute, ensured by authorising another party, are paid from the Fund Assets related to its investment activity.

1. **Depository**
   1. Basic data:
      * 1. Commercial name: CYRRUS, a.s.
        2. Registered office: Veveří 3163/111, Žabovřesky, 616 00 Brno
        3. COMPANY ID NO. 639 07 020
   2. The depository is a Company entered in the list of depositories kept by the CNB pursuant to Section 596(e), AICIF.
   3. Activities of the Depository vis-à-vis the Fund:

Pursuant to Section 60, AICIF, the Depository performs activities for the Fund, in particular:

1. it is responsible for the Fund’s assets, if permitted by the nature thereof;
2. it opens and manages monetary accounts and keeps records of all movements of financial resources belonging to the Fund’s assets;
3. it records, if permitted by the nature thereof, the Fund’s assets other than those under letters (a) and (b).
   1. The Depository performs controlling activities for the Fund pursuant to Section 73, AICIF, in particular whether the following actions were performed in compliance with AICIF, directly applicable regulations of the European Union concerning the management of investment funds, this Statute and provisions of the depository agreement:
4. issuing and redemption of Investment Shares;
5. calculation of the present value of the Investment Share;
6. appraisal of Fund assets and debts;
7. payment of counter-fulfilment from transactions with this Fund Assets by the usual deadlines,
8. use of yields arising for the Fund.
   1. The Depository does not perform the activities arising from Section 73(1)(f), AICIF for the Fund.
   2. The provisions of the depository agreement do not allow the transfer or other use of Fund assets by the Depository.
   3. The activities specified in Section 71(1), AICIF, performed by the Depository, may be entrusted to another party.
9. **Principles of Fund management**
   1. The principles for managing assets in the Fund also follow from the Articles of Association. The Fund’s Assets refers to the Fund’s property.
   2. The Fund’s accounting period is stipulated as the calendar year. Potential changes in the course of the accounting period related to transformation conducted pursuant the Act on Transformations or AICIF are not thereby precluded. Approval of the Fund’s financial statements is in the capacity of the Fund’s general meeting.
   3. The Fund’s assets and liabilities are appraised at their real value. The real value of the Fund's assets and liabilities is determined at least once per calendar semester, as of the last day of the calendar semester. The method and procedures for determining the fair value of the Fund's assets and liabilities and the method for determining the current value of the Fund's investment shares are regulated by the Act and related legal regulations.
   4. In the event of a change in circumstances affecting the price of asset values owned by the Fund, based on the recommendation of the Fund’s investment committee or at the

request of all Shareholders owning Fund’s founders’ shares, the administrator shall conduct an appraisal reflecting the current circumstances affecting the price of Fund assets (hereinafter the “**extraordinary appraisal**”). Based on the extraordinary appraisal, the administrator shall also conduct “extraordinary stipulation of the present value of Investment Shares”, which together with the date of extraordinary appraisal shall be sent without undue delay to all Fund Shareholders pursuant to the rules for informing Fund Shareholders.

* 1. The Fund separates assets and debts from its investment activity from its other assets in accounting and property terms.
  2. To fulfil or satisfy the receivables of creditors or Shareholders or Investors towards the Fund, accrued in relation to its investment activity, only assets from this investment activity can be used. Assets from the Fund’s investment activity cannot be used to repay debts which are not debts from its investment activity.
  3. The Shareholder’s right to participate in the profit and liquidation balance, as well as other property rights related to Fund shares, apply always and only to the assets and debts allocated to the given type of shares, i.e. with respect to Investment Shares to assets and debts from the Fund’s investment activities, and with respect to founders’ shares to assets and debts from the Fund’s other activities.
  4. Expenses that are incurred or can be incurred in relation to Other Fund Assets may be paid only from the Fund’s assets unrelated to the Fund’s investment activity.
  5. Rules for payment from own resources

1. The Fund’s earnings from its investment activity are generated as the difference between yields from its investment activity and costs for organising the Fund’s investment activity.
2. Revenues from assets from the Fund’s investment activity will be used to cover costs, unless stipulated otherwise by generally binding legal regulations, the Articles of Association or Statute. If the Fund’s earnings in the accounting period constitute a profit from investment activity (surplus of revenues over costs of the Fund from investment activity), the profit need not be used to pay a share in profit, but may be used for reinvestment directed at increasing the assets from the Fund’s investment activity and increasing the value of individual Investment Shares. If the Fund’s earnings in the accounting period constitute a loss from investment activity (surplus of costs over revenues from investment activity), the incurred loss will be paid from the Fund’s resources from investment activity. Retained profit from investment activity in previous years will be used with priority to cover losses.
3. In accordance with the provisions of the previous paragraph, the Fund’s general meeting may decide to pay Investors a share in profit, based on a proposal from the Manager and upon prior response from the investment committee. The Investors’ share in profit is a dividend determined by the ratio of the Investor’s share in the Fund’s Investment Fund Capital allocated to the individual Investment Share Classes pursuant to this Statute as at the decisive date for applying the right to a dividend, specified for this purpose by the Articles of Association or by decision of the statutory body, if authorised by to do by decision of the general meeting. The dividend may be paid to Shareholders who own Investment Shares exclusively to

the debit of the Investment Fund Capital.

1. The Fund’s general meeting may by its own decision stipulate the criteria for existence of the claim of controlling and statutory body members to the payment of royalties.
2. The Fund’s general meeting may by its own decision stipulate the criteria for the existence of the investment committee members’ to the payment of remuneration.
   1. Use of profit from other assets:
3. The provisions and procedure under Art. 6.9 of this Statute will apply mutatis mutandis for the use of profit generated from Other Assets. Shareholders have the right to a share in profit generated from the Fund’s Other Assets. The share in profit may be paid to Shareholders exclusively to the debit of the fund capital allocated to founders’ shares.
4. **Fund’s investment objectives**
   1. The Fund’s objective is to consistently achieve the stable absolute appreciation of resources contributed by Investors, with significantly reduced volatility and declines. The Fund will invest primarily into Participations and the provision of credit and loans, whereas the yields from the Fund’s investment will be obtained primarily from the appreciation of investments into Participations, from dividends and from interest; it shall also purchase and sell secured receivables through the companies in which the Fund has Participations.

The Fund’s strategy also includes the diversification of risk based on investments into various unrelated assets values, into investment securities (shares and bonds) and securities issued by investment funds, both tradable and non-tradable on public regulated markets.

* 1. Investment into the Fund is suitable for Qualified Investors who are willing to undertake a higher degree of risk in order to achieve the corresponding appreciation of the invested funds in the medium to long term.
  2. In terms of its investment policy, the Fund is a growth investment sub-fund, which means that it generally does not use the profit to pay shares in the profit to Investors, but instead the profit is reinvested in accordance with the Fund’s investment strategy and is reflected in the increased value of Investment Shares. Therefore, Investors must be aware that they will most likely not receive any divided yields from the possession of Investment Shares. However, the Fund’s general meeting may decide about payment of a share in the Fund’s profit.

1. **Fund’s Investment Strategy**
   1. The Fund’s assets may be invested into the following types of asset values in order to achieve the investment objectives:
   2. Participations in Real Estate companies (directly and indirectly),
   3. Participations in companies (directly and indirectly) operating in the sectors:

* industrial sector,
* healthcare and research,
* financial and payment services,
* agriculture,
* engineering,
* energy,
  1. investment securities,
* domestic shares, i.e. shares issued by an issuer based in the Czech Republic,
* foreign shares, i.e. shares issued by an issuer based outside of the Czech Republic,
* from debt securities,
  1. securities issued by an investment fund or foreign investment fund,
  2. money market instruments,
  3. financial derivatives,
  4. receivables for payment of monetary resources from an account,
  5. provision of credit and loans,
  6. immovable assets,
  7. movable assets,
  8. bills not tradable on the regulated market,
  9. commodity derivatives,
  10. receivables from secondarily provided credit,

* 1. other supplementary activities with expected above-standard yields and risk within the European Union, such as Real Estate, property rights to Real Estate, trademarks, movable property, other derivatives apart from financial derivatives pursuant to AICIF, receivables not belonging to assets pursuant to Art. 8.1 of the Articles of Association, appraisable rights and rights related to the assets specified in this article.
  2. The property value pursuant to Art. 8.1(a) and (b) of this Statute may be represented by a security or book-entered security.
  3. The property values pursuant to Art. 8.1(a) through (h) always comprise more than 90% of the value of the Fund’s assets.
  4. The Fund invests less than 10% of the value of its assets into supplementary assets pursuant to Art. 8.1(l) of the Statute.
  5. Capital business corporations and/or funds in which the Fund acquires interests may have the character of temporary special-purpose vehicles established for the purpose of acquiring bank or non-bank financing and diversification of risk.
  6. The assets on which the Fund’s investment strategy is focussed may also be acquired by the Fund within transformations pursuant to the Act on Transformation, as part of the assets which are to be passed to the Fund as the successor Company based on the respective transformation project.
  7. The Fund will not follow (copy) and particular index or benchmark.
  8. The Fund will use long and short positions and the investment horizon will range from intraday to possession for several years.
  9. The Fund’s investments are not geographically concentrated.
  10. Neither the return on investment into the Fund nor the yield from such is secured or guaranteed. The fund is not a secured or guaranteed Fund and third parties do not provide the Investors with any guarantees in this regard.
  11. If using derivatives, the fund uses the method pursuant to Regulation No. 231/2013, which supplements European and Parliament Regulation No. 2011/61/EU, as concerns exceptions, general conditions of conducting activity, depositories, leverage, transparency and overseeing, as amended, to calculate total exposure.

1. **Limits**
   1. In order to ensure internal operation, the Fund is obliged to hold liquid resources worth at least CZK 500,000 with the option of temporary reduction of this amount until settlement of a specific business transaction.
   2. When managing the Fund Assets, the Manager is authorised to use leverage, but only with the prior consent of the Investment Comittee. The degree of use of leverage will not exceed 400% of the Fund’s Investment Fund Capital.
2. **Risk profile**
   1. The Manager notifies Investors that the value of the investment into the Fund may rise and fall and the return on the originally invested amount is not guaranteed. The Fund’s performance in previous periods does not guarantee the same or higher performance in the future. Investment into the Fund is intended to achieve a yield through its long-term holding, and is therefore not suitable for short-term speculation.
   2. The Fund may exploit the current situation on the market to increase exposure within a certain class of assets, which may result in a higher risk due to insufficient diversification of the portfolio.
   3. The relevant risks associated with the Fund’s investment strategy, which may affect the value of investment into the Fund, are the following in particular:
3. Risk arising from public legal regulation related to the acquisition, ownership and lease of asset values owned by the Fund or Real Estate companies or other companies, shares in which constitute a part of the Fund’s assets, in particular the imposition or increase of taxes, levies, fees and other limitations by the relevant public administrative authorities.
4. Market risk arising from the effect of changes in market development on prices and value of assets in the Fund’s assets.
5. Risk of insufficient liquidity consisting of the fact that the timely and adequate monetisation of a sufficient volume of assets designated for sale is not guaranteed. If the prompt monetisation of assets owned by the Fund or Real Estate companies or other companies, shares in which constitute a part of the Fund’s assets, is required, a certain transaction may be encumbered by additional transaction fees, or it may not be feasibly by the required deadline, or only for a loss-generating price due to the forced sale of assets. The risk is limited by diversifying the individual investments within the investment method defined by the Statute;
6. Settlement risk consisting of the fact that transactions with assets owned by the Fund or Real Estate companies or other companies, shares in which constitute a part of the Fund’s assets, may be thwarted due to the inability of the counterparty to uphold its obligations and deliver the assets or pay by the agreed deadline.
   1. Other relevant risks that may affect the value of investment into the Fund:
7. Risk of chosen composition of the Fund’s assets consisting of the fact that despite maximum efforts directed towards secure management and diversification of the Fund’s assets, the composition of assets chosen by the Manager may lead to a greater loss in value or lower growth of value of the Fund’s assets compared to other investment instruments with similar investment objectives. Simultaneously, especially during the early existence of the Fund, the individual Fund assets may constitute a substantial share in the Fund’s total assets, and the negative development of the price of one asset can have a major impact on the development of

the value of investment in the Fund;

1. Risk of unstable present value of Investment Shares due to changes in the composition or value of the Fund’s assets.
2. Risk of discrepancy of the present values of Investment Shares from the liquidation value of the Investor’s open position in the Fund due to the application of additional deductions and fees during redemption of the Investment Shares;
3. Risk related to the use of external capital to achieve the Funds investment objectives consists of the increased effect of development of market prices of assets in the Fund’s assets on the value of Investment Shares, thus potentially allowing the achievement of a higher profit but also a higher loss;
4. Risk of suspension of the redemption of Investment Shares consisting of the fact that under certain conditions, the Manager is authorised to suspend the redemption of Investment Shares, which may change the present value of Investment Shares for which redemption requests will be settled and later settlement of redemptions;
5. Risk related to the inability to repay received credit consisting of the fact that in the case of the inability of the Fund or Real Estate companies or other companies, shares in which constitute a part of the Fund’s assets, to repay debts duly and punctually, they debt may become payable in full with an agreed repayment schedule, increase of the debt by appurtenances in the form of default interest and the creditors’ costs for recovery. The manifestation of this risk may have a negative impact on the growth of debt, which is a part of the Fund’s assets, and decline in the Fund’s assets, and in extreme cases may lead to a decision to cancel the Fund;
6. Risks related to refinancing credit received to the account of the Fund or Real Estate companies or other companies, shares in which constitute a part of the Fund’s assets, consisting of the fact that the Fund or relevant company may face the risk of being unable to refinance its debts through further financing (either as credit or otherwise) or refinancing under the same or better conditions that the existing ones, or refinance through the sale of assets;
7. Risk of damage to Fund assets through natural hazards. Damage may occur to the assets of the Fund or Participation in consequence of natural hazards, e.g. floods, inundations, gas explosions or fire. This may have a negative impact on the value of the Fund’s assets.
8. Risk related to third-party liability, in particular the obligation to compensate damages caused by breaching legal or contractual obligations by the Fund. This risk may have a negative impact on the value of the Fund’s assets, as compensation of damages will be paid from the Fund’s assets, or if the party obliged to compensate damages which are to be paid in favour of the Fund fails to fulfil this obligation;
9. Risk related to the obligation to sell asset values from the Fund due to failure to fulfil the conditions related to their possession arising from legal regulations or from the Statute;
10. Risk related to the potential lower liquidity of Real Estate acquired for the purpose of resale. Real Estate may be acquired to the Fund or Real Estate companies, shares in which constitute a part of the Fund’s assets, under the stipulated conditions for the purpose of resale; or a situation may arise when the Real Estate will have to be sold from the Fund’s assets in order to preserve the minimum share of liquid assets in the Fund’s assets. Real Estate is generally a less liquid type of asset. In a specific case, it may be difficult to sell the Real Estate by the required deadline for a reasonable price. Such situation may result in sale for a lower price than the price at which the Real Estate was appraised in the Fund’s assets. This will be reflected in the reduced value of the Fund’s assets;
11. Risk of other legal defects consisting of the fact that the value of the Fund’s assets may be reduced due to legal defects in assets acquired to the assets of the Fund or Real Estate companies, shares in which constitute a part of the Fund’s assets, meaning e.g. due to the existence of third-party liens, easements, rights of lease, or pre-emptive rights.
12. Risk related to the possibility of default of the Real Estate companies, the Participation in which constitutes a part of the Fund’s assets. In consequence of this risk, the market share of the participation in the Real Estate company may decline or be devalued entirely (default of the Real Estate company), respectively its sale may become impossible;
13. Risk that the CNB will revoke the permit for the Manager’s activities, if a decision was issued on its default or if an insolvency petition was rejected because the Manager’s assets would not suffice to cover the costs of insolvency proceedings;
14. Risk that the Fund may be cancelled for reasons other than those stipulated by law. The Fund may be cancelled e.g. for economic and restructuring reasons (especially in the case of economic problems suffered by the Fund);
15. Risk related to the fact that the statutory body may at any time, with consent from the controlling body, decide to cancel the Fund and the Investor will not hold

investments in the Fund for the entire term of the intended investment horizon;

1. Risk related to the fact that in consequence of the redemption, purchase or sale of all the Investment Shares, the Investor will not hold the investment in the Fund for the entire term of the intended investment horizon. The Statute hereby expressly states that no guarantee exists nor is any guarantee provided by the Fund or Manager regarding the possibility of the Shareholder remaining in the Fund;
2. Currency risk consisting of the fact that the value of the investment may be affected by changes in the exchange rate. The Fund may hold investments in other currencies than its reference currency, and their value may thus rise or fall in con

sequence of changes in foreign exchange rates. The unfavourable fluctuation of exchange rates may result in the loss of capital;

1. Risk related to individual types of derivatives, which are to be acquired to the Fund’s account, which are essentially market risks, in particular currency and interest risk depending on the underlying asset of the derivative. In the case of financial derivatives which are not traded on European regulated markets, the Fund may also be exposed to the counterparty credit risk and settlement risk. Although the initial investment into the financial derivative may be low (or none), even a slight change in market conditions may provoke a substantial reduction or increase in the market value of the financial derivative (leverage effect) and substantial disproportion between the value of fulfilment of the individual contracting parties within the concluded financial derivative.
2. Risk related to repo transactions, consisting primarily of counterparty risk, i.e. the risk that settlement will not be conducted as expected, because the counterparty does not pay for or deliver the investment instrument by the stipulated deadline, or the risk that the issue or counterparty does not fulfil its obligation, and risk related to the unfavourable development of the underlying asset.
3. Risk of different taxation system consisting of the fact that the net investment yields of individual Investors may differ depending on the specific Investor’s tax domicile and the related application of different tax regulations and international agreements in the tax domiciles of the Investor and Fund;
4. Risk of taxation arising from the fact that the Investor may be obliged to pay taxes or other mandatory payments or fees pursuant to the laws and customs of the Czech Republic or their tax domicile, or in other relevant country given the situation, which will reduce the net yield of their investment;
5. Risk of fees and deductions arising from the fact that potential fees and deductions applied against the Investor may consequently reduce the net yield of their investment;
6. Risk of the breach of contractual obligations consisting of the fact that if the Investor breaches a contractually accepted obligation, they may be subject to a procedure in consequence of which the net yield of their Investor will be reduced, or which may be reflected in their asset sphere. For instance, an Investor who does not

disclose the respective data regarding their tax domicile may be subject to a special tax rate on the counter-fulfilment which they are to be paid.

1. Sustainability risks are events or situations in the environmental, social or governance areas which, if they occur, could have an actual or potential significant adverse effect on the value of the investment.

At present, sustainability risks are not taken into account as a separate risk category, as the risks in question are not relevant with regard to the composition of the investment fund's portfolio and investment strategy, resp. they are already

included in other risk categories. However, where relevant, sustainability risks may be assessed by the Manager and the results of the assessment may be taken into account in investment decisions, taking into account the nature of the underlying assets.

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

* 1. A consequence of the occurrence of one of the cases of risks listed in foregoing Art. 10.3 and 10.4 of this Statute above may be the delay, reduction or complete preclusion of the expected yields. Such situation may be an obstacle to covering the Fund’s own investments, or also an obstacle to the payment of liabilities towards third parties. In the case of highly unfavourable development, the Fund’s own investment will not be refunded even in the original amount, and all the invested resources may be lost.

1. **Fund’s investment method**
   1. The Manager has established the Fund’s investment committee, which is an advisory body of the Manager in matters of the implementation of the investment strategy of the Fund.
   2. The Fund’s investment committee has 3 (three) members. The members of the investment committee are appointed and recalled by the Manager’s board of directors based on the written proposal of the shareholders holding at least 50% of the founding shares. A member of the Fund's Investment Committee may be a member of the Board of Directors or another employee of the Manager, or another person who has sufficient professional knowledge and experience in investing in assets on which the Fund's investment strategy is focused.
   3. The term of office of an individual member of the Investment Committee is 10 years. A member of the Investment Committee is entitled to resign at any time on the basis of a written resignation delivered to the Chairman of the Investment Committee (if elected) and the Manager.
   4. The members of the Investment Committee are obliged to exercise professional care in the performance of their duties and to maintain the confidentiality of confidential information and facts, the disclosure of which to third parties could cause damage to the Fund. The duty of confidentiality continues even after the termination of the performance

of the function.

* 1. The Investment Committee may elect its chairman (president) and, where appropriate, vice-chairman (vice-president).
  2. The Investment Committee decides by an absolute majority of votes of all its members. The Investment Committee shall have a quorum if an absolute majority of its members

is present at the meeting. Each member of the committee has 1 (one) vote.

* 1. Meetings of the Investment Committee are held as needed. Meetings of the Investment Committee are usually convened by the chairman, but any member may also do so.
  2. If all members of the Investment Committee agree, the Investment Committee may take a decision by written vote (e-mail is also considered to be in writing) or by voting by means of communication technology outside the meeting. Voters are then considered present. The chairman of the Investment Committee shall prepare a record (signed by the chairman of the Investment Committee and the recorder) of the decision voted on pursuant to this paragraph, or this decision may be included in the record of the next meeting of the Investment Committee.
  3. The Investment Committee discusses and comments on the management of the Fund's assets and on the Fund's individual investments (at least to the extent of commenting on the relevant asset and the planned volume of the total allocation of the Fund's assets to this asset). The Investment Committee is also entitled to propose to the Manager the implementation of a specific investment.
  4. The Investment Committee in the record of voting, resp. in the record of the meeting states whether or not it recommends a specific disposition with the Fund's assets (investments); if it has any reservations about the proposed investment, on the basis of which it cannot express any of these opinions, it shall invite the submitter of the relevant investment to supplement, specify, etc., after which it shall decide on a recommendation or non-recommendation.
  5. The Manager decides on individual investments of the Fund after their discussion by the Investment Committee of the Fund according to the previous paragraph. The Manager is not obliged to make an investment recommended by the Investment Committee if it considers that it is not in accordance with the Fund's Articles of Association or a binding legal regulation, or the interests of the Fund's shareholders. However, the Manager is not entitled to realize an investment that was not explicitly recommended for implementation by the Investment Committee.

1. **Rules for acceptance and provision of credit and loans**
   1. Receive or provide loans and borrowings from or to the Fund's assets is only permitted with the prior consent of the Fund's Investment Committee.
   2. A loan or credit with a maturity not exceeding a period of 20 years may be accepted on behalf of the Fund, under conditions corresponding to the market standard. The sum of all credit and loans accepted to the Fund’s account must not exceed 400% of the value of the Investment fund capital (calculated for each individual loan or credit). The sum of

all loans and credits accepted to the Fund’s account may not exceed 400% of the value of the Investment Fund Capital and the current interest burden will take into account the rules of low capitalisation to preserve the full eligibility of interest as a tax expense for the Fund. Credit or loans may be received to the Fund Account in particular for

reasons of effective Fund liquidity management.

* 1. Fund Assets may be used secure received credit or loans, under the condition that the provision of such collateral has a positive economic impact. The provision of collateral must comply with the Fund’s overall investment strategy.
  2. Credit or loans may also be provided to the Fund’s account up to a total of 95% of the value of the Fund’s assets. Credit or loans will be provided to the Fund’s account with a maturity period not exceeding 20 years and under the usual business conditions. The preferred means (not mandatory requirement) for the provision of credit or loans from Fund assets will be the provision of adequate security (e.g. collateral transfer of rights, lien, bill of exchange, guarantor’s declaration, etc.). The maximum limit of credit and loans provided to one debtor is 95% of the value of the Fund Assets.
  3. If the credit or loan is provided to a party in which the Fund has a participation allowing the controlling of this entity, the securing of such credit or loan is not a condition for provision of the credit or loan, given the existence of the mutual controlling relationship. The Fund’s receivables from provided credit or loans vis-à-vis such party may be contractually subordinated to the receivable or receivables of another creditor or other creditors. Credit or loans to a party in which the Fund has a participation allowing the controlling of this entity shall be provided with a maturity period of no more than 25 years.
  4. Security may be provided to the Fund’s account for credit or loans received by a party in which the Fund has a Participation allowing the controlling of this party. The provision of security must comply with the Fund’s investment objectives.
  5. The Fund is authorised to issue bonds under the condition of observing the rules for providing and accepting credit and loans pursuant to this article of the Statute, including bonds convertible into Investment Shares. The exchange ratio or means of its determination are stipulated by decision of the Fund’s general meeting.

1. **Rules of concluding repo transactions and derivatives**
   1. The Fund may conclude a repo transaction if its subject is an asset value defined in Art. 8 of this Statute and if the conditions of the repo transaction comply with the Fund’s investment objectives.
   2. The Fund can conclude derivatives exclusively for the purpose of hedging the Fund’s asset value, reducing the Fund’s risk or reducing costs related to Fund asset management.
   3. Only derivatives which meet the conditions of Section 12 of the Regulation may be agreed to the Fund’s account. The Fund may conclude derivatives if:
2. they are accepted for trading on one of the markets specified in Section 3(1)(a) of the Regulation; or
3. they are agreed with a permitted counterparty in the meaning of Section 6(3) of the Regulation; or
4. they are agreed with a party in which the Fund has a participating allowing control of this party;
   1. The underlying assets of financial derivatives concluded to the Fund’s account may be:
      * 1. shares;
        2. stock indexes;
        3. interest rates;
        4. interest rate indexes;
        5. ETF and similar investment instruments;
        6. currencies in which the Fund makes investments;
        7. assets in the Fund’s property or the Fund’s liability.
5. **Securities issued for the Fund, their subscription and trading**

**Founders’ shares**

* 1. The Fund issues founder’s unit shares in the form of a **securities to order, i.e. registered shares**.
  2. The Fund founder’s shares are not accepted for trading on the regulated market, i.e. they are not quoted on any official market.
  3. The currency of the Founder’s shares is **CZK**.

###### The Administrator keeps records of the owners of founder’s shares. The Manager keeps records of book entered founding shares. The transfer of the founding share is performed by recording the book entered founding share to the account of the acquirer in the records kept by the Manager; The Manager keeps records of founding shares as a separate record of investment instruments kept in accordance with the Act governing capital market business, in which book entered founding shares of the Investment Fund are kept.

###### The transferability of Fund founder’s shares is regulated in the Articles of Association.

* 1. Founders’ shares represent the same share in the Fund’s recorded registered capital. The Fund’s recorded registered capital is divided into 100,000 Fund founders’ shares. A founders’ share is not associated with the right to its redemption to the Fund’s account. Increase or decrease of the recorded registered capital is governed by the Articles of Association, AICIF and BCA.
  2. Shareholders have all the rights associated with Fund shares allocated to them by BCA, unless stipulated otherwise by the Articles of Association, AICIF and/or this Statute within AICIF.
  3. Shareholder have in particular:

1. the right to a share in the profit from other assets, i.e. the Fund’s earnings from assets which are not a part of the assets generated from investment activity (dividend), approved by the Fund’s general meeting for distribution;
2. the right to pre-emptive subscription of new Fund founders’ shares during the increase of the Fund’s recorded registered capital, unless the Fund’s general meeting decides to preclude or limit pre-emptive rights to subscribe new founders’ shares;
3. the right to attend the Fund’s general meeting, vote at it (unless stipulated otherwise by law) request and obtain explanations of matters concerning the Fund, and the right to apply proposals and counter-proposals at the Fund’s general meeting;
4. in the case of a qualified Shareholder pursuant to Section 365, BCA, the right to ask the Fund’s statutory body to convene an extraordinary general meeting of the Fund to discuss the proposed matters;
5. the right to a share in the liquidation balance from other assets, i.e. the Fund’s earnings from assets which are not a part of the assets generated from investment activity upon dissolution of the Fund with liquidation;
6. the right to apply the Shareholder’s pre-emptive right to the founder’s shares of another Shareholder under the conditions of Section 283(2), AICIF in the case of ordering execution of a decision by sale of the Fund founder’s shares or an execution order to sell the Fund founder’s shares;
7. the Shareholder’s pre-emptive right to the founder’s shares of another Shareholder under the conditions of Section 160, AICIF;
8. the right to free provision of the current version of this Statute and the latest annual report.

**Investment Shares**

* 1. The Fund issues unit Investment Shares in the following Classes for the Fund:

### **Investment shares class “Z1”** (hereinafter referred to as “**Investment Shares Z1**”), which are book-entered registered shares. Investment shares Z1 may be acquired only by the shareholder owning the founding shares of the Fund;

### **Investment shares class “P”** (hereinafter referred to as “**Investment Shares P**”), which are book-entered registered shares;

c) **Investment shares class “V”** (hereinafter referred to as “**Investment Shares “V”**), which are book entered registered shares.

* 1. Investment Shares P and V may be accepted for trading on the regulated market and other public markets.

###### The Company keeps a list of Shareholders pursuant to Section 264, BCA, through the Administrator for issued registered shares. The Manager keeps records of Investment Shares of all Classes as a separate record of investment instruments kept in accordance with the Act governing capital market business, in which book entered shares of

###### the Investment Fund are kept.

* 1. The value of Investment Shares is expressed in euros (EUR). Investments into the fund, redemptions, purchases and sales of Investment Shares and potential payments of share in profit are carried out primarily in euros (EUR).
  2. A certain part of the Investment Fund Capital as follows from this Statute below is allocated to each Class of Investment Share. All the issued Investment Shares of a certain Class represent the same share in the respective part of the Investment Fund Capital allocated to the given Class of Investment Share.
  3. Investors have all the rights associated with the Investment Shares allocated to them by legal regulations and the Articles of Association.
  4. The owners of Investment Shares have in particular:

1. the right to be informed of the present value of the Investment Shares,
2. the right to redemption, purchase or sale of Investment Shares to the Fund’s account under the conditions stipulated in the Articles of Association and this Statute;
3. the right to a share in the Fund’s earnings from assets, generated from investment activity (dividend) and approved by the general meeting for distribution under the conditions stipulated in the Articles of Association and this Statute;
4. the right to a share in the liquidation balance from the Fund’s earnings from assets which were generated from investment activity upon dissolution of the Fund with liquidation;
5. the right to free provision of the current version of the Statute and the latest annual report.

**Transfer of Investment Shares**

* 1. The transfer of the Investment Share is performed by recording the book entered Investment Share on the account of the acquirer in the records kept by the Manager. The Manager shall ensure the registration of the new owner of the Investment Shares in the register and in the list of shareholders without undue delay upon receipt of the transfer instruction and proof that the acquirer meets the conditions set for a qualified investor.
  2. Upon death or dissolving of the Investor, its Investment Shares shall pass to its heir or legal successor.
  3. In the event of transfer of ownership right to Investment Shares, their acquirer is obliged to inform the Administrator of the change of owner without undue delay.

**Acquisition of Investment Shares**

* 1. The condition for issuing Investment Shares is the conclusion of a subscription agreement. Investment shares may be contractually acquired by a party under the conditions

stipulated in the AICIF and related legal regulations and under the conditions specified in this Statute. Investment Shares may be contractually acquired only by a Qualified Investor in the meaning of Section 272 of the Act.

* 1. The Investment Shares may be contractually acquired by a party if they invest minimally:
     + 1. EUR 125,000 (one hundred twenty-five thousand euros) or the equivalent in another currency, provided they meet the conditions of Section 272(1)(a) through (i)(1), AICIF,
       2. CZK 1,000,000 (one million Czech korunas) or the equivalent in a foreign currency, provided they meet the conditions of Section 272(1)(i)(2), AICIF,
       3. CZK 100,000 (one hundred thousand Czech korunas) or the equivalent in a foreign currency, provided they meet the conditions of Section 272(1)(h)(1) or (2), AICIF,

The value of the Investor’s minimum subsequent investment (after paying the initial investment) is EUR 10,000 (ten thousand euros).

The decisive exchange rate for the purpose of calculating the minimum invested amount is the exchange rate declared by the CNB on the decisive date in the case of subscription and on the transaction date in the case of transfer.

The invested amount in a currency other than EUR will be converted to EUR at the exchange rate declared by the CNB as at the last day of the decisive period.

* 1. To maintain the stability and credibility of the Fund, the Fund’s statutory body is authorised to decide through the board of directors which bidders it will conclude an Investment Share subscription agreement with and which ones it will not. There is no legal claim to conclude an Investment Share subscription agreement.
  2. Investment Shares may be subscribed only the basis of a public call for subscription.
  3. The investment into Investment Shares is subject to an admission fee, which will be equal to up to 7% of the investment value pursuant to the respective subscription agreement. The admission fee is an income for the Fund. The Manager is entitled to change the amount of the entry fee at any time, but is obliged to notify the Investors.
  4. The Fund issues Investment Shares for the present value of the Investment Shares, always declared retroactively for the period in which the decisive date is found, i.e. the date of crediting the financial resources paid by the Investor to the Fund’s account opened for this purpose with the Fund’s depository, respectively for the monetary amount credited as at the decisive date using the procedure pursuant to Section 21(3), BCA. For the monetary amount received to the Fund’s account (reduced by potential fees) billed pursuant to the Investment Share subscription agreement, or for the monetary amount offset as at the decisive date using the procedure under Section 21(3), BCA, on Commercial Corporations, the closest, lowest whole number of Fund Investment Shares is issued, calculated as the whole-number part of the share of the received amount and the present value of the Investment Share for the decisive date.

The difference (remainder of the received amount) for which a whole Investment Share can no longer be purchased, is the Fund’s income (manner of settling arrears or overpayment).

* 1. The distribution rules for division of the Investment Fund Capital are set forth in detail in Annex No. 1 to the Statute.
  2. The present value of Investment Shares is stipulated from the Investment Fund Capital allocated to the Investment Share, determined at the end of the Decisive Period. The Decisive Period starts on the day after the day for which the last present value of Investment Shares was stipulated and ends on the last day of the calendar semester. In usual cases, the Decisive Period is a calendar semester and the date of stipulating the present value of Investment Shares is the last day of the relevant calendar semester. In usual cases, the Decisive Period is the calendar semester and the day of determining the current value of the Investment Shares is the last day of the relevant calendar semester. Exceptionally, the Decisive Period may be shorter, particularly in cases when the Fund participates in transformation pursuant to the relevant legal regulations, or in the event of extraordinary stipulation of the value of Investment Shares.
  3. By the end of the second calendar month following the month in which the issuing of Investment Shares commenced (hereinafter the “**Initial Period**”), the Investment Shares are subscribed for an issue price of EUR 1 (one euro) per one Investment Share. Assuming that Investment Shares of all Classes were not subscribed during the Initial Period, it applies that the initial issue price of the respective Class of Investment Share, the subscription of which was commenced later after the passing of the Initial Period, is EUR 1 (one euro) per one Investment Share, but this initial issue price is valid only until the end of the calendar month in which the respective Class of Investment Shares were first subscribed. The provisions of the foregoing sentences do not affect the rules of Investment Fund Capital distribution among the individual Investment Share Classes.
  4. The present value of Investment Shares in individual Classes is stipulated based on the present value of the part of the Investment Fund Capital allocated to the participating Investment Share in this Class as at last day of the Decisive Period, whereas the participating Investment Shares as at the last day of the Decisive Period are considered to be Investment Shares which participate in the results of investing the Fund assets in the Decisive Period, i.e. issued Investment Shares, whose decisive date for redemption, exchange or repurchase should occur at earliest on the last day of the Decisive Period, and not yet issued by fully paid Investment Shares, whose decisive date for redemption of subscription occurred at any time before the last day of the Decisive Period.
  5. The present value of Investment Shares is generally stipulated semi-annually, as of 30/6. and as of 31/12 each calendar year, usually within 2 months, and is rounded down to four decimal places. In justified cases (especially when the expert revaluation of the Fund's assets is taking place), this period may be extended by the time strictly

necessary. The present value of Investment Share is declared within ten business days from its stipulated for the relevant period. The current value of the Investment Share is published through client access to the Administrator's system, or by sending it by e-mail to Investors.

* 1. In the case of retroactive correction of the present value of Investment Shares, the difference will be compensated from the Fund’s assets in the amount of the identified differences concerning the issued Investment Shares. If the Investor was issued a higher number of Investment Shares than the number that should have been issued to them based on the corrected present value of the Investment Shares, the Fund shall decide

about the cancellation of the respective number of Investment Shares equal to the identified difference without compensation. The Investor is obliged to provide the Fund with immediate cooperation when returning cancelled Investment Shares. The Fund is not liable for damages which occur in consequence of the Investor’s delay in providing cooperation when returning Investment Shares. If the Investor was issued a lower number of Investment Shares than the number that should have been issued to them based on the corrected present value of the Investment Shares, the respective number of Investment Shares equal to the identified difference will be additionally issued to the Investor. In the case of corrections in the present value of the Investment Shares, the absolute value of which is 0.5% (unless legal regulations stipulate otherwise) or less of the corrected present value of the Investment Shares, or which resulted in only negligible damages, and if the costs incurred in relation to its compensation would substantially exceed the cost of its payment, the differences in the number of issued shared will not be compensated, unless the Manager decides otherwise. In other cases of incurred damages, the party that caused the damages is obliged to compensate them.

* 1. The Administrator keeps a list of Shareholders in the Fund as a list of owners of securities issued by the Fund (Section 38(1)(h), AICIF).

**Redemption of Investment Shares**

* 1. The redemption of Investment Shares is carried out based on a request for redemption of Investment Shares, which the Investor delivers to the Administrator. Resources from the Fund assets allocated to the Investment Fund Capital for the redeemed Class of Investment Shares will be used to redeem the Investment Shares.
  2. Investment Shares cease to exist upon redemption.
  3. The request to redeem Investment Shares may be submitted:

1. in writing with the officially certified signature of the Investor, by personal delivery to the Administrator’s registered office on Business Days from 9:00 to 16:00 CET;
2. in writing with the officially certified signature of the Investor via the distributor;
3. in writing with the officially certified signature of the Investor via a postal service operation (including courier service); or
4. other means of electronic communication bearing the Investor’s certified electronicsignature.
   1. During the redemption of shares, it is always understood that the Investment Shares acquired first by the Investor are redeemed first.
   2. The request for redemption of Investment Shares may be submitted [for the first time after the passing of 1 (one) year from the commencement of issuing Investment Shares and thereafter at any time. Investors who subscribe for Investment Shares after 1 (one) year from the commencement of the issue of Investment Shares, but before the expiry of 4 years from the date on which the Fund was established, may not request the redemption of such Shares before 1 (one) year from the date of subscription for Investment Shares.](mailto:)
   3. The Administrator shall ensure the redemption of the required Investment Shares to the

Fund’s account from the Investor within 12 (twelve) months from the end of the calendar semester in which it received the Investor’s request to redeem the Investment Shares. The shareholder rights associated with the Investment Shares expire on the date of redemption of the Investment Shares, ie on the date of debiting the Investment Shares from the register, not on the date of payment of the monetary performance within the redemption settlement.

* 1. The Administrator shall ensure the redemption of the Investment Share for its present value declared retroactive for the period in which it received the request for redemption of the Investment Share, whereas this value is the value of the Investment Share determined as at the last day of the calendar semester in which the request for redemption was delivered to the Administrator.
  2. The payment of monetary resources corresponding to the value of Investment Shares redeemed is performed via wire transfer to the Investor’s account specified in the List of Shareholders or in the request to redemption Investment Shares. The minimum value of one redemption of Investment Shares is EUR 10,000 (ten thousand euros). The value of Investment Shares owned by one Investor must not decline below the minimum investment limit specified by law, unless the Investor requests the redemption of all the remaining Investment Shares.
  3. Unless the subscription agreement stipulates otherwise, an exit fee (deduction) is applied to the redemption of Investment Shares, equal to:

1. 7% of the value of redeemed shares if the Investor requests the redemption of Investment Shares after the passing of 1 (one) year from the subscription of the redeemed Investment Shares;
2. 0% of the value of redeemed shares if the Investor requests the redemption of Investment Shares after the passing of 3 (three) years from the subscription of the redeemed Investment Shares.

The exit fee is an income for the Fund.

* 1. If extraordinary reassessment or assets or debts, audit of financial statements or other activities are ongoing at the Fund, which could impact the calculation of the present value of Investment Shares for the decisive period in the future, the Manager is authorised upon receiving a request for redemption in the decisive period to extend the deadline for settlement of the redemption by up to 120 days, but maximally for 2 years from receiving the request for redemption, whereas it may also decide to pay an advance on redemption in the amount determined based on the last known present value of the Investment Share.
  2. In the case of retroactive correction of the present value of Investment Shares, the difference may be compensated from the Fund’s assets in the amount of the identified differences concerning the amounts for the redeemed Investment Shares. If the Shareholder was paid a higher amount for the redeemed Investment Share than corresponds to the amount which they should have been paid based on the corrected present value of the Investment Share, this Shareholder is obliged to refund the respective difference in the amounts. If the Shareholder was paid a lower amount for the redeemed Investment Share than corresponds to the amount which they should have

been paid based on the corrected present value of the Investment Shares, then this Shareholder shall be compensated without undue delay with an extra payment for the redeemed Investment Shares equal to the identified difference. In the case of corrections in the present value of the Investment Shares, the absolute value of which is 0.5% (unless legal regulations stipulate otherwise) or less of the corrected present value of the Investment Shares, or which resulted in only negligible damages, and if the costs incurred in relation to its compensation would substantially exceed the cost of its payment, the differences in the number of issued shared will not be compensated, unless the Manager decides otherwise. In other cases of incurred damages, the party that caused the damages is obliged to compensate them.

**Suspension of issuing or redemption of Investment Shares**

* 1. The Manager is authorised to suspend the issuing or redemption of Investment Share for maximally 4 months, and only if this is necessary to protect the rights or lawfully protected interests of the Investors, or for the time strictly necessary for operational reasons, especially in relation to activities related to the financial statements.
  2. The reason for suspending the issuing or redemption of Investment Shares may be in particular:

1. reaching the lower or upper limit of the Investment Fund Capital range pursuant to the Articles of Association;
2. insufficient liquidity of the Fund;
3. substantial changes in the value of Fund assets;
4. protection of the Investors’ common interest consisting e.g. of a decision on cancellation of the Fund;
5. potential damage to the interests of Investors remaining in the Fund;
6. extinction of the Fund’s depository agreement.
   1. If the lower or upper limit of the Investment Fund Capital range pursuant to the Articles of Association is reached, the Manager will adopt effective measures for correction in accordance with Section 163(4), AICIF, without undue delay.
7. **Information about fees, expenses and total costs**
   1. The Manager’s remuneration for the performance of Fund asset management is paid from the Fund’s assets related to its investment activity and is equal, for every started month of performance, to 0.5% p.a., but minimally CZK 80,000 per month.
   2. The Manager's remuneration is calculated semi-annually in connection with the determination of the current value of the Investment Share as of 30/6. and as of 31/12. each calendar year, and is due within 2 months. For the purposes of remuneration from the value of the Fund's assets, the value of the Fund's assets means the value of the Fund's assets calculated on the last day of the relevant calendar semester. The Manager is entitled to an advance payment for the said remuneration in the amount of CZK 240,000 per quarter, which is due no later than 15 days after the end of the calendar

quarter for which it is charged.

* 1. The Administrator’s fee for Fund administration is paid from the Fund’s assets related to its investment activity, and is equal to:

1. a monthly fixed fee, which amounts to CZK 65,000 (sixty-five thousand Czech korunas) for each calendar month started;
2. an annual variable remuneration of 0.05% p.a. from the values ​​of the Fund's assets exceeding CZK 300 million;

The annual variable remuneration will be paid in regular installments for each period started, which is specified in the Fund's Articles of Association as the deadline for determining the current value of participating securities (hereinafter referred to as the “Valuation Period”). The payment of the variable remuneration for the Valuation Period is calculated as follows (annual percentage amount of the variable remuneration/number of Valuation Periods in a calendar year) × the value of the Fund's assets as of the last day of the Valuation Period.

For each additional class of securities, a fee of CZK 10,000 is charged for each valuation period, or CZK 14,000 for a class that is in a currency other than CZK.

In addition to the above fee, the Administrator may also be paid a fee associated with the activities specified in the Agreement on Administration and the Agreement on Rights and Obligations in Accounting and on the payment of fees for bookkeeping.

* 1. The fee for performance of Depository activities amounts to CZK 75,000 for each started month of activity, starting with the month in which the first subscription of investment shares issued by the Fund takes place. Remuneration is further increased by value added tax in its statutory amount. The fee is paid from the Fund’s assets related to its investment activity.
  2. Other expenses that arise or may arise in connection to Fund management and performance of administration, paid from Fund assets related to its investment activity, include in particular:

1. expenses incurred in connection to the acquisition, management and monetisation of asset values, into which the Fund invests according to this Statute (in particular expenses for analyses, studies, due diligence, audit, expert opinions, commission, fees, etc.),
2. expenses for offering investments into the Fund (fundraising),
3. fee to the Depository for activities other than the performance of the activity pursuant to the Depository Agreement;
4. expenses related to the Fund’s investment activity,
5. expenses incurred as remuneration to authorised proxies or outsourcing providers,
6. remuneration to employees and members of Fund bodies,
7. interest on credit and loans received in connection to managing the Fund’s assets,
8. fees for account administration and managing the financial resources;
9. fees for storage of securities or book-entered securities owned by the Fund or issued for the Fund,
10. expenses for insurance of Fund assets,
11. expenses for instruments to reduce risk, secure the Fund’s asset values or reduce assets;
12. expenses to cancel the Fund,
13. expenses related to Fund transformation,
14. expenses for auditing the Fund and expert opinions,
15. expenses for legal services,
16. expenses for Fund marketing and advertising,
17. notarial, court and administrative fees and taxes,
18. expenses for official translations into foreign languages,
19. expenses for tax consultancy,
20. expenses for an external consultant.
    1. Expenses paid from the Fund’s assets related to its investment activity amount to maximally 4% p.a. of the value of the Fund’s assets, but shall always equal minimally the monthly fees for the Manager, Administrator and Depository, as specified in this Statute, multiplied by the number of months in the year in which services are provided to the Fund, and may therefore temporarily exceed the percentage of costs, in particular at the start of the Fund’s operation.
    2. Other expenses which are accrued or may be accrued in connection to the Fund’s activities are expenses for remuneration for offering and brokering investments into the Fund. These are paid from the Fund’s assets related to its investment activity and must not exceed the sum of:
21. 100% of the admission fee bound to the given investment, and
22. not more than 1.5% p.a. of the present value of the invested amount which was provably brokered by a third party during the term of this investment.
    1. Table of data about fees billed to Investors and expenses paid from Fund assets related to its investment activity:

One-off fees billed before or after investment

(This is the highest amount that can be billed to the Investor before making the investment or before paying out of the investment.)

**Admission fee (surcharge)** up to 7% of the investment volume according to the subscription agreement

**Exit fee (deduction)** 7% of the value of redeemed shares if the Investor

requests the redemption of Investment Shares within 1 (one) year from the subscription of the redeemed Investment Shares, but before the passing of 3 (three) years from the subscription of the redeemed Investment Shares.

0% of the value of redeemed shares if the Investor requests the redemption of Investment Shares after the passing of 3 (three) years from the subscription of the redeemed Investment Shares.

An application for the redemption of Investment Shares may be submitted for the first time only after the passing of 1 (one) year from the commencement of the issue of Investment Shares and subsequently at any time. Investors who subscribe for Investment Shares after the passing of 1 (one) year from the commencement of the issue of Investment Shares, but before the passing of 4 years from the date on which the Fund was established, may not request the redemption of such Shares before the passing of 1 (one) year from the date of subscription for Investment Shares.

* 1. Expenses that are incurred or can be incurred in relation assets unrelated to the Fund’s investment activity may be paid only from the Fund’s assets unrelated to the Fund’s investment activity.

1. **Other information**
   1. Information about the Statute
2. The data provided in the Statute is updated regularly.
3. Each Investment Share subscriber must be
4. offered a free copy of the Articles of Association in the current version before concluding the subscription agreement, and
5. be provided with the Statute in the current version and latest annual report free of charge at their request.
6. Each subscriber may obtain the documents specified in Art. 16.1(c) of the Statute at the Administrator’s registered office.
   1. Information about the Fund and overseeing authority
7. If necessary, additional information about the Fund may be obtained at the Administrator’s registered office on Business Days from 9:00 to 16:00.
8. The Fund’s overseeing authority is the CNB.
9. The Fund notifies Investors that entry in the list of investment funds kept by the CNB and overseeing by the CNB do not guarantee a return on investment or Fund performance, cannot preclude the possible violation of legal regulations of the Statute by the Fund, Manager, Administrator, Depository or other party, and do not guarantee that potential damage caused in such manner will be compensated. 
   1. Fund termination
10. The Fund may be dissolved:
    1. by decision of the Fund’s general meeting;
    2. by decision of the court; or
    3. due to transformation (merger or division).
11. The proposal for appointment of a liquidator is approved by the Fund’s general meeting. The Fund is obliged to deliver the decision of the general meeting on appointment of the liquidator to the Manager and Administrator without undue delay.
12. The Shareholder is entitled to a share in the liquidation balance.
13. The procedure for dissolving or transformation of the Fund, or its dissolving with liquidation, and the rights of Shareholders during dissolving or transformation of the Fund are governed by generally binding legal regulations, in particular AICIF, BCA, CC and the Act on Transformations, as well as the Articles of Association.
    1. Basic information about the tax system applicable to the Fund:
14. Taxation of the Fund and its Shareholders is subject to the tax regulations of the Czech Republic, in particular Act No. 586/1992 Coll., on income tax, as amended. The Fund is a basic investment fund, the income of which is currently subject to 5% income tax.
15. If income from the sale of Fund shares arises for a tax non-resident in the Czech Republic, then in cases stipulated by generally binding legal regulations, the Czech buyer is obliged to deduct income tax security from the purchase price in the amount according to the generally binding legal regulations
16. The dividend paid by the Fund is generally subject to 15% deduction tax. The deduction tax rate may be limited by an international agreement on limitation of double taxation, by which the Czech Republic is bound. Therefore, before paying dividends the Fund may request proof of tax domicile of the recipient – foreign Fund Shareholder and/or Investor.
17. Dividends paid to a legal entity may be exempted from tax, if the conditions stipulated by legal regulations are fulfilled, in particular if the Shareholder and/or Investor is the tax resident of a European Union member state or Switzerland, subject to corporate income tax, owns a share of at least 10% of the Fund’s recorded registered share capital, the Shareholder’s and/or Investor’s legal form corresponds to the forms described in the relevant European Community guideline (in the Czech Republic this refers to the legal forms: joint-stock Company, limited liability Company or cooperative) and owns the minimum required share for at least 12 (twelve) months, whereas this condition may also be fulfilled subsequently.
18. The system of taxing foreign Investors generally depends on the Investor’s tax domicile. The Shareholder and/or Investor is obliged to provide the Fund,

respectively Administrator with cooperation in determining the country of its tax domicile in accordance with the Articles of Association. The Shareholder and/or Investor is obliged to report a change in their tax domicile to the Administrator immediately after such change occurs. If the Administrator does not have current information about the Shareholder’s and/or Investor’s tax domicile, it may deny fulfilment to this Shareholder and/or Investor.

1. The system of taxing the income or profits of individual Shareholders and/or Investors depends on the valid applicable tax regulations, which may not be the same for all Investors and/or Shareholders, and therefore if the Investor and/or Shareholder is uncertain about the taxation system which applies to them, they should seek professional tax advice.
   1. Disputes related to the Investor’s investment into the Fund will be resolved by the relevant courts of the Czech Republic, unless stipulated otherwise by the agreement or cogent provisions of generally binding legal regulations. The governing law for the contractual obligational relationship concerning the Investor’s investment into the Fund is the legal code of the Czech Republic, unless stipulated otherwise by the agreement or cogent provisions of generally binding legal regulations.
   2. Should the express provisions of this Statute be contradictory to the express provisions of the Articles of Association when assessing a certain legal case, the legal case shall be assessed pursuant to the Articles of Association.
2. **Provision of information about Fund management**
   1. At latest within 4 (four) months from the end of the accounting period, the Fund is obliged to send the CNB its annual report. The Manager and Administrator are obliged to submit qualified Investors fund reports to the CNB pursuant to Section 3(3)(c) of the Decree on Data Reporting.
   2. Informing Shareholders and/or Investors

|  |  |  |
| --- | --- | --- |
| **Type of provided information** | **Frequency and/or deadline for providing information** | **Manner of providing information** |
| Current version of the Statute | At request | Hardcopy format, electronically via e-mail, via the website |
| Annual Report of the Fund | At request | Hardcopy format, electronically via e-mail, via the website |
| Data about the present value of Investment Shares | Semi-annually | Electronically via e-mail, via the website |
| Data about the structure of Fund assets and data about the degree of leverage use and its changes | Yearly | Electronically via e-mail, via the website |

* 1. The Shareholder and/or Investor is liable for the accuracy of the provided contact data for electronic communication in the manner set forth in the Articles of Association.

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| --- |
| Prague dated 1/9/2021 |

**CARDUUS Asset Management, investiční společnost, a.s.,**

**the Fund’s Manager**

Represented by Mgr. Pavel Bodlák – authorised proxy

Annex 1 – Fund Capital Distribution Regulations

* + 1. **Classes of Investment Shares**

Investment shares class Z1

Investment shares class P

Investment shares class V

* + 1. **Determining the current value of the Investment Shares**

The current value of investment shares is determined separately for each class of investment shares. The current value of investment shares of a given class is determined from the Fund's capital belonging to the relevant class of investment shares (Fund's capital of the class) determined for a specific period, at least once per Valuation period on the Valuation Day. The current value of the investment share is determined by the Administrator within the Deadline for determining the current value of the securities. The current value of the investment share is rounded down to four decimal places.

The basis (Bc) for the calculation of the Fund Capital of class (c), (c) takes the values ​​Z1, P or V, is determined on the basis of the sum of the value of the Fund Capital of class to the previous Valuation Day (FC0c) (if there is no such day, the value is zero) and Net Deposits in the class in the last Valuation Period (NDc). Therefore:

Net Deposits of class (c) in the last Valuation Period (NDc) are the sum of all investors' deposits in the given Investment Share class in the last Valuation Period (Dkc), minus the sum of all investor withdrawals from the given investment share class in the last Valuation Period (Dyc) and in the same period, the amount of dividends (DVc) and other claims (Oc) granted to them (class investors). Therefore:

**If** the value of the Fund Capital on the Valuation Day (FC) is greater than the sum of the Bases of individual investment classes, but at the same time **less than 1.1 times the sum of the Bases** of individual investment classes, ie

and at the same time

then the Positive Difference (PD) between the Fund Capital on the Valuation Day and the sum of the Bases of the individual classes is distributed as follows:

* at first, all or part of the Positive Difference (PD) is allocated to investment class P so that the investment shares of class P reach a valuation of 3% p.a. after its allocation from the last previous Valuation Day. If the Positive Difference (PD) is not sufficient for such a valuation, the investment class P is allocated the entire Positive Difference (PD);
* if, after the previous step, any part of the Positive Difference (PD) remains, the entire remainder of the Positive Difference (PD) is allocated to the investment class Z1;

The above description of the distribution of the Fund Capital distribution implies, among other things, that if the increase in the value of the Fund's capital after deposits and withdrawals are counted for, is less than 10% p.a., then investors holding class V investment shares do not participate in it.

If the value of the Fund Capital as at the Valuation Day (FC) is greater than 1.1 times the sum of the Bases of individual investment classes, ie

then the Positive Difference (PD) between the Fund Capital on the Valuation Day and the sum of the Bases of the individual classes is distributed as follows:

Step 1)

Determination of the total number of issued investment shares belonging to classes P and V (), which is calculated as follows:

For the avoidance of doubt, please note that the number of class Z1 investment shares is not part of the previous calculation of the parties to the total number of Class P and V Investment Shares ().

Step 2)

The even distribution per investment share ( is first calculated as follows:

and then

* 30% of the Even Distribution is allocated to each investment class P share
* 60% of the Even Distribution is allocated to each investment class V share, and
* the remainder of the Positive Difference (PD) is evenly distributed among the investment class Z1 shares

Class Fund Capital (FCc) for determining the current value of a class (c) investment share is then determined (if the value of the Fund's Fund Capital on the Valuation Day (FC) is greater than the sum of the Bases of individual investment classes) as the sum of the class Base (Bt) and the allocation from the Positive Difference (PD) according to the previous rules, ie:

If the value of the Fund Capital on the Valuation Day (FC) is less than the sum of the Bases of the individual investment classes, ie

then the Negative Difference (ND) between the sum of the Bases of the individual classes and the Fund Capital on the Valuation Day is distributed as follows:

* first, the Negative Difference (ND) is assigned to class Z1 up to the amount of the Base of class Z1 (BZ1).
* if the amount of BZ1 is not sufficient to absorb the Negative Difference (ND), the remainder of the Negative Difference (ND) is allocated proportionally to class V and class P in the ratio of the class P base to the class V base.

The class Fund Capital (FCc) for determining the current value of a Class (c) investment share is then determined (if the value of the Fund Capital on the Valuation Day (FC) is less than the sum of the Bases of individual investment classes) as difference between the class Base (Bc) and allocation from the Negative Difference (ND) in accordance with the previous rules, ie:

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In certain cases (e.g. when the financial statements are audited by an auditor or if the Fund expects to terminate its activities) the Deadline for determining the current value of securities may not be met, this does not affect the statutory maximum two-year deadline for determining the current value of the investment share.