

# AIF notice to investors

including constituent documents (Trust Agreement)

## **Alegra ABS Two (Euro) Fund**

Alternative investment fund (AIF, sub-fund) established in Liechtenstein (LI) pursuant to the Liechtenstein Law of 19 December 2012 regarding the Managers of Alternative Investment Funds (Alternative Investment Fund Managers Act - AIFMA) in the legal form of a collective trusteeship, structured as an umbrella fund comprising one or more sub-funds and hereinafter referred to as "the Fund".

16/03/2021

Upon acquiring shares every investor acknowledges the notice to investors pursuant to Art. 105 AIFMA and constituent documents (Trust Agreement), as duly amended. The AIFM may at any time decide to amend the notice to investors and constituent documents.

The Trust Agreement forms the legal basis of the fund (constituent documents). The notice to investors is prepared in addition to this. The documents mentioned are subject to the material supervision of the Financial Market Authority (FMA) Liechtenstein.

Regardless of whether the Fund is also offered for sale to private investors in Liechtenstein, before investors acquire shares of the Fund they are in all cases provided with the constituent documents, a notice to investors pursuant to in Art. 105 AIFMA and a key investor information document (KIID) that contains the information necessary to enable the investors to form a well-founded assessment of the associated risks.

The acquisition of shares is carried out on the basis of the notice to investors and constituent documents, the KIID and the latest annual report and any semi-annual report (hereinafter referred to as the "Sales Documents"). The KIID must be made available free of charge in good time prior to the acquisition of shares.

Share classes may stipulate a lock-up period. A lock-up is a period in which no shares are redeemed. Redemption requests are not received and settled until the lock-up period expires. Redemption requests received during the lock-up period are rejected. For specific information see Annex I to the constituent documents.

Information derived from sources other than the Sale Documents should be treated as unauthorised and unreliable. It is not permitted to provide information or statements which differ from the Sales Documents. The AIFM is not liable if and to the extent that information is given out or statements are made that diverge from the Sales Documents.

The Sales Documents do not constitute an offer or an invitation to subscribe to shares to any person subject to a jurisdiction in which such an offer or invitation is prohibited or in which persons making such an offer or invitation are not entitled to do so, nor is it intended for any person to whom it would be illegal to make such an offer or invitation.

Potential investors should ensure that they are properly informed of the possible tax consequences, the relevant legislation and any potential currency restrictions or foreign exchange controls applicable in their native country or their country of permanent or temporary residence which might be of relevance to the act of subscribing to, holding, converting, redeeming or alienating shares of this AIF.

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## A. Notice to investors

### 1 Fund

#### 1.1 Master data

##### 1.1.1 Designation

Alegra ABS Two (Euro) Fund

##### 1.1.2 Member state of origin

LIECHTENSTEIN (LI)

##### 1.1.3 Responsible supervisory authority

Finanzmarktaufsicht (FMA), 9490 Vaduz, LIECHTENSTEIN (LI)

##### 1.1.4 Date of initial authorisation by the responsible supervisory authority

23/05/2007

##### 1.1.5 Date of entry in the Commercial Register

29/05/2007

##### 1.1.6 Duration

Unlimited

##### 1.1.7 Annual financial statement

Last calendar day of the month December.

#### 1.2 Alternative Investment Fund Manager (AIFM)

AIFMA-105-1-f---  
 AIFMA-105-1-g---  
 AIFMA-105-1-h--  
 AIFMA-105-1-h--  
 AIFMO-13-1-----

The AIFM is entitled to manage in its own name but for the account of the investors regarding the Fund assets in accordance with the relevant statutory provisions and the constituent documents and to exercise all the associated rights.

For specific information see the constituent documents.

#### 1.3 Depositary

AIFMA-105-1-f---  
 AIFMA-105-1-h---  
 AIFMA-105-2----

The task of keeping the Fund's assets in safe custody must be delegated to a depositary in Liechtenstein (LI).

For specific information see the constituent documents.

#### 1.4 Certified Auditors of the Fund

AIFMA-105-1-f--

Grant Thornton AG, 9494 Schaan, LIECHTENSTEIN (LI)

In particular, the Certified Auditor verifies that the licensing requirements are continuously satisfied and that the relevant statutory provisions and the terms of the constituent documents are observed at all times. It also audits the annual

reports of the Fund. Furthermore, as part of their audit activities the Certified Auditors have certain notification duties towards the Liechtenstein Financial Market Authority (FMA).

#### 1.5 Legally prescribed information to investors

AIFMA-105-1-n---  
 AIFMA-105-1-p---  
 AIFMA-105-1-q---

The annual report and any semi-annual reports (including further legally prescribed information to investors), the most recent net asset values and the historical performance (if available) are published via the publication medium.

Information on the main adverse impacts on sustainability factors (if applicable) will be published in periodic reports at the latest after the adoption of Regulation (EU) 2019/2088 on sustainability-related disclosure requirements in the financial services sector into the EEA Agreement within the deadline defined therein.

If the Investment Company is distributed outside the member state of origin, see Annex II to the constituent documents for specific information.

See constituent documents for more information on the publication medium.

##### 1.5.1 Liquidity of assets

AIFMA-105-1-s---

Assets and their proportion of the sub-fund assets that are subject to special precautionary measures with regard to liquidity are disclosed in the annual report.

For specific information regarding the rules applicable to liquidity management (e.g. gating, value date adjustment, etc.), as well as the current risk profile of the sub-fund and the risk management applied by the AIFM to manage these risks, see Annex I to the constituent documents.

##### 1.5.2 Leverage

AIFMA-105-1-s---

For specific information on the maximum debt level see Annex I to the constituent documents. The actual debt and the total level are disclosed in the annual report.

#### 1.6 Legal characteristics of the contractual relationship entered into

AIFMA-105-1-e---  
 AIFMA-105-1-f--

A collective trusteeship arises from the entry into materially identical arrangements of a number of investors for the purpose of making financial investments and managing investment assets for the account of the investors.

The investors participate in the assets of the relevant sub-fund in proportion to the number of shares they have

acquired. Individual investors are only personally liable up to the amount that they have invested.

Every portfolio has one or more share classes and all of the shares within the same share class confer the same rights. Where several share classes are issued, the rights between these share classes may vary.

The specific features of each sub-fund and share class are defined in Annex I to the constituent documents.

No general meetings of investors are envisaged. Neither investors nor their heirs nor any other rightsholders may request changes to or the division or dissolution of the Fund, individual portfolios or share classes.

In the event that a particular matter is not provided for in the constituent documents, the legal relationships between the investors and the AIFM is governed by the AIFMA, the AIFMO and, in the absence of relevant provisions there, by the provisions of the Liechtenstein Code of Personal and Company Law of 20 January 1926 (CPCL) governing trusts and trusteeships.

Save where explicitly provided otherwise in the constituent documents, the only trustee is the AIFM, and the AIFM concludes the relevant transactions for the Fund's account.

#### 1.6.1 Claims of investors and their limitation period

The claims of Fund investors against the AIFM, the liquidators, the official administrators or the Depositary will lapse at the end of a limitation period of five years from the occurrence of the loss or damage but at the latest one year after redemption of the share or discovery of the loss or damage.

#### 1.6.2 Place of jurisdiction, applicable law and the enforceability of judgements

The exclusive place of jurisdiction for all disputes between the investors, the AIFM and/or the Depositary is Vaduz, Liechtenstein (LI). However, the AIFM and/or the Depositary is entitled to have the Fund and the claims of investors brought under the jurisdiction of the courts of countries in which shares have been offered and sold. This is subject to the provisions of mandatory law regarding jurisdiction.

Foreign court judgements are recognised and executed in Liechtenstein only insofar as this is envisaged in treaties or reciprocal legal arrangements are established by treaty or declaration of reciprocity by the government.

### 1.7 Modifications to the investment strategy and investment policy

AIFMA-105-1-d-3-

The investment strategy and policy may be fully or partly amended or supplemented at any time.

Amendments will be published in the official publication medium.

Amendments do not require the investors' consent. However, investors will be informed that they may have their shares redeemed in the event of material changes.

The law or the ordinance define material changes. Changes that are not material may result in particular from statutory or regulatory adjustments that are mandatory. Furthermore, editorial adjustments do not constitute material changes.

Investors, their heirs or other interested parties are not entitled to demand the modification of the investment strategy or policy.

## 2 Sub-fund

### 2.1 Investment principles

#### 2.1.1 Investment objective and investment policy

AIFMA-105-1-a---

For specific information see Annex I to the constituent documents.

#### 2.1.2 Details on the registered office of target funds

AIFMA-105-1-c---

For specific information see Annex I to the constituent documents.

#### 2.1.3 Description of type of assets in which the sub-fund may invest (and their potential investment restrictions)

AIFMA-105-1-d-1-  
AIFMA-105-1-d-2-

For specific information see Annex I to the constituent documents.

### 2.2 Investment techniques and instruments

AIFMA-105-1-d-2-

With a view to managing the sub-funds efficiently the appropriate investment strategies, techniques and instruments may be employed, provided they comply with the applicable statutory provisions.

**Because of their composition or the techniques and instruments employed, the sub-funds may in some cases display heightened volatility or increased risks. Volatility is considered to be heightened if the Synthetic Risk and Reward Indicator (SRRRI), or the Summary Risk Indicator (SRI) is rated as 6 or higher. The current SRRRI is reported in the KIID, or the current SRI in the key information document (KID) for packaged retail and insurance-based investment products (PRIIPs) in the fund's publication medium.**

#### 2.2.1 Derivatives

##### 2.2.1.1 Permissibility of transactions involving derivatives, use of derivatives, impact on risk profile

Any use of derivatives must be within the bounds laid down by law and in compliance with the investment restrictions.

The same applies when a derivative is embedded in a security or money market instrument. Index-based derivatives are regarded as single entities, no account being taken of the individual components of the index. Insofar as compatible with investor protection and the public interest, investments in index-based derivatives do not count towards the legally prescribed issuer limits.

When calculating overall risk, allowance is made for derivatives at their contract value, i.e. the volume indirectly controlled via the derivative.

Derivatives may be used for the purposes of hedging, efficient portfolio management, achieving additional income and/or as part of investment strategy. Where derivatives are used to hedge investment positions, such hedging may cover both existing and foreseeable future risks.

For specific information see Annex I to the constituent documents.

#### 2.2.1.2 Risk management methods

In general, two risk management methods are available to the Management Company:

- a) With the commitment approach, the total risk associated with derivatives must not exceed the total net asset value of the portfolio concerned. In measuring the overall risk, account must be taken of the market value of the underlyings, the default risk, future market fluctuations and the time required to liquidate positions.
- b) With the "value-at-risk" (VaR) approach, the VaR represents the loss that, at a predetermined level of probability, will not be exceeded in the sub-fund over a given time interval. VaR calculations are made on the assumption of a 99 % unilateral confidence interval, a holding period of one month (20 business days) and an actual (historical) risk factor observation period of at least one year (250 business days), unless a shorter observation period seems appropriate in view of a substantial increase in price fluctuations. When measuring the risk, account must be taken of both the default risk and the leverage achieved through the use of derivatives.

The risk arising from derivatives must never exceed the stipulated risk limit. The risk limit includes any borrowings by the Fund. No positions may ever be taken which give rise to unlimited risk for the sub-fund.

For specific information see Annex I to the constituent documents.

#### 2.2.2 Securities funding transactions and total return swaps

The sub-fund can carry out transactions within the meaning of the regulation on transparency of securities financing transactions and of reuse (SFTR), through which it transfers

securities subject to the obligation that the borrowing party returns these or equivalent securities at a later date at the request of the sub-fund. Securities financing transactions can include securities repurchase agreements, securities lending transactions and lombard credits.

Securities funding transactions and total return swaps can be used to generate additional income or hedge volatile investments.

Assets used in securities funding transactions and total return swaps, and any collateral received, are in principle held in safekeeping by the Depositary.

The type of assets that can be used in these transactions depend on the investment policy and the related investment restrictions of the sub-fund and include shares and bonds in particular.

The maximum percentage of managed assets that can be used in these transactions is based on the specific information in Annex I to the constituent documents.

The likely percentage of managed assets that will be used in these transactions is based on actual demand.

In any of these transactions executed by VP Bank AG, Vaduz, this third party is a company associated with the AIFM.

For specific information see Annex I to the constituent documents.

#### 2.2.2.1 Criteria for the selection of counterparties

Securities funding transactions and total return swaps are concluded exclusively with financial counterparties in accordance with the SFTR. Counterparties in securities funding transactions and total return swaps have a licence as credit institution, investment firm, financial service provider, insurance company, or clearing organisation based in the EU, EEA, or an equivalent third country that is subject to supervisory regulations considered by the FMA to be equivalent to those of Community Law. Counterparties must have a good credit rating (at least Investment Grade).

The contractual partners for total return swaps are based according to criteria that include the following:

- a) Price of the financial instrument
- b) Costs involved in execution
- c) Speed of execution
- d) Probability of execution/settlement
- e) Scope and type of order
- f) Timing of order
- g) Other factors influencing the execution of the order

The criteria can be weighted differently according to the type of trade order.

### **2.2.2.2 Risks associated with securities funding transactions and total return swaps**

Securities funding transactions and total return swaps carry in particular counterparty risks (a counterparty of a securities funding transactions or total return swap does not meet their obligation to return the assets) and liquidity risks (the collateral made available to the sub-fund cannot be realised).

Risks of delay and reinvestment also apply. In the event of the financial default of the borrower of securities or of default with regard to securities lending transactions, collateral - the value of which may fall - is realised, resulting in a potential loss for the sub-fund.

In the case of total return swaps, sub-funds bear the credit risk of the counterparty to the swap, as well as that of the issuer of the reference obligation. There is also a risk that payments due in relation to swap agreements are delayed or not made at all.

See "Risk profile and general risks" for further general information on risks.

### **2.2.2.3 Distribution of the income earned through securities funding transactions and total return swaps**

The proportion of income from securities funding transactions that flows back into the sub-funds, and the costs and fees assigned to the AIFM or third parties are disclosed as described below or in Annex I to the constituent documents.

If securities lending is used, the Depositary may retain up to a maximum of 50 % of the income from the securities loan to cover its direct and indirect costs. The remainder, and thereby at least 50 % of the income from the securities loan, is credited to the relevant sub-fund.

If total return swaps are used, the income - following deduction of transaction costs - is credited in full to the sub-fund.

For specific information on the allocation of returns for securities repurchase agreements or lombard credits see Annex I to the constituent documents.

### **2.2.2.4 Securities lending**

Where securities are loaned to third parties, the only permissible borrowers are credit institutions, securities firms, financial service providers, insurance companies and clearing houses that specialise in securities lending business and post collateral commensurate with the size and risk of the intended transactions. Securities lending transactions must be regulated by means of a standardised master agreement. The Depositary is liable for ensuring that such transactions are processed smoothly and in line with the law and standard market practice.

For specific information see Annex I to the constituent documents.

### **2.2.2.5 Securities repurchase agreements and reverse repurchase agreements**

Where sub-fund securities are used in repurchase agreements and reverse repurchase agreements, the only permissible counterparties are banks, securities firms, credit institutions, financial service providers, insurance companies and clearing houses. Securities repurchase agreements must be regulated by means of a standardised master agreement. The Depositary is liable for ensuring that such transactions are processed smoothly and in line with standard market practice.

For specific information see Annex I to the constituent documents.

### **2.2.2.6 Lombard credits**

A lombard credit is a transaction in which a counterparty grants credit in connection with the purchase, sale, holding or trade of securities, excepting other loans collateralised by securities (e.g. borrowing for the settlement of a share trading transaction).

### **2.2.2.7 Total return swaps**

Total return swaps are derivative transactions in which all income and value fluctuations of an underlying are exchanged for an agreed fixed interest payment. In this way, a contractual partner, the collateral taker, transfers the entire credit and market risk from the underlying to the other contractual partner, the collateral provider. In return, the collateral taker pays a premium to the collateral provider. The AIFM may carry out total return swaps for hedging purposes and as part of the investment strategy. In principle, all assets acquirable for the sub-fund can be the subject of a total return swap. Such transactions can involve up to 100 % of the sub-fund assets. The AIFM anticipates that in an individual case no more than 50 % of the sub-fund will be the subject of a total return swap.

For specific information see Annex I to the constituent documents.

### **2.2.3 Borrowing**

Sub-fund assets must not be pledged or charged in any other way, except for borrowing that does not exceed a certain proportion of the sub-fund assets. This limit does not apply to acquisition of foreign currency by means of back-to-back loans.

For specific information see Annex I to the constituent documents.

### **2.2.4 Collateral policy**

In connection with OTC transactions and efficient portfolio management techniques the AIFM may take receipt of collateral on behalf and for the account of the sub-funds,



thereby reducing the exposure to counterparty risk. Received collateral is held in safekeeping by the Depositary of the sub-funds.

In taking receipt of collateral the AIFM complies with the relevant statutory provisions as well as the duties and requirements laid down in the guidelines issued by the competent supervisory authorities, in particular regarding liquidity, valuation, issuer creditworthiness, correlation, diversification, risks associated with collateral management, safekeeping, ease of realisation and re-use of collateral. In particular, collateral must satisfy the following requirements:

- a) All collateral other than cash or sight deposits must be highly liquid, have a duration that is as long as or shorter than that of the sub-fund, and be traded on a regulated market or a multilateral trading system with transparent pricing.
- b) The collateral must be valued at least once a day, and assets displaying high price volatility may only be accepted as collateral if appropriately conservative valuation discounts (“haircuts”) are applied. Any subsequent payments will not be used for the valuation.
- c) The issuer of the collateral must have a strong credit rating.
- d) The collateral received must not have been issued or guaranteed by a counterparty or a company belonging to the counterparty’s group, and must not be expected to display a high correlation with the performance of the counterparty.
- e) The collateral must be sufficiently broadly diversified across different countries, markets and issuers; the overall risk exposure to a single issuer must not exceed 20 % of the sub-fund’s net assets, after allowance for all collateral received. In the case of collateral from several securities funding transactions, OTC derivatives transactions and securities repurchase agreements attributable to the same issuer or guarantor, the overall risk vis-à-vis this issuer is to be considered for the calculation of the overall risk limit. Deviating from this, the sub-fund can be collateralised in full through various securities and money market instruments issued or guaranteed by an EEA member state, one or more of its regional authorities, a third country, or a public international body to which at least one EEA member state belongs. The sub-fund should hold securities issued as part of at least six different issues, with securities from a single issue not exceeding 30 % of the net asset value of the sub-fund.
- f) It must be possible to realise the collateral at any time without reference to or approval by the counterparty.
- g) Depending on credit rating and liquidity, collateral may have different terms, with diversification and correlation strategies being taken into account
- h) Collateral, with the exception of sight deposits (liquid assets), must not be sold, reinvested or pledged.

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

- i. Investment in sight deposits with a term of no more than 12 months with credit institutions based in an EEA member state or a third country with supervisory law equivalent to that of the EEA
- ii. Debentures with high credit ratings issued by governments
- iii. Investments involving securities repurchase agreements, provided the counterparty is a credit institution based in an EEA member state or a third country with supervisory law equivalent to that of the EEA
- iv. Investments in money market funds with short-term structures pursuant to ESMA/2014/937 point 43(j)

Any reinvestment of sight deposits and callable deposits must comply with provisions regarding the risk diversification of non-cash collateral.

The AIFM determines the requisite scope of the collateral and the size of the haircuts based on the applicable risk diversification rules and with all due allowance for the type and characteristics of the transactions and assets concerned, in particular the creditworthiness of the counterparties and the price volatility, and where necessary for the results of any stress tests carried out.

When determining the haircuts a general haircut policy formulated for the AIFM is applied.

Where different ratings have been issued by Standard & Poor’s, Moody’s or Fitch for an issuer or the posted collateral, the lowest rating is applied.

With regard to certain countries and share indices and their inclusion in the list of permissible countries and/or benchmark indices, the AIFM is entitled to impose restrictions or to exclude them from the list or, more generally, to impose additional restrictions on counterparties concerning the permissible collateral. The AIFM reserves the right to increase the haircuts applied to the collateral posted by counterparties, especially in the event of unusually high market volatility, so that the sub-funds have higher levels of collateral in order to mitigate the counterparty risk.

## 2.2.5 Leverage

AIFMA-105-1-d-2-

Any method by which an AIFM heightens the downside risk of a sub-fund under its management above and beyond the assets of the sub-fund through borrowing, securities lending business, securities repurchase agreements, derivatives or other means are considered to constitute leverage.

The AIFM must not employ leverage in excess of 300 % of the net asset value of a given sub-fund.

For specific information see Annex I to the constituent documents.

### 2.3 Prime broker

AIFMA-105-1-r--

If a prime broker is engaged, its selection and authorisation both as sub-custodian and business partner of the AIFM conform to the relevant statutory provisions. The terms and conditions, the possibility of transfer and reuse of the assets of the sub-fund and details of any existing liability transfer to the prime broker are set out in a written agreement.

For specific information see Annex I to the constituent documents.

### 2.4 Risk profile and general risks

AIFMA-105-1-d-2-

**The value of shares depends on the investment objective, policy and strategy and on the market performance of the individual investments and cannot reliably be ascertained in advance. The value of a share may rise above or fall below the issue price at any time. There is no guarantee that investors will recover their capital investment.**

Potential investors should be aware of the associated risks and should not make an investment decision until they have obtained comprehensive advice from their legal, tax and financial advisors, auditors or other experts on whether an investment in shares is suitable in the light of the investor's personal financial and tax circumstances.

Some of the potential risks are briefly discussed in this section. It should be noted, however, that this is not an exhaustive list of all the possible risks.

#### Credit/issuer risk (default risk)

Where an issuer's solvency deteriorates or the issuer becomes insolvent, the result is the loss of at least some of the sub-fund's investment.

Despite careful selection of the securities, the risk can deteriorate significantly over time and result in a partial or total loss.

#### Counterparty risk

Counterparty risk is the risk that performance of transactions concluded for the sub-fund's account will be jeopardised by cash flow difficulties or insolvency on the part of the counterparty.

#### Collateral management risk

If the sub-fund carries out OTC transactions, it may be exposed to risks in connection with the creditworthiness of the OTC counterparties: when concluding forward contracts, options and swap transactions or using other derivatives-based techniques the sub-fund runs the risk of an OTC counterparty failing to meet its obligations under one or

more contracts. This counterparty risk may be reduced if collateral is furnished. Where collateral is provided to the sub-fund under the terms of a contract, it will be held in safekeeping for the account of that particular sub-fund by or on behalf of the Depositary. Cases of insolvency or other credit default events affecting the Depositary or entities within its sub-custodian or correspondent bank network can result in the sub-fund's rights and entitlements in respect of the collateral being deferred or restricted in some other manner. Where the terms of a contract require the sub-fund to furnish the OTC counterparty with collateral, that collateral is transferred to the OTC counterparty as agreed between the sub-fund and the OTC counterparty. In addition, the events listed above can result in the rights or the recognition of the sub-fund in respect of the collateral being delayed, restricted or even excluded. The sub-fund would be required to meet its obligations under the OTC Transaction notwithstanding any collateral provided in advance to cover such obligation.

#### Derivative risk

Whenever derivative instruments are used to hedge the assets of a sub-fund, the effect is to considerably reduce the economic risk to which a part of the sub-fund's assets is exposed. However, a simultaneous effect is that, if the sub-fund assets in question perform favourably, the sub-fund can no longer participate.

By using derivative instruments to increase income in line with its investment objective rather than for hedging purposes, the respective portfolio increases its exposures and must ensure that the resulting risks are covered by the Fund's risk management policy in an appropriate manner.

The use of derivatives is associated with investment risks and transaction costs. These risks include:

- a) the danger that forecasts made regarding future trends in interest rates, prices of securities and currency markets may, in hindsight, prove to have been incorrect;
- b) the failure of the prices of futures and option contracts on the one hand to correlate completely with the price movements of the securities or currencies used to hedge them on the other hand, as a result of which complete hedging may not be possible under certain circumstances;
- c) the possible absence of a liquid secondary market for a specific instrument at a given point in time, as a result of which it may not be economically viable to close out a derivative position under certain circumstances, even when doing so would make sense from the investment policy standpoint;
- d) the danger that it may not be possible to sell securities underlying derivative instruments at an opportune time or that securities may have to be acquired or sold at an inopportune time;

- e) the potential loss arising due to the use of derivative instruments, which may not be predictable under certain circumstances and could even exceed the margin provided;
- f) the danger of insolvency or payment default on the part of a counterparty (counterparty risk); if the sub-fund is able to enter into OTC derivatives transactions it is subject to heightened credit risk and counterparty risk which the AIFM attempts to mitigate by concluding collateral management agreements;
- g) in the event of insolvency or payment default on the part of a counterparty the sub-fund concerned may experience delays in the processing of positions and incur considerable losses, including depreciations of the investments, may find it impossible to realise gains during that period and may incur outlays in connection with the enforcement of such rights; there is also a risk that the aforementioned agreements and derivatives techniques are terminated, for instance by business failure (insolvency) or a change in the tax law or accounting provisions governing the rules in force when a given agreement was concluded.

#### **Inflation risk**

Inflation can reduce the value of the sub-fund's investments. The purchasing power of the invested capital falls if the rate of inflation is higher than the return on the investments.

#### **Macroeconomic risk**

This is the risk of capital losses caused by failure to take accurate account of macroeconomic developments when making investment decisions, with the result that securities investments are made at the wrong time or securities are held during an unfavourable phase of the business cycle.

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

Investments in politically unstable countries carry especially high risks. These can suddenly result in large price fluctuations. Country risks include the threat of currency restrictions, transfer risks, moratoria or embargos.

#### **Potential investment spectrum**

Under the investment principles and investment limits laid down in the AIFMA and the constituent documents, which allow the Fund and the sub-funds very broad scope for their investment activity, the actual investment policy may entail concentrating on particular assets, e.g. only a small number of sectors, markets, regions or countries. This concentration on a small number of special investment segments may give rise to heightened opportunities but will simultaneously involve correspondingly heightened risks.

#### **Concentration risks**

Further risks may arise from a concentration of investments in particular assets or markets. The portfolio then becomes

especially heavily dependent on the performance of these assets or markets.

#### **Liquidity risk**

AIFMA-105-1-k--

Instruments which are not listed on an exchange or traded on some other organised market carry the risk that it might prove difficult or even impossible to sell them on to third parties. Securities of smaller companies (small caps) are subject to the risk that the market in these securities might not always be liquid. This can mean that the securities cannot be sold at the desired time and/or cannot be traded in the desired quantity and/or at the desired price. Investors may run the risk that their redemption requests are suspended, restricted (gating) or split, that some of the assets of the sub-fund are transferred to side pockets, or that the payment of redemption proceeds is delayed, as described in the constituent documents.

#### **Market risk (price risk)**

This is a general risk affecting all investments and refers to the danger that the value of a particular investment may change to the detriment of the sub-fund.

#### **Psychological market risk**

Market sentiment, opinion and rumour can cause a substantial decline in the value of an asset even though the profitability and prospects of the companies in which the Fund has invested might not have changed significantly. Psychological market risk affects equities in particular.

#### **Settlement risk**

This is the risk of a loss being incurred because a transaction that has been concluded is not executed as expected because a counterparty fails to pay or deliver.

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

The purchase, holding or sale of investments may be subject to tax regulations (e.g. deduction of withholding tax) outside the Fund's country of domicile. In addition, the legal and tax treatment of portfolios may change in ways that cannot be predicted or influenced.

#### **Business risk**

Equity investments involve a direct participation in a company's business success or failure. This could even mean that the entire value of the investment is lost.

#### **Currency risk**

Foreign currency positions that are not hedged are exposed to direct currency risk. Falling exchange rates cause the value of foreign currency positions to decline. In addition to these direct currency risks, indirect currency risks may arise. Internationally active companies are susceptible to exchange rate movements to varying degrees, and these can indirectly affect the value of investments in these companies.

### **Risk of changes in interest rates**

Investments in interest-bearing securities are exposed to the risk of changing interest rates. If market rates rise, the market value of interest-bearing securities can decline substantially. This effect is magnified in the case of interest-bearing securities with long periods to maturity and low nominal interest rates.

### **Change of investment policy**

The risk associated with the portfolio's assets may change in terms of its content due to a change in the investment strategy within the range of investments permitted by law and contract for the respective portfolio's assets. The AIFM may at any time significantly modify the investment policy of the sub-fund within the parameters of the constituent documents by amending the notice to investors and constituent documents, including Annex I.

### **Changes to the notice to investors, including constituent documents**

The AIFM reserves the right to amend the notice to investors including constituent documents. The AIFM may also dissolve an individual sub-fund altogether or merge it with another sub-fund. The investor therefore runs the risk of not being able to hold the sub-fund shares for the expected period.

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

AIFMA-105-1-k--

In principle, investors can require the AIFM to redeem their shares in line with the valuation frequency of the sub-fund. However, the AIFM may temporarily suspend the redemption of shares if extraordinary circumstances arise, redeeming the shares only later at the price applicable then. This price may be lower than the price prior to the suspension of the redemption.

### **Key staff risk**

Portfolios that perform extremely well during a certain period also owe this success to the skill of the Fund managers and their ability to make the right decisions. The composition of the Fund's management staff may, however, change. New decision-makers may be less successful.

### **Hedging risk**

Share classes with an accounting currency other than the sub-fund currency can be hedged against exchange rate fluctuations. The aim of such hedging is to protect investors as much as possible against potential losses caused by negative exchange rate fluctuations, although by the same token it prevents investors from benefiting fully from positive exchange rate fluctuations. Because of fluctuations in the hedged sub-fund volume and current levels of subscriptions and redemptions it is not always possible to ensure that hedging exactly matches the net asset value of the share

class to be hedged. There is therefore a possibility that the net asset value per share of a hedged share class will not perform identically with the net asset value per share of a share class that is not hedged.

### **Emerging market risk**

Investments in developing and emerging markets may involve particular economic and legal risks that can expose sub-funds to increased volatility or a loss of value. These include for example capital markets with comparatively low market capitalisation and consequently higher volatility, inadequacies in regulatory supervision, market infrastructure and shareholder protection, as well as corruption, currency and transfer restrictions, moratoria, unrest, embargos (export/import restrictions), opaque/incompatible accounting guidelines, direct ("nationalisation") or indirect expropriation ("tax as expropriation"), increased inflation/deflation, currency devaluation, military conflict, insufficient legal enforceability of claims from investments, or other restrictions imposed by government.

### **Fraud risk**

Investments in alternative assets or companies with reduced corporate governance requirements, in particular through the use of special-purpose vehicles (SPVs), can increase the complexity of the overall structure and the risk of conflicts of interest considerably. In addition, parties or persons may be involved in the structure who are not subject to the same supervision as the alternative investment fund manager (AIFM), the Depositary and the portfolio manager. A combination of these factors may result in situations in which fraudulent activity cannot be ruled out.

### **Sustainability Risks**

Sustainability risks refer to an environmental, social or governance event or condition that, if it were to occur, could cause an actual or potential material adverse impact on the value of the investment. The materiality of sustainability risks is determined by the probability, magnitude and time horizon of the occurrence of the risk.

Sustainability risks are to be understood as an additional factor to the traditional risk types (e.g. credit, market, liquidity, operational and strategic risk) and are identified and managed within the framework of risk management processes.

Sustainability risks can be numerous and result in particular from environmental risks, social risks and risks arising from corporate governance. Examples of the risks are:

- environmental risks: risks of climate change, new carbon taxes, changing consumer behaviour or extreme weather events
- social risks: risks arising from non-compliance with labor law standards, the neglect of the occupational safety or health protection

- risks arising from corporate governance: risks from failure to incorporate sustainability into corporate management, from corruption, lack of data protection, lack of tax honesty, or lack of transparency

Sustainability risks vary depending on the specific risk, region and asset class. Sustainability risks may have a negative impact on the sub-fund's return. In general, these risks can lead to increased default risks for the investments or result in a total loss of value.

For further information on how sustainability risks are factored into investment decisions and the expected impact of sustainability risks on the sub-fund's return, see Annex I to the constituent documents.

### 2.5 Asset valuation rules

AIFMA-105-1-i---

See constituent documents.

### 2.6 Details of the registered office of a potential master AIF

AIFMA-105-1-b---

For specific information see Annex I to the constituent documents.

## 3 Share classes

### 3.1 Equal treatment of investors

AIFMA-105-1-m---

The Fund's investors must be treated fairly and equitably. In particular, when managing liquidity risk and redeeming shares the interests of one investor or group of investors must not be favoured over the interests of another investor or group of investors. In this regard the provisions governing the issue and redemption of shares provide for the fair treatment of the investors. No preferential treatment is given to one investor or group of investors except by means of the creation of share classes with distinctive features.

For specific information see Annex I to the constituent documents.

### 3.2 Issue and redemption of shares

AIFMA-105-1-o---

In general, shares may be subscribed or redeemed on each trading day. Subscriptions and redemptions take place on the basis of prices that are unknown to the investor at the time the application is made (forward pricing).

All commissions, taxes and duties payable in relation to share subscriptions and redemptions are borne by the investor. If shares are acquired through banks that are not entrusted with distributing the shares, the possibility cannot be ruled out that such banks will levy additional transaction charges.

For specific information see the constituent documents.

### 3.3 Charges

AIFMA-105-1-l---

See constituent documents.

## 4 Enforcement, prevailing language and other matters

This Agreement replaces any and all previous documents relating to the object hereof. Different language versions of this document may exist. In the case of differences between these versions, the German version will prevail.

Subject to the granting of any required approval by the supervisory authorities, the notice to investors enters into force on

**16/03/2021.**

Signed on: 09/03/2021

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AIFM

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Depository

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## B. Constituent documents (Trust Agreement)

### 1 Fund

#### 1.1 Master data

AIFMA-8-3-icw-7-3-a

##### 1.1.1 Designation

Alegra ABS Two (Euro) Fund

##### 1.1.2 Duration

Unlimited

#### 1.2 Alternative Investment Fund Manager (AIFM)

AIFMA-8-3-icw-7-3-b  
AIFMA-105-1-f--

The AIFM is entitled to manage in its own name but for the account of the investors regarding the Fund assets in accordance with the relevant statutory provisions and the constituent documents and to exercise all the associated rights.

##### 1.2.1 Firm name, legal form, registered office and headquarters

VP Fund Solutions (Liechtenstein) AG, Limited company, 9490 Vaduz, LIECHTENSTEIN (LI)

##### 1.2.2 Member state of origin

LIECHTENSTEIN (LI)

##### 1.2.3 Date of entry in the Commercial Register

23/06/1999

##### 1.2.4 Duration

Unlimited

##### 1.2.5 Subscribed and paid-in capital

Current status as per commercial register at registered office:

Amt für Justiz (AJU), 9490 Vaduz, LIECHTENSTEIN (LI)

##### 1.2.6 Board of Directors and Management Board

Current status as per commercial register at registered office:

Amt für Justiz (AJU), 9490 Vaduz, LIECHTENSTEIN (LI)

##### 1.2.7 Information on other managed investment companies and/or investment funds

Current status as per the register of the responsible supervisory authority at the registered office:

Finanzmarktaufsicht (FMA), 9490 Vaduz, LIECHTENSTEIN (LI)

##### 1.2.8 Liability in respect of professional activities

AIFMA-105-1-g--

In conformity with the applicable statutory provisions, the AIFM must have adequate capital resources at its disposal in case its business activities unavoidably give rise to damage for which the AIFM would be liable.

### 1.2.9 Delegation of duties

AIFMA-105-1-h--

In accordance with legal provisions, the AIFM may delegate some of its duties to third parties with a view to ensuring that its business is conducted more efficiently. Such delegation of duties are regulated by an agreement concluded between the AIFM and the third party concerned.

For specific information, see Annex I and, where applicable, Annex II to the constituent documents.

#### 1.2.9.1 Conflicts of interest associated with the delegation of duties

AIFMA-105-1-h--

Conflicts of interest may arise from the delegation of management functions to third parties, especially if one of those third parties is a company associated with the AIFM.

In conformity with the applicable statutory provisions, the AIFM has taken appropriate organisational measures to avoid potential conflicts of interest arising from the delegation of management duties. Should it prove impossible to avoid conflicts of interest, the AIFM will identify and monitor them, disclosing those that exist and attempting to resolve them in the best interests of the investors.

At present there are no conflicts of interest arising from the delegation of management functions.

#### 1.2.10 Remuneration principles and practices

AIFMO-13-1----

With regard to its remuneration principles and practices, the AIFM is subject to the supervisory provisions governing fund management companies laid down in the Liechtenstein law on undertakings for collective investment in transferable securities (UCITSA) and the provisions governing AIFMs set out in the AIFMA. The AIFM has laid down the details in an internal regulation on remuneration principles and practices, the aim of which is to establish a consistent and sustainable system of remuneration without creating misplaced incentives to take on excessive levels of risk. The AIFM's remuneration principles and practices are subject to review by the members of the Board of Directors on at least an annual basis to ensure that they are appropriate and comply with all relevant legal provisions. They include both fixed and variable (performance-related) remuneration components.

The AIFM's remuneration principles and practices are simple, transparent and focused on sustainability, in particular environmental, social and governance aspects. It is in line with the business strategy, objectives and values as well as the overall long-term performance and takes into account the AIFM's equity situation.

The remuneration policy is consistent with the business and risk policies of the AIFM. In particular, no incentives to take on excessive levels of risk are created. When calculating the

performance-related remuneration component, account is taken of the AIFM's overall results and/or of the performance of the individual employee and his/her department or team. With regard to the achievement of objectives set in personal performance appraisals, particular emphasis is placed on sustainable business development and protecting the company against excessive risks. The variable remuneration components are not linked to the performance of the investment companies and/or funds managed by the AIFM. The employer is permitted to grant voluntary non-cash benefits and benefits in kind.

In addition, the establishment of ranges for total remuneration will ensure that employees are not significantly dependent on their variable remuneration and that variable and fixed remuneration are appropriately balanced. The fixed salary component is set at a level which ensures that full-time employees can cover their cost of living with the fixed component alone (taking standard market salaries into account). When assigning the variable remuneration component the members of the Management Board and the Board of Directors have the final say. Responsibility for reviewing the remuneration principles and practices rests with the Board of Directors.

For the members of the Board of Directors and Management Board as well as employees of the AIFM whose activities have a material influence on the overall risk profile of the AIFM and the investment companies and/or funds it manages ("risk-takers"), special arrangements apply. Risk-takers have been defined as employees who can exert a decisive influence on the risk and business policy of the AIFM. For these risk-takers the variable remuneration is paid out in arrears over several years. A proportion of at least 40 % of the variable remuneration is deferred for a period of at least three years. This deferred proportion of the variable remuneration is risk-dependent. Risk takers for whom either the variable compensation is less than CHF 100,000 p.a. (in the case of full-time employment) or a maximum of 25 % of the total salary, the variable remuneration can be paid out in full and immediately. The variable remuneration, including the deferred proportion, is only paid out or earned if it is sustainable in the light of the financial situation of the AIFM and justified in terms of the performance of the department or team concerned and the individual in question. Weak or negative financial results for the AIFM generally result in a significant reduction in the overall variable remuneration, which may affect both current levels of remuneration and payments of the amounts previously generated.

Additional information on and details of the AIFM's current remuneration principles and practices can be found at [www.vpfundsolutions.li](http://www.vpfundsolutions.li). This includes a description of the methods used to calculate remunerations and other financial inducements paid to certain types of employee as well as identifying the persons responsible for allocating the

remunerations and other financial inducements, including the composition of the remuneration committee.

At the investor's request, standard printed versions of the information issued by the AIFM are also available free of charge.

#### **1.2.11 Forwarding of trading orders for execution by other institutions**

Information on the principles for placing orders to trade with other entities for execution and significant changes in respect thereof is available at [www.vpfundsolutions.li](http://www.vpfundsolutions.li).

#### **1.2.12 Strategies for the exercise of participation rights**

A brief description of how the AIFM exercises participation rights is available at [www.vpfundsolutions.li](http://www.vpfundsolutions.li).

At the investor's request, further details are available free of charge from the AIFM.

#### **1.2.13 Handling complaints**

Information on how complaints are handled by the AIFM is available at [www.vpfundsolutions.li](http://www.vpfundsolutions.li).

#### **1.2.14 Termination and loss of the right to manage the Fund**

[AIFMA-8-3-icw-7-3-b](#)

In the event of termination by the AIFM, loss of the right to manage the Fund or the insolvency of the AIFM, the Fund does not form part of any insolvent estate and with the consent of the responsible supervisory authority may be transferred to another AIFM.

### **1.3 Depositary**

[AIFMA-8-3-icw-7-3-b](#)

[AIFMA-105-1-f---](#)

The task of keeping the Fund's assets in safe custody must be delegated to a depositary in Liechtenstein (LI).

#### **1.3.1 Identity, duties and conflicts of interest of the Depositary**

VP Bank AG, 9490 Vaduz, LIECHTENSTEIN (LI)

The AIFMA provides for the separation of the administrative and custody functions of investment funds. VP Bank AG is the sole shareholder of VP Fund Solutions (Liechtenstein) AG, but is sufficiently functionally and hierarchically separated from it.

The function of Depositary and its liability are governed by the AIFMA and by the associated ordinance, as amended, the Depositary Agreement and the constituent documents of the Fund. The Depositary acts independently of the AIFM and solely in the best interests of the investors. Those financial instruments that can be held in safekeeping are held for the Fund's account in the Depositary's custody in separate accounts opened in the name of the Fund or the AIFM acting on behalf of the Fund. The Depositary monitors whether the assets are in accordance with the provisions of

the AIFMA and the constituent documents. To this end the Depositary in particular monitors whether the Fund complies with the investment restrictions and leverage limits.

In addition, the Depositary ensures that

- a) the sale, issue, redemption, settlement and cancellation of shares take place in accordance with the AIFMA and the constituent documents;
- b) the shares of the Fund are valued in accordance with the AIFMA and the constituent documents;
- c) in the case of transactions involving the assets of the Fund, the equivalent value is transferred to the Fund within the customary time limits;
- d) the earnings of the Fund are appropriated in accordance with the AIFMA and the constituent documents;
- e) the cash flows of the Fund are properly monitored, that all payments in relation to share subscriptions by or on behalf of investors have been duly received and that all monies of the Fund have been booked to account in accordance with the AIFMA and the constituent documents.

In addition, the Depositary keeps a share register for the Fund and/or the sub-funds.

Further information on the current situation with regard to the Depositary and its duties and conflicts of interest may be obtained directly from its registered office or online on its website [www.vpbank.com](http://www.vpbank.com).

### **1.3.2 Duties delegated by the Depositary, authorised agents and sub-contractors, conflicts of interest arising from the delegation of duties**

AIFMA-105-1-h--

The Depositary is entitled to delegate part or all of its responsibility for holding the assets in safekeeping to other banks, financial institutions or recognised clearing houses that satisfy the relevant statutory requirements (sub-custodians).

The assets held on behalf of the Fund may be held in safekeeping by the sub-custodians specified on the VP Bank AG website ([www.vpbank.com](http://www.vpbank.com)).

Conflicts of interest may arise from the delegation of custodian functions to the respective sub-custodians, especially if one of those sub-custodians is a company associated with the Depositary (e.g. when delegating custodian functions or selecting the sub-custodian, the Depositary could favour a company associated with itself over equally promising other companies). Moreover, conflicts of interest may arise between the Depositary and other providers of services to the Fund. The Depositary has appropriate structures in accordance with the applicable legal provisions to avoid potential conflicts of interests which could arise from the delegation of custodial duties and in

relation to other service providers of the Fund. If conflicts of interest cannot be avoided, the Depositary will identify, monitor, and where applicable, disclose those conflicts of interest and resolve them in the interests of investors.

According to information from the Depositary, there are, at the current time, no conflicts of interest from any delegations of custodial duties or in relation to other service providers of the Fund.

### **1.3.3 Exclusion of liability**

AIFMA-105-2----

n/a

### **1.3.4 Termination and loss of the right to custody of Fund assets**

In the event of termination by or the insolvency of the Depositary, the Fund does not form part of any insolvent estate of the Depositary and with the consent of the responsible supervisory authority may be transferred to another depositary or dissolved.

## **1.4 Announcement and information**

AIFMA-8-3-icw-7-3-I

The Fund's statutory publication medium is the

LAFV (Liechtensteinischer Anlagefondsverband), 9490 Vaduz, LIECHTENSTEIN (LI), [www.lafv.li](http://www.lafv.li)

Investors note that all announcements and information are made on the above website.

For notices to investors outside the member state of origin, see Annex II to the constituent documents for specific information.

## **1.5 Summary information on tax regulations**

### **1.5.1 Fund assets**

A Liechtenstein-registered investment fund legally constituted as a collective trusteeship is liable without restriction to tax in Liechtenstein and is subject to income tax. The investment income on the assets under management constitutes tax-exempt income.

### **1.5.2 Stamp tax on the issue and negotiation of securities, turnover tax and start-up duty**

Pursuant to the Customs Union Agreement between Switzerland and Liechtenstein, Swiss stamp duty law is also applicable in Liechtenstein. For the purposes of Swiss stamp duty legislation, therefore, the Principality of Liechtenstein is treated as part of Switzerland. The establishment (issue) of shares in such a fund or its sub-funds does not attract stamp taxes on the issue and negotiation of securities. The sale (transfer against valuable consideration) of shares attracts turnover tax if one of the parties or an intermediary is a Swiss securities dealer. Redemptions of investor's shares are exempt from turnover tax. A collective trusteeship is treated as an investor exempt from turnover tax.



### 1.5.3 Withholding tax and capital gains tax

Both income and capital gains, whether distributed or accumulated, may be partially or fully liable to capital gains tax, depending on the person who directly or indirectly holds the shares of the collective trusteeship.

The collective trusteeship is otherwise not liable to the retention of any kind of tax at source, in particular coupon or withholding tax, in the Principality of Liechtenstein. Foreign income and capital gains on a collective trusteeship or on any of its sub-funds may be subject to the deductions of withholding tax applicable in the host country of the investments concerned. These provisions are subject to any double taxation agreements that are in force.

### 1.5.4 Automatic exchange of information (AEOI)

With regard to the collective trusteeship or sub-funds, a Liechtenstein paying agent may be obliged, in accordance with the AEOI agreement, to report the shareholders to the local tax authority and carry out any corresponding legal notifications.

### 1.5.5 FATCA

The collective trusteeship and any sub-funds are subject to the provisions of the Liechtenstein FATCA agreement and the corresponding implementing provisions in the Liechtenstein FATCA act.

### 1.5.6 Persons resident for tax purposes / entities domiciled in Liechtenstein

#### 1.5.6.1 Natural persons

Private investors domiciled (resident for tax purposes) in the Principality of Liechtenstein must declare their shares as assets, for which a standardised annual return on assets (projected return) is calculated. Any distributed or accumulated income generated by the collective trusteeship or any sub-funds are exempt from income tax. The capital gains realised on the sale of shares are exempt from income tax. Capital losses may not be deducted from taxable income.

#### 1.5.6.2 Legal entities

In the case of legal entities whose registered office or place of effective management is in the Principality of Liechtenstein, the income and/or realised capital gains are attributed to the shareholders regardless of whether they constitute the distributed income or accumulated income of a fund legally constituted as a collective trusteeship or of its sub-funds. In the process, the relevant income tax exemptions may be applied to this attributed income if its composition can be established. Capital losses may be deducted. However, any such losses claimed will be subject to taxation in the event of any subsequent reversal of impairment.

### 1.5.7 Persons with tax domicile outside Liechtenstein

For investors domiciled (resident for tax purposes) outside the Principality of Liechtenstein, taxation and the other fiscal consequences of holding or buying and selling investor's shares will depend on the tax legislation of the country of domicile or, where applicable, on the terms of any bilateral tax treaty between that country and the Principality of Liechtenstein.

### 1.5.8 Disclaimer

The above tax information is based on the law and legal practice as currently known. It is therefore expressly subject to any changes in legislation, legal practice or the regulations and practices of the tax authorities in Liechtenstein and in foreign jurisdictions.

**Investors are strongly advised to consult their own professional advisor on the tax consequences of these investments. The collective trusteeship, the AIFM, the portfolio manager, the Depositary and their authorised agents cannot accept responsibility for the individual tax consequences for investors who hold, buy or sell investor's shares, or for the related income.**

### 1.6 Countries in which the Investment Company is distributed

#### 1.6.1 Measures relating to payments to shareholders, share redemptions and dissemination of information (in all countries in which the Fund is distributed)

If the Investment Company is distributed outside the member state of origin, see Annex II to the constituent documents for specific information.

Where Annex II exists, the information contained in it is based on the law of the particular country in which the Investment Company is distributed, is not subject to examination by the responsible supervisory authority of the member state of origin and is not covered by any approval granted by said authority.

#### 1.6.2 Sales restrictions

There are some countries in which the Fund is not authorised for distribution. The dissemination of Fund sales documents (e.g. notice to investors including constituent documents, KIID, annual and semi-annual reports) in jurisdictions other than the member state of origin may be subject to restrictions. Persons coming into possession of these documents are obliged to inform themselves of the requirements that apply in their own country. These Sales Documents do not constitute an offer in any jurisdiction in which such an offer is prohibited by law or to any person to whom it would be illegal to make such an offer. The issue and redemption of shares of this Fund abroad are governed by the legal provisions in force in the country concerned.

Shares of the Fund can exclusively be subscribed via financial institutions in the EU, in the EEA or in similar countries (according to the applicable equivalence list of the FMA) which meet the requirements for simplified due diligence according to the Due Diligence Ordinance.

In particular, the shares have not been registered pursuant to the United States Securities Act of 1933 and must not be offered, sold, forwarded or delivered directly or indirectly in the United States, to citizens or residents of the United States, or to corporations or other legal entities established or administered under United States law, except in connection with a transaction that does not violate said Act. For the purposes of these Sales Documents, the term "United States" means the United States of America, all its Federal States, territories and possessions and all areas under its jurisdiction. Citizens of the United States who are resident outside the United States may become beneficial owners of shares in accordance with Regulation S of the Securities Act Release No. 33-6863 (2 May 1990).

## 2 Sub-fund

AIFMA-8-3-icw-7-3-i  
AIFMO-20a-3---

The Fund is structured as an umbrella fund with one or more sub-funds, which are separate entities with regard to property law and liability, i.e. each individual sub-fund is liable with its assets only for liabilities contracted by that particular sub-fund. Additional portfolios may be added at any time.

The specific features of each sub-fund and share class are defined in Annex I to the constituent documents.

The umbrella structure currently includes one sub-fund.

### 2.1 Financial year

AIFMA-8-3-icw-7-3-o

The financial year of the sub-fund ends on the last calendar day of December. In justified cases, in particular with regard to the first financial year, the financial year may last a maximum of 18 months.

For specific information see Annex I to the constituent documents.

### 2.2 Share of calculation

AIFMA-8-3-icw-7-3-p

For more information on the currency of the sub-fund and the share classes, as well as rounding and denomination, see Annex I to the constituent documents.

### 2.3 Benchmark

A benchmark is an index or an index combination that is used to measure the performance of the sub-fund, the composition of the sub-fund or the calculation of the

Performance Fee. In the event of use of a benchmark, it must also be shown whether the administrator of the benchmark is entered in the register of administrators maintained by ESMA in accordance with the regulation on indices used as benchmarks.

For specific information see Annex I to the constituent documents.

## 2.4 Investments

AIFMA-8-3-icw-7-3-c  
AIFMO-10-1---

As a general principle every sub-fund may invest in every type of asset in accordance with the relevant statutory provisions.

On no account are the sub-funds permitted to engage in uncovered short-selling.

For any applicable restrictions and specific information see Annex I to the constituent documents.

### 2.4.1 Investment objective, policy and strategy

AIFMA-8-3-icw-7-3-c  
AIFMO-10-1---

For specific information see Annex I to the constituent documents.

### 2.4.2 Investment restrictions

AIFMA-8-3-icw-7-3-c  
AIFMO-10-4---  
AIFMO-57-2-a--

Certain investment restrictions apply to each sub-fund. For the first six months after their initial subscription payment date the sub-funds may deviate from the investment limits laid down by the investment policy.

For any applicable restrictions and specific information see Annex I to the constituent documents.

#### 2.4.2.1 Procedure in the event of deviations from the investment restrictions

AIFMO-57-2-b--

The AIFM is not required to comply with the investment limits when exercising subscription rights attaching to securities or money market instruments held as Fund assets.

In the event that the investment limits have been exceeded passively, the aim of the AIFM is to normalise the situation with all due regard to the best interests of the investors.

Any damage resulting to the sub-fund from an active infringement of an investment limit must be reimbursed to the sub-fund.

### 2.4.2.2 Look-through principle for investment limits

AIFMO-10-3---

For specific information see Annex I to the constituent documents.

### 2.4.3 Index tracker

AIFMO-10-2-.....

If the sub-fund tracks an index, the name of the index and the degree of tracking must be specified.

For specific information see Annex I to the constituent documents.

## 2.5 Provisions governing valuation

### 2.5.1 Valuation deadlines (trading days)

For specific information see Annex I to the constituent documents.

Besides the valuations on set trading days, additional valuations may be made and/or net asset values may be published without giving rise to any entitlement to trade in the Fund shares.

### 2.5.2 Asset valuation rules

AIFMA-8-3-icw-7-3-d

AIFMO-11-1---

The valuation is made in accordance with the following methods:

- a) Securities listed on an exchange are valued at their last available price. Those listed on several exchanges are valued at their last available price on whichever exchange is the primary market for the security in question.
- b) Securities that are not listed on an exchange but are traded on a market open to the public are valued at their last available price.
- c) Investments whose prices are not in line with market conditions and assets that are not officially listed on an exchange or traded on a market open to the public are valued at the price that would probably be obtained by diligent sale at the time of valuation, this price to be determined in good faith by the Management Board of the AIFM or by authorised agents acting under its guidance or supervision.
- d) OTC derivatives are valued at the price that would probably be obtained by diligent sale as calculated in accordance with generally recognised valuation models and principles verifiable by certified auditors.
- e) Shares of funds are valued at their last available redemption price. If share redemptions have been suspended, no redemption entitlement exists or no redemption prices are set, the shares are valued at the price that would probably be obtained by diligent sale as determined by generally recognised valuation models and principles verifiable by certified auditors.

- f) Where no viable trading price is available for particular assets, they are valued at the price that would probably be obtained by diligent sale as determined by generally recognised valuation models and principles verifiable by certified auditors.
- g) Liquidity is valued at par plus accrued interest.
- h) The market value of securities and other investments denominated in a currency other than the portfolio currency are converted at the latest available middle rate of exchange.

The AIFM is entitled on occasion to use other appropriate valuation methods in the event that those stated above appear inappropriate or unworkable in the light of extraordinary events.

## 2.6 Provisions governing amendments

### 2.6.1 Preconditions for amendments to the constituent documents

AIFMA-8-3-icw-7-3-m

The constituent documents may be fully or partly amended or supplemented at any time. This applies in particular to amendment of the investment strategy and the investment policy.

Amendments will be published in the official publication medium.

Amendments do not require the investors' consent. However, investors will be informed that they may have their shares redeemed in the event of material changes.

The law or the ordinance define material changes. Changes that are not material may result in particular from statutory or regulatory adjustments that are mandatory. Furthermore, editorial adjustments do not constitute material changes.

Investors, their heirs or other interested parties are not entitled to demand the modification of the Fund or of its sub-funds or share classes.

The costs of any modifications may be charged to the Fund or, as applicable, the sub-fund.

### 2.6.2 Prerequisites for the handling of structural measures

AIFMA-8-3-icw-7-3-m

Structural measures (mergers and splits) require the prior approval of the responsible supervisory authorities and will be published via the Fund's publication medium.

Mergers must be carried out by means of absorption, the creation of a new sub-fund or partial liquidation. They may involve the merger of one sub-fund with one or more other foreign or domestic funds or sub-funds, irrespective of the legal form and domicile of the target and source funds.

Mergers may only be carried out at the end of the financial year or by drawing up extraordinary financial statements for the source sub-funds.

The investors will be informed in advance as required by law and until the cut-off date stipulated in the notice have the choice of selling their shares, having them redeemed or exchanging them for shares of another fund with a similar investment policy that is managed by the same AIFM or a company closely associated with the AIFM.

On the transfer cut-off date the exchange ratio is fixed and checked by the Certified Auditors of the fund/sub-fund. The exchange ratio expresses the relationship between the net asset values of the source and target funds as at the transfer cut-off date. Each investor receives a number of shares in the target fund/sub-fund based on the exchange ratio. Any fractions resulting from the exchange ratio may be rounded down to the nearest full share against a cash payment or rounded in accordance with standard commercial practice.

The fact that the merger has taken effect will be announced via the Fund's publication medium.

Mergers do not require the investors' consent. However, investors will be informed that they may have their shares redeemed.

The costs of mergers may be charged to the Fund or, as applicable, the sub-fund.

This does not apply to sub-funds that are distributed to private investors. In this case, neither the sub-fund nor the private investors can be charged the costs of the merger if the private investors have not agreed to take on the costs by means of a qualified majority.

The provisions for mergers apply in the same way to the splitting of sub-funds.

## 2.7 Provisions governing dissolution (liquidation)

AIFMA-8-3-icw-7-3-a  
 AIFMA-8-3-icw-7-3-m  
 AIFMO-17-1---  
 AIFMO-17-3---

The AIFM may dissolve the Fund or individual sub-funds and/or close share classes or annul their subscription payments. In addition, the Fund will be dissolved in the eventualities envisaged by law. The dissolution procedure conforms to the relevant statutory provisions and to any guidelines issued by the responsible supervisory authority. Insofar as no adequate provision for dissolution is made in the constituent documents, the responsible supervisory authority may stipulate more detailed rules.

As required by the relevant statutory provisions, the investors will be informed of the dissolution without delay and in any event at least 30 days before the start of the dissolution process. The AIFM will inform the FMA of its resolution in favour of dissolution without delay as soon as the investors

have been informed, attaching a copy of the notice to investors. Once the dissolution resolution has been made, share trading will cease. The liquidation dividend is paid out to the investors on the basis of a closing report audited by the Certified Auditors.

At the investor's request and with the consent of the AIFM and all investors, share redemptions may also be made by transferring investments to a value equivalent to the daily price (distribution in kind). Contributions in kind are assessed by the AIFM according to objective criteria; however, the AIFM is under no obligation to accept such a request.

All costs arising in this connection (including audit costs, other outlays and any taxes and duties) are borne by the investor concerned and must not be debited to the sub-fund's assets.

If only share classes are closed without dissolving the sub-fund, all shares of the share classes involved will be redeemed and settled.

Dissolutions do not require the investors' consent.

Investors, their heirs or other interested parties are not entitled to demand the dissolution of individual sub-funds or share classes.

The dissolution costs may be charged to the sub-fund.

### 2.7.1 Side pockets

Subject to the agreement of the responsible supervisory authority, the AIFM is authorised to transfer illiquid assets from one sub-fund to another sub-fund established specifically for this purpose (side pocket). This is the case if more than 10 % of the sub-fund assets cannot be properly valued for an extended period of time, or prove to be unsaleable. If a significant percentage of the assets can no longer be properly valued, no shares of the sub-fund are to be settled until the implementation of the side pocket. Investors receive shares in the side pocket that correspond to their share of the existing sub-fund. The sub-fund established for this purpose must include the designation "side pocket" in its name. Once the side pocket has been created, it is immediately liquidated and the proceeds on liquidation are distributed to investors as soon as the assets it contains can be valued or sold. No shares are to be issued or redeemed in the side pocket that has been created until the liquidation process is complete. The AIFM will inform investors of the establishment of side pockets via publication of a notice in the fund's publication medium.

The procedure conforms to the relevant statutory provisions and to any guidelines issued by the responsible supervisory authority.

### 2.7.2 Liquidation through partial disbursements

Should the AIFM consider the continuation of a sub-fund by means of the establishment of side pockets to be unsuitable

due to the relative proportion of illiquid assets in the sub-fund assets, the AIFM is authorised, subject to the approval of the responsible supervisory authority, to put the sub-fund in liquidation and carry out the liquidation of the sub-fund in partial disbursements. Partial disbursements are carried out by the Depositary following an audit of the liquidation interim report (comprising in particular the balance sheet, inventory of assets and the profit and loss account) by the Certified Auditors. Investors will be informed of the partial disbursement through publication of a notice in the fund's publication medium.

The procedure conforms to the relevant statutory provisions and to any guidelines issued by the responsible supervisory authority.

### 3 Share class

AIFMA-8-3-icw-7-3-k

#### 3.1 Type and principal characteristics of the shares

Type of right	Debt claim regarding assets under management
Register/account	Account
Registered/bearer securities	Bearer
Nominal value	None
Voting rights	None
Limitation on amount	None
Certificates (share securitisation)	For specific information see Annex I to the constituent documents.
Exchanges and markets	For specific information see Annex I to the constituent documents.
Denomination	For specific information see Annex I to the constituent documents.

#### 3.2 Investor categories

AIFMA-8-3-icw-7-3-n

For specific information see Annex I to the constituent documents.

##### 3.2.1 Professional investors

A client counts as a professional if he or she is considered to be a professional client within the meaning of Annex II to Directive 2014/65/EU or may be treated as a professional client on request.

A professional client within the meaning of said Directive is a client who possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs. To be regarded as "professional" a client must fulfil the following criteria:

#### 1. Categories of clients that are regarded as professional investors

With regard to all investment services and financial instruments the following clients should be considered as professionals within the meaning of the Directive:

1. Entities which are required to be authorised or regulated to operate in the financial markets. The list below should be understood as including all authorised entities carrying out the characteristic activities of the entities mentioned: entities authorised by a member state under a directive, entities authorised or regulated by a member state without reference to a directive, entities authorised or regulated by a non-member state:
  - a) credit institutions;
  - b) investment firms;
  - c) other authorised or regulated financial institutions;
  - d) insurance companies;
  - e) UCIs and their management companies;
  - f) pension funds and their management companies;
  - g) commodity and commodity derivative dealers;
  - h) local investors;
  - i) other institutional investors.
2. Large undertakings meeting two of the following size requirements on a company basis:
  - balance sheet total 20,000,000 EUR
  - net turnover: 40,000,000 EUR
  - own funds: 2,000,000 EUR
3. National and regional governments, public bodies that manage public debt, central banks, international and supranational institutions such as the World Bank, the IMF, the ECB, the EIB and other similar international organisations.
4. Other institutional investors whose main activity is to invest in financial instruments, including entities dedicated to the securitisation of assets or other financing transactions.

The entities mentioned above are considered to be professionals. They must, however, be allowed to request non-professional treatment and investment firms may agree to provide a higher level of protection. Where the client of an investment firm is an undertaking referred to above, the investment firm must inform it prior to any provision of services that, on the basis of the information available to the firm, the client is deemed to be a professional client and will be treated as such unless the firm and the client agree otherwise. The firm must also inform the client that the latter may request a variation of the terms of the agreement in order to secure a higher degree of protection.

It is the responsibility of the client considered to be a professional client to ask for a higher level of protection when it deems it is unable to properly assess or manage the risks involved.

This higher level of protection will be provided when a client who is considered to be a professional enters into a written agreement with the investment firm to the effect that it is not treated as a professional for the purposes of the applicable conduct of business regime. Such agreement should specify whether this applies to one or more particular services or transactions, or to one or more types of product or transaction.

## II. Clients who may be treated as professionals on request

### 1. Classification criteria

It may likewise be permissible for clients other than those mentioned in the preceding section I, including public sector corporations and individual private investors, to waive the level of protection offered by the standard conduct of business regime.

Accordingly, investment firms should be allowed to treat these clients as professional clients, subject to compliance with the relevant criteria and procedures listed below. However, these clients should not be assumed to have a level of knowledge and experience of the market comparable to that of the clients specified in the preceding section I.

Any waiver of the protection afforded by the standard conduct of business regime is considered valid only if an adequate assessment of the expertise, experience and knowledge of the client, undertaken by the investment firm, gives reasonable assurance, in light of the nature of the transactions or services envisaged, that the client is capable of making his own investment decisions and understanding the risks involved.

The fitness test applied to managers and directors of entities licensed under directives in the financial field could be regarded as an example of the adequate assessment of expertise and knowledge. In the case of small entities, the person subject to the above assessment should be the person authorised to carry out transactions on behalf of the entity.

In the course of the above assessment, at least two of the following criteria should be satisfied:

- The client has carried out transactions, in significant size, on the relevant market at an average frequency of 10 per quarter over the previous four quarters.
- The size of the client's financial instrument portfolio, defined as including cash deposits and financial instruments, exceeds EUR 0.5 million.
- The client works or has worked for at least one year in the financial sector in a professional position which requires knowledge of the envisaged transactions or services.

### 2. Procedure

The clients defined above may waive the benefit of the standard conduct of business regime only where the following procedure is followed:

- They must state in writing to the investment firm that they wish to be treated as a professional client, either generally or in respect of a particular investment service or transaction, or type of transaction or product.
- The investment firm must give them a clear written warning of the protections and investor compensation rights they may lose.
- The clients must state in writing, in a separate document from the contract, that they are aware of the consequences of losing such protections.

Before deciding to accept any request for waiver, investment firms must be required to take all reasonable steps to ensure that the client requesting to be treated as a professional client meets the relevant requirements stated in the preceding section II.1.

However, if clients have already been categorised as professionals under parameters and procedures similar to those above, it is not intended that their relationships with investment firms should be affected by any new rules adopted pursuant to this section.

Firms must implement appropriate written internal policies and procedures to categorise clients. Professional clients are responsible for keeping the firm informed about any change which might affect their current categorisation. Should the investment firm become aware that the client no longer fulfils the conditions which initially made him eligible for treatment as a professional client, the investment firm must take appropriate action.

### 3.2.2 Private investors

A private investor is any investor that is not a professional investor.

## 3.3 Calculating the net asset value (value of each share)

AIFMA-8-3-icw-7-3-d

The net asset value (NAV) per share is calculated as the proportion of the sub-fund's assets accounted for by the share class concerned, minus the proportion of the same sub-fund's liabilities (if any) accounted for by that share class, divided by the number of shares of the share class in circulation.

## 3.4 Certification

AIFMA-8-3-icw-7-3-d

For the type of certification see Annex I to the constituent documents.

### 3.5 Calculation of issue and redemption prices

AIFMA-8-3-icw-7-3-d

The prices will be published via the Fund's publication medium either as an NAV with an indication of any applicable commissions or as issue and redemption prices (inclusive of any applicable commissions).

### 3.6 Minimum investment

The AIFM may, at its discretion, waive the minimum investment requirements.

If a redemption would result in the investor's holding falling below the minimum investment limit, the AIFM may without further notice to the investor treat the redemption application as applying to all shares held by the investor in that share class or as an application to convert the investor's remaining shares into a different share class of the same sub-fund, providing the investor meets the conditions for participation in that share class.

For specific information see Annex I to the constituent documents.

### 3.7 Provisions on share trading

AIFMA-8-3-icw-7-3-e

The general provisions governing share trading and the handling of any liquidity risks are given below.

#### 3.7.1 Issue and redemption of shares

In general, shares may be subscribed or redeemed on each trading day. Subscriptions and redemptions take place on the basis of prices that are unknown to the investor at the time the application is made (forward pricing).

All commissions, taxes and duties payable in relation to share subscriptions and redemptions are borne by the investor. If shares are acquired through banks that are not entrusted with distributing the shares, the possibility cannot be ruled out that such banks will levy additional transaction charges.

The swinging single pricing (SSP) method can be used to calculate the NAV. In this event, the NAVs of all share classes of a sub-fund are adjusted upwards or downwards by a certain percentage (the "SSP factor") depending on the aggregated subscriptions and redemptions of all share classes. This is intended to reduce the impact of transaction costs for existing/remaining investors caused by necessary investments and disinvestments.

For specific information see Annex I to the constituent documents.

#### 3.7.2 Acceptance deadline (cut-off)

AIFMO-16-1-b-  
AIFMO-16-2---

Subscription, redemption and conversion applications must reach the Depositary not later than the acceptance deadline.

Applications may be revoked at any time up to the acceptance deadline. Any application received after the acceptance deadline is held over for the next trading day.

For applications placed with authorised distributors in Liechtenstein and abroad, an earlier deadline may be set to ensure punctual forwarding to the Depositary. This may be obtained from the relevant authorised distributor. The AIFM ensures that sales intermediaries comply with the acceptance deadline.

If the acceptance deadline does not fall on a Liechtenstein bank working day, it is brought forward to the last Liechtenstein bank working day prior to the date originally envisaged; the time of day of the deadline remains the same.

For specific information see Annex I to the constituent documents.

#### 3.7.3 Value date

Payments for share subscriptions must arrive by the relevant value date. Where payment is made in a currency other than the share class currency, it is converted into the share class currency, minus any applicable fees and taxes.

Redemption payments are made by the relevant value date. Where a redemption payment is to be made in a currency other than the share class currency, the redemption amount payable is calculated by converting it into the share class currency, minus any applicable fees and taxes. Upon payment of the redemption price, the share concerned becomes null and void.

This does not apply if the transfer of the redemption amount by the applicable value date is rendered impossible by legal regulations such as foreign exchange controls and transfer restrictions or by other circumstances beyond the Depositary's control.

If according to the SIX settlement calendar the valuation day falls on one or more public holidays (non-trading period) for the share class currency, the valuation day solely for that particular share class is deferred for the duration of the non-trading period.

The AIFM is authorised, in agreement with the Depositary, to bring the value date forward for subscriptions provided this is not detrimental to investor interests.

The AIFM is authorised, in agreement with the Depositary, to extend the value date for redemptions if the corresponding assets of the sub-fund cannot be sold without unnecessary delay with the regular value date. Should such a measure be necessary, all redemption requests received on the same day will be settled at the same price.

For specific information see Annex I to the constituent documents.

### 3.7.4 Contributions in kind

At the investor's request and with the consent of the AIFM, share subscriptions may also be made against the transfer of investments to a value equivalent to the daily price (contribution in kind). Contributions in kind are assessed by the AIFM according to objective criteria; however, the AIFM is under no obligation to accept such a request.

The investments transferred to the sub-fund must accord with its investment policy and in the AIFM's opinion there must be present benefit in holding the securities in question. The soundness and durability of the contribution in kind must be evaluated by the Certified Auditors. All costs arising in this connection (including audit costs, other outlays and any taxes and duties) are borne by the investor concerned and must not be debited to the sub-fund's assets.

### 3.7.5 Distributions in kind

At the investor's request and with the consent of the AIFM and all the remaining investors, share redemptions may also be made by transferring investments to a value equivalent to the daily price (distribution in kind). Contributions in kind are assessed by the AIFM according to objective criteria; however, the AIFM is under no obligation to accept such a request.

All costs arising in this connection (including audit costs, other outlays and any taxes and duties) are borne by the investor concerned and must not be debited to the sub-fund's assets.

### 3.7.6 Rejection of subscriptions

Subscription applications may be rejected with no need to state the reasons. If a subscription application is rejected, any payments received in respect of subscription applications that have not been executed are reimbursed immediately without interest. The rejection of subscriptions does not represent soft closing within the meaning of the provisions for the criteria for suspending share issues and redemptions.

### 3.7.7 Conversion of shares

AIFMA-8-3-icw-7-3-k

Conversions of shares from one share class to another within the same sub-fund or between different sub-funds must comply with the acceptance deadlines for both share classes (i.e. the redemption deadline for the source share class and the subscription deadline for the target share class) and are only possible if the investor concerned meets the conditions for acquiring the shares of the target share class. If an application is received after the acceptance deadline, it is held over for the next trading day.

Shares are converted at the respective NAVs per share of both share classes, plus any applicable conversion commissions. In certain countries additional taxes and duties may be payable.

Conversions take place on the basis of prices that are unknown to the investor at the time the application is made (forward pricing).

The number of shares into which the investor may convert existing shares is calculated according to the following formula:

$$A = (B \times C) / (D \times E)$$

A ← the number of shares of the share class into which shares are to be converted;

B ← the number of shares of the share class from which shares are to be converted;

C ← the net asset value of the shares of the share class from which the conversion is to be made, plus conversion commissions, taxes, fees and other charges;

D ← exchange rate of the two share class currencies (where both share class currencies are same, this coefficient is 1);

E ← the net asset value of the shares of the share class into which the conversion is to be made, plus conversion commissions, taxes, fees and other charges.

Conversion applications may be rejected without need to state the reasons or the conversion of shares may be temporarily restricted, suspended or permanently halted where this is deemed necessary in the best interests or for the protection of the investors or the AIFM, for instance if there is cause to suspect that the investor concerned is engaging in market timing, late trading or other harmful market techniques, if the investor no longer meets the conditions for acquiring the shares or if the shares are to be acquired by an investor subject to the sales restrictions.

For specific information see Annex I to the constituent documents.

### 3.7.8 Criteria for suspending share issues and redemptions

AIFMO-16-1-c-

Share trading may be temporarily suspended if this is deemed absolutely essential by the AIFM with due regard to the best interests of the investors. Among other possible reasons, this step may be taken:

- a) if a market which forms the basis for the valuation of a substantial part of the sub-fund's assets is closed unexpectedly or if trading on such a market is restricted or suspended;
- b) if the valuation of the portfolio assets or the NAV calculation cannot be carried out in accordance with the provisions of the constituent documents;
- c) if portfolio assets cannot be sold in good time owing to restrictions on the transfer of assets;
- d) in political, economic or other emergencies.



- e) suspension of share redemptions by the responsible supervisory authority for the sake of investor protection or the public interest.

A temporary suspension of the redemption and payout of shares and/or suspension of NAV calculation will be notified to the investors via the Fund's publication medium and to the supervisory authorities in the member state of origin as well as in all countries in which the Fund is distributed.

The share subscription, redemption and conversion applications that have not been executed will be settled once share trading resumes.

### 3.7.9 Soft closing

If new subscriptions would impair the achievement of the investment objective, the issue of shares for individual or several share classes maybe suspended temporarily or permanently (soft closing).

### 3.7.10 Lock-up period

Share classes may stipulate a lock-up period. A lock-up is a period in which no shares are redeemed.

Redemption requests are not received and settled until the lock-up period expires.

Redemption requests received during the lock-up period are rejected.

For specific information see Annex I to the constituent documents.

#### 3.7.10.1 Partial repayment of cash holdings (cash settlement)

For sub-funds with a lock-up, partial repayment of cash holdings may be carried out before the end of the lock-up period. The aim of this policy is to return excess cash holdings to investors.

For specific information see Annex I to the constituent documents.

### 3.7.11 Gating

Gating involves the temporary suspension of restriction of share redemption, triggered by an upper limit for share redemption as defined in advance. Once this limit has been exceeded, it can be decided whether or not the intended gating should be applied. The use of gating helps to prevent all positions in the sub-fund having to be sold due to a sudden increase in share redemptions. The equal treatment of all investors must be guaranteed in the application of this measure.

For specific information see Annex I to the constituent documents.

## 3.8 Exclusion of investors

AIFMA-8-3-icw-7-3-e  
AIFMO-9-1---

Shares may also be redeemed compulsorily without the investor's consent against payment of the redemption price, where this is deemed necessary in the best interests or for the protection of the investors or the Fund, for instance if there is cause to suspect that the investor concerned is engaging in market timing, late trading or other harmful market techniques, if the investor no longer meets the conditions for acquiring the shares or if the shares have been acquired by an investor subject to the sales restrictions.

Furthermore is a subscription of shares which does not comply with the national law of the Fund (especially the provisions of the Due Diligence Act or the Due Diligence Ordinance regarding the simplified due diligence) a reason for a compulsory redemption of the shares subscribed via the financial institute not complying with the stated provisions.

## 3.9 Calculation and appropriation of profit, frequency of distributions

AIFMA-8-3-icw-7-3-f

The realised profit consists of the net investment income and the realised capital gains and losses. The net investment income and/or realised capital gains can be distributed or reinvested. In general, distributions are made within six months of the cut-off date for calculating the realised profit. Distributions are made in respect of the shares in circulation on the distribution date. Interest is no longer payable on declared distributions as of the date such distributions fall due. The AIFM will assess, based on its own internal guidelines, whether a distribution is economically meaningful and is therefore to be carried out. If the AIFM concludes that distribution is not economically meaningful, this amount will be carried forward to the new financial year.

For specific information see Annex I to the constituent documents.

## 3.10 Charges

AIFMA-8-3-icw-7-3-g  
AIFMO-12---

The costs borne by the investors arise in connection with the operation of the Fund, including in marketing and distribution, and may restrict the potential growth in asset value.

### 3.10.1 Direct costs and expenditures borne by the investors (commissions)

Issue, redemption and conversion commissions and any associated taxes and duties are borne by the investors. Commissions may be credited to third parties involved in distribution and/or the provision of services, or to the sub-fund. Investors can find out about current issue, redemption

and conversion commissions from their financial advisors, or from the paying agent responsible for them. The maximum commissions actually debited are shown in the annual report and any half-yearly report.

### 3.10.1.1 Issue commission

A commission may be levied on the NAV of subscribed shares.

For specific information see Annex I to the constituent documents.

### 3.10.1.2 Redemption commission

A commission may be levied on the NAV of redeemed shares.

For specific information see Annex I to the constituent documents.

### 3.10.1.3 Conversion commission

Commissions may be levied on the NAVs of redeemed and subscribed shares.

For specific information see Annex I to the constituent documents.

## 3.10.2 Indirect costs and expenditures borne by the investors (remunerations)

### 3.10.2.1 Expenditures dependent on sub-fund assets

#### AIFMO-14-1-a--

The following remunerations are calculated, singly or as an aggregated all-in fee, on the basis of the average sub-fund assets and accrued pro rata as at each trading day. They are generally paid out each quarter.

- a) Remuneration of the AIFM (possibly sub-divided into administration, investment decisions, risk management, distribution)

#### AIFMO-15-1-a--

- b) Remuneration of the Depositary

#### AIFMO-15-1-b--

- c) Third-party remunerations, where the AIFM delegates some of its duties to third parties with a view to ensuring that its business is conducted more efficiently

For each of the aforementioned types of remuneration minimum charges may apply; if so, these will be shown as separate or aggregated items.

The remuneration amounts actually debited are stated as separate or aggregated items in the annual report.

For specific information on the aforementioned types of remuneration, see Annex I to the constituent documents.

### 3.10.2.2 Expenditures not dependent on sub-fund assets

#### AIFMO-14-1-b--

Charges may also be made for the following external costs and expenditures, either separately and/or as part of an all-in fee. The amounts actually debited for such costs and expenditures are stated as separate or aggregated items in the annual report.

- a) Out-of-pocket expenses of the AIFM, the Portfolio Manager, the Depositary and other service providers and delegates, in so far as they are unexpected and directly related to providing services to the sub-fund
- b) Audit costs

#### AIFMO-15-1-c--

- c) Fund supervisory expenses as per the current fee tariff of the responsible supervisory authority

#### AIFMO-15-1-d--

- d) Publication costs (e.g. price publications, costs of printing and mailing reports and other publications, notices to the investors)

#### AIFMO-15-1-f--

- e) Fees incurred in connection with the offering, sale, distribution and placement of shares in Liechtenstein and abroad (e.g. fees for paying agents, representatives, Central Securities Depositories and other proxies, printing and advertising costs, translation costs, consultancy fees, legal fees, passporting fees). The costs of obtaining initial authorisation abroad may be capitalised and depreciated over a maximum period of five years.

#### AIFMO-15-1-g--

- f) Expenditures for listings or registrations with a stock exchange (without permission to trade) may be capitalised and depreciated over a maximum period of five years
- g) Costs in connection with determining and publishing tax factors in Liechtenstein and abroad (tax transparency)
- h) Foreign and domestic taxes and duties levied on the assets and investment income (e.g. withholding tax on foreign investment income)
- i) Costs in connection with the Fund's exercise of voting rights and creditors' rights, including fees for external advisors
- j) All subsidiary costs incurred in buying and selling investments (transaction costs, e.g. standard market brokerage charges, commissions, duties, third-party fees) and transaction-related remunerations; any costs incurred in hedging share class currency risks are charged solely to the share class concerned

AIFMO-15-1-e--  
AIFMO-15-3---

- k) The costs of setting up the AIF and/or the sub-funds (e.g. all-in fee paid to the AIFM, entry in registers); these may be capitalised in the relevant sub-funds and depreciated over a maximum period of five years
- l) The costs of dissolving the AIF and/or the sub-funds (e.g. all-in fee paid to the AIFM and/or depositary, deletion from registers)
- m) License fees paid in connection with indices used in relation to a sub-fund
- n) Costs incurred when buying and selling unlisted assets of the sub-fund (e.g. legal fees, consultancy fees, registration fees)
- o) Costs for the valuation of difficult to value assets (e.g. appraisal report)
- p) The costs of extraordinary measures taken exclusively in the best interests of the investors that arise in the course of normal business activities and were not foreseeable when the AIF or the relevant sub-fund was established (e.g. tax and legal consultancy, amendments to the notice to investors including the constituent documents)

AIFMO-15-1-h--  
AIFMO-15-4---

- q) Costs of external valuers and/or price sources for asset valuation

### 3.10.2.3 Performance Fee

AIFMO-14-1-c--  
AIFMO-15-2---

In addition to expenditures dependent on sub-fund assets and those not dependent on sub-fund assets, a remuneration dependent on investment success (hereinafter referred to as the "Performance Fee") may also be levied. The Performance Fee is based on the increase in value of the assets of the sub-fund.

If the NAV increase exceeds the threshold price (high water mark approach plus the hurdle rate and/or benchmark, if any), the Portfolio Manager receives a Performance Fee for the amount by which the increase in value exceeds the threshold price. Any payment of a Performance Fee results in a reduction in the net return of the sub-fund.

Where a high water mark applies, if there is a loss in value the Performance Fee is not payable until that loss has been recouped. The reference period comprises the entire term of the sub-fund. The high water mark cannot be reset.

For specific information, see Annex I and, where applicable, Annex III to the constituent documents.

### 3.10.3 Volume discounts, retrocessions and other financial inducements

Financial inducements may be granted to third parties for distribution and other services rendered, such inducements

being covered by commissions and/or remunerations already paid (i.e. no additional charges are made for them). Third parties may choose to partially or fully waive receipt of any commissions due to them.

Conversely, the AIFM, Depositary and any authorised agents ensure that all remunerations received in connection with the acquisition and disposal of investments, especially retrocessions and discounts, are credited directly or indirectly to the sub-funds. The Depositary is entitled to charge a fee for the collection of such remunerations.

For specific information see Annex I to the constituent documents.

## 4 Enforcement, prevailing language and other matters

This Agreement replaces any and all previous documents relating to the object hereof. Different language versions of this document may exist. In the case of differences between these versions, the German version will prevail.

Subject to the granting of any required approval by the supervisory authorities, the constituent documents enters into force on

**16/03/2021.**

Signed on: 09/03/2021

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AIFM

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Depositary

**Annex I to the constituent documents:**

**Specific information regarding the sub-funds and share classes**

# 1 Alegra ABS Two (Euro) Portfolio

## 1.1 Investment objective and investment policy

The assets are invested on a diversified basis in securities and other assets, as further described below.

The investment goal of the sub-fund is to achieve an above-average risk/return profile by investing in Asset-Backed Securities (“ABS”) with low volatility and minimal correlation to traditional investments.

ABS are securities which are typically issued by a special purpose company (“SPV”) on the occasion of the securitization of assets. An asset securitization is the transformation of a pool of cash-flow generating assets into tradable securities.

The purchase of the asset pool by the SPV is financed through the issuance of various debt notes. Interest and principal payments on the notes are thereby exclusively derived from cash flows generated by the SPV’s assets.

The assets of the SPV are managed by a specialized portfolio manager. The ABS-assets are usually comprised of diversified portfolios of loans, bonds, mortgages or similar instruments.

The SPV issues debt notes (“ABS Debt Notes”) and income notes (“ABS Income Notes”) which are secured by the SPV’s assets (hence the name “Asset-Backed Securities”). In order to obtain a financing at low interest costs, the SPV applies the technique of so-called CDO-structures (“Collateralized Debt Obligations”) by issuing notes of varying seniority. The economic goal of a securitization, given a set level of acceptable risk, is to maximize the positive difference between the return of the assets of the SPV and the refinancing costs of the “ABS Debt Notes” in favor of the holders of “ABS Income Notes”.

The main risks of ABS are losses caused by defaults of the SPV’s underlying assets. Similar to the capital structure of companies, the securities issued by the SPV are rated in accordance with seniority as well as the ability of the SPV to pay principal and interest when due with cash flows received from the SPV’s assets. Rating agencies such as Standard & Poor’s, Moody’s or Fitch assign various ratings in accordance with the seniority of the SPV’s notes.

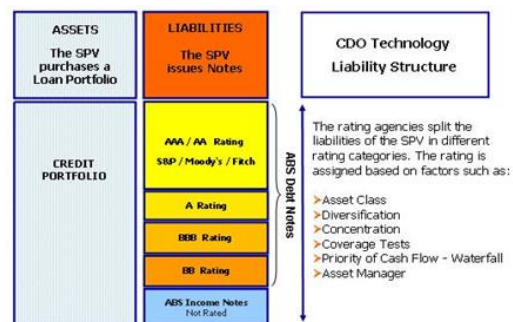
The risk profile of the SPV’s notes increases with decreasing seniority (see graph below). Those notes with the highest seniority (AAA/Aaa) have the lowest risk, as they are secured by all of the SPV’s assets. In exchange for the lower risk, the return available to such notes is lower than the return of the more junior notes. The highest return is expected to be achieved by the “ABS Income Notes”. These notes, however, carry the first loss risk of the structure and as such take the economic equity risk of the transaction.

All payments within an ABS-structure are contractually agreed to (so-called “Waterfall”). Typically, cash flows re-

ceived from the SPV’s assets are allocated as follows: after payment of the costs related to the SPV’s administration, interest is paid on the most senior notes before interest is paid on the less senior notes. If the more senior notes are no longer sufficiently collateralized by the SPV’s assets (for instance, due to losses caused by defaults), and depending on the detailed provisions, cash flows may be re-directed to repay principal on the more senior notes before interest is paid on the more junior notes (which eventually may result in the permanent loss of interest and/or principal payments on the junior notes). Any cash flows that exceed contractual interest and principal payments on the senior and junior notes are distributed the holders of the ABS Income Notes.

The sub-fund invests in “ABS Debt Notes” and “ABS Income Notes”. Whilst the assets of every securitization are diversified by number of obligors, countries and industries, the Fund is trying to achieve a broader diversification by purchasing securities of different ABS transactions. For example, a securitized loan portfolio of an ABS transaction amounting to Euro 300 to 400 million may consist of about 60 obligors that operate in 30 or more different industries.

Prior to any investment, the Asset Manager will carefully analyze the collateral pool of a securitization with respect to sensitivity to default, concentration and returns in order to obtain an indication of the quality of the ABS security. Typically, an SPV’s asset pool should be able to sustain principal losses of at least twice the historic amount over a prolonged period of time before capital invested by the Fund is impaired.



The word “Euro” in the sub-fund’s name refers to the currency, in which the sub-fund’s net assets are valued (“sub-fund Currency”), and not to the currency in which the subfund will invest. The sub0-fund will invest in currencies that are best suited to meet the sub-fund’s investment goal. Thereby, it is anticipated that the majority of the investments are denominated in Euro and US-Dollars. The sub-fund is allowed to hedge foreign currencies temporarily or permanently against the sub-fund Currency.

Investment goal and investment policy of the sub-fund are geared towards an investment horizon of 5 to 8 years. Therefore, the sub-fund is suited for investors seeking to invest medium- to long-term.

## 1.2 Investment restrictions

The following restrictions apply:

- a) At least 51 % of the net assets will be invested in asset-backed securities originating in or acquired on the secondary market and qualifying as securities.
- b) No more than 20 % of the sub-fund's Net Asset Value may be invested in a single securities of the same issuer. The largest five investments may not exceed 60 % of the sub-fund's Net Asset Value. Liquid funds are exempt from this restriction.
- c) The sub-fund may hold up to 100 % of the Net Asset Value in liquid funds. If liquid funds are held with a financial institution other than the Custodian, such investments may not exceed 30 % of the Net Asset Value per financial institution/counterparty. Thereby, subsidiaries, branches and/or agencies of one and the same financial institution do not count as separate counterparties.
- d) The sub-fund may not invest in shares of investment undertakings managed by the same AIFM or a company associated with it.
- e) Direct investments in Real Estate, Commodities or Commodity contracts (physical) as well as investment undertakings which invest into such assets are not permitted.
- f) Precious Metals and Precious Metals Certificates are not permitted.
- g) Investments in non-public companies as well as all investments not directly owned by the Fund but through intermediary entities (such as holding and investment companies) are not permitted.

## 1.3 Sustainability-related disclosures

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities (Art. 6 SFDR).

Sustainability risks are not systematically included in the investment decision making process. Their valuation does not show any relevant effects on the return because, due to the specific investment policy and the associated investment restrictions as well as the performance achieved in the past, a relevant effect on the overall portfolio cannot be assumed. It should be noted, however, that past performance is not indicative of future performance.

No single sustainability risk is expected to have a material adverse financial impact on the sub-fund's return.

Adverse impacts of investment decisions on sustainability factors are not systematically considered because the data base is complex and based on environmental, social or governance data that is difficult to obtain, incomplete, estimated, outdated or otherwise inaccurate.

## 1.4 Sub-fund specific risks

### Specific Risks

The value of the Sub-fund shares depends on the investment policy and the price development of the individual fund investments and therefore can not be forecasted. In this respect, investors have to be aware that the value of Fund shares can rise above or fall below the purchase price anytime. Investors can not be guaranteed repayment of the invested principal.

### Liquidity Risk

Despite the fact that ABS purchased by the subfund may be listed on a securities exchange, there is no liquid market for these securities. Obtaining a valuation as well as executing a sale of such securities may be difficult and time consuming. There is a risk that sales prices need to be accepted which are below the securities' established valuation.

### Investment Risk

The Management Company has no or little influence on the management of an SPV's underlying assets. Performance related fees to managers may result in an incentive to purchase riskier assets. Furthermore, managers may have invested their own funds in an SPV which could lead to conflicts of interest.

### Default Risk

The assets of the SPVs are subject to a credit default risk. If the actual loss costs exceed expected loss costs, payment streams of the SPV may be diverted in accordance with the contractual Waterfall. This can result in delayed or lost payments, in particular to "ABS Income Notes" but also to subordinated "ABS Debt Notes". In extreme cases, the sub-fund's invested capital may be lost.

### Interest and Currency Risks

The purchase of selected ABS securities with a fixed coupon may expose the Fund to interest rate risks. Interest rate risks may also exist at the SPV level due to an asset/liability maturity mismatch. Furthermore, not all of the sub-fund's investments will be effected in the sub-fund Currency which may result in certain currency fluctuation risks for the sub-fund.

### Other Risks

Asset-Backed Securities are subject to risks other than credit default risk. A general erosion of the SPV's credit margin on assets combined with a high asset repayment rate, may result in a situation where the SPV's refinancing costs exceed its interest income even in the absence of higher than expected credit defaults. SPVs may be subject to the introduction of (new) taxes (such as with-holding taxes on interest etc.). Currency and interest rate hedges are subject to a counterparty risk. The documentation of a securitization may contain structural errors that could result in a permanent loss of collateral. Certain investments may be subject to political risks.

### Value date for the redemption of units

The AIFM is entitled to fulfill the value date, so the regular value date must also be too short. In the case of a redemption request, the AIFM can only settle a redemption request if no corresponding interest of the sub-fund can be achieved. If such a measure is necessary, all withdrawal orders received on the day will be settled at the same price.

Conversion to an alternative investment fund.

## 1.5 Additional Information

### Definition of "Asset-Backed Securities"

Asset-Backed Securities to be invested in by the sub-fund will include (i) collateralized securities issued by SPVs due to the securitizations of pools of similar assets, or (ii) non-securitized investment certificates issued by SPVs through derivative transactions on the basis of a referenced pool of similar assets.

The sub-fund primarily invests in the following Asset-Backed Securities:

- a) ABS Income Notes
- b) Re-engineered ABS Income Notes
- c) ABS Debt Notes
- d) Re-engineered ABS Debt Notes
- e) ABS Fund Shares, Certificates or Trust Units

"ABS Income Notes" include those categories of Asset-Backed Securities which (i) take a subordinated position in the financing structure of the SPV, (ii) do not carry a rating from the respective Rating Agency(ies), and (iii) typically bear the economic risk of equity in a securitization.

"Re-engineered ABS Income Notes" typically represent leveraged first loss positions which are created in clearly defined pools of assets. Re-engineered ABS Income Notes are

deployed, inter alia, in a replication of an existing securitization or the accumulation of assets prior to a securitization ("Warehousing"). These types of instruments will be used to improve risk positions, increase returns or lower financing costs.

"ABS Debt Notes" will include all Asset-Backed Securities which (i) receive a contractually agreed upon interest coupon which maybe fixed rate or floating rate with an interest spread above the respective base rate, and (ii) carry a rating from the respective Rating Agency(ies).

"Reengineered ABS Debt Notes" are defined as senior risk positions which are created in clearly defined pools of assets. Re-engineered ABS Debt Notes are deployed, inter alia, in a replication of an existing securitization or the accumulation of assets prior to a securitization ("Warehousing"). These types of instruments will be used to improve risk positions, increase returns or lower financing costs.

"ABS Fund Shares, Certificates or Trust Units" include all forms of shares in collective investment schemes whose exclusive purpose is the acquisition and management of diversified pools of the asset classes listed below.

As a matter of principle, it will only be invested in Asset-Backed Securities which are based on diversified portfolios of the following classes of assets:

### Leveraged Loans

Leveraged Loans are secured, non-investment grade and floating-rate bank loans to corporations. These loans are granted, inter alia, in the context of a Management Buy-Out or Buy-In, a leveraged recapitalization or acquisition finance. There are "Senior Loans" which benefit from a first priority security interest, and "Mezzanine Loans" whose security interests are subordinated but which receive a higher credit margin and additional return components such as equity warrants.

### Project Finance Loans and Bonds

These include secured, highly structured and long-term bank loan and bond financings of infrastructure projects which will exclusively be repaid from the projects' future cash flow streams.

### High-Yield Bonds

High-Yield Bonds are fixed rate, non-investment grade capital market instruments issued by companies. They are typically unsecured, and structurally and contractually subordinated to other debt instruments of these companies.

### Mortgage Loans and Bonds

These include mortgage-backed bonds and loans issued for the purpose of financing commercial and residential properties.

### Non-Performing Loans and Bonds

These are secured corporate loans and bonds which are in payment default. They are typically traded at a discount, but have a residual value that can be realized.

### Consumer and Credit Card Loans

These include unsecured, high-yield personal and credit card loans.

It is also possible to invest in additional asset classes not listed above, if it enhances the investment and return objective of the sub-fund.

### Value date for the redemption of units

The AIFM is entitled to fulfill the value date, so the regular value date must also be too short. In the case of a redemption request, the AIFM can only settle a redemption request if no corresponding interest of the sub-fund can be achieved. If such a measure is necessary, all withdrawal orders received on the day will be settled at the same price.

### Conversion to an Alternative Investment Fund

The fund was established on 23 May 2004 as an investment undertaking for other assets under the Law on Investment Undertakings for Other Values or Real Estate (IUG). The fund was converted into an Alternative Investment Fund (AIF) on 1 January 2018.

## 1.6 Delegation of duties

### 1.6.1 Portfolio Management

Company	Alegra Capital (Lie) AG
Legal form	Limited Company
Reg. office	9490 Vaduz
Domicile	Liechtenstein (LI)
Reg. entry	27/06/2012
Reg. number	FL-0002.402.175-9
Duration	unlimited

### 1.6.2 Advisory

n/a

### 1.6.3 Administration

n/a

### 1.6.4 Distribution

Company	VP Fund Solutions (Luxembourg) SA
Legal form	Limited Company
Reg. office	2540 Luxembourg
Domicile	Luxembourg (LU)
Reg. entry	09/02/1993
Reg. number	B 42828
Duration	unlimited

### 1.6.5 Primebroker

n/a

### 1.6.6 Register- and Transfer Agent

Company	VP Bank AG
Legal form	Limited Company
Reg. office	9490 Vaduz
Domicile	Liechtenstein (LI)
Reg. entry	10/04/1956
Reg. number	FL-0001.007.080-0
Duration	unlimited

### 1.6.7 Assessment

n/a

## 1.7 Custodian

Company	VP Bank AG
Legal form	Limited Company
Reg. office	9490 Vaduz
Domicile	Liechtenstein (LI)
Reg. entry	10/04/1956
Reg. number	FL-0001.007.080-0
Duration	unlimited



## 1.9 Investment techniques and instruments

Securities lending	No
Repurchase agreements	No
Credit line	30.00 %
Margin Lending Transaction	No
Total Return Swaps	No
<b>Use of derivatives</b>	<b>Part of the strategy</b>
Risk management	Commitment Approach
Risk limit	max. 300.00 %

## 1.10 Key data of the sub-fund

Duration	unlimited
First FYE	31/12/2007
Sub-fund currency	EUR
Valuation interval	Monthly
Trade day	Last calendar day
Valuation delay	7 business days after the trading day
Swinging Single Pricing (SSP)	No
<b>Indextracker</b>	<b>No</b>
UCITS eligible target fund	No
AIF reporting strategy	Other Strategy
Look-through principle for investment limits	No
Fee for the collection of retrocessions	0.00 %

### 1.10.1 Reference values used (benchmarks)

Reference value (Bloombergticker)	Currency	Weighting	Type of use
Euribor 3 Month ACT/360 (EUR003M)	EUR	100 %	Past Performance

\* Performance calculation based on FTSE 3-Month EUR Eurodepo-sit LCL (SBWMEU3L)

Reference value (Bloombergticker)	Administrator	Status
Euribor 3 Month ACT/360 (EUR003M)	EMMI (European Money Market Institute)	ESMA registered EU BMR Administrator

## 1.11 Share classes

### 1.11.1 Key data

Share class	ISIN	Sec. No.	Class FX	Inception price
EUR	LI0029698599	2969859	EUR	1,000.00
EUR I	LI0524987984	52498798	EUR	1,000.00

Share class	Investor categories	Sales restrictions
EUR	Professional and private investors	Unrestricted
EUR I	Professional and private investors	Unrestricted

Share class	Appropriation of profit	NAV rounding	smallest fraction	unit bookkeeping
EUR	Accumulating	0.01	0.0010	book entries
EUR I	Accumulating	0.01	0.0010	book entries

Share class	min. invest. first sub.	min. invest. subsequent sub.	min. invest. holdings
EUR	100,000.00 EUR	none	none
EUR I	5,000,000.00 EUR	none	none

Share class	Cut off subscriptions	Settlement subscriptions
EUR	on the trading day (12:00)	10 business days after the trading day
EUR I	on the trading day (12:00)	10 business days after the trading day

Share class	Cut off redemptions	Settlement redemptions
EUR	last business day of the 3rd the trading day preceding calendar month (12:00)	10 business days after the trading day
EUR I	last business day of the 3rd the trading day preceding calendar month (12:00)	10 business days after the trading day

Share class	Maximum redemptions in % of the NAV (Gating)
EUR	none
EUR I	none

Share class	Lock up
EUR	none
EUR I	none

Share class	Trading options subscriptions	Trading options redemptions
EUR	Units or amount	Units or amount
EUR I	Units or amount	Units or amount

Share class	Initial offering period	Inception
EUR	29/05/2007 - 25/06/2007	29/06/2007
EUR I	-	-

Share class	Exchange listings
EUR	none
EUR I	none

Share class	Currency hedging
EUR	No
EUR I	No

### 1.11.2 Commissions

Share class	Commissions	Maximum
EUR	Subscription commission	3.00 %
	Redemption commission	2.00 %
	Conversion commission	0.00 %
EUR I	Subscription commission	3.00 %
	Redemption commission	2.00 %
	Conversion commission	0.00 %

Charges are maximum figures, as in some cases the investor might pay less.

### 1.11.3 Fees

#### 1.11.3.1 Flat fee

Share class	max. flat fee p.a.
EUR	2.0250 %
EUR I	1.2500 %
plus up to CHF 30,000.00 **	

\*\* The additional amount includes all share classes mentioned above; in case of different currencies, those minimum fees are to be understood as cumulative. The additional amount shall only be used in whole or in part if one or more fees within the flat fee with the respective percentage remuneration do not meet the agreed minimum fees.

#### 1.11.3.2 Performance Fee

Share class	Performance Fee	Calculation period	Crystallization
EUR	10.00 %	Monthly	Monthly
EUR I	10.00 %	Monthly	Monthly

Share class	Hurdle Rate
EUR	none
EUR I	none

If a benchmark has a negative value, it is used with zero in the calculation. If a benchmark and a hurdle rate are disclosed, the two values are to be understood as cumulative, whereby any negative totals are used to zero in the calculation.

Share class	Highwatermark	Highwatermark Basis
EUR	Yes	NAV after performance fee
EUR I	Yes	NAV after performance fee

#### 1.11.3.3 Carried Interest

none

## 2 Entry into force

Subject to the timely granting of any required approval by the supervisory authorities, this Prospectus including constituent documents shall enter into force on

**16/03/2021**

Signed on: 09/03/2021

AIFM

Depository

**Annex II to the constituent documents:**  
**Country-specific information regarding distribution**

## Specific information of the Alegra ABS Two (Euro) Fund for the following country of distribution

### Switzerland (CH)

The distribution is aimed only at qualified investors according to the Federal Act on Collective Investment Schemes (CISA).

#### Paying Agent

Helvetische Bank AG, Seefeldstrasse 215, CH-8008 Zurich, Switzerland  
[www.neuehelvetischebank.ch](http://www.neuehelvetischebank.ch)

#### Representative

PvB Pernet von Ballmoos AG, Zollikerstrasse 226, CH-8008 Zurich, Switzerland  
[www.pvbswiss.com](http://www.pvbswiss.com)

#### Reference point of the relevant documents

The AIF notice to investors including constituent documents, the key investor information document (KIID), as well as the yearly and any half-yearly reports are available free of charge from the representative and the paying agent.

#### Retrocessions

The AIFM and its delegates may pay retrocessions to compensate sales activities for the fund in or from Switzerland. These compensations may be used in particular to remunerate the following services:

- a) operation of funds trading platforms and/or trading systems which provide the opportunity to subscribe fund units;
- b) organisation of information events;
- c) participation in events and fairs;
- d) production of marketing material;
- e) training of sales people;
- f) all other activities with the intent to promote the sale of fund units.

Retrocessions shall not be considered as rebates even if they are entirely or partially passed on to the investors. The recipients of retrocessions ensure transparent disclosure and inform the investors on their own and free of charge about the amount of compensation which they could receive for sales activities.

Upon request, the recipient of the retrocession discloses the amount actually received in connection with the sale of the investor's units.

#### Rebates

The AIFM and its delegates may in relation to the distribution in or from Switzerland upon request pay rebates directly to investors. Rebates aim to reduce the fees and costs paid by the relevant investor. Rebates are permitted if they:

- a) are paid from fees earned by the management company and its delegates and therefore cause no additional costs to the fund;
- b) are paid based on objective criteria;
- c) are offered to all investors equally, which fulfill such objective criteria and demand rebates.

The objective criteria for the payment of rebates by the management company are:

- a) the volumes invested in a fund or in a product range of a promoter;
- b) the amount of fees generated by the investors;
- c) the expected investment period of the investors;
- d) the willingness of the investors to provide support during the launch phase of a fund.

Upon the request of an investor the management company will disclose the effective amount of rebates free of charge.

#### Place of performance and place of jurisdiction

For units distributed in and from Switzerland the place of performance and the place of jurisdiction is the location of the registered office of the representative in Switzerland.

This document replaces any and all existing documents on this matter, providing all necessary approvals have been obtained in good time from the supervisory authorities. This document may exist in languages other than German: in the event of discrepancies, the German-language version shall prevail.

#### Relates to the AIF notice to investors including constituent documents of: 16/03/2021

**Specific information of the Alegra ABS Two (Euro) Fund  
for the following country of distribution**

**Germany (DE)**

**Distribution is aimed solely at professional investors within  
the meaning of Directive 2011/61 / EU.**

This document replaces any and all existing documents on this matter, providing all necessary approvals have been obtained in good time from the supervisory authorities. This document may exist in languages other than German: in the event of discrepancies, the German-language version shall prevail.

**Relates to the AIF notice to investors including constituent documents of: 16/03/2021**

**Annex III to the constituent documents:  
Performance Fee example**

Performance Fee	10 %
Hurdle Rate	0%
Hurdle rate continuation	No
High Watermark	Yes
Calculation Performance Fee	with each NAV calculation
Calculation status	fixed, calculated performance fee is deemed to be owed
Payment Performance Fee	per quarter

Evaluation day	NAV Start	High Watermark	Hurdle Rate	Threshold rate	NAV before Perf. Fee	Perf. Fee per unit	NAV after Perf. Fee
Year 1							
Month 1	1'000.00	1'000.00	0.000 %	1'000.00	1'003.00	0.30	1'002.70
Month 2	1'002.70	1'002.70	0.000 %	1'000.00	1'008.00	0.53	1'007.47
Month 3	1'007.47	1'007.47	0.000 %	1'000.00	1'006.00	0.00	1'006.00
Month 4	1'006.00	1'007.47	0.000 %	1'000.00	1'010.00	0.25	1'009.75
Month 5	1'009.75	1'009.75	0.000 %	1'000.00	1'015.00	0.53	1'014.47
Month 6	1'014.47	1'014.47	0.000 %	1'000.00	1'013.00	0.00	1'013.00
Month 7	1'013.00	1'014.47	0.000 %	1'000.00	1'012.00	0.00	1'012.00
Month 8	1'012.00	1'014.47	0.000 %	1'000.00	1'016.00	0.15	1'015.85
Month 9	1'015.85	1'015.85	0.000 %	1'000.00	1'020.00	0.42	1'019.58
Month 10	1'019.58	1'019.58	0.000 %	1'000.00	1'024.00	0.44	1'023.56
Month 11	1'023.56	1'023.56	0.000 %	1'000.00	1'023.00	0.00	1'023.00
Month 12	1'023.00	1'023.56	0.000 %	1'000.00	1'025.00	0.14	1'024.86

Evaluation day	NAV Start	High Watermark	Hurdle Rate	Threshold rate	NAV before Perf. Fee	Perf. Fee per unit	NAV after Perf. Fee
Year 2							
Month 1	1'024.86	1'024.86	0.000 %	1'024.86	1'022.00	0.00	1'022.00
Month 2	1'022.00	1'024.86	0.000 %	1'024.86	1'026.00	0.11	1'025.89
Month 3	1'025.89	1'025.89	0.000 %	1'024.86	1'028.00	0.21	1'027.79
Month 4	1'027.79	1'027.79	0.000 %	1'024.86	1'080.00	5.22	1'074.78
Month 5	1'074.78	1'074.78	0.000 %	1'024.86	1'083.00	0.82	1'082.18
Month 6	1'082.18	1'082.18	0.000 %	1'024.86	1'070.00	0.00	1'070.00
Month 7	1'070.00	1'082.18	0.000 %	1'024.86	1'070.00	0.00	1'070.00
Month 8	1'070.00	1'082.18	0.000 %	1'024.86	1'066.00	0.00	1'066.00
Month 9	1'066.00	1'082.18	0.000 %	1'024.86	1'077.00	0.00	1'077.00
Month 10	1'077.00	1'082.18	0.000 %	1'024.86	1'090.00	0.78	1'089.22
Month 11	1'089.22	1'089.22	0.000 %	1'024.86	1'093.00	0.38	1'092.62
Month 12	1'092.62	1'092.62	0.000 %	1'024.86	1'100.00	0.74	1'099.26

Evaluation day	NAV Start	High Watermark	Hurdle Rate	Threshold rate	NAV before Perf. Fee	Perf. Fee per unit	NAV after Perf. Fee
Year 2							
Month 1	1'000.00	1'099.26	0.000 %	1'099.26	1'108.00	0.87	1'107.13
Month 2	1'107.13	1'107.13	0.000 %	1'099.26	1'123.00	1.59	1'121.41
Month 3	1'121.41	1'121.41	0.000 %	1'099.26	1'118.00	0.00	1'118.00
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## Glossary

<b>High Watermark:</b>	This is the NAV after performance fee of the month in which the performance fee was last incurred.
<b>Hurdle Rate</b>	0.00 %
<b>Performance Fee:</b>	The performance fee is calculated and accrued on each valuation day for the current month. The amount of the performance fee is calculated from the positive difference between the current NAV before performance fee and the high watermark.
<b>Auszahlung:</b>	Any performance fee is deferred on a monthly basis and is considered to be owed, but is only paid quarterly.