

# AIF Investor Information

including constituent documents  
(Articles of Association and Investment Conditions)

## **Daneo Funds SICAV**

Alternative investment fund (AIF, sub-fund) established in LIECHTENSTEIN (LI) pursuant to the Liechtenstein Act of 19 December 2012 on Alternative Investment Fund Managers (AIFMA) structured as investment company in the legal form of a public limited company with variable share capital, an umbrella fund comprising one or more sub-funds, hereinafter referred to as the "Investment Company"

09/06/2023

Upon acquiring investor shares, every investor acknowledges the Investor Information pursuant to Art. 105 AIFMA and the constituent documents (Articles of Association and Investment Conditions), as duly amended. The Investment Company may at any time decide to amend the Investor Information and the constituent documents.

The legal basis of the Investment Company (constituent documents) is divided into the Articles of Association (company law) and the Investment Conditions (fund law). The documents mentioned are subject to the material supervision of the Financial Market Authority (FMA) Liechtenstein. The Investment Conditions do not form part of the Articles of Association, and are therefore not filed with the Commercial Register.

Before they acquire shares of the Investment Company, investors are provided with the constituent documents, Investor Information that contains the information stipulated in Art. 105 AIFMA, and a key information documents for packaged retail and insurance-based investment products (PRIIPs) with the information required to form a well-founded assessment of the associated risks. This occurs regardless of whether the Investment Company is also offered for sale to private investors in Liechtenstein.

The acquisition of investor shares is carried out on the basis of the Investor Information and constituent documents, the PRIIP, the latest annual report and any semi-annual report (hereinafter referred to as the "Sales Documents"). The PRIIP is 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 period 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 of the Investment Conditions.

Information derived from sources other than the Sales Documents are to be considered unauthorised and unreliable. It is not permitted to provide information or statements that differ from the Sales Documents. The Investment Company will not be liable if and insofar as any information is provided or statements are made that differ from the Sales Documents.

The Sales Documents do not constitute an offer or an invitation to any person to subscribe to investor shares if that person is 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 country of nationality or their country of permanent or temporary residence that could be of relevance to the act of subscribing to, holding, converting, redeeming, or selling investor shares.

# Table of contents

<b>A.</b>	<b>Investor Information</b> .....	<b>5</b>
<b>1</b>	<b>Investment Company</b> .....	<b>5</b>
1.1	Master data .....	5
1.2	Alternative Investment Fund Manager (AIFM).....	5
1.3	Custodian.....	5
1.4	Certified Auditor of the Investment Company.....	5
1.5	Legally required information for investors .....	5
1.6	Legal characteristics of the contractual relationship entered into.....	5
1.7	Modifications to the investment strategy and policy .....	6
<b>2</b>	<b>Sub-fund</b> .....	<b>6</b>
2.1	Investment principles.....	6
2.2	Investment techniques and instruments .....	8
2.3	Prime broker.....	11
2.4	Risk profile and general risks .....	11
2.5	Asset valuation rules.....	14
2.6	Details of the registered office of a potential master AIF.....	14
<b>3</b>	<b>Share classes</b> .....	<b>14</b>
3.1	Equal treatment of investors .....	14
3.2	Issue and redemption of shares .....	14
3.3	Costs .....	14
<b>4</b>	<b>Enforcement, prevailing language and other matters</b> .....	<b>15</b>
<b>B.</b>	<b>Articles of Association</b> .....	<b>16</b>
<b>1</b>	<b>Investment Company</b> .....	<b>16</b>
1.1	General provisions.....	16
1.2	Governing bodies.....	16
1.3	Founder shares.....	18
1.4	Investor shares.....	19
1.5	Notices and announcements .....	19
1.6	Provisions governing amendments .....	19
1.7	Provisions governing dissolution (liquidation).....	19
<b>2</b>	<b>Enforcement, prevailing language and other matters</b> .....	<b>20</b>
<b>C.</b>	<b>Investment Conditions</b> .....	<b>21</b>
<b>1</b>	<b>Investment Company</b> .....	<b>21</b>
1.1	Master data .....	21
1.2	Alternative Investment Fund Manager (AIFM).....	21
1.3	Custodian.....	22
1.4	Announcement and information .....	23
1.5	Summary information on tax regulations.....	23
1.6	Distribution countries.....	24
<b>2</b>	<b>Sub-fund</b> .....	<b>25</b>
2.1	Fiscal year.....	25
2.2	Unit of account .....	25
2.3	Benchmark .....	25

2.4	Investments.....	25
2.5	Provisions governing valuation .....	26
2.6	Provisions governing amendments .....	26
2.7	Provisions governing dissolution (liquidation).....	27
<b>3</b>	<b>Share class.....</b>	<b>28</b>
3.1	Investor categories .....	28
3.2	Calculating the net asset value of each share .....	29
3.3	Securitisation .....	29
3.4	Calculation of issue and redemption prices.....	29
3.5	Minimum investment.....	30
3.6	Provisions on share trading.....	30
3.7	Exclusion of investors.....	32
3.8	Calculation and appropriation of profit, frequency of distributions .....	32
3.9	Charges .....	32
<b>4</b>	<b>Enforcement, prevailing language and other matters .....</b>	<b>35</b>
	<b>Annex I of the Investment Conditions: Specific information regarding the sub-funds and share classes.....</b>	<b>36</b>
	<b>Annex II of the Investment Conditions: Country-specific information regarding distribution .....</b>	<b>55</b>
	<b>Annex III of the Investment Conditions: Performance fee example .....</b>	<b>58</b>
	<b>Annex IV of the Investment Conditions: Sustainability-related disclosures .....</b>	<b>61</b>

## A. Investor Information

### 1 Investment Company

#### 1.1 Master data

##### 1.1.1 Name

Daneo Funds SICAV

##### 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

28/09/2017

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

09/10/2017

##### 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 conducts the Investment Company's business in the Investment Company's name and for the account of the investors in accordance with the relevant statutory provisions and the constituent documents and in accordance with the provisions of the Appointment and Delegation Agreement.

For specific information, see the Investment Conditions.

#### 1.3 Custodian

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

The task of keeping the assets in safe custody must be delegated to a custodian in LIECHTENSTEIN (LI).

For specific information, see the Investment Conditions.

#### 1.4 Certified Auditor of the Investment Company

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 Investment Company. Furthermore, as part of their audit activities, the Certified Auditor has certain reporting obligations to the Financial Market Authority (FMA) Liechtenstein.

#### 1.5 Legally required information for investors

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

The annual report and any semi-annual reports (including further legally required information for investors), the most recent net asset values (NAVs) of the shares and the historical performance (if available) will be published via the publication medium.

Information on the main adverse impacts on sustainability factors (if applicable) will be published in regular reports, starting at the latest after the adoption of Regulation (EU) 2019/2088 on sustainability-related disclosures 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 of the Investment Conditions for specific information.

See the Investment Conditions for more information on the publication medium.

##### 1.5.1 Liquidity of assets

AIFMA-105-1-s---

Assets subject to special precautionary measures with regard to liquidity and their percentage of the sub-fund's assets 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 of the Investment Conditions.

##### 1.5.2 Leverage

AIFMA-105-1-s---

For specific information on the maximum leverage ratio, see Annex I of the Investment Conditions. The actual leverage ratio and total debt are disclosed in the annual report.

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

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

Pursuant to its Articles of Association, the Investment Company has share capital divided into founder shares, which confer voting rights and the right to participate in general meetings of shareholders, and assets under management

divided into investor shares, which do not confer voting rights or the right to participate in general meetings of shareholders.

The investors participate in the assets of the relevant sub-fund in proportion to the number of investor shares they have acquired. Individual investors are personally liable only in respect of the amount they invest.

Each sub-fund has one or more share classes, with all investor shares in the same share class conferring 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 of the Investment Conditions.

No general meetings of investors are envisaged. Investors, their heirs or other interested parties are not entitled to demand the modification, division, or dissolution of the Investment Company or of its sub-funds or share classes.

In the event that a particular matter is not provided for in the constituent documents, the legal relationships between the investors, the Investment Company and the AIFM are governed by the AIFMA, the AIFMO, and, in the absence of relevant provisions there, by the provisions of the Liechtenstein Persons and Companies Act of 20 January 1926 (PGR) governing joint-stock companies.

### 1.6.1 Investor claims and their limitation period

Any claims made by investors against the Investment Company, the AIFM, the liquidator, the trustees or the Custodian prescribe at the end of a limitation period of five years after the occurrence of the loss or damage or, at the latest, one year after the 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 Custodian is Vaduz, LIECHTENSTEIN (LI). However, the AIFM and/or the Custodian may make themselves and the Investment Company subject to the jurisdiction of the countries in which investor shares are offered and sold with respect to claims of investors. 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 by declaration of reciprocity by the government.

## 1.7 Modifications to the investment strategy and 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 mandatory statutory or regulatory adjustments. 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 of the Investment Conditions.

#### 2.1.2 Sustainable investing

Sustainable investing refers to the process of integrating a specific sustainable investment strategy into investment decisions. Sub-funds that adopt a sustainable investing approach integrate environmental, social and governance information ("ESG factors") into the investment decision-making process in order to make better-informed investment decisions, target specific sustainable investment objectives or promote environmental and/or social characteristics. The focus of individual ESG Factors may vary depending on the sub-fund's investment strategy and investment universe.

Examples of sustainability factors that can generally be considered are:

**Environment (E):** Aspects related to the quality and function of the natural environment and natural systems, including air, water and soil quality, carbon and climate, clean water, environmental health and biodiversity, CO<sub>2</sub> emissions and climate change, energy efficiency, scarcity of natural resources and waste management. Environmental aspects can be measured using methods such as resource-efficient key indicators for the use of energy, renewable energy and raw materials, for the production of waste, emissions and greenhouse gases, for the use of water and land, for impacts on biodiversity and for fostering a closed-loop economy.

**Social (S):** Aspects relating to the rights, welfare and interests of people and communities, such as human rights, working conditions and standards, education, gender equality and the prohibition of child and forced labour.

**Governance (G):** Aspects of sound corporate governance of companies and other enterprises in which stakes can be held,

such as independence and oversight of managing and supervisory boards, good practices and transparency, executive remuneration-policy, shareholder rights, management structure, measures against corruption and handling of whistle-blowing.

The way ESG aspects are integrated into the investment decision may vary depending on the sub-fund and portfolio manager. The following approaches may be applied in this regard:

### 1. Exclusions

- Norm-based exclusions: Categorical exclusion of companies that do not comply with international conventions (e.g. human rights) and laws, for example on controversial weapons.
- Exclusions based on certain business practices: Companies (1) that systematically violate international norms, (2) that violate such norms in a manner that is particularly grave, or (3) that are led by managers who are unwilling to implement necessary reforms can be excluded from the investment universe.
- Exclusions based on values: Companies that generate a significant portion of their turnover from controversial business activities. Relevant business activities and applicable turnover thresholds can be individually defined.

### 2. ESG integration

ESG considerations are integrated by combining financial information with ESG-related considerations in the investment process. Possible ESG integration components include:

- Integrated ESG research: The portfolio manager complements traditional research with ESG data and information to systematically broaden knowledge of ESG factors.
- Positive screening: The portfolio manager selects securities that perform well within a sector (best-in-class) or within the entire investing universe (best-in-universe) in regard to the ESG factors of the portfolio.
- Proprietary scoring: The portfolio manager translates a set of external metrics and scores into a user-defined ESG view that takes into account crucial portfolio-specific ESG factors.
- Adjusted performance indicators: The portfolio manager adjusts the value trend indicators to take crucial ESG factors into account.

### 3. Thematic and impact investing

The portfolio manager implements investment strategies that invest capital in companies that offer solutions to challenges facing society and meet a sustainable investment objective. The sustainable investment objective is achieved through a

special investment process applied by the portfolio manager. This process is based on the premises of ESG integration and also includes either a “thematic” or an “impact” investment strategy.

- Thematic: The portfolio manager focuses on investments in themes and sectors whose economic activities address specific ESG challenges. This typically means investing in companies or strategies that address one or more of the United Nations Sustainable Development Goals (SDGs).
- Impact: The portfolio manager defines the sustainable investment objectives in such a way that they have a positive and measurable ESG influence.

### 4. Active involvement

The portfolio manager ensures that the companies in which it invests follow good governance practices by getting in contact with them and exercising voting rights accordingly.

- Involvement: The portfolio manager monitors companies and proactively seeks to establish and maintain a transparent dialogue about ESG factors with the companies in which they invest.
- Exercise of voting rights: The portfolio manager or its appointed proxies exercise voting rights at shareholder meetings of the companies in which they invest according to the defined ESG characteristics in order to improve the companies’ behaviour in regard to environmental, social and governance criteria.

Regulatory requirements related to sustainable investments are constantly evolving and subject to change. In addition, new methodologies are emerging and the availability of data is constantly improving. This may impact the implementation, monitoring and reporting of ESG factors.

For sub-funds that do not follow a sustainable investment approach or a specific ESG investment strategy, sustainability is neither the objective nor a mandatory part of the investment process. In particular, the underlying investments of these sub-funds do not take into account the EU criteria for environmentally sustainable economic activities as defined in Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (Taxonomy Regulation).

Sub-funds that pursue a sustainable investment approach or a specific ESG investment strategy are divided into the following categories for the purposes of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (SFDR, Disclosure Regulation):

- Art. 8 SFDR

These sub-funds promote environmental and/or social characteristics. They are financial products according to Art. 8 (1) of the SFDR.

- Art. 9 SFDR

These sub-funds have sustainable investments as their objective. They are financial products according to Art. 9 (1), (2) or (3) of the SFDR.

Information on the promoted environmental or social characteristics or sustainable investments as well as further sustainability-related disclosures are available in Annex I and Annex IV of the Investment Conditions.

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

AIFMA-105-1-c---

For specific information, see Annex I of the Investment Conditions.

### 2.1.4 Description of the 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 of the Investment Conditions.

## 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 Summary Risk Indicator (SRI) is rated as 6 or higher. The current SRI is reported in the key information document (KID) for packaged retail and insurance-based investment products (PRIIPs) in the Investment Company'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, with 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, derivatives are included 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 of the Investment Conditions.

#### 2.2.1.2 Risk management methods

In general, two risk management methods are available:

- With the commitment approach, the total risk associated with derivatives must not exceed the total net asset value of the sub-fund concerned. In measuring the overall risk, account must be taken of the market value of the underlying assets, the default risk, future market fluctuations and the time required to liquidate positions.
- 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. Positions that give rise to unlimited risk for the sub-fund must not be taken.

For specific information, see Annex I of the Investment Conditions.

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

The sub-fund can carry out transactions within the meaning of the regulation (EU) 2015/2365 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, for example, include securities repurchase agreements, securities lending transactions as well as securities borrowing transactions.

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

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



The types 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 of the Investment Conditions.

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 Ltd, Vaduz, this third party is a company associated with the AIFM.

For specific information, see Annex I of the Investment Conditions.

#### **2.2.2.1 Criteria for the selection of counterparties**

Securities financing transactions and total return swaps are concluded exclusively with financial counterparties in accordance with SFTR. Counterparties in securities financing transactions and total return swaps are authorised as credit institutions, investment firms, financial service providers, insurance companies, or clearing organisations 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 selected 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 the 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 financing transactions and total return swaps**

Securities financing transactions and total return swaps involve counterparty risks (a counterparty of a securities financing transaction 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) in particular.

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 and borrowing 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 financing transactions and total return swaps**

The proportion of income from securities financing 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 of the Investment Conditions.

If securities lending is used, the Custodian 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 other securities financing transactions, see Annex I of the Investment Conditions.

#### **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 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 Custodian 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 of the Investment Conditions.

#### **2.2.2.5 Securities borrowing**

If securities are borrowed, this shall be carried out in accordance with standard market practices and subject to compliance with the SFTR and the requirement of the FMA. Securities borrowing transactions may be entered into for any purpose consistent with the investment objective and policy of the sub-fund, including for the purpose of generating income or gains to enhance the sub-fund's return or reduce portfolio costs or risks.

For specific information, see Annex I of the Investment Conditions.

### 2.2.2.6 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 Custodian is liable for ensuring that such transactions are processed smoothly and in line with standard market practice.

For specific information, see Annex I of the Investment Conditions.

### 2.2.2.7 Total return swaps

Total return swaps are derivative transactions in which all income and value fluctuations of an underlying asset 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 asset 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 of the Investment Conditions.

### 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 the acquisition of foreign currency by means of back-to-back loans.

For specific information, see Annex I of the Investment Conditions.

### 2.2.4 Collateral policy

In connection with over-the-counter (OTC) transactions and techniques for efficient portfolio management, the AIFM may accept collateral on behalf of and for the account of the sub-funds, thereby reducing the exposure to counterparty risk. Received collateral is held in safekeeping by the Custodian of the sub-funds.

If the AIFM accepts collateral, it must comply with the relevant statutory provisions as well as the duties and requirements prescribed in the guidelines issued by the responsible supervisory authorities, in particular regarding liquidity, valuation, issuer creditworthiness, correlation, diversification, and the risks associated with the management, custody,

marketability and reuse 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 financing 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 NAV 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 provisions and with consideration given to the nature and characteristics of the transactions and assets concerned, in particular the creditworthiness of the counterparties and the price volatility, and, where necessary, the outcome of any stress tests performed.

When determining the haircuts, the AIFM will apply a consistent haircut policy.

If an issuer or a collateral is rated differently by Standard & Poor's, Moody's or Fitch, the lowest rating will apply.

The AIFM is entitled to restrict the inclusion of certain countries and share indices in the list of permitted countries or benchmark indices, or to exclude them from the list, or, more generally, to restrict the collateral counterparties are permitted to provide. The AIFM reserves the right to increase the haircuts applied to the collateral, 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, securities repurchase agreements, derivatives or other means are considered to constitute leverage.

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

For specific information, see Annex I of the Investment Conditions.

### 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 of the Investment Conditions.

### 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 Custodian. Cases of insolvency or other credit default events affecting the Custodian 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 to be 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 without recourse to any collateral initially furnished to cover these obligations.

#### **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. At the same time, however, this means that - should the sub-fund's hedged asset increase in value - the sub-fund will not participate in the increase.

By using derivative instruments to increase income in line with its investment objective rather than for hedging purposes, the respective sub-fund increases its exposures and must ensure that the resulting risks are covered by the Investment Company'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 imperfect correlation of the prices of futures and option contracts on the one hand and the price movements of the securities or currencies used to hedge them on the other, 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 that the counterparty will become insolvent or default (counterparty risk); if the sub-fund is permitted to enter into OTC derivative transactions, it will be exposed to a higher credit and counterparty risk, which the AIFM will try 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 made, 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 derivative 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 Investment Company 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 sub-fund then becomes especially heavily dependent on the performance of these assets or markets.

#### **Liquidity risk**

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

Instruments that 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 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 Investment Conditions.

#### **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 sub-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 Investment Company's country of domicile. In addition, the legal and tax treatment of sub-funds may change in ways that cannot be predicted or influenced.

#### **Business risk**

Equity investments involve 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 sub-fund'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 sub-fund'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 Investor Information, including the constituent documents and its annexes.

#### **Changes to the Investor Information, including constituent documents**

The AIFM reserves the right to amend the Investor Information, including the constituent documents. The AIFM may also liquidate individual sub-funds entirely or merge them with other sub-funds. For the investor, this entails the risk that the holding period planned by the investor will not be realised.

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

**AIFMA-105-1-k--**

In principle, investors can require the AIFM to redeem their shares in accordance with the valuation intervals applied to the sub-fund. However, the AIFM may temporarily suspend the redemption of investor shares if extraordinary circumstances arise, redeeming the shares only at a later date at the price applicable at that time. This price may be lower than it was before share redemptions were suspended.

#### **Key staff risk**

Sub-funds 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. However, the composition of the Fund's management staff may 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 ("tax as expropriation") 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 considerably increase the complexity of the overall structure and the risk of conflicts of interest. 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 Custodian 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 circumstance that, if it were to occur, could have an actual or potential adverse material 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 traditional risk types (e.g. credit, market, liquidity, operational and strategic risk), and are identified and controlled as part of the risk management process.

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

- **Environmental risks:** risks of climate change, new carbon taxes, changes in consumer behaviour or extreme weather events
- **Social risks:** risks arising from non-compliance with employment standards, the neglect of occupational health and safety
- **Governance risks:** risks associated with the failure to incorporate sustainability into corporate governance, with corruption, insufficient data protection, insufficient tax honesty or insufficient transparency

Sustainability risks vary depending on the specific risk, region and asset class. Sustainability risks can 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 of the Investment Conditions.

## 2.5 Asset valuation rules

AIFMA-105-1-i---

See the Investment Conditions.

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

AIFMA-105-1-b---

For specific information, see Annex I of the Investment Conditions.

## 3 Share classes

### 3.1 Equal treatment of investors

AIFMA-105-1-m---

The Investment Company'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 of the Investment Conditions.

### 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 Investment Conditions.

### 3.3 Costs

AIFMA-105-1-l---

See the Investment Conditions.

#### **4 Enforcement, prevailing language and other matters**

This document 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 Investor Information enters into force on

**09/06/2023.**

Signed on: 04/08/2023

---

AIFM

---

Custodian

---

## B. Articles of Association

### 1 Investment Company

#### 1.1 General provisions

##### 1.1.1 Company name, legal form, registered office and headquarters

PGR-279-1-1

PGR-279-1-2

Under the company name "Daneo Funds SICAV", an externally managed investment company with variable capital legally constituted as Limited company with variable capital has been created pursuant to the AIFMA.

The Investment Company has its registered office in Vaduz, LIECHTENSTEIN (LI).

##### 1.1.2 Purpose of the Investment Company

PGR-279-1-3

The sole purpose of the Investment Company is to manage assets for the account of the investors by investing in authorised instruments in accordance with the provisions of the Liechtenstein Act on Alternative Investment Fund Managers (AIFMA).

The Investment Company may take all measures and engage in all acts that it considers reasonable for achieving its objective provided it takes into account the restrictions laid down by the AIFMA.

##### 1.1.3 Duration

PGR-280-1-9

The Investment Company is established for an indefinite period of time.

##### 1.1.4 Fiscal year

PGR-279-1-13

PGR-1048-3

The fiscal year of the Investment Company ends on the last calendar day of December. The last day of the fiscal year represents the balance sheet date. In justified cases, in particular with regard to the first fiscal year or following amendment of the balance sheet date, the fiscal year may last a maximum of 18 months. The fiscal year of the Investment Company is determined by that of the sub-funds, according to consolidation.

##### 1.1.5 Costs of establishment

PGR-279-1-12

Costs of establishment are the total amount of all costs borne by or charged to the Investment Company as a result of its establishment, including any costs that arise before the point at which the Investment Company commences its business activities.

Costs of establishment may amount to up to CHF 100,000.

### 1.2 Governing bodies

PGR-279-1-9

The governing bodies of the Investment Company are the general meeting of shareholders, the Board of Directors, the Management Board and the Certified Auditors.

#### 1.2.1 General meeting

##### 1.2.1.1 Constitution and powers

The supreme governing body of the Investment Company is the general meeting of shareholders. It is made up of the shareholders with voting rights. It has the following powers:

- a) to elect the members of the Board of Directors and the Certified Auditors and to formally approve their actions;
- b) to formally accept the profit and loss account, the balance sheet and the annual report;
- c) to make resolutions concerning the appropriation of the Investment Company's net profit and, in particular, the size of dividends;
- d) to make resolutions concerning the formal acceptance of the Articles of Association and regarding dissolution of the Investment Company or structural measures (subject to any required approvals from the responsible supervisory authorities);
- e) to make resolutions on the amendment of the Articles of Association, such resolutions requiring only a simple majority (subject to any required approvals from the responsible supervisory authorities);
- f) to make resolutions concerning increases or decreases of the share capital;
- g) to make resolutions on motions proposed by the Board of Directors, the Certified Auditors and the founding shareholders, and further to conduct all business reserved to the general meeting of shareholders by law or these Articles of Association or referred to it by the Board of Directors.

##### 1.2.1.2 Convocation

PGR-279-1-8

The Board of Directors will convene the ordinary general meeting of shareholders subject to a minimum of 21 days' notice within six months of the end of a fiscal year and will convene extraordinary general meetings of shareholders in the eventualities envisaged by law and in the Articles of Association and as frequently as required in the best interests of the Investment Company, such meetings to take place at the registered office of the Investment Company or some other place specified in the invitation. Invitations to the general meeting must include the meeting agenda and inform the shareholders of their right to inspect the annual report including the auditors' report.

If all the founding shareholders are present in person or represented and no objection is raised, they may hold an extraordinary general meeting of shareholders (universal



meeting) without needing to comply with the formal convocation requirements.

### 1.2.1.3 Holding general meetings

General meetings of shareholders will be chaired by the Chairman/Chairwoman of the Board of Directors. In his or her absence, the general meeting is chaired by another member of the Board of Directors designated by the Board of Directors or by a chairperson elected by the general meeting of shareholders.

The chairperson appoints the secretary and the tellers. The secretary and the chairperson sign the minutes of the meeting.

### 1.2.1.4 Resolutions

PGR-279-1-8

The annual general meeting can hold valid discussions and make binding resolutions if a majority of its members are present. Each founders' share corresponds to one vote. Save where otherwise prescribed by mandatory law, the general meeting resolves its elections and make its resolutions by means of a qualified majority of the votes represented. Where a first round of voting fails to produce a clear result, a second round takes place and is decided by relative majority.

Elections and votes on motions are open unless the chairperson or one of the founding shareholders requests a secret ballot.

The founder shareholders may represent their shares in person or through a proxy.

The investor shares confer no entitlement to participate in or vote at ordinary or extraordinary general meetings of shareholders.

## 1.2.2 Board of Directors

PGR-279-1-9

### 1.2.2.1 Constitution and term of office

The Board of Directors is elected by the ordinary general meeting of shareholders and consists of at least one natural person or legal entity.

It may arise that members of the Board of Directors are simultaneously members of the boards of directors of other (investment) companies. If this gives rise to conflicts of interest, the relevant member discloses this to the Board of Directors.

Members of the Board of Directors are initially elected to serve a three-year term of office. Subsequent terms of office last no more than six years, subject to early retirement or dismissal. The members of the Board of Directors may be re-elected at any time. Any change in the membership of the Board of Directors is subject to prior notification of the responsible supervisory authority.

If a member of the Board of Directors steps down before the end of his or her term of office, the remaining members may appoint a provisional replacement to serve until the next general meeting of shareholders. The provisional replacement assumes the term of office of his or her predecessor.

The Board of Directors constitutes itself. It elects a chairperson and a vice-chairperson (deputy) from among its members.

Current composition as per Commercial Register at the registered office:

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

### 1.2.2.2 Duties

PGR-279-1-10

The Board of Directors is responsible for the overall management of the Investment Company and for supervising and controlling its operational management. It prepares the business of the general meeting of shareholders and implements the latter's resolutions. It also represents the Investment Company in all matters not reserved to another governing body or to third parties. The Board of Directors may delegate responsibility for operational management to a third company, which, on the Board's behalf, appoints a custodian for each sub-fund and, where required, one or more portfolio managers for each sub-fund. The details relating to such delegated duties as well as the areas of authority and responsibilities of the involved parties are set out in agreements concluded between the Investment Company and the parties to which the duties are delegated.

In any event, the Board of Directors is responsible for:

- a) determining the investment policy for each sub-fund;
- b) the basic decisions concerning the issue and redemption of shares;
- c) motions concerning the appropriation and/or distribution of profit; and
- d) decisions concerning the creation, structural measures and dissolution of individual sub-funds or share classes;
- e) decisions concerning amendments to the investor information and the Investment Conditions;
- f) determination of the payment of interim dividends during the year;
- g) all functions and duties not reserved by law for other governing bodies.

### 1.2.2.3 Meetings and resolutions

The Board of Directors meets when convened by the chairperson or his or her deputy. Every member of the Board of Directors can request that the Chairman convene a meeting without delay, but must state the reasons for such request.

The Board of Directors can hold valid discussions and make binding resolutions if a majority of its members are present. Resolutions require a simple majority of the votes cast. The Chairman takes part in the vote and, in the event of a tie, has

the casting vote. If the Board of Directors consists of only two members, resolutions are passed unanimously.

The Board of Directors may also pass resolutions by written consent to a proposed resolution (circular resolution) unless a member of the Board of Directors requests a meeting and verbal discussion.

The chairperson appoints the secretary and the tellers. The secretary and the chairperson sign the minutes of the meeting.

If a director or authorised agent has a personal interest in a matter relating to the Investment Company, he or she must declare said personal interest to the Board of Directors and recuses himself or herself from any and all discussion of and/or votes on the matter in question. Such matter and the personal interest must be reported to the shareholders at the next general meeting. If such person nevertheless votes, his or her vote is invalid. The term "personal interest" does not apply to any relationship or interest that arises only due to the fact that the legal transaction was concluded between the Investment Company on the one hand and the AIFM, Custodian or any other entity designated by the Investment Company on the other.

#### 1.2.2.4 Appointment of an operational manager (AIFM)

PGR-280-1-16

The Board of Directors is authorised, on its own responsibility and by means of a separate appointment and delegation agreement, to delegate the operational management of the Investment Company to an AIFM duly authorised under the AIFMA. The same applies to AIFMs authorised in other EEA member states that have a branch office in Liechtenstein or that are permitted to carry out such activities as part of their provision of cross-border services. The duties, rights, obligations, areas of authority and responsibilities of the AIFM are set out in the appointment and delegation agreement. By virtue of that agreement, the AIFM provides the Investment Company with fund management services in accordance with the Articles of Association.

The day-to-day business of the Investment Company is carried out by the Management Board in its capacity as an AIFM.

#### 1.2.3 Certified Auditors

PGR-280-1-17

The task of auditing the annual reports of the Investment Company must be assigned to a company of Certified Auditors licensed in the Principality of Liechtenstein and appointed by the general meeting of shareholders. The Certified Auditor is elected for a one-year term, may be re-elected and may at any time be dismissed by the general meeting of shareholders.

### 1.3 Founder shares

PGR-279-1-5

PGR-279-1-7

The equity capital of the founder shareholders is separated from the assets under management (investor shares) of the investors.

Type of right	Right of participation
Register/account	Share register
Registered/bearer securities	Registered shares
Voting rights	One vote per share
Limitation on amount	None
Right to participate in the general meeting of shareholders	Yes
Subscription right upon issue of new founder shares	Yes
Certificates (share securitisation)	The investors are not entitled to receive actual physical share certificates.
Share currency	EUR
Nominal value per share	EUR 1.00
Number of shares	50,000.00
Equity capital	EUR 50,000.00 (fully paid in)

The equity capital has to be continuously available in the amount of EUR 50,000.00 and cannot be used for investments.

The Investment Company may provide for the securitisation of investor shares in the form of global certificates. The shares are kept in collective safe custody in order to avoid problems that might affect their transferability.

#### 1.3.1 Dividends

PGR-312-2

PGR-312-4

Dividend payments from the share capital due to the founder shares may be made from the net profit resulting from the annual report plus profit carried forward as well as withdrawals from reserves formed for this purpose, taking into account imputed losses of previous fiscal years as well as allocations to legal or statutory reserves. Subject to the above statutory share capital, the Board of Directors may pay dividends during the year on the basis of an interim balance sheet. The Board of Directors defines the amount of this dividend in advance in a meeting of the Board of Directors.

## 1.4 Investor shares

PGR-279-1-5  
PGR-279-1-7  
PGR-280-1-14  
PGR-361-2

Type of right	Participating share regarding assets under management
Register/account	Account
Registered/bearer securities	Bearer
Nominal value	None
Voting rights	None
Limitation on amount	None
Right to participate in the general meeting of shareholders	No
Participation in the profit made on the equity capital	No
Subscription right upon issue of new shares	No
Certificates (share securitisation)	For specific information, see Annex I of the Investment Conditions.
Exchanges and markets	For specific information, see Annex I of the Investment Conditions.
Denomination	For specific information, see Annex I of the Investment Conditions.

The value per investor 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.

Any increase in the share capital of the investor shares through the gradual issue of new shares to existing investors or third parties, or reduction in the share capital of the shares through the gradual repayment of the share capital in whole or in part by redemption of shares can take place without following a predefined procedure for increasing or decreasing the share capital.

## 1.5 Notices and announcements

PGR-279-1-11

The publication medium of the Investment Company is the website of the

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

Notices from the Investment Company to the founding shareholders will be sent by e-mail or published on the Liechtenstein Investment Fund Association (LAFV) website.

Notices to holders of investor shares and announcements to third parties will be published on the LAFV website.

## 1.6 Provisions governing amendments

### 1.6.1 Requirements concerning amendments to the Articles of Association

Amendments or additions to the Articles of Association can be made at any time by the general meeting.

Amendments will be published in the official publication medium.

### 1.6.2 Need for investors' consent

Amendments do not require the investors' consent.

Investors, their heirs or other interested parties are not entitled to demand the modification of the Articles of Association of the Investment Company.

## 1.7 Provisions governing dissolution (liquidation)

The general meeting of shareholders may resolve to dissolve the Investment Company. The resolution must be made subject to the statutory requirements for changes to the Articles of Association. In addition, the Investment Company will be dissolved in the eventualities envisaged by law. The dissolution procedure is governed by the relevant statutory provisions and any guidelines issued by the responsible supervisory authority. Insofar as no adequate provision for dissolution is made in the Articles of Association, the responsible supervisory authority may stipulate more detailed rules.

## 2 Enforcement, prevailing language and other matters

The exclusive place of jurisdiction for all disputes is Vaduz, LIECHTENSTEIN (LI). 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.

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 Articles of Association enters into force upon their entry into the Commercial Register.

Vaduz, 10/02/2020

---

Founder

---

## C. Investment Conditions

### 1 Investment Company

#### 1.1 Master data

AIFMA-9-5-icw-7-3-a

##### 1.1.1 Name

Daneo Funds SICAV

##### 1.1.2 Duration

Unlimited

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

AIFMA-9-5-icw-7-3-b  
AIFMA-105-1-f--

The AIFM conducts the Investment Company's business in the Investment Company's name and for the account of the investors in accordance with the relevant statutory provisions and the constituent documents and in accordance with the provisions of the Appointment and Delegation Agreement.

##### 1.2.1 Company 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 the Commercial Register at the registered office:

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

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

Current status as per the Commercial Register at the 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 will be regulated by an agreement concluded between the AIFM and the third party concerned.

For specific information, see Annex I and, where applicable, Annex II of the Investment Conditions

##### 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 policies and practices

AIFMO-13-1-----

With regard to its remuneration policies and practices, the AIFM is subject to the supervisory provisions governing fund management companies laid down in the Liechtenstein Act on Undertakings for Collective Investment in Transferable Securities (UCITSA) and the provisions governing Alternative Investment Fund Managers (AIFMs) set out in the Alternative Investment Fund Managers Act (AIFMA). The AIFM has formulated detailed rules in internal regulations on remuneration policies 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 policies 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. The remuneration policies and practices will include both fixed and variable (performance-based) components.

The AIFM's remuneration policies and practices are simple, transparent and sustainability-oriented – especially with regard to environmental, social and governance aspects. They are in line with the AIFM's business strategy, objectives and

values, as well as its long-term overall success, and take its equity situation into account.

The remuneration policies are consistent with the AIFM's business and risk policies. In particular, no incentives to take on excessive levels of risk are created. Where remuneration is performance-based, it is calculated on the basis of either the overall results of the AIFM and/or the performance of the individual employee concerned and his/her department/team. Long-term business performance and the protection of the company against excessive risks will, among other things, be prioritised when assessing if an individual has achieved his/her performance targets. The variable remuneration components are not linked to the performance of the investment companies and/or funds managed by the AIFM. Voluntary employer fringe benefits or benefits in kind are permissible.

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 amount of an employee's fixed salary is currently structured such that he/she is able to live from his/her fixed salary if employed full-time (taking into account market-based salaries). The members of the Management Board and the Board of Directors have the power to take the final decision on the allocation of variable remuneration. The Board of Directors is responsible for reviewing the remuneration policies and practices.

Special provisions apply to members of the Board of Directors and the Management Board of the AIFM and to employees whose activities have a significant influence on the overall risk profile of the AIFM and the investment companies or funds that it manages ("risk-takers"). Employees who exercise a significant influence on the risk and business policy of the AIFM have been identified as risk-takers. In the case of these risk-relevant employees, variable remuneration will be paid 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 during this period. Risk-takers whose variable remuneration is either less than CHF 100,000.00 p.a. (in the case of full-time employment), or a maximum of 25% of their total salary, can be paid this variable remuneration immediately and in full. The variable remuneration, including the deferred component, will only be paid out or earned if this is viable in light of the AIFM's overall financial situation and justified on the basis of the performance of the department or team concerned and the individual in question. If the AIFM's financial results are weak or negative, this will generally lead to a considerable reduction in the overall variable remuneration, in which case both ongoing compensation as well as reductions in payments of previously earned amounts will be taken into account.

Further information on and details of the AIFM's current remuneration policies and practices are available at [www.vpfundsolutions.li](http://www.vpfundsolutions.li). This includes a description of the methods used to calculate remuneration and other benefits for certain categories of employees as well as for identifying the persons responsible for allocating the remuneration and other benefits, including the composition of the remuneration committee insofar as such a committee exists.

Upon request from an investor, the AIFM will also provide the information in paper form to him/her free of charge.

#### **1.2.11 Placing orders to trade with other entities for execution**

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).

Upon request from an investor, the AIFM will also provide him/her with further information free of charge.

#### **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 Investment Company**

[AIFMA-9-5-icw-7-3-b](#)

In the event of termination by the AIFM, loss of the right to manage the Investment Company or the insolvency of the AIFM, the Investment Company does not form part of any insolvent estate and may, with the consent of the responsible supervisory authority, designate another AIFM, be converted into a self-managed Investment Company or be dissolved.

### **1.3 Custodian**

[AIFMA-9-5-icw-7-3-b](#)

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

The task of keeping the assets in safe custody must be delegated to a custodian in LIECHTENSTEIN (LI).

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

VP Bank AG, 9490 Vaduz, LIECHTENSTEIN (LI)

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

The duties of the Custodian and its liability are governed by the AIFMA and by the associated ordinance, as amended, the Custodian Agreement and the constituent documents of the Investment Company. The Custodian 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 Investment Company's account in the Custodian's custody in separate accounts opened in the name of the Investment Company or the AIFM acting on its behalf. The Custodian monitors whether the assets comply with the provisions of the AIFMA and the constituent documents. To this end, the Custodian in particular monitors whether the Investment Company complies with the investment restrictions and leverage limits.

In addition, the Custodian ensures that:

- a) the sale, issue, repurchase, redemption and cancellation of shares take place in accordance with the AIFMA and the constituent documents;
- b) the value of the shares of the Fund is calculated 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 applied in accordance with the AIFMA and the constituent documents;
- e) the cash flows of the Fund are properly monitored to ensure that all payments made by, or on behalf of, investors upon the subscription of shares of the Fund have been received, and that all of the Fund's assets have been booked in accordance with the AIFMA and the constituent documents.

In addition, the Custodian will maintain a share register for the Fund and/or the sub-funds on behalf of the AIFM.

Further information on the current situation with regard to the Custodian 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 Custodian, authorised agents and sub-contractors, conflicts of interest arising from the delegation of duties**

AIFMA-105-1-h--

The Custodian may delegate its custodial duties, in whole or in part, to other banks, financial institutions or recognised clearing houses which satisfy the statutory requirements ("sub-custodians").

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

Conflicts of interest may arise from the delegation of custodial functions to the respective sub-custodians, especially if one of those sub-custodians is a company associated with the Custodian (e.g. when delegating custodial functions or selecting the sub-custodian, the Custodian could favour a company associated with itself over other equally promising companies). Moreover, conflicts of interest may arise between the Custodian and other providers of services to the

Investment Company. In conformity with the applicable statutory provisions, the Custodian has taken appropriate organisational measures to avoid potential conflicts of interest arising from the delegation of custodian duties and/or between itself and other providers of services to the Investment Company. Should it prove impossible to avoid conflicts of interest, the Custodian will identify and monitor them, disclosing those that exist and attempting to resolve them in the best interests of the investors.

According to the Custodian, there are at present no conflicts of interest arising from the delegation of custodial duties or between the Custodian and other providers of services to the Investment Company.

### **1.3.3 Exclusion of liability**

AIFMA-105-2----

n/a

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

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

## **1.4 Announcement and information**

AIFMA-9-5-icw-7-3-I

The Investment Company'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 will be communicated on the above website.

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

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

### **1.5.1 Fund assets**

A Liechtenstein-registered investment fund legally constituted as an Investment Company 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 issue of founder shares in an investment company, or shares in its capital stock (share

capital), is not subject to stamp tax on the issue and negotiation of securities or to start-up duty. The same applies to the issue of shares in the assets under management. The sale (transfer against valuable consideration) of shares in the assets under management attracts turnover tax if one of the parties or an intermediary is a Swiss securities dealer. Redemptions of founder shares or shares in the capital stock and of shares in the assets under management are exempt from turnover tax. The Investment Company is treated as an investor exempt from securities stamp duty.

### 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 Investment Company or its sub-funds.

The Investment Company is not liable to the retention of any kind of withholding tax in the Principality of Liechtenstein. Foreign income and capital gains on the Investment Company 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 Investment Company or sub-funds, a Liechtenstein paying agent may be obligated, in accordance with the AEOI agreement, to report the investors to the local tax authority and carry out any corresponding legal notifications.

### 1.5.5 FATCA

The Investment Company 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 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 Investment Company 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 from distributing or accumulating investment companies or any 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 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 Investment Company, the AIFM, the Portfolio Manager, the Custodian and their authorised agents cannot accept responsibility for the individual tax consequences for investors who hold, buy or sell investor shares, or for the related income.**

## 1.6 Distribution countries

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

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

Where Annex II of the Investment Conditions 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 Investment Company is not authorised for distribution. The dissemination of Fund sales documents (e.g. Investor Information including constituent documents, key information documents for packaged retail and insurance-based investment products (PRIIPs), 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 obligated 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 Investment Company abroad are governed by the legal provisions in force in the country concerned.

Shares of the Investment Company 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) that meet the requirements for simplified due diligence according to the Due Diligence Ordinance.

Shares of the Investment Company may not be distributed to or acquired by investors domiciled or resident in a country outside the EEA which presents heightened geographical risks pursuant to Annex 2 Section A letter c Due Diligence Act. This includes states with strategic deficiencies not having adequate systems for the prevention of money laundering and terrorist financing; third countries identified by credible sources as having significant levels of corruption or other criminal activity; countries that are subject to sanctions, embargos or similar measures issued by, for example, the European Union or the United Nations; as well as countries providing funding or support for terrorist activities, or that have designated terrorist organisations operating within their country. The states concerned are listed by the FMA in List A, which is part of FMA Guideline 2013/1.

In particular, the shares of the Investment Company 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 the investor shares of the Investment Company in accordance with Regulation S of the Securities Act Release No. 33-6863 (2 May 1990).

## 2 Sub-fund

AIFMA-9-5-icw-7-3-i  
AIFMO-20a-3---

The Investment Company 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 sub-funds may be added at any time.

The specific features of each sub-fund and share class are defined in Annex I of the Investment Conditions.

### 2.1 Fiscal year

AIFMA-9-5-icw-7-3-o

The fiscal year of the sub-fund ends on the last calendar day of December. In justified cases, in particular with regard to the first fiscal year or following amendment of the balance sheet date, the fiscal year may last a maximum of 18 months.

For specific information, see Annex I of the Investment Conditions.

### 2.2 Unit of account

AIFMA-9-5-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 of the Investment Conditions.

### 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 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 of the Investment Conditions.

### 2.4 Investments

AIFMA-9-5-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 sub-funds permitted to engage in uncovered short selling.

For any applicable restrictions and specific information, see Annex I of the Investment Conditions.

#### 2.4.1 Investment objective, policy and strategy

AIFMA-9-5-icw-7-3-c  
AIFMO-10-1---

For specific information, see Annex I of the Investment Conditions.

#### 2.4.2 Investment restrictions

AIFMA-9-5-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 of the Investment Conditions.

#### 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 of the Investment Conditions.

#### 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 of the Investment Conditions.

### 2.5 Provisions governing valuation

#### 2.5.1 Valuation deadlines (trading days)

For specific information, see Annex I of the Investment Conditions.

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

#### 2.5.2 Asset valuation rules

AIFMA-9-5-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, with 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 sub-fund currency is converted at the latest available middle rate of exchange.

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

### 2.6 Provisions governing amendments

#### 2.6.1 Requirements concerning amendments to the Investment Conditions

AIFMA-9-5-icw-7-3-m

The Investment Conditions may be fully or partly amended or supplemented by the Board of Directors 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 and/or regulations define material changes. Changes that are not material may result in particular from mandatory statutory or regulatory adjustments. Furthermore, editorial adjustments are not considered to be material changes.

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

The dissolution costs may be charged to the Investment Company or, as applicable, the sub-funds.

## 2.6.2 Prerequisites for the handling of structural measures

AIFMA-9-5-icw-7-3-m

Structural measures (mergers and splits) will be resolved upon by the Board of Directors. They require the prior approval of the responsible supervisory authorities and will be published via the Investment Company'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 investment companies or sub-funds, irrespective of the legal form and domicile of the target and source investment company.

Mergers may only be carried out at the end of the fiscal 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 investment company or 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 will be 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 investment company or 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 Investment Company 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-9-5-icw-7-3-a

AIFMA-9-5-icw-7-3-m

AIFMO-17-1---

AIFMO-17-3---

The Board of Directors may dissolve 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 Investment Conditions, 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 Investor Information. 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 final report audited by the Certified Auditors.

At the request of an investor and with the consent of the Investment Company and all investors, share redemptions may also be made by transferring investments to a value equivalent to the daily price (redemption in kind). Redemptions in kind are assessed by the Investment Company according to objective criteria; however, the Investment Company 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 investor shares of the share classes involved are 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 approval 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 corresponds 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 shall be governed by the relevant statutory provisions and 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 Custodian 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-9-5-icw-7-3-k

### 3.1 Investor categories

AIFMA-9-5-icw-7-3-n

For specific information, see Annex I of the Investment Conditions.

#### 3.1.1 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 of 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.

#### 3.1.2 Private investors

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

### 3.2 Calculating the net asset value of each share

AIFMA-9-5-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.

### 3.3 Securitisation

AIFMA-9-5-icw-7-3-d

For the type of securitisation see Annex I of the Investment Conditions.

### 3.4 Calculation of issue and redemption prices

AIFMA-9-5-icw-7-3-d

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

### 3.5 Minimum investment

The Investment Company 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 Investment Company 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 of the Investment Conditions.

### 3.6 Provisions on share trading

AIFMA-9-5-icw-7-3-e

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

#### 3.6.1 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 of the Investment Conditions.

#### 3.6.2 Cut-off date

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

Subscription, redemption and conversion applications must reach the Custodian no later than the cut-off date. Applications may be revoked at any time up to the cut-off date. Any applications received after the cut-off date are 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 Custodian. This may be

obtained from the relevant authorised distributor. The AIFM ensures that sales intermediaries comply with the cut-off date.

If the cut-off date 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 of the Investment Conditions.

#### 3.6.3 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 Custodian's control.

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

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

The AIFM is authorised, in agreement with the Custodian, 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 of the Investment Conditions.

#### 3.6.4 Contributions in kind

At the investor's request and with the consent of the Investment Company, 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 Investment Company according to objective criteria; however, the Investment Company 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 Investment Company'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.

### 3.6.5 Redemptions in kind

At the investor's request and with the consent of the Investment Company and all the remaining investors, share redemptions may also be made by transferring investments to a value equivalent to the daily price (redemption in kind). Redemptions in kind are assessed by the Investment Company according to objective criteria; however, the Investment Company 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.

### 3.6.6 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.

### 3.6.7 Conversion of shares

AIFMA-9-5-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 cut-off dates 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 cut-off date, 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 investor shares of the share class into which shares are to be converted;

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

C ← the NAV of the investor 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 the same, this coefficient is 1);

E ← the NAV of the investor 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 of or for the protection of the investors or the Investment Company, 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 of the Investment Conditions.

### 3.6.8 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 Investment Company with due regard to the best interests of the investors. Possible reasons may include:

- a) if a market that 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 sub-fund assets or the NAV calculation cannot be carried out in accordance with the provisions of the constituent documents;
- c) if sub-fund 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 protection of investors or the public interest.

A temporary suspension of the redemption and pay-out of shares and/or suspension of NAV calculation will be communicated 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.

### 3.6.9 Soft closing

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

### 3.6.10 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 of the Investment Conditions.

#### 3.6.10.1 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 of the Investment Conditions.

### 3.6.11 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 from 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 of the Investment Conditions.

## 3.7 Exclusion of investors

AIFMA-9-5-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 of or for the protection of the investors or the Investment Company, 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, a subscription of shares that does not comply with the national law of the Investment Company (especially the provisions of the Due Diligence Act or the Due Diligence Ordinance regarding the simplified due diligence) is a reason for a compulsory redemption of the shares subscribed via the financial institute not complying with the stated provisions.

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

AIFMA-9-5-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 fiscal year.

For specific information, see Annex I of the Investment Conditions.

## 3.9 Charges

AIFMA-9-5-icw-7-3-g  
AIFMO-12----

### 3.9.1 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 semi-annual and annual reports.

#### 3.9.1.1 Issue commission

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

For specific information, see Annex I of the Investment Conditions.

#### 3.9.1.2 Redemption commission

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

For specific information, see Annex I of the Investment Conditions.

#### 3.9.1.3 Conversion commission

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



For specific information, see Annex I of the Investment Conditions.

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

#### 3.9.2.1 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). If the remuneration of the AIFM excludes certain activities, these are disclosed as fixed remuneration in the Annex.

AIFMO-15-1-a--

- b) Remuneration of the Custodian.

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 of the Investment Conditions.

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

AIFMO-14-1-b--

Charges may also be made for the following 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 Custodian 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) Investment Company supervisory expenses as per the current fee tariff of the responsible supervisory authority.

AIFMO-15-1-d--

- d) Internal and external publication costs (e.g. costs for the preparation, the price publications, printing and mailing of reports and other publications as well as notices to the investors).

AIFMO-15-1-f--

- e) Internal and external 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) Internal and external 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) Internal and external costs in connection with determining and publishing tax factors in Liechtenstein and abroad (tax transparency).
- h) Internal and external expenditures for foreign and domestic taxes and duties levied on the assets and investment income (e.g. withholding tax on foreign investment income). Foreign withholding taxes will be recovered at the discretion of the AIFM and only if the amount to be recovered is proportionately higher than the cost of recovery.
- i) Internal and external 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 such as standard market brokerage charges, commissions, duties, third-party fees) as well as 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 Investment Company 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 Investment Company and/or the sub-funds (e.g. all-in fee paid to the AIFM and/or Custodian, 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) and related effort of the AIFM.
- o) Costs for the valuation of difficult to value assets (e.g. appraisal report) and related effort of the AIFM.
- p) Internal and external 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 Investment Company or the relevant sub-fund was established (e.g. tax and legal consultancy, amendments to the Investor Information including the constituent documents). Internal and external expenses incurred in connection with the levying or subsequent levying of taxes (e.g. transaction taxes, etc.) should the qualification of the sub-fund as a tax-exempt investor be withdrawn by the competent authority as a result of a change in tax legislation, interpretation of the law or practice, or similar, shall also be considered extraordinary measures.

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

- q) Fees paid to the Board of Directors as remuneration for the performance of its supervisory function and appropriate reimbursement of its expenses incurred in the performance of its supervisory function. The amount of such fees is stated in the annual report.
- r) Internal and external expenditures for business management activities on behalf of the Investment Company (such as preparation, holding and taking minutes of meetings, preparation of resolutions, bookkeeping).
- s) Costs of external valuers and/or price sources for asset valuation.
- t) Internal and external costs and fees for the Investment Company structure (such as Investment Company fees or taxes).
- u) Internal and external expenses for the registration and maintenance of the registration of the fund and the sub-fund with a registration organisation for the Legal Entity Identifier.
- v) Internal and external expenses for the preparation, procurement and validation of sustainability-related disclosures (for example, the preparation of ESG-related pre-contractual and periodic disclosures, creation of distribution documents such as the "European ESG Template", receipt of sustainability ratings or analyses such as ESG research, procurement of indicators such as principal adverse impacts on sustainability factors, sourcing and validation of taxonomy-related calculations, etc.)

### 3.9.2.3 Performance fee

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

In addition to fees dependent on sub-fund assets and those not dependent on sub-fund assets, a fee dependent on investment success (hereinafter referred to as the "performance fee") may also be charged.

The performance fee is based on the increase in value of the assets of the sub-fund and is calculated if the NAV exceeds the so-called reference indicator. The reference indicator may be a high-water mark (the highest NAV to date since inception),

an index, a minimum return (hereinafter referred to as the "hurdle rate"), or a combination thereof.

When calculating according to the "High-Water-Mark Model" (HWM Model), the performance fee is only calculated if the NAV reaches a new high-water mark during the reference period, whereas when calculating according to the "High-on-High Model" (HoH Model), the performance fee is only calculated if the NAV is above the NAV at which a performance fee was last paid.

The reference period covers the entire term of the sub-fund and the high-water mark cannot be reset. If a performance fee is applied and paid, it will reduce the net return of the sub-fund.

For specific information, see Annex I and, where applicable, Annex III of the Investment Conditions

### 3.9.3 Commission, 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, Custodian 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 Custodian is entitled to charge a fee for the collection of such remunerations.

For specific information, see Annex I of the Investment Conditions.

#### 4 Enforcement, prevailing language and other matters

This document 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 Investment Conditions enter into force on

**09/06/2023.**

Signed on: 04/08/2023

---

AIFM

---

Custodian

---

**Annex I of the Investment Conditions:**

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

## 1 Daneo Private Debt Fund I

### 1.1 Investment objective and investment policy

The sub-fund shall strive to achieve a 5%-5.5% gross return in CHF from private market credit financing facilities. In so doing the sub-fund shall cover a wide variety of financing requirements (e.g. corporate loans, real estate project funding or receivables financings).

The regional emphasis shall be on borrowers from Switzerland, Germany and Austria. By way of diversification and to seize opportunities, the sub-fund may also invest outside this region.

Investments shall be made in individual debt securities or in portfolios of debt securities. Such debt securities may be issued by special-purpose vehicles, but the sub-fund may also extend loans directly.

Every investment shall undergo a rigorous and systematic due diligence and selection process. If the outcome of this process is positive and the diversification requirements in the portfolio context are met, an investment may be made.

Every investment made shall be subject to regular, diligent monitoring. Regardless of the particular circumstances of the company (issuer/borrower), the sub-fund shall seek wherever possible to secure the loan/s in question by obtaining additional levels of security / collateral assets.

### 1.2 Investment restrictions

The following restrictions apply:

- a) At least 51 % of the net sub-fund's assets must be invested in the form of loans of various types (direct, indirect, securitised or non-securitised).
- b) Up to 100 % of these loans may be granted to borrowers domiciled in Germany, Austria or Switzerland.
- c) Up to 50 % of the loans may be granted to borrowers domiciled in other countries worldwide.
- d) Up to 100 % of the net sub-fund's assets may be invested in liquidity.

### 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.

The approach of adverse effects of investment decisions on sustainability factors at the level of VP Fund Solutions (Liechtenstein) AG can be viewed here: <https://vpfundsolutions.vpbank.com/en/client-information/esg>

### 1.4 Sub-fund specific risks

#### Asset-specific risks

The risks of the sub-fund are directly linked to the risks to which the loans / loan receivables / notes on loan receivables in which the sub-fund invests are exposed. Depending on the nature of the loans / loan receivables / notes on loan receivables acquired, the risks associated with this investment may be low, moderate or high and in certain circumstances may result in the loss of the entire amount invested in such loans / loan receivables / notes on loan receivables.

The performance of the loans / loan receivables / notes on loan receivables will depend in particular on the borrower's compliance with the loan agreements, which itself will be influenced among other things by the general state of the world economy and by economic and political conditions in the relevant countries. Political or economic developments, some of which may be unforeseeable, such as alterations of credit policy, changes of government, the adoption of new tax regulations or changes in supervisory law and sales legislation, may cause borrowers to default, with adverse consequences for the performance of the loans / loan receivables / notes on loan receivables and/or for the sub-fund.

Moreover, a change in the personnel responsible for investing in loans / loan receivables / notes on loan receivables may prove of great significance for the performance of the sub-fund, since its investment policy is frequently shaped by the knowledge and experience of such individuals. There can be no guarantee that the sub-fund will achieve its investment objectives. The sub-fund's ability to make distributions will depend on the income generated by the portfolio assets and their ability to retain their value over time.

#### Liquidity risk

In addition, the liquidity of the loans / loan receivables / notes on loan receivables is limited and the sub-fund works on the assumption that such loans / loan receivables / notes on loan receivables could only be sold on to a limited number of institutional investors.

Loans / loan receivables / notes on loan receivables are only traded OTC on the secondary market, not on an exchange. Such trading usually takes place among institutional investors.

Loans / loan receivables / notes on loan receivables display much lower levels of liquidity than conventional corporate bonds. Their liquidity is extremely restricted, which could render it impossible to sell them without heavy discounts or even at all.

**Creditworthiness risk**

Information on the borrower's creditworthiness may be incomplete and the borrower's creditworthiness may unexpectedly deteriorate at any time.

The sub-fund invests mainly in loans / loan receivables / notes on loan receivables of borrowers with sub-investment grade ratings or no official rating whatsoever. The likelihood of default is much higher for these borrowers than for investment grade borrowers. The investors must take into account the chance of individual claims being lost through default, thereby reducing the return on the Fund. In some years this may result in a negative return for the investors.

**Diversification risks (countries/sectors)**

Loans / loan receivables / notes on loan receivables that focus on certain countries, such as Switzerland or Germany, may be hit much harder by adverse developments in the countries concerned than loans / loan receivables / notes on loan receivables with a more transnational focus would be. In general, the performance of country-specific investments may diverge significantly from the overall market trend. Although the sub-fund has certain diversification objectives, a concentration of investments in certain counterparties, industries or countries may occur. If the sub-fund decides to concentrate its investments in a certain counterparty, industry or country it will become susceptible to fluctuations in value caused by any adverse economic conditions that affect the counterparty, industry or country in question.

**Risks of future regulatory changes**

A wide variety of factors, including the latest shifts on the financial markets, have prompted investors and government bodies to question the integrity of the European financial markets and the appropriateness of the existing regulations governing financial institutions and the managers of alternative investments. For example, new or revised draft legislation and/or regulatory provisions, State regulators and supervisory authorities and self-regulatory organisations which oversee the financial markets could have considerable adverse effects on the underlying products, on the cost structures of the involved parties and consequently on the performance of the sub-fund.

**Risks arising from information asymmetries**

A core challenge facing credit funds is how to handle information asymmetries between the portfolio manager and the investor. The portfolio manager has a clear advantage over the investor in terms of information on the client's creditworthiness, and this implies a potential moral hazard. In practice this risk is mitigated by adherence to a strict investment

process. As a further way of reducing this risk, all the investment options available to the portfolio manager are first presented to the sub-fund (right of first refusal).

**Risk of misjudgement by management**

The future business of the sub-fund may be adversely affected by additional risks and imponderables of which the portfolio manager is currently unaware or which the portfolio manager currently regards as of little consequence. If such a risk does actually materialise it may significantly undermine the financial condition, liquidity or performance of the sub-fund and its ability to make distributions to the unit holders.

**Dependence on platforms / sourcing partners**

A state of dependence may arise when working with platforms / sourcing partners. The potential exposure of the sub-fund is dependent on an adequate supply of loans / loan receivables / notes on loan receivables made available by the platforms / sourcing partners. If the supply provided by the platforms / sourcing partners is not adequate to meet the sub-fund's demand, the sub-fund may find itself unable to implement its preferred investment strategy. One consequence of this might be that, on the portfolio manager's instructions, the sub-fund holds large cash positions for extended periods. Such a measure can have a negative impact on the return.

The sub-fund intends to make investments in loans / loan receivables / notes on loan receivables that are sourced by platforms / sourcing partners. These include both industry leaders and less well-established platforms / sourcing partners with sufficient experience and proven track records. If any of these platforms / sourcing partners were to be wound up, liquidated or become insolvent or to suspend or alter their operations in some manner, this could hinder the sub-fund's investment strategy. In general, a platform / sourcing partner may have only a brief operational history, making it more difficult for the investor to evaluate its operational success and its ability to process and assess loan applications. Moreover, the possibility cannot be ruled out that the platforms / sourcing partners that issue the underlying loans / loan receivables / notes on loan receivables prove unable to generate a trading volume which permits them to operate at a profit. The activities of the platforms / sourcing partners are dependent on IT systems. Such systems might be jeopardised by a range of problems, e.g. computer viruses, unauthorised access, physical damage to crucial IT centres and malfunctions in software or hardware. Any disruption of or security loophole in these IT systems might have an adverse impact on the operations of the platforms / sourcing partners. Furthermore, any tightening of regulatory requirements may result in higher administrative costs for the platforms / sourcing partners, the issuers and the Fund. The same applies to required responses to investigations and the implementation of new guidelines and processes. In addition to this, such administrative burdens might mean that the portfolio manager has less time, attention and resources to devote to its portfolio management activities. Changes in the way existing legislation is interpreted or enforced by

government bodies and self-regulatory organisations may likewise have a substantial negative impact on the sub-fund and the platforms / sourcing partners. Moreover, such developments may limit the scope and nature of the investment activities carried out by the sub-fund or the ability of the platforms / sourcing partners to source new loans / loan receivables / notes on loan receivables. It is not possible to ascertain with any reasonable degree of certainty the extent of the impact that new regulatory provisions or proposed initiatives might have or the likelihood of such initiatives making their way onto the statute books. All such regulatory provisions may increase the Fund's administrative costs. Every future change in regulatory requirements may have a material impact on the Fund. Future regulatory changes might also have a negative effect on the platforms / sourcing partners and hence, indirectly, on the sub-fund as well.

### 1.5 Additional Information

#### Ramp-up phase

Interested investors have the option of subscribing to units during a so-called "ramp-up phase". During this ramp-up phase the Board of Directors shall at its sole discretion stipulate up to 24 "closings" (i.e. month-end trading days on which investors can subscribe to the Fund), with the option to extend these to include up to 12 further month-end trading days.

The first closing shall be accompanied by the first net asset value calculation and the issue of units at the initial issue price. Subsequently, units shall be issued at the current net asset value plus the issue commissions described below.

#### Lock-up period

The lock-up period for unit redemptions stated in section 1.10.1 represents the earliest possible period before which units may once again be redeemed. The Board of Directors may at its sole discretion shorten this period, which is determined primarily by the length of the ramp-up, investment and exit phases.

#### Valuation

Products that are liquid or eligible for clearing shall be factored into the NAV valuation at the daily price quoted by the relevant external price source (e.g. the issuer, Bloomberg, Telkurs, etc.). Loans granted directly shall be valued at cost. Loan loss provisions are formed for identified risks. Overdue interest on credit claims with fixed payment terms shall be written off (100% write-down) once the 25-working-day grace period has expired. The valuation methods indicated below shall be applied to determine the "at cost" value of investments for which interest payment deadlines have expired. Where individual loans have become non-performing there is the option of appointing an external evaluator. The associated costs may be charged to the sub-fund as costs of extraordinary measures. Where interest is overdue, the value at cost of the investment is written down as follows:

Write-downs are made according to the matrix below taking into account the payment frequency and the overdue payments, with the difference between the 29 working day stipulation below and the previously mentioned 25 working days included intentionally to allow for the payment process.

Value adjustment in case of default	Credit claims without collateral			
	Payment frequency			
	monthly	quarterly	half-yearly	yearly
0-29 days	0%	0%	0%	0%
30-89 days	50%	50%	50%	50%
from 90 days	100%	100%	100%	100%

Value adjustment in case of default	Credit claims without collateral			
	Payment frequency			
	monthly	quarterly	half-yearly	yearly
0-29 days	0%	0%	0%	0%
30-98 days	25%	25%	25%	25%
90-179 days	50%	50%	50%	50%
from 180 days	100%	100%	100%	100%

## 1.6 Delegation of duties

### 1.6.1 Portfolio Management

Company	IFS Independent Financial Services AG
Legal form	Limited Company
Reg. office	6003 Luzern
Domicile	Switzerland (CH)
Reg. entry	24/07/1981
Reg. number	CHE-108.007.779
Duration	unlimited

### 1.6.2 Advisory

n/a

### 1.6.3 Administration

n/a

### 1.6.4 Distribution

n/a

### 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

## 1.8 Investment techniques and instruments

Securities lending	No
Securities borrowing	No
Securities repurchase agreements	No
Credit line	10.00 %
Total Return Swaps	No
<b>Use of derivatives</b>	<b>Part of the strategy</b>
Risk management	Commitment Approach
Risk limit	max. 210.00 %

## 1.9 Key data of the sub-fund

Duration	unlimited
First FYE	31/12/2018
Sub-fund currency	CHF
Valuation interval	No later than 30.09.2020: monthly Latest from 01.10.2020: quarterly
Trade day	No later than 30.09.2020: last calendar day of the month Latest from 01.10.2020: last calendar day of the quarter
Valuation delay	7 business days after the trading day
Swinging Single Pricing (SSP)	No
<b>Indextacker</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 %

### 1.9.1 Reference values used (benchmarks)

none

## 1.10 Share classes

### 1.10.1 Key data

Share class	ISIN	Sec. No.	Class FX	Inception price
I-A CHF	LI0379624658	37962465	CHF	1,000.00
I-A EUR	LI0379624666	37962466	EUR	1,000.00
Q-A CHF	LI0379624674	37962467	CHF	1,000.00
Q-A EUR	LI0379624682	37962468	EUR	1,000.00
S-A CHF	LI0379624690	37962469	CHF	1,000.00
S-A EUR	LI0379624708	37962470	EUR	1,000.00
V-A CHF	LI0381461131	38146113	CHF	1,000.00
V-A EUR	LI0381461156	38146115	EUR	1,000.00



Share class	Investor categories	Sales restrictions
I-A CHF	Professional investors only	Professional investors
I-A EUR	Professional investors only	Professional investors
Q-A CHF	Professional investors only	Professional investors
Q-A EUR	Professional investors only	Professional investors
S-A CHF	Professional investors only	Professional investors
S-A EUR	Professional investors only	Professional investors
V-A CHF	Professional investors only	Professional investors
V-A EUR	Professional investors only	Professional investors

Share class	Appropriation of profit	NAV rounding	smallest fraction	Unit book-keeping
I-A CHF	Distributing (yearly)	0.01	0.0010	book entries
I-A EUR	Distributing (yearly)	0.01	0.0010	book entries
Q-A CHF	Distributing (yearly)	0.01	0.0010	book entries
Q-A EUR	Distributing (yearly)	0.01	0.0010	book entries
S-A CHF	Distributing (yearly)	0.01	0.0010	book entries
S-A EUR	Distributing (yearly)	0.01	0.0010	book entries
V-A CHF	Distributing (yearly)	0.01	0.0010	book entries
V-A EUR	Distributing (yearly)	0.01	0.0010	book entries

Share class	min. invest. first sub.	min. invest. subsequent sub.	min. invest. holdings
I-A CHF	5,000,000.00 CHF	50,000.00 CHF	none
I-A EUR	5,000,000.00 EUR	50,000.00 EUR	none
Q-A CHF	250,000.00 CHF	25,000.00 CHF	none
Q-A EUR	250,000.00 EUR	25,000.00 EUR	none
S-A CHF	250,000.00 CHF	25,000.00 CHF	none
S-A EUR	250,000.00 EUR	25,000.00 EUR	none
V-A CHF	10,000.00 CHF	5,000.00 CHF	none
V-A EUR	10,000.00 EUR	5,000.00 EUR	none

Share class	Cut off subscriptions	Settlement subscriptions
I-A CHF	on the trading day (12:00)	10 business days after the trading day
I-A EUR	on the trading day (12:00)	10 business days after the trading day
Q-A CHF	on the trading day (12:00)	10 business days after the trading day
Q-A EUR	on the trading day (12:00)	10 business days after the trading day
S-A CHF	on the trading day (12:00)	10 business days after the trading day
S-A EUR	on the trading day (12:00)	10 business days after the trading day
V-A CHF	on the trading day (12:00)	10 business days after the trading day
V-A EUR	on the trading day (12:00)	10 business days after the trading day

Share class	Cut off redemptions	Settlement redemptions
I-A CHF	last business day of the 6th the trading day preceding calendar month (12:00)	10 business days after the trading day
I-A EUR	last business day of the 6th the trading day preceding calendar month (12:00)	10 business days after the trading day
Q-A CHF	last business day of the 6th the trading day preceding calendar month (12:00)	10 business days after the trading day
Q-A EUR	last business day of the 6th the trading day preceding calendar month (12:00)	10 business days after the trading day
S-A CHF	last business day of the 6th the trading day preceding calendar month (12:00)	10 business days after the trading day
S-A EUR	last business day of the 6th the trading day preceding calendar month (12:00)	10 business days after the trading day
V-A CHF	last business day of the 6th the trading day preceding calendar month (12:00)	10 business days after the trading day
V-A EUR	last business day of the 6th the trading day preceding calendar month (12:00)	10 business days after the trading day

Share class	Maximum redemptions in % of the NAV (Gating)
I-A CHF	none
I-A EUR	none
Q-A CHF	none
Q-A EUR	none
S-A CHF	none
S-A EUR	none
V-A CHF	none
V-A EUR	none

Share class	Lock up
I-A CHF	01/10/2026
I-A EUR	01/10/2026
Q-A CHF	01/10/2026
Q-A EUR	01/10/2026
S-A CHF	01/10/2026
S-A EUR	01/10/2026
V-A CHF	01/10/2026
V-A EUR	01/10/2026

Share class	Trading options subscriptions	Trading options redemptions
I-A CHF	Units or amount	Only units
I-A EUR	Units or amount	Only units
Q-A CHF	Units or amount	Only units
Q-A EUR	Units or amount	Only units
S-A CHF	Units or amount	Only units
S-A EUR	Units or amount	Only units
V-A CHF	Units or amount	Only units
V-A EUR	Units or amount	Only units

Share class	Initial offering period	Initial Inception
I-A CHF	05/03/2018 - 09/03/2018	16/03/2018
I-A EUR	-	-
Q-A CHF	-	-
Q-A EUR	22/05/2019 - 28/05/2019	31/05/2019
S-A CHF	20/10/2017 - 28/11/2017	01/12/2017
S-A EUR	20/10/2017 - 28/11/2017	01/12/2017
V-A CHF	20/10/2017 - 28/11/2017	01/12/2017
V-A EUR	20/10/2017 - 28/11/2017	01/12/2017

Share class	Exchange listings
I-A CHF	none
I-A EUR	none
Q-A CHF	none
Q-A EUR	none
S-A CHF	none
S-A EUR	none
V-A CHF	none
V-A EUR	none

Share class	Currency hedging
I-A CHF	No
I-A EUR	Yes
Q-A CHF	No
Q-A EUR	Yes
S-A CHF	No
S-A EUR	Yes
V-A CHF	No
V-A EUR	Yes

## 1.10.2 Commissions

Share class	Commissions	Maximum
I-A CHF	Subscription commission	2.00 %
	Subscription commission (in favor of the fund)	3.60 %
	Redemption commission (in favor of the fund)	0.00 %
	Conversion commission (in favor of the fund)	0.00 %
I-A EUR	Subscription commission	2.00 %
	Subscription commission (in favor of the fund)	3.60 %
	Redemption commission (in favor of the fund)	0.00 %
	Conversion commission (in favor of the fund)	0.00 %
Q-A CHF	Subscription commission	2.00 %
	Subscription commission (in favor of the fund)	3.60 %
	Redemption commission (in favor of the fund)	0.00 %
	Conversion commission (in favor of the fund)	0.00 %
Q-A EUR	Subscription commission	2.00 %
	Subscription commission (in favor of the fund)	3.60 %
	Redemption commission (in favor of the fund)	0.00 %
	Conversion commission (in favor of the fund)	0.00 %
S-A CHF	Subscription commission	2.00 %
	Subscription commission (in favor of the fund)	3.60 %
	Redemption commission (in favor of the fund)	0.00 %
	Conversion commission (in favor of the fund)	0.00 %
S-A EUR	Subscription commission	2.00 %
	Subscription commission (in favor of the fund)	3.60 %
	Redemption commission (in favor of the fund)	0.00 %
	Conversion commission (in favor of the fund)	0.00 %
V-A CHF	Subscription commission	3.00 %
	Subscription commission (in favor of the fund)	3.60 %
	Redemption commission (in favor of the fund)	0.00 %
	Conversion commission (in favor of the fund)	0.00 %

	Subscription commission	3.00 %
	Subscription commission (in favor of the fund)	3.60 %
V-A EUR	Redemption commission (in favor of the fund)	0.00 %
	Conversion commission (in favor of the fund)	0.00 %

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

## 1.10.3 Fees

### 1.10.3.1 Flat fee

Share class	max. flat fee p.a.
I-A CHF	1.2250 % *
I-A EUR	1.2250 % *
Q-A CHF	1.6750 % *
Q-A EUR	1.6750 % *
S-A CHF	0.9750 % *
S-A EUR	0.9750 % *
V-A CHF	1.4750 % *
V-A EUR	1.4750 % *
	plus up to CHF 48,000.00 **

\* Expenses independent of assets will be charged additionally and are not part of the flat fee.

\*\* 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.

### 1.10.3.2 Fixed compensation

Fee type	Amount
Fixed costs for the investment company's management activities, risk management and the fulfilment of the AIFMD reporting requirements to ESMA.	CHF 17,000 p.a.

### 1.10.3.3 Performance Fee

none

### 1.10.3.4 Carried Interest

none

## 2 Daneo Real Estate Mezzanine Fund

### 2.1 Investment objective and investment policy

The investment policy of the sub-fund is to provide short- to medium-term financing for the acquisition of real estate and the development of real estate projects by means of loans and/or bearer bonds (collectively referred to as "Real Estate Financing"). This can be performed directly or indirectly.

Investments are made in individual bonds or in portfolios of bonds. The investments may allow co-investments.

Every investment goes through a rigorous and disciplined due diligence and selection process. If the outcome is positive and the diversification requirements in the portfolio context are met, an investment can be made.

Each investment undertaken is subject to regular and careful monitoring. The sub-fund aims to establish long-term collaborative relationships covering several projects with select qualified project developers.

The sub-fund may, in case of a default, both directly and indirectly, hold real estate and property for liquidation purposes and may have development projects completed and marketed.

If the sub-fund is exposed to currency risks, it will enter into derivative contracts for hedging purposes.

### 2.2 Investment restrictions

The following restrictions apply:

- a) The sub-fund may grant Real Estate Financing of up to 100 % in various forms (direct, indirect, securitised or un-securitised).
- b) Up to 100 % of the Real Estate Financing may be granted to borrowers domiciled in Germany, Austria, the Principality of Liechtenstein or Switzerland.
- c) Up to 50 % of the net sub-fund assets may be granted to debtors domiciled worldwide.
- d) After the commitment period, loans to projects of the same developer may not exceed 40 % of the net sub-fund assets.
- e) Up to 100 % of the net sub-fund assets may be invested in liquid assets.
- f) At least 90 % of foreign currency investments are hedged.

### 2.3 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.

The approach of adverse effects of investment decisions on sustainability factors at the level of VP Fund Solutions (Liechtenstein) AG can be viewed here: <https://vpfundsolutions.vpbank.com/en/client-information/esg>

### 2.4 Sub-fund specific risks

#### Cost and calculation risk

The assumed costs and remuneration for services and benefits are based on past experience of the alternative investment fund manager (AIFM), the investment manager and the investment adviser as well as a prudent commercial assessment at the time the prospectus is prepared. No fixed price can be agreed for individual costs and remuneration (e.g. with regard to construction controlling, appraisals), which means that there is a residual risk of increased costs. There is a risk that the sub-fund may not be profitable enough to achieve the target return for investors.

#### Investment risk, semi-blind pool, diversification risk

Apart from the seed portfolio that is available to the sub-fund at the time the prospectus is prepared, it is not yet possible to foresee what other investment opportunities will be available (semi-blind pool concept). Accordingly, it is not yet clear how the sub-fund assets will be allocated in terms of amounts and projects, or when exactly further specific investments will be made.

Business success depends to a large extent on the ability to identify a sufficient number of suitable investment properties for the sub-fund, in addition to the seed portfolio, during the term of the sub-fund. The investment adviser will compete with other real estate investment companies, other private equity funds and other financial institutions and institutional investors. If the market environment does not offer sufficient investment opportunities, the sub-fund may be able to make fewer investments than planned in the form of debt investments. In this case, it is possible that the planned risk diversification may only be realised over a longer investment phase following the launch of the sub-fund; one or more risks might thereby get a greater weight.

Furthermore, there is a risk that the assumptions underlying the investment strategy may not materialise due to market

developments, or that investments may be valued incorrectly due to erroneous assessment.

**Yield, performance/disposal risk, forecast risk**

A real estate project development is far more complex than a “normal” real estate investment.

Moreover, the success of a project development depends significantly on the construction costs as well as the time of sale and the selling price of the project. These factors are in turn highly dependent on market developments, in particular interest rate trends, and cannot be predicted with any certainty. No conclusions can therefore be drawn from past experience of project developers with regard to the key success factors for real estate project development. Accordingly, there is no guarantee that investors will achieve their target return based on the underlying assumptions.

The economic success of a real estate project development depends on a large number of future events over which the sub-fund has no influence. Financing is generally not granted directly to the project developer or investor, but to a special-purpose vehicle (SPV) controlled by the project developer or investor. It is not foreseeable to what extent, or when, the SPVs handling the real estate development will be able to repay capital to the sub-fund. In some cases, this may result in a considerable negative impact on the return generated by the property, and thus on the target return for investors.

The general assumptions are based on the expectation that the respective real estate project developments can be sold within the scope of general and/or local market development constraints and within the planned term at a price above the production costs, so that the bearer bonds can be repaid to the sub-fund without deductions.

The attainable market price of a given project development depends on various factors, in particular the international, national and regional market trends, the type and rental potential or rental of the property, and the remaining supply of space at the location. In this respect, a situation may arise where the planned sale of the properties cannot be carried out, or can only be carried out with a delay or not at the planned selling price, due to a local or general change in the market, location or property. This would also affect repayment of the project development company’s debt capital participation (or, in exceptional cases, the equity capital granted).

If a project development does not progress as expected, the relevant SPV may not be able to repay the company the agreed interest and the capital made available. The sub-fund therefore incurs a risk of loss on the capital provided. The sub-fund can only pay out to investors the capital that is generated by the SPVs through the project development and repaid to the sub-fund. For investors, this results in a risk that the target return will not be achieved or that the paid-in capital will be jeopardised.

**Investment cost risk**

There is a risk that the production costs and/or ancillary costs of a given real estate project development in which the sub-fund has a financial interest may increase compared to the costs assumed in the forecast. In this case, the financial resources made available to the SPV will not fully cover the construction costs actually incurred. There is no guarantee, in such cases, that the SPV will have sufficient funds of its own or enough borrowed funds to be able to bear the increased construction costs itself. Some of the resulting additional costs might not be covered by any sales proceeds. There is also a risk that the SPV will not be able to raise any further capital, which could lead to its insolvency. For investors, this results in a risk that the anticipated result from debt financing will not be achieved.

With regard to the debt financing of the investment property, a risk arises because the real estate project developments in which the sub-fund has a financial interest are likely to be financed to a considerable extent by borrowed funds which take precedence over the financing/investment of the sub-fund. Debt financing can increase the risk associated with a real estate project development due to negative economic influences, such as rising interest rates for loans in particular. There is no limit as to the extent to which real estate project developments may be debt-financed. In the event of such an increase in costs due to rising interest rates, less capital than previously assumed might be repaid to the sub-fund at the time of the sale due to the primacy of pure external financing.

There is also a risk that debt financing will have to be terminated or extended ad hoc, which may mean that alternative debt financing cannot be obtained – or cannot be obtained on the same terms –, and this may lead to the insolvency of the SPV. As a consequence, the sub-fund will not get back all or part of the capital provided. For investors, this results in a higher risk that the forecast result will not be achieved or that the sub-fund assets will be jeopardised.

**Project development risk**

Project developments in the real estate sector involve special risks for all participants, which can have negative consequences for investors. It cannot be ruled out, for instance, that a property planned by the respective SPV cannot be built. In particular, factual, legal (e.g. regarding approvals), technical or other obstacles may prevent a property from being completed. Such obstacles may mean that the forecast construction period for the project development is exceeded, or that it is not possible to complete the construction project in the planned quality. For example, despite thorough prior assessment, construction may prove to be difficult for legal or factual reasons (e.g. technical reasons). The construction work may also turn out to be of poor quality. Rectifying such problems may prove just as detrimental to the overall profitability of the project development as failure to rectify them, as it would only be possible to realise the sale proceeds at a discount. For

investors, this results in a higher risk that the forecast result will not be achieved or that the subfund assets will be jeopardised.

For investors, the possibility of exceeding the planned costs increases the risk that the forecast result will not be achieved or that the sub-fund assets will be jeopardised. If the SPV concerned does not have the means to cover such a cost increase, this may, in the worst case, necessitate liquidation of the SPV, or sale of the unfinished property at a lower selling price. This can lead to total or partial non-recovery of the investment.

#### **Insufficient insurance risk**

It cannot be ruled out that certain risks associated with real estate project developments are not covered by existing insurance policies, or that such risks are not insurable. This may apply, for example, to certain types of natural disaster or damage caused by terrorist acts. If a loss is caused by an uninsured loss event, or if insurance coverage in a loss event is not sufficient, or if deductibles are incurred, the SPV concerned may have to bear the difference, which might lead to a result poorer than forecast for the sub-fund and thus also for investors, or may even jeopardise the entire investment.

#### **Contaminated sites and pollution risk**

There is a considerable risk of contaminated sites and pollutants in projects, especially in the context of renovation or modernisation of existing buildings. The SPV concerned may discover the presence of contamination or pollutants on the property in question. In this case, the SPV may be obliged to clean up contamination or pollutants on the basis of legal provisions, government orders or contractual obligations. In this case, the costs of clean-up and any reduction of the sales proceeds due to the previous land contamination will adversely affect the overall result of the real estate project development, which may mean that the subfund does not fully recover the capital provided, and this could in turn jeopardise the subscribed investor capital.

#### **Risk arising from decisions by the governing bodies of SPVs**

Risks also result from the decision-making autonomy of the governing bodies of SPVs. In principle, the subfund acts only as a lender to the SPVs. It therefore has no decisive influence on the ongoing business activities of an SPV. If the management of the relevant SPV makes disadvantageous decisions, this can adversely affect the process of completing the respective project development. Consequently, there is a risk that return targets may not be met at the level of the sub-fund, or that the capital provided may not be repaid in full or at all. For investors, this entails a risk that the forecast target return will not be achieved or that the capital invested will be at risk.

Risk arising from the insufficient creditworthiness, insolvency or default of major contractual partners; risk of termination by major contractual partners

Risks arise from the insufficient creditworthiness, insolvency or default of major contractual partners, and from termination by major contractual partners. For example, it is possible that

major contractual partners of the sub-fund (here, in particular, the bond issuer) may become insolvent and for this reason, or for other reasons, may fail to meet or be unable to meet their contractual obligations in full or in part.

In addition, major contractual partners may terminate contracts prematurely for good cause. Risks of this kind also exist with regard to the major contractual partners of the respective SPV, which may result in the SPV being unable to meet its obligations to the subfund. In all cases, there is a risk that the sub-fund may not be able to meet its own obligations. This may result in a loss of the capital made available to the subfund. There is also a risk of being unable to enforce claims for damages against counterparties for reasons of creditworthiness.

#### **Liquidity risk**

Furthermore, the liquidity of project financing (debt capital and/or equity capital) is limited, and the sub-fund assumes that these contracts can only be sold to a limited number of institutional investors.

Project financing is traded over the counter (OTC) in the secondary market and not on a stock exchange. Trading usually takes place among institutional investors. The liquidity of project financing is much lower than that of traditional corporate bonds. Liquidity is very limited, which means that financings for development projects can only be sold at large discounts or not at all. It can be assumed that liquidity amounting to 20% of the net assets of the sub-fund will be available once a year.

#### **Risks arising from information asymmetries**

In financing a project, the sub-fund is faced with a key challenge, i.e. how to deal with the information asymmetries between the project developer and the sub-fund itself. The project developer has an information advantage over the sub-fund making the investment with regard to the borrower's creditworthiness, which implies the risk of moral hazard. In practice, this risk can be reduced by various incentive mechanisms.

#### **Risks of future regulatory changes**

Various factors, including recent changes in the financial markets, have prompted investors and government authorities to question the integrity of European financial markets and the adequacy of the existing regulation of financial institutions and alternative asset managers. For example, new or amended draft laws or regulatory provisions, state regulatory authorities and self-regulating organisations monitoring the financial markets may have a significant negative impact on the underlying products, the cost structure of the parties involved and subsequently also on the performance of the sub-fund.

#### **Risks from management misjudgments**

Additional risks and imponderables which are currently unknown to the portfolio manager or investment adviser or which are currently regarded as intangible may also affect the sub-fund's future transactions. If such a risk actually occurs, the financial situation, liquidity or performance of the sub-fund

and the ability of the sub-fund to make distributions to unit holders may be significantly impaired.

#### **Value-date risks with the redemption of units**

The AIFM is authorised to extend the value date if the regular value date proves to be too short. In the case of large redemption requests, the AIFM may decide not to settle a redemption request until appropriate sub-fund assets can be sold without undue delay. Should such a measure be necessary, all redemption requests received on the same day will be settled at the same price.

#### **Valuation risk**

Real estate loans or bonds for which no liquid market value is available are valued at their acquisition cost or nominal value, in each case less any expected permanent impairments in value (valuation at amortised cost). Value adjustments are not retained if the reasons for them no longer exist. On each valuation date, it is verified whether the valuation of the individual property loans or bonds at amortised cost is still appropriate. There is a risk that the valuation on the reference date may not reflect the actual market value of the bond.

## **2.5 Additional Information**

### **Ramp-up phase**

Interested investors may subscribe units during the ramp-up phase. During this phase, the Board of Directors defines, at its discretion, up to 24 trade dates to the end of the relevant month, with the option of defining up to 12 additional trade dates to the end of the relevant month, known as "closings", on which investors may make investments in the fund. The first net asset value calculation is carried out as part of the first closing with the issuance of units at the initial issue price. This is followed by the issuance of units at the current net asset value, plus the issue commission described below.

### **Lock-up period**

The lock-up period for the redemption of units specified in section 2.10.1 marks the earliest possible point in time at which units can be redeemed. This period may be shortened at the discretion of the Board of Directors, and is influenced primarily by the duration of the ramp-up phase and the investment and exit phases.

### **Additional redemption terms**

A redemption request on the trade date is required to conduct redemptions. Redemption requests which, taking into account of existing subscriptions, exceed the specified annual limits will be settled at a later trade date in accordance with the annual redemption limits. Payments to all affected investors are reduced by the same pro rate amount. Units that are not settled until a later trade date are prioritised in settlement over those units that qualify for payout for the first time on a given settlement date. This ensures that – even in the event the settlement is delayed – those investors who had a claim to payout first will be paid first.

### **Partial repayments upon realisation of investments (cash settlement)**

This sub-fund allows partial repayments of cash holdings from realised investments. The aim of this policy is to return excess cash holdings to investors. With this cash settlement to investors, the unit price decreases while the number of units issued remains the same. The cash settlement is submitted to the auditor before the payout.

### **Value date for the redemption of units**

The AIFM is authorised to extend the value date if the regular value date proves to be too short. In the case of large redemption requests, the AIFM may decide not to settle a redemption request until appropriate sub-fund assets can be sold without undue delay. Should such a measure be necessary, all redemption requests received on the same day will be settled at the same price.

### **Valuation**

The valuation of real estate loans and bonds is carried out by the central administration agent under the responsibility of the AIFM, on each valuation date and for the first time at the time of acquisition. Real estate loans and bonds for which a liquid market value is available are valued at market value.

Real estate loans or bonds for which no liquid market value is available are valued at their acquisition cost or nominal value, in each case less any expected permanent impairments in value (valuation at amortised cost). Value adjustments are not retained if the reasons for them no longer exist.

On each valuation date, it is verified whether the valuation of the individual property loans or bonds at amortised cost is still appropriate.

In the event of a significant change in the valuation parameters, the valuation of the real estate loans or bonds is adjusted. The AIFM also reserves the right to make a further adjustment on the next valuation date if there is another change in the circumstances that contributed to the significant change in the valuation parameters applying to the real estate loans or bonds.

Real estate loans and bonds are valued and booked in the net asset value calculation at market value or amortised cost plus accrued interest. The ancillary acquisition costs of the real estate loans or bonds are directly capitalised separately and depreciated over the remaining term of the loan.

### **Liquidity**

After expiry of the lock-up period, liquidity is provided once a year in the amount of 20% of the net assets of the sub-fund. No redemption of units is possible during the lock-up period. After expiry of the lock-up period, a maximum of 20% of the sub-fund's outstanding units on each redemption date may be serviced, subject to the specified redemption period. The Board of Directors, in consultation with the AIFM, reserves the right to increase redemption requests above 20% of the sub-

fund's net assets as of a relevant valuation date, provided that the total amount of fund shares submitted for redemption does not exceed the liquid portion of the sub-fund's assets available to meet redemption requests.

### Conflicts of interest

The maximum fees per investment for reporting services specified in section 2.10.1.4 depend on the number of investments made, which means that a higher number of investments is associated with potentially higher overall fees for reporting services.

## 2.6 Delegation of duties

### 2.6.1 Portfolio Management

Company	IFS Independent Financial Services AG
Legal form	Limited Company
Reg. office	6003 Luzern
Domicile	Switzerland (CH)
Reg. entry	24/07/1981
Reg. number	CHE-108.007.779
Duration	unlimited

### 2.6.2 Advisory

n/a

### 2.6.3 Administration

n/a

### 2.6.4 Distribution

n/a

### 2.6.5 Primebroker

n/a

### 2.6.6 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

### 2.6.7 Assessment

n/a

## 2.7 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

## 2.8 Investment techniques and instruments

Securities lending	No
Securities borrowing	No
Securities repurchase agreements	No
Credit line	10.00 %
Total Return Swaps	No
<b>Use of derivatives</b>	<b>Part of the strategy</b>
Risk management	Commitment Approach
Risk limit	max. 300.00 %

## 2.9 Key data of the sub-fund

Duration	unlimited
First FYE	31/12/2020
Sub-fund currency	EUR
Valuation interval	No later than 31.03.2023: monthly Latest from 01.04.2023: quarterly
Trade day	No later than 31.03.2023: last calendar day of the month Latest from 01.04.2023: last calendar day of the quarter
Valuation delay	last business day of the 1st the trading day following calendar month
Swinging Single Pricing (SSP)	No
<b>Indextracker</b>	<b>No</b>
UCITS eligible target fund	No
AIF reporting strategy	Private Equity Strategy
Look-through principle for investment limits	No
Fee for the collection of retrocessions	0.00 %

### 2.9.1 Reference values used (benchmarks)

none



## 2.10 Share classes

### 2.10.1 Key data

Share class	ISIN	Sec. No.	Class FX	Inception price
F-T EUR	LI0505534375	50553437	EUR	1,000.00
I-A CHF	LI0512998274	51299827	CHF	1,000.00
I-A EUR	LI0512998282	51299828	EUR	1,000.00
I-T CHF	LI0505534409	50553440	CHF	1,000.00
I-T EUR	LI0505534425	50553442	EUR	1,000.00
Q-A CHF	LI0505534482	50553448	CHF	1,000.00
Q-A EUR	LI0505534532	50553453	EUR	1,000.00
Q-T CHF	LI0505534433	50553443	CHF	1,000.00
Q-T EUR	LI0505534516	50553451	EUR	1,000.00
S-A CHF	LI0512998258	51299825	CHF	1,000.00
S-A EUR	LI0512998266	51299826	EUR	1,000.00
S-T CHF	LI0505534557	50553455	CHF	1,000.00
S-T EUR	LI0505534573	50553457	EUR	1,000.00

Share class	Investor categories	Sales restrictions
F-T EUR	Professional investors only	Professional investors
I-A CHF	Professional investors only	Professional investors
I-A EUR	Professional investors only	Professional investors
I-T CHF	Professional investors only	Professional investors
I-T EUR	Professional investors only	Professional investors
Q-A CHF	Professional investors only	Professional investors
Q-A EUR	Professional investors only	Professional investors
Q-T CHF	Professional investors only	Professional investors
Q-T EUR	Professional investors only	Professional investors
S-A CHF	Professional investors only	Professional investors
S-A EUR	Professional investors only	Professional investors
S-T CHF	Professional investors only	Professional investors
S-T EUR	Professional investors only	Professional investors

Share class	Appropriation of profit	NAV rounding	smallest fraction	Unit book-keeping
F-T EUR	Accumulating	0.01	0.0010	book entries
I-A CHF	Distributing (yearly)	0.01	0.0010	book entries
I-A EUR	Distributing (yearly)	0.01	0.0010	book entries
I-T CHF	Accumulating	0.01	0.0010	book entries
I-T EUR	Accumulating	0.01	0.0010	book entries
Q-A CHF	Distributing (yearly)	0.01	0.0010	book entries
Q-A EUR	Distributing (yearly)	0.01	0.0010	book entries
Q-T CHF	Accumulating	0.01	0.0010	book entries
Q-T EUR	Accumulating	0.01	0.0010	book entries
S-A CHF	Distributing (yearly)	0.01	0.0010	book entries
S-A EUR	Distributing (yearly)	0.01	0.0010	book entries
S-T CHF	Accumulating	0.01	0.0010	book entries
S-T EUR	Accumulating	0.01	0.0010	book entries

Share class	min. invest. first sub.	min. invest. subsequent sub.	min. invest. holdings
F-T EUR	250,000.00 EUR	none	none
I-A CHF	5,000,000.00 CHF	50,000.00 CHF	none
I-A EUR	5,000,000.00 EUR	50,000.00 EUR	none
I-T CHF	5,000,000.00 CHF	50,000.00 CHF	none
I-T EUR	5,000,000.00 EUR	50,000.00 EUR	none
Q-A CHF	250,000.00 CHF	25,000.00 CHF	none
Q-A EUR	250,000.00 EUR	25,000.00 EUR	none
Q-T CHF	250,000.00 CHF	25,000.00 CHF	none
Q-T EUR	250,000.00 EUR	25,000.00 EUR	none
S-A CHF	250,000.00 CHF	25,000.00 CHF	none
S-A EUR	250,000.00 EUR	25,000.00 EUR	none
S-T CHF	250,000.00 CHF	25,000.00 CHF	none
S-T EUR	250,000.00 EUR	25,000.00 EUR	none



Share class	Maximum redemptions in % of the NAV (Gating)
F-T EUR	Yearly 20.0000 %
I-A CHF	Yearly 20.0000 %
I-A EUR	Yearly 20.0000 %
I-T CHF	Yearly 20.0000 %
I-T EUR	Yearly 20.0000 %
Q-A CHF	Yearly 20.0000 %
Q-A EUR	Yearly 20.0000 %
Q-T CHF	Yearly 20.0000 %
Q-T EUR	Yearly 20.0000 %
S-A CHF	Yearly 20.0000 %
S-A EUR	Yearly 20.0000 %
S-T CHF	Yearly 20.0000 %
S-T EUR	Yearly 20.0000 %

Share class	Lock up
F-T EUR	none
I-A CHF	none
I-A EUR	none
I-T CHF	none
I-T EUR	none
Q-A CHF	none
Q-A EUR	none
Q-T CHF	none
Q-T EUR	none
S-A CHF	none
S-A EUR	none
S-T CHF	none
S-T EUR	none

Share class	Trading options subscriptions	Trading options redemptions
F-T EUR	Units or amount	Only units
I-A CHF	Units or amount	Only units
I-A EUR	Units or amount	Only units
I-T CHF	Units or amount	Only units
I-T EUR	Units or amount	Only units
Q-A CHF	Units or amount	Only units
Q-A EUR	Units or amount	Only units
Q-T CHF	Units or amount	Only units
Q-T EUR	Units or amount	Only units
S-A CHF	Units or amount	Only units
S-A EUR	Units or amount	Only units
S-T CHF	Units or amount	Only units
S-T EUR	Units or amount	Only units

Share class	Initial offering period	Initial Inception
F-T EUR	20/02/2020 - 11/03/2020	16/03/2020
I-A CHF	-	-
I-A EUR	-	-
I-T CHF	26/10/2022 - 31/10/2022	31/10/2022
I-T EUR	-	-
Q-A CHF	-	-
Q-A EUR	-	-
Q-T CHF	-	-
Q-T EUR	-	-
S-A CHF	29/09/2020 - 30/09/2020	30/09/2020
S-A EUR	20/02/2020 - 11/03/2020	16/03/2020
S-T CHF	20/02/2020 - 11/03/2020	16/03/2020
S-T EUR	30/11/2020 - 30/11/2020	30/11/2020

Share class	Exchange listings
F-T EUR	none
I-A CHF	none
I-A EUR	none
I-T CHF	none
I-T EUR	none
Q-A CHF	none
Q-A EUR	none
Q-T CHF	none
Q-T EUR	none
S-A CHF	none
S-A EUR	none
S-T CHF	none
S-T EUR	none

Share class	Currency hedging
F-T EUR	No
I-A CHF	Yes
I-A EUR	No
I-T CHF	Yes
I-T EUR	No
Q-A CHF	Yes
Q-A EUR	No
Q-T CHF	Yes
Q-T EUR	No
S-A CHF	Yes
S-A EUR	No
S-T CHF	Yes
S-T EUR	No

## 2.10.2 Commissions

Share class	Commissions	Maximum
F-T EUR	Subscription commission	4.00 %
	Subscription commission (in favor of the fund)	1.80 %
	Redemption commission	0.00 %
	Conversion commission	0.00 %
I-A CHF	Subscription commission	4.00 %
	Redemption commission	0.00 %
	Conversion commission	0.00 %
I-A EUR	Subscription commission	4.00 %
	Redemption commission	0.00 %
	Conversion commission	0.00 %

I-T CHF	Subscription commission	4.00 %
	Redemption commission	0.00 %
	Conversion commission	0.00 %
I-T EUR	Subscription commission	4.00 %
	Redemption commission	0.00 %
	Conversion commission	0.00 %
Q-A CHF	Subscription commission	4.00 %
	Redemption commission	0.00 %
	Conversion commission	0.00 %
Q-A EUR	Subscription commission	4.00 %
	Redemption commission	0.00 %
	Conversion commission	0.00 %
Q-T CHF	Subscription commission	4.00 %
	Redemption commission	0.00 %
	Conversion commission	0.00 %
Q-T EUR	Subscription commission	4.00 %
	Redemption commission	0.00 %
	Conversion commission	0.00 %
S-A CHF	Subscription commission	4.00 %
	Subscription commission (in favor of the fund)	1.80 %
	Redemption commission	0.00 %
S-A EUR	Subscription commission	4.00 %
	Subscription commission (in favor of the fund)	1.80 %
	Redemption commission	0.00 %
S-T CHF	Subscription commission	4.00 %
	Subscription commission (in favor of the fund)	1.80 %
	Redemption commission	0.00 %
S-T EUR	Subscription commission	4.00 %
	Subscription commission (in favor of the fund)	1.80 %
	Redemption commission	0.00 %
	Conversion commission	0.00 %

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

## 2.10.3 Fees

### 2.10.3.1 Flat fee

Share class	max. flat fee p.a.
F-T EUR	0.2450 % *
I-A CHF	1.5650 % *
I-A EUR	1.5450 % *
I-T CHF	1.5650 % *
I-T EUR	1.5450 % *
Q-A CHF	2.0650 % *
Q-A EUR	2.0450 % *
Q-T CHF	2.0650 % *
Q-T EUR	2.0450 % *
S-A CHF	1.1650 % *
S-A EUR	1.1450 % *
S-T CHF	1.1650 % *
S-T EUR	1.1450 % *
plus up to CHF 48,000.00 **	

\* Expenses independent of assets will be charged additionally and are not part of the flat fee.

\*\* 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.

### 2.10.3.2 Fixed compensation

Fee type	Amount
Fixed costs for the investment company's management activities, risk management and the fulfilment of the AIFMD reporting requirements to ESMA.	CHF 17,000 p.a.
Fee for reporting services in favour of portfolio management per investment up to	EUR 24,000.00 p.a. (excl. taxes) ****

\*\*\*\* see explanations under additional information regarding possible conflicts of interest

### 2.10.3.3 Performance Fee

Share class	Performance Fee	Calculation period	Crystallization frequency
F-T EUR	none	none	none
I-A CHF	15.00 %	Quarterly	Yearly
I-A EUR	15.00 %	Quarterly	Yearly
I-T CHF	15.00 %	Quarterly	Yearly
I-T EUR	15.00 %	Quarterly	Yearly
Q-A CHF	15.00 %	Quarterly	Yearly
Q-A EUR	15.00 %	Quarterly	Yearly
Q-T CHF	15.00 %	Quarterly	Yearly
Q-T EUR	15.00 %	Quarterly	Yearly
S-A CHF	10.00 %	Quarterly	Yearly
S-A EUR	10.00 %	Quarterly	Yearly
S-T CHF	10.00 %	Quarterly	Yearly
S-T EUR	10.00 %	Quarterly	Yearly

Share class	Hurdle Rate
F-T EUR	none
I-A CHF	5.00 % annualized, no cross-financial year update
I-A EUR	5.00 % annualized, no cross-financial year update
I-T CHF	5.00 % annualized, no cross-financial year update
I-T EUR	5.00 % annualized, no cross-financial year update
Q-A CHF	5.00 % annualized, no cross-financial year update
Q-A EUR	5.00 % annualized, no cross-financial year update
Q-T CHF	5.00 % annualized, no cross-financial year update
Q-T EUR	5.00 % annualized, no cross-financial year update
S-A CHF	5.00 % annualized, no cross-financial year update
S-A EUR	5.00 % annualized, no cross-financial year update
S-T CHF	5.00 % annualized, no cross-financial year update
S-T EUR	5.00 % annualized, no cross-financial year update

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	Performance Fee Model	Calculation Base
F-T EUR	none	none
I-A CHF	High on High	NAV before performance fee
I-A EUR	High on High	NAV before performance fee
I-T CHF	High on High	NAV before performance fee
I-T EUR	High on High	NAV before performance fee
Q-A CHF	High on High	NAV before performance fee
Q-A EUR	High on High	NAV before performance fee
Q-T CHF	High on High	NAV before performance fee
Q-T EUR	High on High	NAV before performance fee
S-A CHF	High on High	NAV before performance fee
S-A EUR	High on High	NAV before performance fee
S-T CHF	High on High	NAV before performance fee
S-T EUR	High on High	NAV before performance fee

### 2.10.3.4 Carried Interest

none

### 3 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

**09/06/2023**

Signed on: 04/08/2023

---

AIFM

---

Custodian

**Annex II of the Investment Conditions:  
Country-specific information regarding distribution**

## Specific information of the Daneo Funds SICAV 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

Tellco AG, Bahnhofstrasse 4, Postfach 713, CH-6430 Schwyz, Switzerland  
[www.tellco.ch](http://www.tellco.ch)

#### Representative

1741 Fund Solutions AG, Burggraben 16, CH-9000 St. Gallen, Switzerland  
[www.1741group.com](http://www.1741group.com)

#### Ombudsman

Ombudsstelle Finanzdienstleister (OFD), Bleicherweg 10, 8002 Zurich, Switzerland  
[www.ofdl.ch](http://www.ofdl.ch)

The AIFM has joined the above mentioned ombudsman. In the event of any disputes about legal claims between the client and the AIFM, clients have the possibility of initiating mediation proceedings before the ombudsman.

#### Reference point of the relevant documents

The AIF notice to investors including constituent documents, the key information documents for packaged retail and insurance-based investment products (PRIIPs), as well as the yearly and any half-yearly reports are available free of charge from the representative and the paying agent or on the internet platform of the mentioned fund's publication medium.

#### Retrocessions

The AIFM and its delegates may pay retrocessions to compensate sales activities for the fund in 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 are not considered rebates even if they are ultimately passed on to the investors in whole or in part. The disclosure of the receipt of retrocessions is governed by the relevant provisions of the Swiss Financial Services Act of 15 June 2018.

## Rebates

The AIFM and its delegates may in relation to the distribution in 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

In respect of the units offered in Switzerland, the place of performance is the registered office of the representative. The place of jurisdiction is at the registered office of the representative or at the registered office or place of residence of the investor.

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 investor information including constituent documents of: 09/06/2023



### Specific information for the sub-fund

- Daneo Real Estate Mezzanine Fund

### for the 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 investor information including constituent documents of: 09/06/2023**

**Annex III of the Investment Conditions:  
Performance Fee example**

Performance Fee	10% resp. 15%, according to share class
Hurdle Rate	5% annualised
Hurdle rate continuation	No continuation across financial years
Performance fee model	High watermark
Calculation status	with each NAV calculation
Calculation process	Any Performance Fee charged shall be deemed to be payable
Performance Fee due date/crystallization	at the end of each quarter

#### Example for Daneo Real Estate Mezzanine Fund - S-A CHF Shareclass

Date	Class	HWM	Distributions	Start-NAV (last fiscal year-end)	Hurdle Rate 5% p.a. (pro rata)	Hurdle rate cumulative	Border course (BC)	GC corrected for crystallisation	NAV before PF	Class assets before PF	Number Share	Perf. fee	NAV after PF	PF in class currency	FX-rate	PF in fund currency
31.01.2021	S-A CHF	1'014.17	0.00	1'014.16	0.425%	0.42466%	1'018.47	1'018.47	1'018.5694	5'092'846.80	5'000.000	0.0103	1'018.56	51.50	1.0806	47.66
28.02.2021	S-A CHF	1'018.57	0.00	1'014.16	0.384%	0.80822%	1'022.36	1'022.46	1'023.0140	5'115'069.87	5'000.000	0.0555	1'022.96	277.50	1.0989	252.53
31.03.2021	S-A CHF	1'023.01	0.00	1'014.16	0.425%	1.23288%	1'026.66	1'027.32	1'029.0108	5'145'053.82	5'000.000	0.1690	1'028.84	845.00	1.1063	763.81
30.04.2021	S-A CHF	1'029.01	0.00	1'014.16	0.411%	1.64384%	1'030.83	1'033.18	1'036.3173	5'181'586.39	5'000.000	0.3139	1'036.00	1'569.50	1.0979	1'429.55
31.05.2021	S-A CHF	1'022.52	13.80	1'014.16	0.425%	2.06849%	1'035.14	1'026.82	1'030.0618	5'150'309.19	5'000.000	0.3238	1'029.74	1'619.00	1.0995	1'472.49
30.06.2021	S-A CHF	1'030.06	0.00	1'014.16	0.411%	2.47945%	1'039.31	1'034.23	1'036.3713	5'332'821.57	5'145.667	0.2142	1'036.16	1'102.20	1.0961	1'005.57
31.07.2021	S-A CHF	1'036.37	0.00	1'014.16	0.425%	2.90411%	1'043.61	1'040.68	1'044.4995	5'374'646.58	5'145.667	0.3821	1'044.12	1'966.16	1.0745	1'829.84
31.08.2021	S-A CHF	1'044.50	0.00	1'014.16	0.425%	3.32877%	1'047.92	1'048.81	1'051.7784	5'412'101.59	5'145.667	0.2972	1'051.48	1'529.29	1.0811	1'414.57
30.09.2021	S-A CHF	1'051.78	0.00	1'014.16	0.411%	3.73973%	1'052.09	1'055.95	1'060.0453	10'495'369.30	9'900.869	0.4099	1'059.64	4'058.37	1.0810	3'754.27
31.10.2021	S-A CHF	1'060.05	0.00	1'014.16	0.425%	4.16438%	1'056.39	1'064.35	1'060.5495	10'500'361.90	9'900.869	0.0000	1'060.55	0.00	1.0850	0.00
30.11.2021	S-A CHF	1'060.05	0.00	1'014.16	0.411%	4.57534%	1'060.56	1'068.52	1'072.3213	10'616'912.91	9'900.869	0.3802	1'071.94	3'764.31	1.0990	3'425.21
31.12.2021	S-A CHF	1'072.32	0.00	1'014.16	0.425%	5.00000%	1'064.87	1'076.63	1'082.6726	10'719'400.02	9'900.869	0.6045	1'082.07	5'985.08	1.0950	5'465.83

<b>Glossar</b>	
High Watermark:	Is the last NAV before performance fee of the NAV calculation for which a performance fee was last calculated and paid. Distributions are deducted from the high watermark.
Marginal NAV	The calculation basis for the marginal price is always the NAV after performance fee at the end of the previous financial year plus the hurdle rate of the current year. The marginal price increases monthly/quarterly by the pro rata share of the fixed annual hurdle rate. In addition, the cumulative outperformance since the beginning of the financial year is added to the marginal rate for each performance fee due (= marginal rate corrected for crystallisation - ff. "GC corrected"). Distributions shall be deducted from the GC corrected.
Performance fee:	The performance fee is calculated and accrued on each valuation day. The amount of the performance fee refers to the difference between the corrected marginal price and the current NAV before the performance fee. If the corrected NAV is lower than the high watermark, the performance fee is calculated from the high watermark. On the one hand, the high watermark and the corrected NAV must therefore be exceeded. The performance fee calculated per NAV calculation is immediately deemed to be owed and is paid out quarterly.

Disclaimer: This English translation is for convenience only. The German wording of the performance fee example is binding

## **Annex IV of the Investment Conditions: Sustainability-related disclosures**

The Fund is not a financial product within the meaning of Article 8(1), (2) and (2a) of Regulation (EU) 2019/2088 and Article 6(1) of Regulation (EU) 2020/852, nor a financial product within the meaning of Article 9(1) to (4a) of Regulation (EU) 2019/2088 and Article 5(1) of Regulation (EU) 2020/852.