



# PROSPECTUS OF THE INFOND UMBRELLA FUND INCLUDING THE MANAGEMENT RULES

**On 21 October 2021, the Securities Market Agency granted its consent to the publication of the prospectus including the management rules. The management rules of the Infond Umbrella Fund (or as last amended) enter into force on 11 December 2021. All sub-funds of the Infond Umbrella Fund are harmonised with the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment and transferable securities.**

#### **AVAILABILITY OF THE AUDITED ANNUAL AND SEMI-ANNUAL REPORT OF THE UMBRELLA FUND**

The latest published audited annual and semi-annual report of the umbrella fund are available to the investor free of charge at all subscription offices of the management company, and the [www.infond.si](http://www.infond.si) website. The investor may also request a free delivery of the copy of documents with key information for investors, a copy of the prospectus including the management rules, and a copy of the audited annual and semi-annual report of the umbrella fund.

#### **METHOD OF DELIVERY OF THE PROSPECTUS INCLUDING THE MANAGEMENT RULES, THE DOCUMENT WITH KEY INFORMATION FOR INVESTORS, AND THE AUDITED ANNUAL AND SEMI-ANNUAL REPORT OF THE UMBRELLA FUND**

The prospectus including the management rules and the document with key information for investors, the audited annual and semi-annual report of the umbrella fund are delivered to the investors as a paper copy, but also on a durable data medium, which is not a paper copy or through the website of the management company, if the following requirements are met:

- the investor has the option to choose between the data on paper or on any other durable data medium or through a website,
- the investor must be informed via e-mail of the website address and part of the website where he can access the data,
- the investor must expressly agree to the stated form of provision of data, and
- the method of data provision on a durable data medium, which is not a paper copy, must be appropriate to the circumstances, in which the business operations are being conducted between the management company and the investor.

All documents regarding the umbrella fund and its sub-funds are also available on the management company's website [www.infond.si](http://www.infond.si).

The investors may receive additional and detailed information with regard to the business operations and investment coupons via the tel. no. 02 229 74 40 or toll-free tel. no. 080 22 42.

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## **BASIC DATA ABOUT THE UMBRELLA FUND**

The Infond Umbrella Fund is established pursuant to the legislation of the Republic of Slovenia governing the investment fund management.

On 5 February 2009, the Securities Market Agency issued the authorisation for the management of the Infond Umbrella Fund.

The umbrella fund is comprised of sub-funds defined by a special investment objective and investment policy. The assets of the umbrella fund are managed by the management company in accordance with the risk diversification principles, exclusively in the interest of holders of sub-fund investment coupons.

The assets and liabilities of an individual sub-fund are separated from the assets and liabilities of other investment funds and sub-funds, and separated from the assets and liabilities of the management company and the custodian of the umbrella fund's assets. The list of all sub-funds of the umbrella fund is provided in APPENDIX E to this prospectus.

## **MANAGER OF THE UMBRELLA FUND**

SAVA INFOND, družba za upravljanje, d.o.o., Ulica Vita Kraigherja 5, 2000 Maribor.

## **CUSTODIAN OF THE UMBRELLA FUND ASSETS**

Banka Intesa Sanpaolo, d.d., Pristaniška 14, Koper.

## **AUTHORISED OPERATIONAL AUDITOR**

The last operational audit of the Infond Umbrella Fund was performed by: KPMG Slovenija, podjetje za revidiranje, d.o.o., Železna cesta 8A, 1000 Ljubljana.

## **SUPERVISOR OF THE MANAGEMENT COMPANY OPERATIONS**

Agencija za trg vrednostnih papirjev (Securities Market Agency), Poljanski nasip 6, 1000 Ljubljana, Republic of Slovenia ([www.a-tvp.si](http://www.a-tvp.si)).

## **UMBRELLA FUND MANAGEMENT RULES**

The management rules of the Infond Umbrella Fund (hereinafter referred to as the umbrella fund) are an integral part of this prospectus. The common part of the prospectus includes provisions applicable to all sub-funds, whilst APPENDIX F consists of specific provisions applicable to individual sub-funds, which means that for an individual sub-fund separated management rules do not apply, but the particulars of the sub-funds are defined in the management rules of the umbrella fund. The management rules govern the contents of legal relations between the management company managing the umbrella fund and the holders of sub-fund investment coupons:

- sub-fund investment objectives and policies, including investment and borrowing restrictions;
- the use (retention or distribution) of the sub-funds' net profit/income;
- types of cost charged directly or indirectly to the holders of sub-fund investment coupons;
- the reference currency and period of the sub-funds' net asset value and unit value calculation;
- the method of informing investors about the financial and legal position of the sub-funds, their operations as well as legal and business events relating to the sub-funds, the umbrella fund or the management company;
- the rights of holders of sub-fund investment coupons; the characteristics of possible investment coupon classes; the process of payments for and redemptions of investment coupons, and the method of calculating their purchase and redemption values, including the conditions and limitations of payments for or redemptions of transferable securities and including details of the method of such payments and redemptions;
- the conditions of sub-fund redemption and the concurrent payment of the redemption amount into another sub-fund without making an interim payment of the proceeds (transfer of sub-funds), and possible transfer costs, conditions and circumstances in which the management company may temporarily suspend the payment for and/or redemption of investment coupons or introduce the temporary partial redemption of sub-fund investment coupons; the process of how these measures are implemented; and information about trading in sub-fund investment coupons in a regulated market;
- the duration of the sub-funds; the delegation of sub-fund/umbrella fund management to another management company; merging of the sub-funds, reasons for liquidation based on a resolution by the management company and a description of the sub-fund liquidation and the umbrella fund dissolution;

## **PROCEDURE OF AMENDING THE MANAGEMENT RULES**

The management company may only amend the management rules of an umbrella fund based on consent of the Securities Market Agency (hereinafter referred to as the ATVP). In the event, when the management company desires to make major amendments to the investment policy of an umbrella fund, it must obtain an authorisation from the ATVP for such an amendment. It shall be considered that the ATVP granted the authorisation to such a major amendment of the investment policy to the management company when granting the consent to the amendment of the umbrella fund management rules. The amendment of the umbrella fund management rules shall be binding on all holders of investment coupons of any of the sub-fund of the umbrella fund that have not made a request for the redemption from an individual fund within the period before the amendment entered into force. If the management company only changes the management rules that are specific and only relate to an individual sub-fund of the umbrella fund, the change only relates to and is binding on holders of investment coupons of the sub-fund, the management rules of which are being changed.

Within eight days from obtaining the consent to the amendments of the umbrella fund management rules from the ATVP, the management company shall publish a notice on the amendment of the umbrella fund management rules on the website [www.infond.si](http://www.infond.si). If the amendments of the management rules refer to the umbrella fund investment rules or to direct and indirect costs associated with an investment into the sub-funds of the umbrella fund, the management company shall send the notice on the amendment of the umbrella fund management rules to all holders of the sub-fund investment coupons within fifteen days following the receipt of the Agency's consent to the amendment of the umbrella fund management rules. If the amendments of the rules only refer to investment rules of an individual sub-fund, or to direct and indirect costs associated with an investment into an individual sub-fund, the management company sends a notice on the amendment of the management rules to all holders of the sub-fund, the management rules of which are being amended, within fifteen days following the receipt of the Agency's consent to the amendment of the management rules. The notice on the amendment of the management rules is being delivered to the holders of the investment coupons in a form of a paper copy, but also on another durable data medium if this is the usual way of exchanging data between the management company and the holder. Sending a notice via e-mail shall be considered as a usual way of exchanging data if the holder provided the management company with its e-mail address for the purposes of mutual business operations and agreed to receiving notices in this way.

The amendments of the management rules enter into force with the expiry of one month following the publication of the information on the amendment of management rules in the event of changes of contents that refer to the investment rules of sub-funds or direct and indirect costs

associated with an investment into a sub-fund as set out in Article 251, paragraph 2, indent 3 of the ZISDU-3, or upon the expiry of eight working days from the publication of information on the amendment of management rules in the event of all other changes.

Until the expiry of validity of the previous management rules, the holders of the investment coupons have the option to request the payout of the redemption value in compliance with the previous management rules.

## DEFINITION OF TERMS

Individual terms and abbreviations used in the text of this prospectus with included management rules of the umbrella fund have the following meaning:

**Securities Market Agency (ATVP)** - The supervisory institution established based on the act governing the financial instruments market, and performs the supervision of participants in the market as well as other tasks set out in the regulations. ATVP executes its tasks in order to ensure proper conditions for the efficient operation of the market in financial instruments and investors' confidence therein.

**Management Company (DZU)** - A corporate entity with its registered office in the Republic of Slovenia, which obtained ATVP's authorisation for performing investment funds management services.

**Investment Fund** - A collective investment undertaking, whose sole purpose is public collection of assets from natural and legal persons, which is invested in different types of investments for the exclusive benefit of holders of units of this investment fund according to a preliminary defined investment policy.

**Mutual Fund** - An open-end investment fund, designed as separate property, divided into units whose value is upon the request of the investment coupon holder payable from these assets. A mutual fund is managed by the DZU according to the risk-spreading principle in the exclusive interest of the holders of mutual fund investment coupons.

**Umbrella Fund** - A mutual fund combined of two or more sub-funds, which are formed as separate property, whereby each sub-fund is defined by specific investment objective and investment policy.

**Custodian** - A custodian of investment fund assets is a custodian bank with its registered office in the Republic of Slovenia or a subsidiary of a bank of a Member State or a third country, incorporated in the Republic of Slovenia according to the ZBan-2, who obtained a permit by the Bank of Slovenia to perform custodial services.

**Net Asset Value (NAV)** - The value of all assets of a sub-fund, reduced by the value of all liabilities of the sub-fund.

**Member State** - A member state of the European Union or a state signatory of the Agreement on the European Economic Area.

**Sub-fund's Asset Unit** - Sub-fund's assets are divided into equal asset units. Number of all units of the sub-fund's assets multiplied by the unit value represents the sub-fund's net asset value.

**Unit Value (UV)** - Unit value of a mutual fund is equal to net asset value (NAV) of a sub-fund, divided by number of sub-fund asset units in circulation.

**Investment Coupon** - A security whose issuer is the management company and which is registered to a unit, multiple units or part of a unit of the sub-fund's assets.

**Purchase Value of the Investment Coupon** - is equal to the value of an investment coupon increased by entry costs.

**Redemption Value of the Investment Coupon** - is equal to the value of an investment coupon decreased by exit costs.

**Declaration of Accession** - A written statement of an investor by which they accepts the management rules of the umbrella fund, and grants them the right but not the duty to pay-in monetary assets into the sub-fund.

**Durable Data Medium** - is a device that enables the holder of an investment coupon to save personally addressed information in a way, which enables him access to this information and their reproduction in an unaltered form within a defined period, according to the purpose of this information.

**Request for the Redemption of Assets (Declaration of Resignation)** - A written request made by the investor, with which he requests to be paid the redemption value of an investment coupon.

**Banking Act (ZBan-2)** - Act regulating the field of credit institutions with their registered office in the Republic of Slovenia and conditions, under which persons with their registered office outside the Republic of Slovenia may perform their services on the territory of the Republic of Slovenia (Official Gazette of the Republic of Slovenia, no. 25/15, as amended).

**Corporate Income Tax Act (ZDDPO-2)** - Act regulating the system and introduces the obligation of paying the corporate income tax (Official Gazette of the Republic of Slovenia, No. 117/06, as amended).

**Personal Income Tax Act (ZDoh-2)** - Act regulating the system and introduces the obligation of paying the personal income tax (Official Gazette of the Republic of Slovenia, No. 117/06, as amended and supplemented).

**Investment Funds and Management Companies Act (ZISDU-3)** - Act that sets out the requirements for the incorporation of management companies, conditions and methods of performing investment fund management services, transfer of investment fund management services onto other persons, marketing conditions of investment fund units in the Republic of Slovenia and marketing conditions of investment fund units created in the Republic of Slovenia, in a Member State or a third country, types of investment funds, conditions for their creation and manner of their operations, control over their management services of investment funds and control over the operation of investment funds and cooperation with the supervisory authorities (Official Gazette of the Republic of Slovenia, no. 31/15, as amended and supplemented).

**Prevention of Money Laundering and Terrorist Financing Act (ZPPDFT-1)** - Act, which sets measures, competent authorities and procedures for discovery and prevention of money laundering and terrorist financing (Official Gazette of the Republic of Slovenia, no. 68/16, as amended and supplemented).

**Financial Instruments Market Act (ZTFI-1)** - Act, which regulates the activities of a capital market in the Republic of Slovenia (Official Gazette of the Republic of Slovenia, no. 77/18, as amended and supplemented).

**Regulation 2019/2088 on sustainability-related disclosures in the financial services sector (SFDR)** – instrument regulating sustainability-related disclosures in more detail.

**Sustainable investment** – means an investment in an economic activity that contributes to an environmental objective (6 factors) or that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

**ESG factors or criteria** – environment, social and governance factors or criteria.

## **1. GENERAL INVESTMENT RULES**

### **1.1. Introduction**

The sub-funds of an umbrella fund offer investors possibilities to invest in selected securities and other liquid financial instruments on the principle of risk spreading in order to increase the value of invested assets and to maintain a high liquidity of the investment.

According to its needs and forecasts of future market trends, the investor has the ability to invest into one or more sub-funds of an umbrella fund, which differ from one another in terms of investment objectives and investment policies.

This chapter only sets out the investment rules that are common to all the sub-funds of the umbrella fund, whereas the investment objectives and policies of single sub-funds are set out in APPENDIX F to the prospectus.

### **1.2. Permissible investments**

An individual sub-fund will invest its assets in some of the financial instruments listed hereinafter only within the limits of their investment objectives and policies, in addition it shall also hold assets in form of claims, which arise from its regular course of business, whereby the management company shall assure that the claims shall be collected within usual time periods, which apply to simultaneous - immediate fulfilment of obligations.

#### **A. Transferable securities and money market instruments**

The investments of sub-funds of the umbrella fund shall be invested into:

- a) transferable securities (shares, bonds and other forms of privatised debt) and money market instruments, which are placed on the market or which are traded on a regulated market in a Member State of the European Union or a third country, and are listed in APPENDIX D of this prospectus;
- b) transferable securities obtained in the course of their first sale, however, only under the condition if the issuer of the securities shall no later than within one year of the date of issue, request their placement to an official stock exchange listing or to be traded on another regulated market as listed in APPENDIX D of this prospectus;
- c) money market instruments, which are not traded on a regulated securities market, however, only if these instruments are adequately liquid, if their value might be determined accurately at any given time, and if other conditions defined by ZISDU-3, and regulations issued on its basis are met;
- d) An individual sub-fund of the umbrella fund may also invest a maximum of 10% of its assets into another transferable securities and money market instruments, which do not comply with the requirements referred to in sub-points a) to c) of this point, however, these investments may not deviate from the investment objectives and policies of an individual sub-fund nor may they have a significant impact on its riskiness. An individual sub-fund may have a maximum of 5% assets invested in transferable securities, which are not accepted to the regulated securities market.

The circumstances determining the domicile of the issuer of the financial instrument of the sub-funds, where the geographical exposure criterion is taken into account are the following:

- a) the country where the majority of the issuer's business operations take place,
- b) the country, in which the issuer's business operations are mainly conducted,
- c) the country of primary listing of the financial instrument.

#### **B. Money deposits**

The sub-funds shall invest their assets into money deposits at credit institutions with their registered offices in a Member State or at a credit institution of a third country, if no less than the same strict rules on risk management, safety and due diligence, and protection of investor's interest and other criteria set by the ATVP, are met.

The sub-funds may invest assets only into money deposits if the right to recall or withdraw the deposits before its maturity derives from the depository contracts, and their maturity does not exceed 12 months, and that with regard to other rights and obligations they comply with the requirements set out by the ATVP.

#### **C. Other open-end investment funds**

The sub-funds shall invest into the units of target funds provided the management company of the target fund or the self-managed target fund has received an appropriate authorisation from the competent authorities. The management and operations of the target fund are subject to supervision equivalent to that set out in ZISDU-3 and ZTFI in terms of quality and substance, and that the co-operation between the Agency and its supervisory authorities is appropriately regulated, and that proper cooperation is assured between the supervisory institutions. The level of protection of target fund investors must be equal to the level of protection of sub-fund investors, especially regarding separation of assets, mutual fund borrowing, lending and short selling of transferable securities and money market instruments. The target fund's business operations are subject to regular annual and semi-annual reports that clearly show its assets, liabilities, income as well as activities. The target fund and its units must also comply with other criteria set out by the ATVP.

The sub-funds may have a significant share of fund's assets invested in units of target funds. The maximum extent of target fund management fees, in which sub-funds shall have a significant share of asset, shall amount to 5%.

### **1.3. Exposure of the umbrella fund and the sub-funds**

This chapter describes the basic and specific restrictions of the sub-funds' exposure to a single issuer and special categories of financial instrument issuers not indicated in the Appendix for an individual sub-fund. It also defines some other investment restrictions of the sub-funds are set out in ZISDU-3 and its secondary regulations.

#### **Limitations of investments**



### 1.3.1. Maximum permissible exposure to an individual person

- a) An individual sub-fund may have a maximum of 10% of assets invested in transferable securities or money market instruments, which are issued by an individual issuer.
- b) An individual sub-fund may have a maximum of 20% of its assets invested in money deposits with an individual credit institution.
- c) If an individual sub-fund of an umbrella fund shall invest more than 5% of its assets in transferable securities or money market instruments of an individual issuer, than the total value of these investments may not exceed 40% of all assets of an individual sub-fund. This limitation does not apply to money deposits concluded at the market of institutional investors, where opposing parties are financial institutions subject to control.
- d) Notwithstanding the limitations referred to in paragraph a) and b) of this point, an individual sub-fund may not be exposed to a single entity or to have more than 20% of its assets invested in a combination of the following forms of investments: transferable securities or money market instruments issued by a single entity and deposits with this individual.
- e) Notwithstanding the limitations referred to in paragraph a) of this point, an individual sub-fund may have a maximum of 35% of its asset value invested in transferable securities or money market instruments of a single entity if instruments are issued or guaranteed by the Republic of Slovenia, its local or regional community, a Member State, its local or regional community, a third country or a public international organisation, to which one or more member states is affiliated.
- f) Notwithstanding the limitations referred to in paragraph a) of this point, a sub-fund may have a maximum of 25% of assets invested in bonds issued by an individual credit institution with its registered office or a subsidiary in the Republic of Slovenia or a Member State, and if subject to special public supervision in accordance with a special law due to the protection of bondholders' interest. Assets obtained with the issue of bonds may, according to a special law, be invested only into assets, which shall enable settlement of obligations deriving from bonds within the time up to the date of maturity and which shall be, in the event of inability to fulfil the obligations, primarily used for the repayment of the principal value and accrued interest.
- g) If the sub-fund has invested more than 5% of assets into bonds referred to in paragraph f) of this point, the investment into bonds of such credit institutions may reach a maximum of 80% of sub-fund's assets.
- h) Transferable securities and money market instruments referred to in paragraph e) and f) of this point are disregarded in the calculation of the 40% limitation referred to in paragraph c) of this point.
- i) Limitations referred to in paragraph a) up to and including paragraph h) of this point may not be combined, therefore investments of an individual fund into securities of money market instruments issued by a single entity, and into deposits of this single entity may not exceed the total of 35% assets of an individual sub-fund.
- j) An individual fund may have a maximum of 20% of asset value invested into units of an individual target fund, which by themselves hold an overall maximum of 10 % of asset value invested into units of investment funds.
- k) An individual sub-fund may have a total of 30% assets invested into units of target funds, the business operations of which are not harmonised with ZISDU-3 and the Directive 2009/65/EC.
- l) An individual sub-fund may have assets invested in units of target funds managed by the same management company, directly or based on an authorisation of another person, or in units of target funds managed by another person with which a management company has a close relationship, however only under the condition that the management company or a person with which a management company has a close relationship does not charge entry or exit charges to the sub-fund for these investments.
- m) In compliance with Article 162 of the ZISDU-3, the management company may conclude the following transactions with the custodian, namely money deposits, transactions of purchasing and selling of units of other investment funds, transactions the subject of which are securities or money market instruments in the process of their redemption or in the process of the first sale as defined by the ZTFI, the issuer of which is the custodian if:
  - the custodian does not have a qualified holding in the management company,
  - the custodian and the management company determined potential forms of conflict of interest in the event of such sub-fund investments and the methods to limit such conflict of interest in Rules adopted to limit conflict of interest, and
  - the deposits and business transactions shall be carried out under general marketing conditions or under the conditions that are more favourable for the sub-funds, and by considering the costs and fees in this regard and other investment possibilities.
- n) The management company shall for the account of sub-funds conduct transactions of purchase or sale of money market instruments and bonds with the custodian or with persons associated to the custodian, the issuer of which is the Bank of Slovenia, respectively the Republic of Slovenia, if the requirements referred to in the indents of the previous paragraph are met.
- o) The management company shall enter into transactions with associated persons for the account of the sub-funds within the scope of statutory permissible limitations referred to in Article 162 of the ZISDU-3.

### 1.3.2. Permissible exposure to persons included in a group:

An individual sub-fund shall invest a maximum of 20% of asset value into securities and money market instruments of different issuers included in the group or parent companies referred to in Article 22 of the ZISDU-3, obliged to prepare consolidated financial statements. A group is considered one or more persons, who are associated among each other so that they constitute a single risk for an individual sub-fund.

### 1.3.3. Higher permissible exposure to special categories of persons:

Notwithstanding the limitations referred to in points 1.3.1. and 1.3.2., on the basis of ATPV's consent, a sub-fund may invest up to 100 % of assets into different securities or money market instruments issued or guaranteed by the Republic of Slovenia, its local or regional community, a Member

State, its local or regional community, a third country or a public international organisation, which at least one Member State is affiliated to, that being the International Monetary Fund, Organisation for Economic Co-operation and Development, World Bank, International Bank for Reconstruction and Development, International Finance Corporation, if:

- the sub-fund's assets shall be invested in at least six different issues of transferable securities or money market instruments of the issuers referred to in this point,
- investments into one of these issues shall amount to not more than 30% of sub-fund's assets.

With mutual fund investments more than 35-percent, exposure to the following issuers is permissible: the Republic of Slovenia, its local or regional community, a Member State, its local or regional community, a third country or a public international organisation, which at least one Member State is affiliated to.

#### **1.3.4. Prohibition of significant influence on the management of the issuer:**

For the account of all investment funds managed by the management company, the latter may in total not obtain a portion of shares with voting rights by realisation of which it may significantly influence the management or the issuer's Management Board.

Regardless of the limitation referred to in the previous paragraph, an individual sub-fund may have:

- not more than 10% of all shares of an individual issuer without voting rights,
- not more than 10% of all debt securities of an individual issuer,
- not more than 10% of money market instruments of an individual issuer,
- not more than 25% of units of a target fund.

Limitations stated in previous paragraphs do not apply to transferable securities and money market instruments issued or guaranteed by the Republic of Slovenia, Member State, their local or regional community, third country from the ATVP's list or international organisation, which at least one Member State is affiliated to.

Limitations stated in previous paragraphs do not apply to shares, which represent sub-fund's contribution to the company's capital with its registered office in a third country, which primarily invests into financial instruments of issuers with their registered office in this country if according to the laws of this country, such capital contribution represents the only way by which a sub-fund might be able to invest into financial instruments of issuers from this country. Derogations from limitations stated in previous paragraphs are permissible only if the assets of a company with its registered office in a third country are harmonised with the limitations defined in Articles 238, 239 and 242, and Article 184, paragraphs 1, 2, and 3 of the ZISDU-3 If assets of the company with its registered office in a third country are not harmonised with limitations defined in Articles 238, 239 and 242 of this Act, the provisions of Article 184 of the ZISDU-3 apply mutatis mutandis.

#### **1.4. Ancillary liquid assets**

The ancillary liquid assets are sub-fund's assets, which are not intended to achieve investment objectives of the sub-fund, but are intended to cover current and non-standard payments of the sub-fund, and they may also be formed within the period necessary to re-invest realised sub-fund investments, and in the events when the management company due to extreme unfavourable conditions on the financial instruments market temporarily suspends investments of sub-fund's assets to these markets.

The extent of ancillary liquid assets of the sub-fund shall not exceed 20% of the sub-fund asset value.

#### **1.5. Borrowing**

The umbrella fund sub-funds shall be borrowing within the context of its borrowing business policy.

The extent of borrowing shall not exceed 10% of asset value of an individual sub-fund, insofar as it may be a temporary or short-term indebtedness with the maturity up to 6 months, which is in accordance with usual market conditions.

Regardless of provisions of previous paragraphs of this Chapter, it is not allowed to grant any warranties or give any guarantees to third parties nor grant other loans for the account of sub-funds.

In order to secure a loan referred to in paragraph 2 of this item, the sub-fund may pledge its assets, which may not exceed 10% of sub-fund's assets.

#### **1.6. Investment management techniques**

For the account of the sub-funds, the management company shall not use any special investment management techniques for hedging purposes.

## **2. ASSET VALUATION RULES**

### **2.1. General valuation rules**

The management company values assets of individual sub-funds of the umbrella fund in accordance with the provisions of the Slovenian Accounting Standards, the Decision on investment funds' financial statements, and the annual and semi-annual report, and corresponding International Accounting Standards (hereinafter referred to as the IAS).

The financial instruments nominated in foreign currency are converted to a reference currency of the sub-fund with the exchange rate of the European Central Bank or with another contractually determined exchange rate. The same method of valuation is taken into account with the acquisition or disposal charges of a financial instrument and interest in respect of the financial instrument.

### **2.2. Valuation of individual types of financial assets or financial instruments**

*The valuation of single types of financial assets or financial instruments:*

**a) Money assets:**

Include the credit balance on the sub-fund's transaction account in domestic and foreign currency shown in nominal value, and ancillary liquid assets, which shall bear interest according to the issuer's provisions.

**b) Granted deposits and loans:**

Bear interest on a daily basis according to contractual provisions.

**c) Shares:**

Shares traded on the regulated market are valued according to the daily (closing) price in the market in which they were acquired. Market priority shares with fixed dividends are valued in the same manner.

Shares not traded on the regulated market are valued under the purchase value, which may also include financial instrument acquisition costs.

Priority shares with fixed dividends, which are not traded on the regulated market, are presented in the same manner as bonds that are not traded on the regulated market.

**d) Units of target (open-end) funds:**

The target fund units, which are traded on the regulated market are valued in the same manner as shares, as defined in the previous section.

The target fund units, which are not traded on the regulated market, are valued according to the last known value of an asset unit or share book value.

**e) Bonds:**

Bonds traded on regulated markets are shown at nominal value, multiplied by the last closing price of the market on which they were acquired, and increased for accrued interest in accordance with the conditions determined by the issuer at the time of the issue of the bond or in accordance with the conditions defined by the market organiser.

Bonds not traded on the regulated market are shown at a purchase value, increased for accrued interest calculated according to the conditions set by the issuer at the time of the issue of bonds.

Zero coupon bonds are treated equally as interest-bearing bonds. They are presented at a discounted nominal value, and are daily remunerated in accordance with the conditions set by the issuer at the time of the issue of bonds.

**f) Money market instruments:**

Money market instruments traded on the regulated market are valued in the same manner as shares defined in the previous sections.

Interest-bearing financial assets are shown together with interest in accordance with the conditions set by the issuer at the time of the issue of financial asset.

Discounted short-term securities are presented at discounted nominal value together with interest, which are set by the issuer of the financial instrument at the time of the issue.

Treasury bills are valued according to the amortised cost method.

**g) Receivables and accrued and deferred assets items**

Disclosed are the non-offsets with potential liabilities to the same legal or natural persons.

### **3. RISKS**

The risks to which an investor is exposed by investing into sub-funds of an umbrella fund depend on investment objectives and the policy of each individual sub-fund of an umbrella fund. Therefore, investors are recommended to select such a sub-fund or combination of sub-funds that the total risk of investments is still acceptable for them.

The investment value of an individual sub-fund may fluctuate in the future and there is a likely possibility that the investor might not be refunded for the whole amount paid into the individual sub-fund's investment coupons.

By making investments, an individual sub-fund is above all exposed to the following forms of risks:

Market risk is a risk of loss to the sub-fund due to changes of market value positions in the investment fund assets, which are the result of the changes of market variables such as interest rates, exchange rates, prices of equity financial instruments and commodities or changes of creditworthiness of the issuer. It is a risk, which arises from factors that include the possibility of sudden and lasting general decrease of rates in capital markets due to general market and economy conditions (systematic risk), and factors related to activities of the financial instrument issuer (unsystematic risk).

Concentration risk in a specific type of investments or at a specific market means that it increases potential risk of larger fluctuation on return and that single investments may have a great impact on profitability of the sub-fund.

Credit risk is a risk that the issuer shall not be able to settle obligations on time or in full, which arise from a security (interest in/or principal value).

Settlement risk means that there shall be no settlements with the money assets transfer or transfer of ownership on securities in expected or set deadlines, which may increase liquidity risk for a sub-fund as well as for the investor.

Custody risk means the risk that a custodian or a sub-custodian of assets of the umbrella fund cannot or does not perform its services with duly quality, diligence, safety, speed or necessary volume.

Liquidity risk is a risk when sub-fund's assets cannot be sold, realised or closed in a corresponding short period of time and within limited costs, and when a sub-fund cannot fulfil its obligations to investors with regard to redemption values of investment coupons. A sub-fund, due to the limited investments liquidity on an individual securities market, is not able to trade with these investments or may trade with them under substantially worse conditions as the ones according to which these investments were valued.

Currency risk is a risk, which is a result of the fact that sub-fund's assets might also be invested into investments whose income values from which they derive are set out in a different currency, as is the currency in which the value of sub-fund's asset unit is calculated. In case of depreciation or devaluation of these currencies, a fluctuation and negative impact on the profitability of the sub-fund's investments may occur.

Inflation risk is a risk that a real investment profitability shall be lower than expected, which means that the purchase power of savings in a sub-fund at the time of the payment (realisation) shall be lower than expected.

Interest risk - prices of bonds change with the changes of market interest rates, therefore exists a risk that a price in a portfolio shall decrease if the interest rates on the market increase. This risk is called the interest risk and is the largest risk faced by investors on the debt securities market.

Potential guarantees of third parties regarding the achievement of a certain minimum yield lower the risk, whereby the risk that these third parties shall not partially or entirely fulfil their guarantee obligation remains, and also partially depends on market and other risks, which have an impact on fulfilment of conditions for implementing guarantees to third parties, and additionally also probably lower the expected investment yield as opposed to investments where the guarantee of third parties is not present.

Risk of regulation modifications is a risk that in the Republic of Slovenia or in countries on whose capital market the sub-fund invests its assets to, comes to for a sub-fund an unpleasant regulation changes including the change of tax regulations and all types of limitations of capital flows with foreign countries, which may have a negative impact on liquidity as well as investment value on capital markets.

Risk of asset and yield reduction in case of mass realisation of sub-fund's investment coupons means that in case of mass realisation of investment coupons a sub-fund may realise its investments only at substantially worse conditions that usually, which might have a negative impact on the yield of the sub-fund, and in certain cases may also lead into temporary suspension of payments of repurchase value of investment coupons. The latter would mean additional liquidity risk for the investor to invest into the sub-fund, because the investor cannot within statutory periods and periods prescribed by management rules to pay-in and especially request or receive payments from the sub-fund.

#### Risks associated with investments in less developed markets

When the sub-fund investments in compliance with the investment policy are also directed into the financial instruments traded in less developed markets, or in issuers from these countries there are higher general risks with regard to political, economic (inflation and exchange rate changes), social and religious instability, and unfavourable amendments to legislation. The business operation of the participants in financial instruments market or the issuers may not be subject to supervision, which would according to the extent or substance, be equivalent to the supervision of the corresponding institutions in more developed countries. Some of these markets are not subject to accounting standards, auditing standards and financial reporting standards, and other practices comparable to the practices of more developed countries. The liquidity risk may be significantly increased due to the possibility of illiquidity of these markets. Significant delays in settlements or inability of parties to settle business transactions with financial instruments may occur; therefore, the settlement risk is also increased. Due to the possibility of problems related to the safekeeping of securities or inadequate infrastructure for these purposes, there is an additional increase in custody risk.

#### Sustainability-related risk or also sustainability risk

Sustainability-related risk means environmental, social or governance event or circumstance, which, if it occurs, could cause or result in a significant negative impact on the value of the investment.

## **4. REFERENCE CURRENCY AND ACCOUNTING PERIOD**

The reference currency of all sub-funds is euro (EUR).

The accounting period (period of calculating net asset values and sub-fund's unit values) is a working day as defined on the territory of the Republic of Slovenia (i.e. without Saturdays, Sundays and Holidays), from 00:00:01 hours to 24:00:00 hours. The following dates constitute an exception: 7 February, 14 August and 24 December, which are not regarded as valuation dates.

## **5. USE OF NET PROFIT OR INCOME**

The umbrella fund sub-funds withhold the net profit or net income entirely and do not perform redemptions to the investment coupon holders within the period of investment coupon ownership, but only at the redemption of sub-fund's investment coupons.

## **6. COSTS**

The particularities regarding costs of an individual sub-fund or costs of investors into this sub-fund are listed in APPENDIX F to this Prospectus.

### **6.1. Direct costs of holders of sub-fund's investment coupons**

#### **6.1.1. Entry charges**

An investor pays entry charges upon a payment of investment coupons into the sub-fund. At acceding to an individual sub-fund, he may choose between an individual payment or payments according to the savings plan.

The maximum entry charges to which a management company is entitled amount to 5.00% of the investment coupon value.

Insofar as the investor decides for payments according to the savings plan, entry charges depending on the savings plan amount to:

- a maximum of 3.00% from the investment coupon value within the first year of paying into the sub-fund, and at subsequent payments till the

expiry of the savings period, the entry charges are proportionally lower, or

- 30% of the investment coupon value within the first year of paying into the sub-fund, and at subsequent payments until the expiry of the savings period, the entry charges are not charged.

In the above stated cases, the entry charges from payments during the entire savings period shall not exceed the amount of entry charges of single payments.

The respective valid scale of entry and exit charges is available to the investors at all entry locations and on the website of the management company [www.infond.si](http://www.infond.si). Investors may at any given time obtain information on actual entry and exit charges from a person authorised for sub-fund unit marketing.

#### **6.1.2. Exit charges**

The investor shall pay exit charges upon redemption of investment coupons.

The maximum exit charges to which the management company is entitled to amount to 3.00 % of the investment coupon value.

#### **6.1.3. Costs of transition to another sub-fund**

The maximum transition exit charges to which the management company is entitled amount to 0.25 % of investment coupon value.

At the transition from a sub-fund where exit charges are charged, the latter are also charged in case of transition to another sub-fund. In this case, exit charges of transition are not charged.

It shall be considered a transition into another sub-fund, if:

- a) the investor selects that assets should be transferred to another sub-fund of the umbrella fund on the request for redemption of the sub-fund's investment coupon, and
- b) at the same time accedes to the management rules of the sub-fund he is acceding to, if he has not acceded already,
- c) after calculating the redemption unit value of the sub-fund from which the investor is transferring from, and on the grounds of a declaration of accession to the sub-fund to which he is transferring to, the management company shall transfer the redemption value of sold investment coupons from the sub-fund to the account of another sub-fund.

If the investor does not accede to the sub-fund in which he is transferring to, it shall be considered that he made a request for redemption of sub-fund's investment coupons from which he is exiting, and shall be paid the redemption value with calculated exit charges by the management company after the date of expiry. The investors may at any given time obtain information on actual entry and exit charges from the person authorised for sub-fund unit marketing.

#### **6.1.4. Other costs for reimbursement, which the management company is entitled to charge to the individual holder of investment coupons**

The management company is entitled to reimbursement of administrative costs arising with regard to:

- the transfer of sub-fund's investment coupons based on a final judicial decision or any other decision or a state authority's act, or based on legal transaction concluded in a form of a notarial deed determined by the Agency with is general legal act;
- the entry or deletion of rights of third parties on sub-fund investment coupons or claims arising from sub-fund investment coupons;
- the submission of an investment coupon balance statement at the request of the investor.

The management company calculates costs according to the valid tariffs published on the website of the management company [www.infond.si](http://www.infond.si) after the receipt of a full request of the holder for the execution of one of the above-mentioned requests.

### **6.2. Management and operating costs of the umbrella fund**

The management company and the custodian are entitled to reimbursement of the following costs from the assets of an individual sub-fund:

#### **A. Management fee**

For managing an individual sub-fund, the management company is entitled to an annual fee charged to the assets of the respective sub-fund.

The fee shall be charged daily and deducted from the sub-fund's assets to the management company by the 15<sup>th</sup> day of the month for the previous month.

The management fee, to which the management company is entitled, is determined as a percentage of the average annual net asset value of an individual sub-fund of the umbrella fund. It is calculated and charged for each valuation date in a calendar year with regard to the net asset value of an individual sub-fund on a valuation date, namely in a proportion equal to the proportional share of the annual management fee.

The amount of the management company's fee for an individual sub-fund of the umbrella fund is indicated in APPENDIX F of this prospectus.

#### **B. Types of other costs, which may be charged to the sub-funds' assets based on performing management services for the umbrella fund**

In addition to the management fee, the management company is entitled to perform the following payments from the sub-fund's assets for the following types of costs, which shall arise to the management company in connection with performing management services of a sub-fund:

1. costs related to acquisition and disposal of sub-fund's property such as fees and stockbroker fees, operators of regulated markets and multilateral trading systems, operators of settlement systems or Central Securities Clearing Corporations,
2. costs of entering on regulated markets and proportional part of commission costs and other costs of consulting companies related to joint appearance of a management company with other sellers at the sale of sub-fund's assets with the purpose to achieve implementation of a business transaction for the account of the sub-fund in a more favourable manner than it would have been achieved without joint appearance,
3. costs of payment transactions,
4. costs of audited annual report of the umbrella fund and costs of outside experts related to the drafting and the auditing of the annual report a,

5. costs of notifying holders of investment coupons according to ZISDU-3 and other regulations which require notification of investment coupon holders,
6. costs with regard to procedures referred to in Article 169, paragraph 5 of the ZISDU-3, and Article 170, paragraph 3 of the ZISDU-3,
7. costs of exercising rights arising from financial instruments owned by a sub-fund for the account of a sub-fund,
8. taxes and other compulsory charges related to the assets of a sub-fund or trading with these assets,
9. costs of custodian's custody services,
10. costs of interest and other costs for borrowing for loans, which the management company contracts for the account of the sub-fund according to ZISDU-3.

In addition to the above stated fees and charges, the management company may also claim reimbursement for costs from the sub-funds' assets that incur with regard to the proceedings that refer to the custodian's liability for damages or the subject of which are rights, obligations or assets of the sub-funds.

#### **C. Fee relating to the provision of custody services**

In relation to the provision of custody services, the custodian is entitled to the fees and charges listed hereinafter.

1. The fee for providing custody services with the exception of custody of assets that amounts to 0.048% of the average annual net asset value of an individual fund and is reduced according to the agreement. The requirement of the fee reduction is the scope of net asset value of all management company's sub-funds under custodianship, and the category of the sub-fund.
2. The fee for providing custody services with regard to the custody of sub-funds' assets to the maximum percentage of 0.1% of the average annual net asset value of an individual Sub-fund.
3. The fees for inputting and executing the orders with regard to the sub-funds' assets in custody, namely to the maximum amount of EUR 50 per transaction.
4. The management fee shall pay the fee and the charges within the deadlines in compliance with the statement of accounts received by the Custodian. The Custodian shall issue the statement of accounts for fees, charges and compensations on a monthly basis.

#### **Č. Other costs of the custodian**

The custodian is also entitled to reimbursement of costs incurred with regard to the proceedings referring to the management company's liability for damages or the subject of which are the rights, obligations or assets of the sub-funds.

#### **D. Types of above-stated costs, which shall be charged to the umbrella fund in total (all sub-funds) and description of the method or methodology of total costs distribution between the sub-funds**

Types of other costs, which are chargeable to all sub-funds (total costs):

1. costs of auditing annual reports of sub-funds,
2. cost of informing investment coupon holders according to ZISDU-3 and other regulations, which require notification of investment coupon holders.

Total costs are distributed in relation to average annual net asset value of sub-funds.

### **6.3. Total operating costs (TOC)**

The last available data on total operating costs of sub-funds (TOC) are disclosed in APPENDIX G to this Prospectus. Chronological review of all present calculated and published data on total operating costs is available at [www.infond.si](http://www.infond.si).

## **7. TAXATION**

**Note: This text does not describe all individual cases of actual taxation of persons liable to tax. We draw the attention of all investors that the amount of actual taxation arising due to the ownership of investment coupons, redemption of the investment coupon or other facts related to the ownership of the investment coupons, depends on the tax situation of every single holder. The investor shall be advised to seek professional assistance in case of any insecurity regarding the taxation in respect of investing into the investment coupon!**

### **7.1. Taxation of the umbrella fund**

The umbrella fund and sub-funds are not liable to corporate income tax, since they are not legal entities.

### **7.2. Taxation of investors, who are legal entities – residents**

Persons liable to corporate income tax are taxable according to the ZDDPO-2. The tax rate on generated tax acknowledged profit amounts to 19%.

All investors, legal persons – residents are obligated to establish tax acknowledged profit on the grounds of income and outcome established according to the laws and accounting standards, whereby they are obliged to consider particularities as defined by ZDDPO-2. Special rules apply mainly to the changes of accounting directives, error corrections and revaluation.

### **7.3. Taxation of investors, who are natural persons – residents**

#### **7.3.1. Taxation in case of realisation or sale of an investment coupon or liquidation of a single sub-fund**

The investment coupon of a sub-fund is according to Article 93 of the ZDoh-2 considered as capital, and thus in the event of disposal (realisation, sale) of the investment coupon or liquidation of a single sub-fund the investor shall be taxed subject to rules on the taxation of capital gains under ZDoh-2.

For a taxable disposal of an investment coupon under Article 94 of ZDoh-2 shall be considered a realisation or sale of an investment coupon of a sub-fund and redemption of a proportional part of a liquidation estate in case of liquidation of an individual sub-fund.

For non-taxable disposals of an investment coupon under Article 95 of the ZDoh-2 are mainly considered:

- transfer of capital of a deceased person to an heir, legatee or person who shall replace them under inheritance provisions, or another person, who claims a right from the legacy due to the death of a natural person.
- transfer of capital in procedures of forcible collection of compulsory charges according to the laws.

The exemption from income tax upon disposal of investment coupons in accordance with Article 528 of the ZISDU-3 applies, *inter alia*, only to holders, who obtained the sub-fund's investment coupons:

- by swapping investment coupons of an existing mutual fund for investment coupons of a sub-fund in the procedure of forming an umbrella fund from existing mutual funds,
  - by swapping investment coupons of an existing sub-fund of an umbrella fund for investment coupons of a sub-fund of another umbrella fund in the procedure of incorporation of sub-funds of an umbrella fund into another umbrella fund of the same management company,
- if the swapped investment coupons of an existing mutual fund or sub-fund were fundamentally obtained by swapping the shares of an authorised investment company or an investment company arising from an authorised investment company in the procedure of mandatory restructuring of this company into a mutual fund, or in the procedure of mandatory spin-off of part of assets of this company into the mutual fund and under the condition that the holder obtained the shares of an authorised investment company in accordance with regulations that regulate ownership restructuring of companies.

The tax base for determining the amount of tax shall be ascertained as a difference between the value of an investment coupon at time of disposal and the value of the investment coupon at acquisition.

Up to and including 31 December 2019, the value of an investment coupon at acquisition shall be ascertained as the amount of a payment into the sub-fund reduced for the amount of entry charges (therefore number of asset units are multiplied by one unit value). In such manner, ascertained value shall then be increased for flat rate expenses in respect of investment coupon acquisition, which are acknowledged at the amount of 1% from the purchase value of the investment coupon. In case of inheritance, the purchase value of the investment coupon shall also be increased for the value of a potential inheritance and gift tax.

The value of an investment coupon at disposal is equal to the number of asset units multiplied by one unit value at redemption from the sub-fund. The value of an investment coupon at disposal shall be decreased for flat rate expenses at the amount of 1% of the value of an investment coupon at disposal.

With those investors, who obtained the sub-fund's investment coupon by swapping the investment coupon of a mutual fund obtained before 1 January 2003, then the purchase value of an investment coupon shall be considered the value as at 1 January 2006.

If the investor obtained the investment coupon prior to the introduction of Euro, the value of the investment coupon shall be calculated with the use of middle exchange rate of the Bank of Slovenia valid on the date of acquisition of the investment coupon or on 1 January 2006, when the purchase value of the coupon shall be considered according to the value on this day.

From such ascertained tax bases, the income tax shall be calculated and paid under a 25% rate from 2013 onwards. The rate of the income tax shall decrease every five years of the investment coupon holding and amounts after every completed:

- five years of investment coupon holding: 15%,
- ten years of investment coupon holding: 10%,
- fifteen years of investment coupon holding: 5%.

After twenty years of investment coupon holding, the investor shall be exempt from the payment of the income tax on capital gains.

From and including 1 January 2020 onwards, the value of the investment coupon upon acquisition is determined as the amount of the payment into the sub-fund, reduced by the amount of entry costs (thus, the product of the number of asset units and the value of one asset unit). In case of inheritance, the purchase value of the investment coupon shall also be increased for the value of a potential inheritance and gift tax.

The value of an investment coupon at disposal is equal to the number of asset units multiplied by one unit value at redemption from the sub-fund.

When the difference between the value of the investment coupon upon disposal and the value of the investment coupon upon acquisition is positive, the tax base is the difference less the flat rate expenses related to the acquisition and disposal of the investment coupon. The flat rate expenses related to the acquisition and disposal of the investment coupon shall be recognized at a maximum of not less than:

- the sum of 1% of the purchase value of the investment coupon and 1% of the value of the investment coupon at the time of disposal, or
- positive difference between the value of the investment coupon upon disposal and the value of the investment coupon upon acquisition.

From and including 1 January 2020 onwards, tax bases for personal income tax is calculated and paid from the tax base for disposals of the investment coupon thus determined at the rate of 27.5%. The personal income tax rate is reduced every five years of holding an investment coupon and amounts to the following after ever completed:

- five years of investment coupon holding: 20%,
- ten years of investment coupon holding: 15%,
- fifteen years of investment coupon holding: 10%.

After twenty years of investment coupon holding, the investor shall be exempt from the payment of the income tax on capital gains.

The sub-fund investment coupons are managed according to the First in First out (FIFO) Costing Method, where the value of an investment coupon at the time of acquisition shall be considered as the value of an investment coupon that was acquired first.

For investment coupons of a sub-fund acquired with the swap for investment coupons of a mutual-fund, which incurred with the swap of shares of an authorised investment company or an investment company, which was created from an authorised investment company in a procedure of mandatory restructuring of this company into a mutual fund, or in the procedure of mandatory spin-off of part of assets of this company into a mutual fund, when

the holder acquired these shares in accordance with regulations that regulate ownership restructuring of companies, it shall be considered to be acquired:

- on the day of creation of an umbrella fund if the umbrella fund incurred with the creation of existing mutual funds,
- on the day of creation of a sub-fund of an already existing umbrella fund, if the existing mutual fund shall be restructured into a sub-fund of an already existing umbrella fund,
- on the day of implementing a merger of mutual funds, if the assets of mutual funds or sub-funds of an umbrella fund were transferred to a new-established or existing sub-fund of an umbrella fund,
- on the day of transfer of sub-funds if the sub-funds of an umbrella fund were transferred to another umbrella fund of the same management company.

Income tax on capital gains shall be determined by the tax authority's decision based on the taxpayers information return, which needs to be filed by 28 February for the previous year, and where the taxpayer declares all disposals of capital made within one year (except real estate). Accrued capital gains and realised capital losses are calculated into such declared income for a taxable year, whereby the taxpayer shall not be recognised the loss at disposal of capital if the taxpayer should within 30 days prior or after the disposal of capital acquire substantially equal replacement capital. Such loss shall also not be recognised in the event that a taxpayer's associated person acquired such disposed capital.

The tax authority shall issue a decision on capital gains income tax assessment within 30 days from filing the return. Such assessed income tax on capital gains is final.

### **7.3.2. Taxation in case of transition between sub-funds of the same umbrella fund**

At swapping, the sub-fund's investment coupon for an investment coupon of another sub-fund of the same umbrella fund a deferral of determining the tax liability is enforced. In the part where the investment coupon is cashed-in to settle costs of transition between sub-funds, the tax liability does not incur.

In case of enforcing a deferral of determining tax liability, the latter shall be determined not until the first next taxable disposal of an investment coupon, whereby:

- the date when first swapped investment coupons are acquired shall be considered as the time of acquisition of an investment coupon, determined in accordance with the rules of the ZDoh-2,
- the purchase value of the first swapped investment coupons shall be considered as the purchase value, determined in accordance with the rules of the ZDoh-2,

For taxpayers for which in relation to swapped investment coupons exemption from income tax according to Article 528 of the ZISDU-3 applied, this exemption applies also with regard to the investment coupons acquired in the procedure of swapping in the context of transitions between the sub-funds of the same umbrella fund.

If the management company does not dispose with the data from the second paragraph of this sub-point, she is obliged at the time of swapping or cashing-in such investment coupons to request proof of actual time of acquisition and purchase value or the manner of the acquisition of the first investment coupon from the holder.

A deferral of determining tax liability shall be presented to the Tax Administration of the Republic of Slovenia by the management company, which manages the umbrella fund. The management company is obliged to inform the taxpayers in writing about the deferral of determining tax liability within 15 days upon the swap of the investment coupons.

### **7.3.3. Taxation in case of sub-fund mergers, creation of an umbrella fund from existing mutual funds and incorporation of sub-funds of an umbrella fund into another sub-fund of the same management company**

At swapping the investment coupons of the merging sub-fund for the investment coupons of the receiving sub-fund performed in the course of sub-funds' merger, the taxpayer may enforce a deferral of determining the tax liability.

A deferral of determining the tax liability may also be enforced at the swap of investment coupons of existing mutual funds with the investment coupons of sub-funds of an umbrella fund performed in the course of forming an umbrella fund from the existing mutual funds and at the swapping of investment coupons of a sub-fund of an umbrella fund with investment coupons of a sub-fund of another umbrella fund, which is performed in the course of incorporating sub-funds of an umbrella fund into another umbrella fund of the same management company.

In case of enforcing a deferral of determining tax liability, the latter is determined not until the first next taxable disposal of investment coupons, whereby:

- the date when the first swapped investment coupons are acquired shall be considered as the time of acquisition of an investment coupon, determined in accordance with the rules of the ZDoh-2,
- the purchase value of the first swapped investment coupons shall be considered as the purchase value, determined in accordance with the rules of the ZDoh-2.

For taxpayers for which in relation to swapped investment coupons exemption from income tax according to Article 528 of the ZISDU-3 applies, this exemption applies also with regard to the investment coupons acquired in the procedure of swapping investment coupons in course of sub-fund mergers, formation of an umbrella fund from existing mutual funds and incorporation of sub-funds of an umbrella fund into another umbrella fund of the same management company.

If the management company does not dispose with the data referred to in the second paragraph of this sub-point, she is obliged at the time of these swappings of such investment coupons to request proof of actual time of acquisition and purchase value or the manner of the acquisition of the first investment coupon from the holder.

The management company, which manages the receiving fund, which shall notify the taxpayers about this in writing within 15 days, shall present a deferral of determining tax liability to the Financial Administration of the Republic of Slovenia and it shall provide them with all data, with which the taxpayers need to determine their tax liabilities.



#### **7.4. Investors, who are legal or natural persons - non-residents**

A natural person - non-resident does not pay income tax on capital gains acquired by disposal of investment coupons.

Investors, who are natural persons - non-residents must with regard to the taxation of investment into the sub-fund's investment coupon in addition to special provisions (for residents and non-residents) of the ZDoh-2 also comply with tax regulations, which apply for them in other countries where they are taxpayers (in countries of residence as a rule).

Investors, who are legal entities - non-residents must comply with tax regulations that apply to them in countries where they are taxpayers. For investors, who are legal entities - non-residents and they have an investment in investment coupons of a mutual fund through a business unit in Slovenia the same rules with regard to this business unit apply as they apply for the legal entities - residents (point 7.2.).

Under Article 255b of the Tax Procedure Act, the management company is obliged to carry out due diligence procedures for the identification of non-residents' accounts, collect information on these accounts and communicate them annually to the competent authority. Non-resident investors are required to disclose information to the management company that allows it to determine where the investor's residence for tax purposes is. Information on the investor and the account is annually submitted to the Financial Administration of the Republic of Slovenia and exchanged with the competent authority of the State in which the investor is resident for tax purposes, in accordance with the Standard for Automatic Exchange of Financial Account Information for taxation purposes.

### **8. FINANCIAL YEAR**

The umbrella fund's financial year is equal to the calendar year.

### **9. INFORMING THE PUBLIC AND INVESTMENT COUPON HOLDERS**

#### **9.1. Publication of the sub-funds' net asset values per unit**

The management company publishes the unit value on its website [www.infond.si](http://www.infond.si), and the [www.zdu-giz.si](http://www.zdu-giz.si) website. The management company publishes this data on its website no later than the next working day after the valuation date.

#### **9.2. Publication of monthly reports about sub-fund's operations**

The management company monthly, but no later than the 15<sup>th</sup> day of the month publishes monthly reports on business performance of the sub-funds on its website [www.infond.si](http://www.infond.si).

#### **9.3. Publication of information about legal and business events**

The management company publishes on the management company's website [www.infond.si](http://www.infond.si) the information on legal and business events related to the umbrella fund, single sub-fund or the management company, which might have an important impact on the business performance of the sub-funds.

If it is likely that a legal or business event has or shall have an important impact on the sub-fund's unit value or if it is expressly defined by the ATPV's decision, which regulates publications and direct notification of holders, the management company shall also publish the information on legal and business events in one of the journals Večer, Delo, Dnevnik and Finance.

If the holders of investment coupons are informed directly on legal and business events related to the umbrella fund, a single fund or the management company then publication in a newspaper is not necessary, unless provided otherwise by the regulations.

#### **9.4. Direct notification of investment coupon holders**

If the management company needs to address a certain notice directly to the investment coupon holder, the notice must be sent in a form of a paper copy, and on another durable data medium, which is not a paper copy only if this is a usual way of data exchange between the management company and the investment coupon holder and if the latter agrees to receive the notice in such a manner.

If the management company can prove that the investment coupon holder has permanent internet access, the sending of the notice to the investment coupon holder's e-mail address shall be considered as a usual way of data exchange between the management company and the investment coupon holder.

It shall be considered that the investment coupon holder has permanent internet access if it provided the management company with its e-mail address for the purpose of mutual business operations.

When attachments need to be attached to the notice or when the investment coupon holder requests additional information and documentation from the management company, the latter shall be sent to the investment coupon holder in a way as defined in this point.

### **10. INVESTMENT COUPONS, PAYMENTS AND REDEMPTIONS**

The assets of the umbrella fund sub-funds are divided into asset units.

#### **10.1. Investment coupons**

The investment coupons of the sub-funds are securities, whose issuer is the management company. The investment coupon of every individual sub-fund is registered to a part, one or more asset units and shall provide the holder of the investment coupon with the following rights:

1. the right to request a payment of the sub-fund's unit value to which the investment coupon is registered from the management company;

2. the right to a proportionate part of liquidation estate in case of liquidation of a sub-fund.

The description of sub-fund's investment coupons:

An investment coupon entered into the record of holders of sub-fund's investment coupons has the following key elements:

1. denotation, that this is an investment coupon of a sub-fund,
2. name of the sub-fund,
3. company name, registered office and registration number of the management company as the issuer of the investment coupon,
4. company name and registered office or name and surname of a person to which the investment coupon is registered, and the denotation of transferability,
5. number of sub-fund's asset units to which the investment coupon is registered,
6. liabilities of the management company and the rights of the investment coupon holder of respectively,
7. serial number of the investment coupon,
8. place and date of issue,
9. signature or a facsimile of signatures of the members of the board of the management company.

An investment coupon of an individual sub-fund is a registered security issued as a written document that cannot be transferred to another person. A non-transferable investment coupon may, exceptionally, be transferred to another investor based on a court decision or other decision or act of a state authority, and based on legal transactions concluded in a form of a notarial deed defined by the Agency's general act.

A copy from the record of investment coupon holders with all key elements of an investment coupon shall be considered as an investment coupon and shall therefore be delivered free of charge to the holder upon his request.

## 10.2. Payments and redemptions

### 10.2.1. Payments

Investment coupons are paid in cash only, namely in Euros (EUR).

The purchase value of the investment coupon is equal to the number of asset units multiplied by the sub-fund's unit value, increased for entry charges of the sub-fund to which the management company is entitled.

Prior to the first payment of the investment coupon, the investor must accede to the sub-fund's management rules. The investor accedes to the sub-fund's management rules by truthfully and entirely filing out and signing the respective Declaration of accession prescribed by the management company and delivers it to the management company in person or to one of the persons that perform sub-fund marketing services (the list is on the website [www.infond.si](http://www.infond.si)) within their working hours, since it is imperative to assure the review of the investor according to the regulations in the field of prevention of money laundering and terrorist financing. Upon accession and at every payment, the management company is obliged to implement procedures defined by regulations in the field of preventing money laundering and terrorist financing, and tax regulations. The management company or the persons, who perform marketing services of a sub-fund of an umbrella fund shall deliver the investor before acceding to the managing rules of the sub-fund a document with key data for investors, free of charge and upon investor's request they shall also deliver free of charge the prospectus with management rules included, and last published annual and semi-annual report. The prospectus of an umbrella fund with management rules included and the document with key data for investors, and revised annual and semi-annual report of the umbrella fund shall be delivered to the investor as printed matters, or also on a permanent carrier, which is not a printed matter or through the management company's website, if the following conditions are met:

- the investor has the possibility to choose from data on paper or other permanent carrier or via website,
- the investor must be informed per e-mail on the website address or part of a website, where he can access to the data,
- the investor must expressly agree with the stated form of assuring data,
- that the method of assuring data on a permanent carrier, which is not a printed matter or on a website is appropriate to the circumstances in which the business operations are conducted between the management company and the investor.

When performing the review, the management company requests data imposed by the sectoral laws, whereby the investor must also provide the management company with the information about the current bank account number. The management company also determines the extent of the accompanying documentation with regard to the requirements of the sectoral laws. The management company may for the purposes of proving the identity of the investor, request a copy of the personal identification card, passport or other public document that bears a photograph, in order to set up a system for preventing deception or fraud, or a copy of the bank card or confirmation of the validity of the submitted document by the official institution. By accession, the investor allows the management company to process collected personal data and use them for the purposes they were collected, and verifies the veracity of data in public and private registers.

In compliance with the discretionary right set out in these management rules, the management company may refuse the payment or limit the accession to those sub-funds to those categories of people, who due to their activities cause damages to the remaining investors or, whether entering into a relationship with a specific category would mean disproportionate costs for the management company. In particular, the management company has this right in the events when the investor upon accession or payment indicates untrue or misleading fact or fails to submit information needed by the management company with regard to the implementation of tax rules or the rules on the prevention of money laundering, investment funds and the financial instruments market. The management company may also exercise this right in the events, where it considers, that by refusing the payment or limiting the accession, it would be possible to avoid material, legal, minor offence, tax or administrative consequences or disadvantages affecting the fund, the remaining holders of investment funds or the management company in exercising its duties in accordance with the law. The management company may also exercise this right in cases where the investor's business operations are unusual for the investment fund management sector and has a negative effect on the fund, the remaining holders of investment funds or the management company. For the aforementioned reasons, the management company may also terminate the business relationship with the investor and pays out the funds to them.

The management company may terminate the validity of the accession declaration after the lapse of three years from the last payment or in cases where the investor fails to provide the information required by the management company regarding the implementation of tax rules or rules on the prevention of money laundering, investment funds and the financial instruments market. The investor shall be allowed to make renewed payments upon renewed accession to the fund management rules.

In compliance with the rules in the field of preventing money laundering and terrorist financing, the investor may also accede to the management rules electronically with the use of the qualified digital certificate. In this case, the investor electronically communicates the management company

the request for registration into the electronic marketing programme, which he shall sign electronically with the use of the qualified digital certificate. On the grounds of the request, the management company provides the investor with a double password. The investor may upon the receipt of both passwords register into the e-marketing programme, whereby all the balance insights, claims and declarations of accession shall always be electronically signed with the use of the qualified digital certificate. The management company has in place an information system, which verifies money laundering and terrorist financing obtain data from the registered certification-service-provider on the method of verifying the identity of the investor.

Subject to the rules in the field of prevention of money laundering and terrorist financing, the company may perform the identification also by using other means of electronic identification that is recognized within the context of the national electronic identification scheme and such level of reliability, which requests personal presence of the applicant at the time of the issuance. The description of the implementation of identification is to be found on the website [www.infond.si](http://www.infond.si). The management company shall be obliged to take measures to ensure that the first payment of the investment coupon is made from the investor's current bank account specified in the record of investors. The management company may subsequently, and in certain cases, obtain the information on the method of verifying the identity of the applicant from the issuer the electronic identification means.

Once the management company performs the investor check according to the above-stated rules, the investor may submit requests to the management company (accession declaration, request for payment, etc.) electronically, via an online platform, using an electronic identification tool supported by the management company. The rules for use and signing will be published by the management company on the [www.infond.si](http://www.infond.si) website.

Subject to the rules in the field of prevention of money laundering and terrorist financing, the company may perform the identification of the applicant, who is a natural person, also by using the means of video electronic identification, i.e. identification from a remote compute or a mobile device having an installed recording device, however, the following requirements must be met:

- the identity is established and verified solely on the basis of an official personal document bearing a biometric photograph,
- the investor must be over 18 years old,
- the investor must have permanent residence in a member state.

The description of the implementation of identification is to be found on the website [www.infond.si](http://www.infond.si). The management company shall be obliged to take measures to ensure that the first payment of the investment coupon is made from the investor's current bank account specified in the record of investors. The investor, whose identification was performed by using a video electronic identification, may perform individual transactions up to the amount of EUR 15,000. If an individual transaction exceeds the aforementioned amount, the management company has to verify the identity of the investor in its personal presence.

If the investor, who acceded to the management rules of an umbrella fund, has not paid-in any assets in any of the umbrella fund sub-funds, he may give a written request that he withdraws from the accession to the management rules of an umbrella fund. Hereby the business relationship shall be considered as terminated.

At every payment of an investment coupon, the date of payment shall be considered as the date of money inflow on a special money account of the sub-fund or a special money account of an umbrella fund, which the management company may use only to accept cash payments of the investor, and may include two or more sub-funds of an umbrella fund.

The investor makes payments into the investment coupons at an unknown value. The payment which shall arrive on the transaction account of a sub-fund up to the record hour of the valuation date T shall be calculated to sub-fund's asset units according to asset value per unit as at the balance for an valuation date T, which shall be published on the website [www.infond.si](http://www.infond.si) the following working day T+1, and in at least one of the journals Večer, Delo, Dnevnik and Finance one day after being published on the management company's website. The payment which arrives on the transaction account of the sub-fund after the cut-off time of the valuation date T shall be calculated into asset units according to the unit value of the next valuation date T+1, which shall be published on the website [www.infond.si](http://www.infond.si) not later than on the working day T+2, and in the one of the journals Večer, Delo, Dnevnik and Finance one day after the publication on the management company's website.

In case of a request for the redemption of a sub-fund's investment coupon which simultaneously is followed by a payment into another sub-fund shall for the purpose of calculation of the unit value as a payment to a special money account of the sub-fund to which the assets are transferred to, be considered a claim that is set up to the sub-fund from which the assets are transferred from instead of an actual payment.

The cut-off time for each sub-fund is defined in APPENDIX F.

At calculating the payment, the number of investment coupons shall be rounded up to 4 decimals, so that at the time of payment, money assets are not returned.

No later than the next working day following the date of implementation of the calculation of payments, the management company shall send the investor the calculation of payments as determined in point 9.4 of these management rules Calculation of payments, the contents of which is determined by the regulations, and which is at the same time a depository receipt of investment coupons entered in the record of investment coupon holders.:

If the investment coupon holder at the time of accession to the management rules of an umbrella fund undertook to make payments into the sub-fund for a certain longer period of time, the management company may send the statement of payments to the investment coupon holder at least once every six months.

The investment coupon holder may be based on the written agreement with the management company also take over the settlement of payments in person at the registered office of the management company. The management company keeps proof of that together with the holder's declaration of accession.

The investor is obliged to notify the management company on any changes of data.

The investor may also obtain an investment coupon based on a purchase order. The purchase order must be in writing and at least include the information for the identification of the client, the sub-fund and the amount or the asset units subject to the purchase. The order may be delivered in person to the representative of the management company, sent by mail or e-mail to the electronic address [dokumenti@infond.si](mailto:dokumenti@infond.si).

The requirements for the payment based on the purchase order are the following:

- in the event of an institutional investor,

- an agreement was reached with the management company that includes appropriate guarantees for the payment,
- the investor has acceded to the management rules by signing the respectively prescribed declaration of accession, in the context of which the procedures of client identification have been performed.

The payment of investment coupons in respect of the purchase order must be made no later than three working days after the end of the accounting period when the management company received the purchase order. An investment coupon issued based on a purchase order shall be expressed in the number of units, calculated at the purchase value of the units on the valuation date. The purchase order received up to the cut-off time of the valuation date T reads to the number of asset units recalculated according to UV on the valuation date T, and received after the cut-off time of the valuation date it reads to the number of asset units recalculated according to the UV of the valuation date T+1. An order for purchasing an investment coupon may be given with those sub-funds, at which it is, determined so in APPENDIX F.

### 10.2.2. Suspension of payments

The management company or the custodian may in exceptional cases and when required by special circumstances temporarily suspend payments into one or more sub-funds. The investment company informs the investors of the suspension of payments by publishing it on its website and in newspapers that sell in the countries where the marketing of sub-funds' investment coupons is taking place. The management company informs the investors of the suspension of payments as soon as possible, but in any case, one working day before the commencement of the suspension.

The suspension of payments of investment coupons may be requested by the management company in case of sub-fund mergers, management transfer, in case of high fluctuations on capital markets and assuring reliable valuation of financial instruments, assuring liquidity of sub-funds, due to technical problems or other irreconcilable obstacles with the management company or the sub-fund custodian, and in the case of sub-fund liquidation. Suspension of payments is always executed only temporarily.

### 10.2.3. Redemption of investment coupons

The holder of a sub-fund investment coupon may at any time request redemption of all or only a part of the repurchase value of the investment coupon. By doing so, it must fill out a respective form of a request for redemption of the sub-fund's investment coupon prescribed by the management company and completely indicate all requested data therein. The investor must also complete the accompanying documentation required by the sectoral regulations if this was not complied with upon the accession or the subsequent data changes. The management company is obliged to implement procedures defined by regulations in the field of preventing money laundering and terrorist financing, and tax regulations at every payment. The management company is entitled to refuse the request for redemption if the investor fails to complete the required documentation or if this complies with the regulations regarding prevention of money laundering and terrorist financing. In case of doubt regarding the investor's current bank account, the management company is entitled to request access to the bank card or verify the validity of the legal title, with which it acquired the right to ownership of investment coupons.

The request for redemption may be given by the investment coupon holder per post or be personally submitted to the address SAVA INFOND, družba za upravljanje, d.o.o., Ulica Vita Kraigherja 5, 2000 Maribor, or scanned to the address dokumenti@infond.si or by using the electronic identification tool via the management company's [online](#) platform. The request for redemption may also be filed with all entities, who are authorised by the management company to market or to accept declarations of accession to the management rules of the umbrella fund. Upon redemption of the sub-fund's investment coupons, the management company shall perform investor check procedures stipulated by the regulations in the field of preventing money laundering and terrorist financing.

Once the management company performs the investor check, the investor may submit requests to the management company (accession declaration, request for payment, etc.) electronically, via an online platform, using an electronic identification tool supported by the management company. The rules for use and signing will be published by the management company on the [www.infond.si](http://www.infond.si) website.

The redemption value of investment coupons equals the number of asset units multiplied by the unit value reduced by exit charges to which the management company is entitled. If following the redemption/transfer of the total redemption value or part of the redemption value of the investment coupon, the total number of investor's asset unit would decrease below 1 asset unit, it shall be considered that the holder requests the redemption/transfer of the investment coupon or investment coupons in full.

Redemptions of investment coupons are performed at an unknown value. If the request for redemption of an investment coupon shall be received by the cut-off time of the valuation date T, the unit value as at valuation date T shall be considered for calculation. The unit value of the valuation date T shall be published on the website [www.infond.si](http://www.infond.si) no later than the next working day (T+1). At the request for redemption of an investment coupon, which shall be received after the cut-off time of the valuation date T, the unit value as at valuation date T+1 shall be considered for the calculation of the redemption value of the investment coupon, which shall be published on the website [www.infond.si](http://www.infond.si) no later than the next working day (T+2).

The cut-off time for each sub-fund is defined in APPENDIX F.

Upon preliminary consent of the holder of the sub-fund's investment coupon, the redemption value of the investment coupon may also be paid out with transferrable securities from the sub-fund's assets. In this case, the redemption of the investment coupons with transferable securities may not be lower than 1% of the sub-fund's asset value or 100,000 euros, when the sub-fund's assets are lower than 10 million euros. The redemption value of the investment coupon shall be paid out in shares of transferrable securities that reflect the composition of the sub-fund's investments, and the remainder to the total redemption value of the investment coupon shall be paid out to the investment coupon holder in cash.

The management company shall send the investor the calculation of the redemption in a way as specified in point 9.4 of these management rules no later than the next working day following the day of implementing the calculation of the redemption.

The investment coupon holder may be based on the written agreement with the management company also take over the settlement of redemptions in person at the registered office of the management company. The management company keeps proof of that together with the holder's declaration of accession.

On the day of redemption, all rights of the investment coupon holder are terminated and therewith the ownership on the proportionate part of a single sub-fund.

The deadline for redemption is no more than seven working following the end of the accounting period with all required documentation.

The management company may refuse the payment or limit the accession to those sub-funds to those categories of people, who due to their activities cause damages to the remaining investors or, whether entering into a relationship with a specific category would mean disproportionate costs for the management company. The management company may for those categories of persons that it refused the payment to, or limited the accession to the above stated categories of holders of asset units carry out a redemption of asset units.

#### **10.2.4. Suspension of redemption of investment coupons**

The management company may in exceptional cases and when required by special circumstances due to security and interest of investment coupon holders temporarily suspend redemption of investment coupons of a single sub-fund.

The suspension of redemption is possible only in the circumstances and under the conditions determined in the ATVP's decision, which defines temporary suspension of redemption of investment coupons.

The temporary suspension of redemption of sub-fund's investment coupons may also be requested by the ATVP, if it assesses that this is in the interest of investment coupon holders or in the public interest.

The temporary suspension of redemption of investment coupons may in cases defined in the ZISDU-3 also be instituted by the custodian of the umbrella fund's assets.

#### **10.2.5. Introduction of partial redemption of investment coupons**

The management company may in exceptional cases introduce a temporary partial redemption of sub-fund's investment coupons instead of a temporary suspension of investment coupons of an individual sub-fund.

The introduction of this measure is only possible in the event and under the conditions determined in the ATVP's decision that regulates temporary suspension of redemption or the introduction of a partial redemption of investment coupons. A partial redemption of sub-fund's investment coupons is based on a balance sheet delimitation of sub-fund's assets according to the liquidity criterion and it indicates that within a usual period following the filing of the request for the redemption of the redemption value of the investment coupon, the holder is paid out the redemption value in the amount corresponding to the proportionate holding of the holder in the liquid part of the sub-fund's assets. The management company shall pay out the remaining asset units, to which the investment coupon is issued, to the holder as soon as it redeems a sufficient proportion of the less liquid assets of the sub-fund.

#### **10.2.6. Simultaneous payments and redemptions**

If the investment coupon holder requests redemption of the sub-fund's or mutual fund's investment coupon from the management company, which is simultaneously followed by a payment of an investment coupon into another sub-fund or mutual fund, which is managed by the same management company, thus the request for redemption of and payment into are considered simultaneously.

#### **10.2.7. Error in the calculation of net asset value**

It shall be considered that an error in calculating NAV occurred if:

1. the difference between the correct NAV and incorrect NAV of the fund from the money market funds category represents more than 0.25 % of the correct NAV;
2. the difference between the correct NAV and incorrect NAV of the fund from the bond funds category represents more than 0.5 % of the correct NAV;
3. the difference between the correct NAV and incorrect NAV of the fund from the equity funds category represents more than 1 % of the correct NAV;
4. the difference between the correct NAV and incorrect NAV of the fund from other categories of funds represents more than 0.5 % of the correct NAV.

The management company shall execute payment orders of insufficient redemptions within 5 working days from the day of the correct calculation of the sub-fund's unit value. Regardless of the provision from the previous paragraph, the management company needs not to execute the payment order into the sub-fund or a payment order to the holder of units and send the latter a new notice on statement of redemptions when the amount for transfer is not higher than 2 euros. The expenses arising with the connection to remedy the error shall not be chargeable to the sub-fund's assets.

In the event of a too high UV due to an error in calculating NAV, the management company:

1. calculates additional asset units and sends a new notice on settlement of payments to the holders of units, who paid the sub-fund asset units according to a too highly calculated UV;
2. transfers the difference in money to the sub-fund if holders of the unit received a too high redemption at withdrawal from the fund.

In the event of a too low UV due to an error in calculating NAV, the management company:

1. shall transfer the difference in money to the holders of units, whose redemption unit value was calculated at a too low UV at the time of withdrawal from the fund in accordance with the correctly calculated UV and sends them a new notice on settlement of redemption;
2. sends a new notice on settlement of payments to the holders of the units, who paid the sub-fund's asset units at a too low calculated UV.

## **11 OTHER PROVISIONS RELATING TO THE UMBRELLA FUND AND SUB-FUNDS**

### **11.1. Duration of the sub-funds**

All sub-funds of the INFOND Umbrella Fund are established for an indefinite period.

### **11.2. The transfer of management**

The management company that manages the umbrella fund may transfer the management of an entire umbrella fund or a single sub-fund to another management company.

If the ATVP should revoke the permit to perform management services of investment funds by a final decision or if a bankruptcy, procedure was instituted or a procedure of compulsory liquidation over the management company, thus a forcible transfer of managing the umbrella fund shall be executed to another management company. Relevant provisions of the ZISDU-3 stipulate stated procedures.

At the transfer of management a suspension of payments into and redemptions of investment coupons occur.

### **11.3. Incorporation of an umbrella fund sub-funds into another umbrella fund**

The management company that manages two or more umbrella funds may incorporate sub-funds of one umbrella fund into another umbrella fund. If the subject matter of incorporation into another umbrella fund should be all umbrella fund sub-funds, the latter shall after the completed transfer into another fund cease to exist without any special liquidation procedure. The management company must prior to carrying out the exclusion of the umbrella fund sub-funds and their incorporation into another umbrella fund obtain a suitable permit from the ATVP.

### **11.4. Replacement of the custodian of assets**

The management company may replace an umbrella fund custodian by terminating the contract with the current custodian and concluding a contract with another custodian.

The management company may replace the umbrella fund custodian if:

- the custodian does not perform all obligations agreed according to the contract for performance of custodial services or any other potential agreements made with the management company or they are not performed correctly,
- assesses that due to an economic or other interest for investors, the replacement would be justified,
- causes damage with his actions to the management company and the sub-funds,
- the termination is in the interest of investors into the umbrella fund sub-funds,
- other custodian offers better economic and/or functional conditions to perform custodial services,
- alternatively, if the contract is cancelled by the custodian.

To conclude a new contract it must obtain suitable permit from the ATVP.

After obtaining ATVP's permit, the management company concludes a contract with the new custodian and cancels the contract concluded with the previous custodian. The contract with the new custodian enters into force with the termination of the validity of the contract concluded with the previous custodian.

### **11.5. Merger of sub-funds**

#### **11.5.1. Requirements of sub-fund mergers and consequences for the investment coupon holders**

The management company or more management companies may implement a merger of two or more sub-funds of the same or more umbrella funds that it manages or that they manage, namely with absorption or fusion. Merger by absorption is performed with the transfer of the entire assets of one or more sub-funds (merging fund) to another existing sub-fund (receiving fund). Merger by fusion is performed by establishing a new sub-fund (receiving fund) to which entire assets of two or more sub-funds, which are being fused (merging fund), are transferred. After the performed merger, the merging fund is wound up without the liquidation procedure and all of his assets and rights and liabilities are passed over to the receiving fund. The holders of the merging fund or merging funds investment coupons after the implemented merger receive investment coupons of the receiving fund under the exchange ratio determined by the management company or management companies according to the ZISDU-3. If during the conversion of investment coupons of the merging fund into the investment coupons of the receiving fund the holder of the merging fund's investment coupons is not entitled to a full number of transferable investment coupons of the receiving fund, the management company of the receiving fund may pay this holder the unit value that constitutes a partial right in cash. The merger of sub-funds is only allowed if the economic situation of the sub-fund's investment coupon holders participating in a merger does not worsen after the performed merging procedure. Net asset value of the receiving fund must considering the potential monetary redemption to investment coupon holders be after the performed procedure of restructuring at least equal to the sum of the net asset value of the merging and receiving fund prior to this procedure, and the total value of all investment coupons of the receiving fund, whose holder becomes a person after the performed merger, and must be at least equal to the total amount of all investment coupons of the merging fund, whose holder was the same person prior to this procedure. The implementation of a merger of sub-funds is the subject of preliminary inspection of the custodian and authorised auditor, and the permit for a merger is issued by the ATVP. Expenses that arise during the merger are born by the management companies, which manage umbrella fund sub-funds participating in a merger.

#### **11.5.2. Rights of the investment coupon holder**

The holder of a sub-fund investment coupon has in the event that the sub-fund shall be involved in a merger, the right to request from the management company:

- a copy of the auditor's report on the merger, which the company must send to him free of charge no later than the next working day after the receipt of a written request, whereby it can also be sent via e-mail, and
- redemption of its investment coupons, whereby the management company may not charge him with exit charges, or
- replacement of these investment coupons for investment coupons of another sub-fund with a similar investment policy, which is managed by a management company or a management company who is either in a close link relationship or in a relationship of companies linked with joint management with the management company that manages the umbrella fund with this sub-fund.

Holders of the investment coupons have the right to request the redemption of an investment coupon under the conditions of this section within the period from the reception of the notice on merger until the commencement of suspension of payments and redemptions in the merging and receiving fund.

### **11.6. Liquidation**

A liquidation of a sub-fund is performed if:

- the net asset value of a sub-fund does not reach 100,000 euros within four months from the day that the management company received ATVP's decision on the permission of sub-fund management,

- the net asset value of a sub-fund is lowered under 100,000 euros and does not reach 100,000 euros once again in the following thirty days,
- when the forced transfer of sub-fund or umbrella fund management is not possible.

The liquidation of a sub-fund is also performed on the grounds of the management company's decision if the reason defined in the management rules as a reason to institute the procedure of sub-fund liquidation shall occur.

The liquidation of a sub-fund on the grounds of a Management Board's decision may occur:

- in case of high fluctuations and standstills of liquidity on the base of which the inability to assure redemption may occur,
- at increasing the riskiness of a sub-fund to such extent that it may substantially endanger the value of its assets and thereby the value of holder's investment coupons;
- if the Management Board of the management company estimates that the value of the net asset value of an individual sub-fund or several sub-funds does not allow the pursuit of the investment policy of an individual or several sub-funds;
- due to the amendment of regulations that significantly limits or reduces the range of investments of an individual or several sub-funds.

The relevant provisions of the ZISDU-3 define the liquidation procedure and its legal consequences.

The following working day after the onset of the reason for the initiation of liquidation of a sub-fund, the liquidator must publicly announce in the journal Večer and on the [www.infond.si](http://www.infond.si) website, notice of the initiation of the liquidation of the sub-fund and within 3 working days inform the holders of the sub-fund's investment coupons of the initiation of the liquidation of a sub-fund and the legal consequences.

The umbrella fund shall cease to exist without any special liquidation procedure:

- if the number of sub-funds shall be lower than 2 and
- if the subject of incorporation into another umbrella fund are all the sub-funds of an individual umbrella fund.

## **12. MANAGEMENT COMPANY**

### **12.1. General information**

#### **12.1.1. Company name, registered office and uniform identification number of the management company**

Company name: SAVA INFOND, družba za upravljanje, d.o.o.  
 Registered office: Maribor  
 Business address: Ulica Vita Kraigherja 5  
 Company registration no.: 5822416  
 Web: [www.infond.si](http://www.infond.si)  
 E-mail: [info@infond.si](mailto:info@infond.si)  
 Phone: 02 / 229 74 40  
 Fax: 02 / 229 74 89  
 Toll-free phone no.: 080 22 42

#### **12.1.2. Date of incorporation of the management company**

SAVA INFOND, družba za upravljanje, d.o.o., was established on 16 December 1993 for an indefinite period.

#### **12.1.3. Location and time of the opportunity to view the company's general legal acts and the last audited annual report**

The Memorandum of Association and the last available revised annual report of the management company is available for view every working day at the management company's registered office from Monday to Thursday between 9 a.m. and 3 p.m., and Friday between 9 a.m. and 2 p.m. The last audited annual report is also published on the management company's websites [www.infond.si](http://www.infond.si).

#### **12.1.4. Number and date of the decision of granting the permit to perform management activities of investment funds**

The permit to perform investment fund management activities with the No. 25/16/1/94 was issued by the ATPV on 1 June 1994.

#### **12.1.5. Data on the management company's capital**

The share capital of the KBM-INFOND, družba za upravljanje, d.o.o. - Skupina Nove KBM paid-in and entered into the court register amounts to EUR 1,460,524.00.

## **12.2. Management and supervisory bodies**

The clarification of the management system of the management company, on its management and supervisory bodies and their members is stated in APPENDIX A to this Prospectus.

## **12.3. Remuneration policy**

The clarification of the management company's remuneration policy is set out in Appendix H and on the Management Company's website at [www.infond.si](http://www.infond.si). The investor may request the delivery of a free printed copy of the document containing information on the management company's remuneration policy.

## **13. INFORMATION ABOUT OTHER PERSONS**

### **13.1. Custodian of assets**

The custodian of the umbrella fund's assets is Banka Intesa Sanpaolo, d.d., Pristaniška 14, Koper.

On 3 September 2003, the Banka Intesa Sanpaolo, d.d. was issued an authorisation by the Bank of Slovenia for the provision of custodian services for investment funds.

ATVP has on 7 February 2018 granted the authorisation to conclude the Contract on the provision of custodian services for the umbrella fund with Banka Intesa Sanpaolo, d.d.

The main duties of the custodian are:

- Custody of assets of an individual sub-fund of the umbrella fund,
- Monitoring the cash flows of the fund of an individual sub-fund of the umbrella fund, and
- Supervision of business operations of an individual sub-fund of the Infond Umbrella Fund.

The custodian is also obliged to set up corresponding procedures for establishing, managing, monitoring and disclosing conflicts of interest that may incur during the performance of custody services for the Infond Umbrella Fund, in relation to other services, activities and assets of the custodian, as well as in relation to the equity connectivity of the custodian with other entities and the custodian's ownership structure.

The custodian performs the service of custody of assets, whereby it must ensure that in both, its own records and the records of the persons to whom it had transferred the custody service, the separation of fund's assets from its own assets and from the assets of third parties is guaranteed.

The list of persons, to which the custodian has transferred the custody services:

- State Street Bank Luxembourg S.C.A. 49 Avenue John F. Kennedy, L-1855 Luxembourg,
- KDD – Centralna klirinško depotna družba, d.d., Tivolska 48, 1000 Ljubljana,
- Raiffeisen BANK dd Bosna i Hercegovina, Zmaja od Bosne bb, 71000 Sarajevo, Bosnia and Herzegovina,
- Raiffeisen banka a.d., Đorđa Stanojevića 16, 11070 Beograd, Serbia,
- Komerzialna banka AD Skopje, Ulica Orce Nikolov 3, 1000 Skopje, Macedonia.

The custodian is obliged to ensure that third parties, to which custody functions are sub-delegated, guarantee the requirements that apply to the persons, to which the custody services have been directly transferred.

In the provision of services on managing the sub-funds of the Infond Umbrella Fund, the management company does not detect any possibility of conflict of interests arising from the business operations with persons to whom the custodian has delegated the custody tasks or to third parties to whom these tasks were sub-delegated.

Upon request, the custodian to other and third parties respectively shall provide the investors with the up-to-dated information regarding the transfer of custody.

### **13.2. Other providers of umbrella fund and sub-funds management services**

The information on persons, to whom the management company delegated individual umbrella fund or sub-funds management services are listed in the APPENDIX B.

## **14. COMPLAINTS OF INVESTORS AND OUT-OF-COURT DISPUTE SETTLEMENT**

The investor may complain or send its complaint related to its investment or intended investment into sub-funds investment coupons to the registered office of the management company. The management company's policy of dealing with investor's complaints is defined in the Rules of settling complaints, which is accessible on the [www.infond.si](http://www.infond.si). Any potential disputes between investors of the umbrella fund sub-funds and the management company and other providers of umbrella fund management services with which the management company concluded contracts on the transfer of performance of individual management services of an umbrella fund may be resolved before the arbitration with the Slovenian Investment Fund Association - GIZ (Association), Čufarjeva 5, Ljubljana, telephone 01 430 49 18, e-mail address [arbitraza@zdu-giz.si](mailto:arbitraza@zdu-giz.si), registration no. 5872324, tax no.: SI40646629. More information on arbitration are available at [www.zdu-giz.si/arbitraza](http://www.zdu-giz.si/arbitraza).

The investors may obtain all documentation on the circumstances, which are the result of out-of-court dispute settlement and are acquainted with all elements of the out-of-court dispute settlement outline on the website of the management company [www.infond.si](http://www.infond.si), its registered office and entry locations.



## 15. PERSONS RESPONSIBLE FOR THE ISSUE OF THE PROSPECTUS

We hereby declare that the umbrella fund prospectus including the management rules contains true information and does not omit any information which the management company as the prospectus issuer should state or is aware of and whose non-disclosure could cause a loss to the holders of sub-fund investment coupons or potential investors. The umbrella fund prospectus does not contain any misleading data or information that could be interpreted in different ways.

Maribor, 26 October 2021

SAVA INFOND, družba za upravljanje, d.o.o.  
President of the Management Board  
Jožica Palčič

Member of the Management Board  
Mag. Samo Stonič

## APPENDIX A: MANAGEMENT AND SUPERVISORY BODIES OF THE MANAGEMENT COMPANY

The management company has a two-tier management system with a Management Board and a Supervisory Board. The Management Board has two members, and the Supervisory Board is composed of five members of the Supervisory Board.

### Management Board members of the management company are:

- Jožica Palčič, President of the Management Board
- Mag. Samo Stonič, Member of the Management Board

### Members of the Supervisory Board of the management company are:

- Mag. Polona Pirš Zupančič, Chairman of the Supervisory Board
- Mag. Primož Močivnik, Deputy Chairman of the Supervisory Board
- Jure Košir, Member of the Supervisory Board
- Miha Pahulje, Member of the Supervisory Board
- Nada Zidar, Member of the Supervisory Board

## APPENDIX B: LIST OF OTHER PROVIDERS OF THE UMBRELLA FUND OR SUB-FUNDS MANAGEMENT SERVICES

### ASSET MANAGEMENT

The management company performs management services of the umbrella fund sub-funds by itself and has not authorised other persons to perform such transactions.

### ADMINISTRATIVE SERVICES

The management company transferred the following administrative services:

- Internal auditing for Pozavarovalnica Sava, d.d., Dunajska 56, 1000 Ljubljana, on 11 November 2019,
- internal controls and storage of documentation related to marketing through the Nova KBM, d.d. subscription office, to Nova KBM, d.d., Ulica Vita Kraigherja 4, 2000 Maribor, on 5 June 2019.

### SERVICE OF INVESTMENT COUPON MARKETING – SUBSCRIPTION OFFICES

Legal entities and natural persons authorised by the management company to carry out the business transactions of marketing the sub-funds and selling the investment coupons are listed on management company's website [www.infond.si](http://www.infond.si). Given the above, it is possible to subscribe to the management rules of an individual sub-fund at these persons.

## APPENDIX C: SOFT COMMISSIONS AND FEE-SHARING AGREEMENTS

A. In relation to carrying out transactions in financial instruments for the account of the sub-funds and the umbrella fund (services of transaction settlement and execution), the management company can accept an economic benefit from stockbroking companies or banks in the form of soft commissions, such as analyses of financial markets and issuers, and access to databases, without giving rise to any conflict of interest. The purpose of this arrangement is to ensure a high degree of information support for and the effective management of the sub-funds' assets.

B. The management company has not entered into any fee-sharing agreements relating to the sharing of transaction costs charged to the sub-funds' assets with stockbroking companies. In the event of a sub-fund that places a significant part of its assets in target funds, the management company has no fee-sharing agreements concluded (direct and/or indirect) with the management company of the target fund.

## APPENDIX D: LIST OF REGULATED MARKETS

Within the framework of an investment objective and policy of each sub-fund, the sub-funds' assets may be invested only in those transferable securities and money market instruments:

1. listed for trading or traded with on a regulated market of the members states, except Liechtenstein; a list of regulated markets in the Member States is available on the following website ESMA, in section Rules, Databases & Library, in sub-section Registers and [Data](#)
2. traded on other recognised, regularly operating and open to public regulated markets in Member States; the list of multilateral trading systems of the Member States is published on the website ESMA, in section Rules, Databases & Library, in sub-section Registers and [Data](#)
3. listed for trading or traded on the following securities stock exchanges of European countries, which are not Member States:
  - Banjalučka berza hartija od vrijednosti a.d.- Banja Luka, Bosnia and Herzegovina,
  - Beogradska berza, Serbia,
  - Makedonska berza, Macedonia,
  - Istanbul Stock Exchange, Turkey,
  - Sarajevska berza, Bosnia and Herzegovina,
  - SIX Swiss Exchange, Switzerland,
  - London Stock exchange, Great Britain.
4. traded on the securities stock exchanges of non-European countries, members of the World Federation of Exchanges (WFE or FIBV) - the list is available on the website [http://www.world-exchanges.org/home/index.php/members/wfe-members-except Palestine Exchange](http://www.world-exchanges.org/home/index.php/members/wfe-members-except-Palestine-Exchange)
5. traded on other recognised, regularly operating and open to public regulated markets of European countries that are not Member States: /
6. traded on other recognised, regularly operating and open to public regulated markets of non-European countries: /

## **APPENDIX E: LIST OF SUB-FUNDS OF THE UMBRELLA FUND**

The management company manages the following sub-funds:

The management rules of an individual sub-fund are detailed in APPENDIX F of this Prospectus.

- I. Infond Globalni uravnoteženi, mixed sub-fund
- II. Infond ZDA, equity sub-fund
- III. Infond Razviti trgi, equity sub-fund of developed markets
- IV. Infond Obvezniški - Eur, bond sub-fund
- V. Infond Trgi v razvoju, equity sub-fund
- VI. Infond Megatrendi, equity sub-fund of developed markets
- VII. Infond Globalni defenzivni, mixed sub-fund
- VIII. Infond Dividendni, equity sub-fund of developed markets
- IX. Infond Družbeno odgovorni, equity sub-fund of developed markets
- X. Infond Globalni delniški, equity sub-fund
- XI. Infond Surovine in energija, equity sub-fund
- XII. Infond Evropa, equity sub-fund
- XIII. Infond Kitajska, equity sub-fund
- XIV. Infond Globalni fleksibilni, mixed flexible sub-fund
- XV. Infond Zdravstvo, equity sub-fund
- XVI. Infond Kratkoročne obveznice - Eur, bond sub-fund
- XVII. Infond Select, equity sub-fund of developed markets
- XVIII. Infond Tehnologija, equity sub-fund
- XIX. Infond Naložbeni cilj 2040, target date sub-fund

## **APPENDIX F: DETAILED SUB-FUND MANAGEMENT RULES**

The management rules of the specific sub-funds as set out in detail in this Appendix are always applied together with the management rules from the common part of this Prospectus.

## **I. Infond Globalni uravnoteženi, mixed sub-fund**

(eng. Infond Global Balanced)

Type of the sub-fund: mixed balanced global sub-fund.

### **1. Date of establishment and the investment coupon designation**

Date of ATVP's issuance of the authorisation for sub-fund management: 1 March 1994.

ISIN code: SI0021400161

LEI: 9504008HS5TF35HF6K38

Investment coupon designation: PBDAU

### **2. Investment objective**

The sub-fund's investment objective is to achieve a return on capital gains, received dividends and interest with adequate diversification of investments. Regarding the complexity or the characteristics of the investments into which he invests its assets it shall be a basic sub-fund. Infond **Global Balanced** is defined as a mixed balanced global sub-fund.

### **3. Investment policy**

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Annex.

The investment objective shall be achieved with active approach to sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- shares,
- target funds,
- bonds and other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities.

The sub-fund has between 35% and 65% of assets invested in shares and in units of equity target funds without focusing on an individual country, sub-region or region or currency for that matter.

The sub-fund has a maximum of 65 % of its asset invested in bonds and other forms of privatised debt, money market instruments, money deposits and in target funds, which invest in the aforementioned financial instruments and correspond the sub-fund's investment limitations with their investment policy, without focusing on an individual country, sub-region or region or currency for that matter.

The sub-fund's assets are invested into government and corporate bonds and other debt securities, regardless of their credit rating and prevailing maturity and into the units of bond target funds, which invest in such bonds and which correspond with the sub-fund's investment limitations with its investment policy.

The sub-fund's assets may be invested in money market instruments regardless of their credit rating and the remaining maturity and into the units of money market target funds, which correspond the sub-fund's investment limitations with their investment policy.

The sub-fund's assets may be invested in money deposits with the maximum maturity of 12 months.

The sub-fund has a maximum of 10% of its own assets invested in units of target funds.

A list of stock exchanges and other regulated markets is defined in APPENDIX D of this prospectus.

Up to 65% of the sub-fund's assets may be invested in bonds, issued and guaranteed by the Republic of Slovenia, or its local, regional community, an individual Member State of the European Union or its local, regional community, a foreign country or an individual public international organisation, to which one or more Member States belong to. Sub-fund's assets shall be invested in at least 6 different issues of such financial instruments, and the value at each individual issue may not exceed 30% of the sub-fund's value.

The exposure to securities covered by other assets or mortgages, each individually may not exceed 20% of the sub-fund's assets, whereby securities shall not have embedded derivative financial instruments.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

### **4. Risks and investor's profile**

When investing, the sub-fund is extremely exposed to the following forms of risk: market risk, settlement risk, liquidity risk, interest risk, credit risk, risk of asset and yield reduction, investment concentration risk and currency risk.

The mixed portfolio composition enables higher exposure to debt investments, which increases the credit risk. In case that the issuer becomes insolvent or finds himself in economic problems, it can happen that the debtor does not settle his obligations towards the sub-fund in total or in time.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

**Note:**

**Due to the composition of sub-fund's investments, it is very likely that the sub-fund's asset value per unit shall fluctuate in the future very much.**

**An exposure of more than 35-percent is permissible with the sub-fund's investments to the following issuers: the Republic of Slovenia, its local or regional community, a Member State, its local or regional community, a third country or a public international organisation, to which at least one of the Member States belongs.**

**Due to investments into financial instruments where a higher exposure to the issuer is allowed, a greater exposure of the sub-fund to the investment concentration risk (a risk to an individual issuer) may be caused.**

#### **Investor's profile**

The sub-fund is designed for investors that pursue the investment objective of a share or balanced portfolio. It is suitable for investors, who are prepared to accept medium investment risk. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. The sub-fund is intended for long-term savings for a period of 5 years and more, unless the investor pursues speculative or other purposes.

### **5. Other specificities of the management rules**

#### ***5.1. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

#### ***5.2. Management fee***

The management company is entitled to an annual commission in the amount of 2.00% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by publishing it on the website [www.infond.si](http://www.infond.si).

#### ***5.3. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

#### ***5.4. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

#### ***5.5. Acquisition of an investment coupon based on a purchase order***

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.

## II. Infond ZDA, equity sub-fund

(eng. Infond USA)

Type of the sub-fund: equity sub-fund – United States of America.

### 1. Date of establishment and the investment coupon designation

Date of ATVP's issuance of the authorisation for sub-fund management: 14 May 2007

ISIN code: SI0021400534

LEI: 950400SB6H69M8E86957

Investment coupon designation: INDPA

### 2. Investment objectives

The sub-fund's investment objective is to achieve a return on capital gains, received dividends and interest with adequate diversification of investments. Regarding the complexity or the characteristics of the investments into which it invests its assets it is a basic sub-fund. Infond USA is defined as an equity sub-fund, which is regionally limited to the territory of the United States of America.

### 3. Investment policy

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with active approach to sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- shares,
- target funds,
- bonds and other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities.

At least 85% of sub-fund's assets are invested in shares or in units of equity target funds (hereinafter jointly referred to as shares).

At least 80% of sub-fund's assets are in shares of companies domiciled in the United States.

The sub-fund may have up to 15% of its asset invested in bonds and other forms of privatised debt. Assets are invested into government and corporate bonds and other debt securities, regardless of their credit rating and prevailing maturity and into the units of bond target funds, which invest in such bonds and which correspond with the sub-fund's investment limitations with its investment policy.

The sub-fund may have up to 15% of its assets invested in money market instruments and money deposits.

The sub-fund may have a maximum of 10% of its own assets invested in units of target funds.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this prospectus.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

### 4. Risks and investor's profile

The basic risk factors, which are related to the investor's investment into a sub-fund's investment coupons, are related to general economic situation and conditions, mainly on the market of the United States. When investing, the sub-fund is extremely exposed to the following forms of risk: market risk, investment concentration risk and settlement risk, liquidity risk and currency risk.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

#### **Note:**

**Due to the composition of sub-fund's investments, it is very likely that the sub-fund's asset value per unit shall fluctuate considerably in the future.**

#### **Investor's profile**

The sub-fund is designed for investors that pursue the investment objective of a share or balanced portfolio, where the sub-fund constitutes a share of the entire portfolio. It is suitable for investors, who are prepared to accept high investment risk. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. The sub-fund is intended for long-term savings for a period of 5 years and more, unless the investor pursues speculative or other purposes.

## **5. Other specificities of the management rules**

### ***5.1. Initial net asset value per unit***

The initial sub-fund's net asset value per unit is EUR 12.52.

### ***5.2. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

### ***5.3. Management fee***

The management company is entitled to an annual commission in the amount of 2.25% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by publishing it on the website [www.infond.si](http://www.infond.si).

### ***5.4. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

### ***5.5. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

### ***5.6. Acquisition of an investment coupon based on a purchase order***

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.

### **III Infond Razviti trgi, equity sub-fund of developed markets**

**(eng. Infond Developed Markets)**

Type of the sub-fund: global equity sub-fund of developed markets.

#### **1. Date of establishment and the investment coupon designation**

Date of ATVP's issuance of the authorisation for sub-fund management: 14 July 2004.

ISIN code: SI0021400179

LEI: 9504002SD3SZMTHR8S10

Investment coupon designation: PBDBD

#### **2. Investment objectives**

The sub-fund's investment objective is to achieve return on capital gains, received dividends and interest with adequate diversification of investments. Regarding the complexity or the characteristics of the investments into which it invests its assets, it is a basic sub-fund. Infond Developed Markets is defined as a global equity sub-fund, which is limited to developed markets.

#### **3. Investment policy**

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with active approach to sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- shares,
- target funds,
- bonds and other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities.

At least 85% of sub-fund's assets are invested in shares or in units of equity target funds (hereinafter jointly referred to as shares).

The sub-fund has its assets in shares of issuers with the domicile in at least two sub-regions of developed markets without focusing on one country or sub-region, the exposure to global region of developed markets is at least 80 %, and investments into a single sub-region do not reach 80 % of sub-fund's assets.

The sub-fund may have up to 15% of its asset invested in bonds and other forms of privatised debt. Assets are invested into government and corporate bonds and other debt securities, regardless of their credit rating and prevailing maturity and into the units of bond target funds, which invest in such bonds and which correspond with the sub-fund's investment limitations with its investment policy.

The sub-fund may have up to 15% of its assets invested in money market instruments and money deposits.

The sub-fund may have a maximum of 10% of its own assets invested in units of target funds.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this prospectus.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

#### **4. Risks and investor's profile**

When investing, the sub-fund is extremely exposed to the following forms of risk: market risk, settlement risk, liquidity risk and currency risk.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this prospectus.

**Note:**

**Due to the composition of sub-fund's investments, it is very likely that the sub-fund's asset value per unit shall fluctuate considerably in the future.**

**Investor's profile**



The sub-fund is designed for investors that pursue the investment objective of a share or balanced portfolio, where the sub-fund constitutes a share of the entire portfolio. It is suitable for investors, who are prepared to accept high investment risk. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. The sub-fund is intended for long-term savings for a period of 5 years and more, unless the investor pursues speculative or other purposes.

## **5. Other specificities of the management rules**

### ***5.1. Initial net asset value per unit***

The initial sub-fund's net asset value per unit is EUR 4.17.

### ***5.2. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

### ***5.3. Management fee***

The management company is entitled to an annual commission in the amount of 2.25% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by [www.infond.si](http://www.infond.si).

### ***5.4. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

### ***5.5. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

### ***5.6. Acquisition of an investment coupon based on a purchase order***

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the prospectus.

#### **IV. Infond Obvezniški - EUR, bond sub-fund**

##### **(eng. Infond Bond - Euro)**

Type of the sub-fund: general bond sub-fund – EUR.

##### **1. Date of establishment and the investment coupon designation**

Date of ATVP's issuance of the authorisation for sub-fund management: 27 July 2010

ISIN code: SI0021401318

LEI: 9504008RGMC4SZRHKD98

Investment coupon designation: INDBO

##### **2. Investment objective**

The sub-fund's investment objective is to achieve return on capital gains, received dividends and interest with adequate diversification of investments. Regarding the complexity or the characteristics of the investments into which it invests its assets, it is a basic sub-fund. Infond Bond - Euro is defined as a general bond sub-fund, which is primarily exposed to euro, the European currency.

##### **3. Investment policy**

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with active approach to sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- Bonds,
- other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities, and
- target fund units.

The bond sub-fund has no exposure to shares.

At least 80% of sub-fund's assets are invested in bonds and other forms of privatised debt.

Infond Bond - Euro is a bond sub-fund, which has its assets invested in government and corporate bonds, whereby a maximum of 30% of assets are exposed to developing markets. The share of bonds with the credit rating beyond the investment grade (eng. non-investment grade) does not exceed 30% of sub-fund's assets, of which only a maximum of 10% of assets can be exposed to developing markets. Sub-fund's assets are invested in government and corporate bonds and other debt securities, regardless of their maturity and into the units of bond target funds, which with its investment policy corresponds with the sub-fund's investment limitations.

The sub-fund may have up to 10% of its assets invested in target fund units.

The sub-fund may have a maximum of 10 % of its own assets invested in units of target funds.

At least 70% of assets is exposed to the European currency euro.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this prospectus.

Up to 100% of the sub-fund's assets may be invested in bonds, issued and guaranteed by the Republic of Slovenia, or its local, regional community, an individual Member State of the European Union or its local, regional community, a foreign country or an individual public international organisation, to which one or more Member States belong to. Sub-fund's assets shall be invested in at least 6 different issues of such financial instruments, and the value at each individual issue may not exceed 30% of the sub-fund's value.

The exposure to securities covered by other assets or mortgages, each individually may not exceed 20% of the sub-fund's assets, whereby securities shall not have embedded derivative financial instruments.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The sub-fund may among other transferable securities have also foreign bonds with a credit rating beyond the investment grade (eng. non-investment grade).

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

##### **4. 4. Risks and investor's profile**

When investing, the sub-fund is extremely exposed to the following forms of risk: interest risk, market risk, credit risk, liquidity risk, risk of asset and yield reduction and investment concentration risk.

A large part of the assets is invested in debt investments, which increases the credit risk. In the event that the issuer becomes insolvent or finds itself in economic difficulties, it can happen that the debtor cannot settle its obligations to the sub-fund in full or in a timely manner.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

**Note:**

**An exposure of more than 35-percent is permissible with the sub-fund's investments to the following issuers: the Republic of Slovenia, its local or regional community, a Member State, its local or regional community, a third country or a public international organisation, to which at least one of the Member States belongs.**

**Due to investments into financial instruments where a higher exposure to the issuer is allowed, a greater exposure of the sub-fund to the investment concentration risk (a risk to an individual issuer) may be caused.**

**Investor's profile**

The sub-fund is designed for investors that pursue the investment objective of a conservative portfolio. It is suitable for investors, who are prepared to accept low to medium investment risk. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. It is also intended for the investors that want to balance their portfolio, which has a high share exposure. The sub-fund is intended for long-term savings for a period of 3 years and more, unless the investor pursues speculative or other purposes.

**5. Other specificities of the sub-fund management rules**

***5.1. Initial net asset value per unit***

The initial sub-fund's net asset value per unit is EUR 12.52.

***5.2. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

***5.3. Management fee***

The management company is entitled to an annual commission in the amount of 1.10% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by [www.infond.si](http://www.infond.si).

***5.4. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

***5.5. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

***5.6. Acquisition of an investment coupon based on a purchase order***

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.

## **V. Infond Trgi v razvoju, equity sub-fund**

**(eng. Infond Emerging Markets)**

Type of the sub-fund: global equity sub-fund of developing markets.

### **1. Date of establishment and the investment coupon designation**

Date of ATVP's issuance of the authorisation for sub-fund management: 12 September 2005.

ISIN code: SI0021400518

LEI: 9504003KSDH3H8T6BZ40

Investment coupon designation: INDBC

### **2. Investment objectives**

The sub-fund's investment objective is to achieve a return on capital gains, received dividends and interest with adequate diversification of investments. Regarding the complexity or the characteristics of the investments into which he invests its assets it shall be a basic sub-fund. Infond Emerging Markets is defined as a global equity sub-fund of developing markets, which is regionally limited to emerging markets.

### **3. Investment policy**

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with active approach to sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- shares,
- target funds,
- bonds and other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities.

At least 85% of sub-fund's assets are invested in shares and in units of equity target funds (hereinafter jointly referred to as shares).

The sub-fund will invest assets in shares of companies domiciled in at least two sub-regions of emerging markets without focusing on one country of sub-region. The exposure to a global region of emerging markets is at least 80%, and the investments in individual sub-regions do not reach 80% of the sub-fund's assets.

The sub-fund may have up to 15% of its asset invested in bonds and other forms of privatised debt. Assets are invested into government and corporate bonds and other debt securities, regardless of their credit rating and prevailing maturity and into the units of bond target funds, which invest in such bonds and which correspond with the sub-fund's investment limitations with its investment policy.

The sub-fund may have up to 15% of its assets invested in money market instruments and money deposits.

The sub-fund may have a maximum of 10% of its own assets invested in units of target funds.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this Prospectus.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

### **4. Risks and investor's profile**

The basic risk factors, which are related to the investor's investment into a sub-fund, are related to general economic situation and conditions, mainly in emerging markets. When investing, the sub-fund is extremely exposed to the following forms of risk: market risk, investment concentration risk and settlement risk, liquidity risk and currency risk.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

#### **Note:**

**Due to the composition of sub-fund's investments, it is very likely that the sub-fund's asset value per unit shall fluctuate considerably in the future.**

## **Investor's profile**

The sub-fund is designed for investors that pursue the investment objective of a share or balanced portfolio, where the sub-fund constitutes a share of the entire portfolio. It is suitable for investors, who are prepared to accept high investment risk. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. The sub-fund is intended for long-term savings for a period of 5 years and more, unless the investor pursues speculative or other purposes.

## **5. Other specificities of the management rules**

### ***5.1. Initial net asset value per unit***

The initial sub-fund's net asset value per unit is EUR 12.52.

### ***5.2. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

### ***5.3. Management fee***

The management company is entitled to an annual commission in the amount of 2.25% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by [www.infond.si](http://www.infond.si).

### ***5.4. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

### ***5.5. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

### ***5.6. Acquisition of an investment coupon based on a purchase order***

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.

## **VI. Infond Megatrendi, equity sub-fund of developed markets**

(eng. Infond Megatrends)

Type of the sub-fund: global equity sub-fund of developed markets

### **1. Date of establishment and the investment coupon designation**

Date of ATVP's issuance of the authorisation for sub-fund management: 27 May 2008.

ISIN code: SI0021401219

LEI: 950400MU8FKJDU9FU207

Investment coupon designation: PBDAI

### **2. Investment objectives**

The sub-fund's investment objective is to achieve the return on capital gains, received dividends and interest with adequate diversification of investments. Regarding the complexity or the characteristics of the investments into which he invests its assets it shall be a basic sub-fund. Infond Megatrends is defined as a global equity sub-fund of developed markets.

Megatrends are long-term trends that change the way how we live and work. Shifts in technology, society, the environment and demography will have long-term consequences, both for the global economy and for individual sectors and companies. Major long-term trends include population aging, climate changes and resource scarcity, urbanization, exponential technological development, and global asset growth.

The sub-fund will invest in shares of companies whose products and services are part of these structural changes (megatrends). These are companies operating in the following areas: clean energy, electric vehicles, medical innovation, technological innovation and new technology, online security, digitalization, technologies that increase efficiency in finance (fintech), artificial intelligence, robotics, internet sales and alike.

### **3. Investment policy**

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with active approach to sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- shares,
- target funds,
- bonds and other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities.

At least 85% of sub-fund's assets are invested in shares or in units of equity target funds (hereinafter jointly referred to as shares).

The sub-fund will invest assets in shares of companies domiciled in at least two sub-regions of developed markets without focusing on one country of sub-region. The exposure to a global region of emerging markets is at least 80%, and the investments in individual sub-regions do not reach 80% of the sub-fund's assets.

The investments of the sub-fund shall be directed at the shares of the companies whose products and services are part of these structural changes (megatrends). These are companies operating in the following areas: clean energy, electric vehicles, medical innovation, technological innovation and new technology, online security, digitalization, technologies that increase efficiency in finance (fintech), artificial intelligence, robotics, internet sales, etc.

At least 80 % of sub-fund's assets are in company shares, which belong to the sector of durable consumer goods or the sector of basic consumer goods, whereby investments into a single economic sector may not reach 80% of sub-fund's assets.

The sub-fund may have up to 15% of its asset invested in bonds and other forms of privatised debt. Assets are invested into government and corporate bonds and other debt securities, regardless of their credit rating and prevailing maturity and into the units of bond target funds, which invest in such bonds and which correspond with the sub-fund's investment limitations with its investment policy.

The sub-fund may have up to 15% of its assets invested in money market instruments and money deposits.

The sub-fund may have a maximum of 10% of its own assets invested in units of target funds.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this prospectus.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

### **4. Risks and investor's profile**

When investing, the sub-fund is extremely exposed to the following forms of risk: market risk, investment concentration risk, settlement risk, liquidity risk and currency risk.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

**Note:**

**Due to the composition of sub-fund's investments, it is very likely that the sub-fund's asset value per unit shall fluctuate considerably in the future.**

**Investor's profile**

The sub-fund is designed for investors that pursue the investment objective of a share or balanced portfolio, where the sub-fund constitutes a share of the entire portfolio. It is suitable for investors, who are prepared to accept high investment risk. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. The sub-fund is intended for long-term savings for a period of 5 years and more, unless the investor pursues speculative or other purposes.

**5. Other specificities of the management rules**

***5.1. Initial net asset value per unit***

The initial sub-fund's net asset value per unit is EUR 1.00.

***5.2. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

***5.3. Management fee***

The management company is entitled to an annual commission in the amount of 2.25% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by [www.infond.si](http://www.infond.si).

***5.4. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

***5.5. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

***5.6. Acquisition of an investment coupon based on a purchase order***

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.

## **VII. Infond Globalni defenzivni, mixed sub-fund**

**(eng. Infond Global Defensive)**

Type of the sub-fund: mixed defensive global sub-fund.

### **1. Date of establishment and the investment coupon designation**

Date of ATVP's issuance of the authorisation for sub-fund management: 5 February 1997.

ISIN code: SI0021400476

LEI: 950400Z85G7PKP5RTU76

Investment coupon designation: INDHS

### **2. Investment objective**

The sub-fund's Investment objective is to achieve return on received interest, dividends and capital gains with adequate diversification of investments. Regarding the complexity or the characteristics of investments into which it invests its assets, it is a basic sub-fund. Infond Global Defensive is defined as a mixed defensive global sub-fund.

### **3. Investment policy**

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with active approach to sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- shares,
- target funds,
- bonds and other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities.

A maximum of 35% of sub-fund's assets are invested in shares and units of share target funds, without focusing on an individual country, sub-region or region, or currency.

The sub-fund may have up to 100% of its asset invested in bonds and other forms of privatised debt, money market instruments, money deposits and in target funds, which invest in the aforementioned financial instruments and correspond the sub-fund's investment limitations with their investment policy, without focusing on an individual country, sub-region or region or currency for that matter.

The sub-fund's assets are invested into government and corporate bonds and other debt securities, regardless of their credit rating and prevailing maturity and into the units of bond target funds, which invest in such bonds and which correspond with the sub-fund's investment limitations with its investment policy.

The sub-fund's assets may be invested in money market instruments regardless of their credit rating and the remaining maturity and into the units of money market target funds, which correspond the sub-fund's investment limitations with their investment policy.

The sub-fund's assets may be invested in money deposits with the maximum maturity of 12 months.

The sub-fund may have a maximum of 10% of its assets invested in the units of target funds.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this Prospectus.

Up to 100% of the sub-fund's assets may be invested in bonds, issued and guaranteed by the Republic of Slovenia, or its local, regional community, an individual Member State of the European Union or its local, regional community, a foreign country or an individual public international organisation, to which one or more Member States belong to. The sub-fund's assets shall be invested in at least 6 different issues of such financial instruments, and the value at each individual issue may not exceed 30% of the sub-fund's value.

The exposure to securities covered by other assets or mortgages, each individually may not exceed 20% of the sub-fund's assets, whereby securities shall not have embedded derivative financial instruments.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

### **4. Risks and investor's profile**

When investing, the sub-fund is extremely exposed to the following forms of risk: market risk, settlement risk, liquidity risk, interest risk, credit risk, risk of asset and yield reduction, investment concentration risk and currency risk.



The mixed portfolio composition enables higher exposure to debt investments, which increases the credit risk. In case that the issuer becomes insolvent or finds himself in economic problems, it can happen that the debtor does not settle his obligations towards the sub-fund in total or in time.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

**Note:**

**Due to the composition of sub-fund's investments, it is very likely that the sub-fund's asset value per unit shall fluctuate considerably in the future.**

**An exposure of more than 35-percent is permissible with the sub-fund's investments to the following issuers: the Republic of Slovenia, its local or regional community, a Member State, its local or regional community, a third country or a public international organisation, to which at least one of the Member States belongs.**

**Due to investments into financial instruments where a higher exposure to the issuer is allowed, a greater exposure of the sub-fund to the investment concentration risk (a risk to an individual issuer) may be caused.**

**Investor's profile**

The sub-fund is designed for the investors that pursue the investment objective of a balanced or a conservative portfolio it is suitable for investors, who are prepared to accept low to medium investment risk. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. It is also intended for the investors that want to balance their portfolio, which has a high share exposure. The sub-fund is intended for long-term savings for a period of 3 years and more, unless the investor pursues speculative or other purposes.

**5. Other specificities of the management rules**

***5.1. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

***5.2. Management fee***

The management company is entitled to an annual commission in the amount of 1.65% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by [www.infond.si](http://www.infond.si).

***5.3. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

***5.4. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

***5.5. Acquisition of an investment coupon based on a purchase order***

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.

## **VIII. Infond Dividendni, equity sub-fund of developed markets**

### **(eng. Infond Dividend)**

Type of the sub-fund: global equity sub-fund of developed markets.

#### **1. Date of establishment and the investment coupon designation**

Date of ATVP's issuance of the authorisation for sub-fund management: 24 February 2011.

ISIN code: SI0021401342

LEI: 95040063A8396KKVDB50

Investment coupon designation: KDUGD

#### **2. Investment objectives**

The sub-fund's investment objective is to achieve return on capital gains, received dividends and interest with adequate diversification of investments. Regarding the complexity or the characteristics of investments into which it invests its assets, it is a basic sub-fund. Infond Dividend is defined as a global equity sub-fund of developed markets, which selects investments systematically between companies that regularly pay dividends.

#### **3. Investment policy**

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with active approach to sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- shares,
- target funds,
- bonds and other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities.

At least 85% of sub-fund's assets are invested in shares or in units of equity target funds (hereinafter jointly referred to as shares).

The sub-fund shall invest its assets into the shares of companies domiciled in at least two regions of developed markets. The exposure to the global region of developed markets is at least 80%, and the investments into an individual region do not reach 80%.

The sub-fund may have up to 15% of its asset invested in bonds and other forms of privatised debt. Assets are invested into government and corporate bonds and other debt securities, regardless of their credit rating and prevailing maturity and into the units of bond target funds, which invest in such bonds and which correspond with the sub-fund's investment limitations with its investment policy.

The sub-fund may have up to 15% of its assets invested in money market instruments and money deposits.

The sub-fund may have a maximum of 10% of its own assets invested in units of target funds.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this Prospectus.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

#### **4. Risks and investor's profile**

When investing, the sub-fund is extremely exposed to the following forms of risk: market risk, settlement risk, liquidity risk and currency risk.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

#### **Note:**

**Due to the composition of sub-fund's investments, it is very likely that the sub-fund's asset value per unit shall fluctuate considerably in the future.**

#### **Investor's profile**

The sub-fund is designed for investors that pursue the investment objective of a share or balanced portfolio, where the sub-fund constitutes a share of the entire portfolio. It is suitable for investors, who are prepared to accept high investment risk. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. The sub-fund is intended for long-term savings for a period of 5 years and more, unless the investor pursues speculative or other purposes.

## **5. Other specificities of the management rules**

### ***5.1. Initial net asset value per unit***

The initial sub-fund's net asset value per unit is EUR 8.2228.

### ***5.2. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

### ***5.3. Management fee***

The management company is entitled to an annual commission in the amount of 2.25% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by [www.infond.si](http://www.infond.si).

### ***5.4. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

### ***5.5. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

### ***5.6. Acquisition of an investment coupon based on a purchase order***

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.

## **IX. Infond Družbeno odgovorni, equity sub-fund of developed markets**

**(eng. Infond Socially Responsible)**

Type of the sub-fund: global equity sub-fund of developed markets.

### **1. Date of establishment and the investment coupon designation**

Date of ATVP's issuance of the authorisation for sub-fund management: 30 March 2005.

ISIN code: SI0021400880

LEI: 950400HMEKMZZH3FJJ31

Investment coupon designation: KDUKL

### **2. Investment objectives**

The sub-fund's investment objective is to achieve return on capital gains, received dividends and interest with adequate diversification of investments. Regarding the complexity or the characteristics of investments into which it invests its assets, it is a basic sub-fund. Infond Socially Responsible is defined as a global equity sub-fund of developed markets, which selects the investments according to the criterion of sustainability. The sub-fund is based on the belief that the companies who manage sustainability risks well have a more sustainable business model and are more successful in the long run than those that do not take these risks into account. We believe that taking into account ESG factors in the investment process contributes to positive changes in the environmental and social field.

### **3. Investment policy**

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with active approach to sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- shares,
- target funds,
- bonds and other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities.

At least 85% of sub-fund's assets are invested in shares or in units of equity target funds (hereinafter jointly referred to as shares).

The sub-fund shall invest its assets into the shares of companies domiciled in at least two regions of developed markets. The exposure to the global region of developed markets is at least 80%, and the investments into an individual region do not reach 80%.

The sub-fund promotes environmental and social characteristics in accordance with Article 8 of the SFDR. At least 80% of the sub-fund's assets constitute investments in corporate shares and units of equity investment funds that promote environmental and social characteristics. This shall be achieved by:

- selecting investments that are assessed as less risky by specialized providers in terms of ESG factors, and
- opting out.

The sub-fund does not invest in shares of companies that operate directly in areas that we consider to be controversial or harmful from the perspective of sustainable development. These are:

- controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons, incendiary weapons, depleted uranium weapons and nuclear weapons
- fossil fuels (heating coal, oil sands, arctic drilling),
- production of firearms,
- military industry,
- alcohol,
- tobacco,
- palm oil,
- gambling,
- nuclear energy, and
- adult entertainment.

In assessing sustainability, the sub-fund also takes into account good management practices. The sub-fund shall not invest in poor management practices. One of the analysis elements is the requirement that the company follows the principles of the United Nations Global Compact.

The methodology with data sources is defined in more detail on the [www.infond.si/o-druzbi](http://www.infond.si/o-druzbi) website.

In addition to financial data, the Sub-Fund takes into account ESG factors as well as sustainability risks when making investment decisions. ESG factors are taken into account throughout the entire investment process, focusing on the investment analysis before the sub-fund decides to make a

purchase. The Company does not take into account the systematic adverse effects of investment decisions on sustainability factors at the level of all sub-funds and all types of investments. However, it takes into account the above investment strategies for this sub-fund.

As the performance measure, the sub-fund uses a general market index that is not in line with the environmental and social characteristics promoted by the sub-fund. The fund's set of investments is not limited by the structure of investments in the benchmark index, however, a part of the fund's investments is often also an integral part of the index. The investment policy allows for significant deviations of the sub-fund's investment structure from those that make up the benchmark. The company has published additional information on the [www.infond.si/o-druzbi](http://www.infond.si/o-druzbi) website.

The sub-fund may have up to 15% of its asset invested in bonds and other forms of privatised debt. Assets are invested into government and corporate bonds and other debt securities, regardless of their credit rating and prevailing maturity and into the units of bond target funds, which invest in such bonds and which correspond with the sub-fund's investment limitations with its investment policy.

The sub-fund may have up to 15% of its assets invested in money market instruments and money deposits.

The sub-fund may have a maximum of 10% of its own assets invested in units of target funds.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this Prospectus.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

### **Risks and investor's profile**

When investing, the sub-fund is extremely exposed to the following forms of risk: market risk, settlement risk, liquidity risk and currency risk.

When investing, the Sub-Fund will also take into account sustainability risk and invest in companies that are assessed as less risky in terms of ESG factors, and considering opting out certain investments. The method of taking into account sustainability factors is described in more detail in the chapter on Investment Policy and on the [www.infond.si](http://www.infond.si) website.

We estimate that the sub-fund limits financial risks by taking into account exclusions and ESG factors. We estimate that the sustainability risks are likely to have only a minimal impact on the sub-fund's performance.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

#### **Note:**

**Due to the composition of sub-fund's investments, it is very likely that the sub-fund's asset value per unit shall fluctuate considerably in the future.**

#### **Investor's profile**

The sub-fund is designed for investors that pursue the investment objective of an equity or balanced portfolio, where the sub-fund constitutes a share of the entire portfolio. It is suitable for investors, who are prepared to accept high investment risk and want to support the socially responsible behaviour through investments. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. The sub-fund is intended for long-term savings for a period of 5 years and more, unless the investor pursues speculative or other purposes.

### **5. Other specificities of the management rules**

#### ***5.1. Initial net asset value per unit***

The initial sub-fund's net asset value per unit is EUR 20.00.

#### ***5.2. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

#### ***5.3. Management fee***

The management company is entitled to an annual commission in the amount of 2.25% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by [www.infond.si](http://www.infond.si).

#### ***5.4. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

#### ***5.5. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

**5.6. Acquisition of an investment coupon based on a purchase order**

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.

## **X. Infond Globalni delniški, equity sub-fund**

(eng. Infond Global Equity)

Type of the sub-fund: global equity sub-fund.

### **1. Date of establishment and the investment coupon designation**

Date of ATVP's issuance of the authorisation for sub-fund management: 29 July 2008.

ISIN code: SI0021401136

LEI: 950400UDJCA9EJB4B16

Investment coupon designation: INDDY

### **2. Investment objectives**

The sub-fund's investment objective is to achieve return on capital gains, received dividends and interest with adequate diversification of investments. Regarding the complexity or the characteristics of investments into which it invests its assets, it is a basic sub-fund. Infond Global Equity c is defined as a global equity sub-fund.

### **3. Investment policy**

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with active approach to sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- shares,
- target funds,
- bonds and other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities.

At least 85% of sub-fund's assets are invested in shares or in units of equity target funds (hereinafter jointly referred to as shares).

The sub-fund shall invest its assets in shares of companies with their domicile in at least two regions, whereby it has at least 20% assets in countries of developing markets without focusing on one country, sub-region or region, investments into a single region do not reach 80 % of sub-fund's assets.

The sub-fund may have up to 15% of its asset invested in bonds and other forms of privatised debt. Assets are invested into government and corporate bonds and other debt securities, regardless of their credit rating and prevailing maturity and into the units of bond target funds, which invest in such bonds and which correspond with the sub-fund's investment limitations with its investment policy.

The sub-fund may have up to 15% of its assets invested in money market instruments and money deposits.

The sub-fund may have a maximum of 10% of its own assets invested in units of target funds.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this Prospectus.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

### **4. Risks and investor's profile**

When investing, the sub-fund is extremely exposed to the following forms of risk: market risk, settlement risk, liquidity risk and currency risk.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

#### **Note:**

**Due to the composition of sub-fund's investments, it is very likely that the sub-fund's asset value per unit shall fluctuate considerably in the future.**

## **Investor's profile**

The sub-fund is designed for investors that pursue the investment objective of a share or balanced portfolio, where the sub-fund constitutes a share of the entire portfolio. It is suitable for investors, who are prepared to accept high investment risk. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. The sub-fund is intended for long-term savings for a period of 5 years and more, unless the investor pursues speculative or other purposes.

## **5. Other specificities of the management rules**

### ***5.1. Initial net asset value per unit***

The initial sub-fund's net asset value per unit is EUR 5.0992 EUR.

### ***5.2. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

### ***5.3. Management fee***

The management company is entitled to an annual commission in the amount of 2.25% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by [www.infond.si](http://www.infond.si).

### ***5.4. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

### ***5.5. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

### ***5.6. Acquisition of an investment coupon based on a purchase order***

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.



## **XI. Infond Surovine in energija, equity sub-fund**

(eng. Infond Materials and Energy)

Type of sub-fund: equity sub-fund of raw materials and processing industry and energy sectors.

### **1. Date of establishment and the investment coupon designation**

Date of ATVP's issuance of the authorisation for sub-fund management: 12 September 2005.

ISIN code: SI0021400500

LEI: 9504005J4R8MTCGS8E16

Investment coupon designation: INDEN

### **2. Investment objectives**

The sub-fund's investment objective is to achieve return on capital gains, received dividends and interest with adequate diversification of investments. Regarding the complexity or the characteristics of investments into which it invests its assets, it is a basic sub-fund. Infond Materials and Energy is defined as an equity sub-fund, which is sectorally limited to the raw materials and processing industry and energy sector.

### **3. Investment policy**

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with active approach to sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- shares,
- target funds,
- bonds and other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities.

At least 85% of sub-fund's assets are invested in shares or in units of equity target funds (hereinafter jointly referred to as shares).

At least 80% of sub-fund's assets are in shares of companies that belong to the raw materials and processing industry and energy sector, whereby the investments in individual sectors may not reach 80% of the sub-fund's assets.

The sub-fund may have up to 15% of its asset invested in bonds and other forms of privatised debt. Assets are invested into government and corporate bonds and other debt securities, regardless of their credit rating and prevailing maturity and into the units of bond target funds, which invest in such bonds and which correspond with the sub-fund's investment limitations with its investment policy.

The sub-fund may have up to 15% of its assets invested in money market instruments and money deposits.

The sub-fund may have a maximum of 10% of its own assets invested in units of target funds.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this Prospectus.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

### **4. Risks and investor's profile**

The basic risk factors, which are related to the investor's investment into a sub-fund's investment coupons, are related to general economic situation in the raw materials and processing industry and energy sector. When investing, the sub-fund is extremely exposed to the following forms of risk: market risk, investment concentration risk, settlement risk, liquidity risk and currency risk.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

#### **Note:**

**Due to the composition of sub-fund's investments, it is very likely that the sub-fund's asset value per unit shall fluctuate considerably in the future.**

## **Investor's profile**

The sub-fund is designed for investors that pursue the investment objective of a share or balanced portfolio, where the sub-fund constitutes a share of the entire portfolio. It is suitable for investors, who are prepared to accept high investment risk. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. The sub-fund is intended for long-term savings for a period of 5 years and more, unless the investor pursues speculative or other purposes.

## **5. Other specificities of the management rules**

### ***5.1. Initial net asset value per unit***

The initial sub-fund's net asset value per unit is EUR 12.52.

### ***5.2. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

### ***5.3. Management fee***

The management company is entitled to an annual commission in the amount of 2.25% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by [www.infond.si](http://www.infond.si).

### ***5.4. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

### ***5.5. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

### ***5.6. Acquisition of an investment coupon based on a purchase order***

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.

## **XII. Infond Evropa, equity sub-fund**

**(eng. Infond Europe)**

Type of the sub-fund: equity sub-fund – Europe.

### **1. Date of establishment and the investment coupon designation**

Date of ATVP's issuance of the authorisation for sub-fund management: 13 October 2004

ISIN code: SI0021400492

LEI: 950400NZ27J64JU47773

Investment coupon designation: INDEU

### **2. Investment objectives**

The sub-fund's investment objective is to achieve return on capital gains, received dividends and interest with adequate diversification of investments. Regarding the complexity or the characteristics of investments into which it invests its assets, it is a basic sub-fund. Infond Europe is defined as an equity sub-fund that is regionally limited to the territory of Europe.

### **3. Investment policy**

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with active approach to sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- shares,
- target funds,
- bonds and other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities.

At least 85% of sub-fund's assets are invested in shares or in units of equity target funds (hereinafter jointly referred to as shares).

At least 80% of the sub-fund's assets are in shares of companies domiciled in Europe.

The sub-fund may have up to 15% of its asset invested in bonds and other forms of privatised debt. Assets are invested into government and corporate bonds and other debt securities, regardless of their credit rating and prevailing maturity and into the units of bond target funds, which invest in such bonds and which correspond with the sub-fund's investment limitations with its investment policy.

The sub-fund may have up to 15% of its assets invested in money market instruments and money deposits.

The sub-fund may have a maximum of 10% of its own assets invested in units of target funds.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this Prospectus.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

### **4. Risks and investor's profile**

The basic risk factors, which are related to the investor's investment into a sub-fund's investment coupons, are related to general economic situation and conditions, mainly in Europe. When investing, the sub-fund is extremely exposed to the following forms of risk: market risk, investment concentration risk, settlement risk, and liquidity risk.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

**Note:**

**Due to the composition of sub-fund's investments, it is very likely that the sub-fund's asset value per unit shall fluctuate considerably in the future.**

## **Investor's profile**

The sub-fund is designed for investors that pursue the investment objective of a share or balanced portfolio, where the sub-fund constitutes a share of the entire portfolio. It is suitable for investors, who are prepared to accept high investment risk. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. The sub-fund is intended for long-term savings for a period of 5 years and more, unless the investor pursues speculative or other purposes.

## **5. Other specificities of the management rules**

### ***5.1. Initial net asset value per unit***

The initial sub-fund's net asset value per unit is EUR 4.17.

### ***5.2. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

### ***5.3. Management fee***

The management company is entitled to an annual commission in the amount of 2.25% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by [www.infond.si](http://www.infond.si).

### ***5.4. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

### ***5.5. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

### ***5.6. Acquisition of an investment coupon based on a purchase order***

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.

### **XIII. Infond Kitajska, equity sub-fund**

(eng. Infond China)

Type of sub-fund: equity sub-fund – greater China.

#### **1. Date of establishment and the investment coupon designation**

Date of ATVP's issuance of the authorisation for sub-fund management: 30 June 2011.

ISIN code: SI0021401433

LEI: 9504005BUG2N2T2D5K26

Investment coupon designation: INDIF

#### **2. Investment objective**

The sub-fund's investment objective is to achieve return on capital gains, received dividends and interest with adequate diversification of investments. Regarding the complexity or the characteristics of investments into which it invests its assets, it is a basic sub-fund. Infond China is defined as an equity sub-fund, which regionally limited to sub-region of greater China.

#### **3. Investment policy**

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with active approach to sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- shares,
- target funds,
- bonds and other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities.

At least 85% of sub-fund's assets are invested in shares or in units of equity target funds (hereinafter jointly referred to as shares).

At least 80% of sub-fund's assets are invested in shares of companies domiciled in greater China (China, Taiwan, Hong Kong)

The sub-fund may have up to 15% of its asset invested in bonds and other forms of privatised debt. Assets are invested into government and corporate bonds and other debt securities, regardless of their credit rating and prevailing maturity and into the units of bond target funds, which invest in such bonds and which correspond with the sub-fund's investment limitations with its investment policy.

The sub-fund may have up to 15% of its assets invested in money market instruments and money deposits.

The sub-fund may have a maximum of 10% of its own assets invested in units of target funds.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this Prospectus.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

#### **4. Risks and investor's profile**

The basic risk factors, which are related to the investor's investment into a sub-fund's investment coupons, are related to the general economic situation and conditions, mainly on the markets of the greater China sub-region. When investing, the sub-fund is extremely exposed to the following forms of risk: market risk, investment concentration risk and settlement risk, liquidity risk and currency risk.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

**Note:**

**Due to the composition of sub-fund's investments, it is very likely that the sub-fund's asset value per unit shall fluctuate considerably in the future.**

**Investor's profile**

The sub-fund is designed for investors that pursue the investment objective of a share or balanced portfolio, where the sub-fund constitutes a share of the entire portfolio. It is suitable for investors, who are prepared to accept high investment risk. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. The sub-fund is intended for long-term savings for a period of 5 years and more, unless the investor pursues speculative or other purposes.

## **5. Other specificities of the management rules**

### ***5.1. Initial net asset value per unit***

The initial sub-fund's net asset value per unit is EUR 12.52.

### ***5.2. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

### ***5.3. Management fee***

The management company is entitled to an annual commission in the amount of 2.25% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by [www.infond.si](http://www.infond.si).

### ***5.4. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

### ***5.5. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

### ***5.6. Acquisition of an investment coupon based on a purchase order***

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.

#### **XIV. Infond Globalni fleksibilni, mixed flexible sub-fund**

(eng. Infond Global Flexible)

Type of the sub-fund: mixed flexible global sub-fund.

##### **1. Date of establishment and the investment coupon designation**

Date of ATVP's issuance of the authorisation for sub-fund management: 29 July 2008.

ISIN code: SI0021401128

LEI: 950400FB7P6B63883V93

Investment coupon designation: INDGL

##### **2. Investment objectives**

The sub-fund's investment objective is to achieve return on capital gains, received dividends and interest with adequate diversification of investments. Regarding the complexity or the characteristics of investments into which it invests its assets, it is a basic sub-fund. Infond Global Flexible is defined as a mixed flexible global sub-fund.

##### **3. Investment policy**

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with active approach to sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- shares,
- target funds,
- bonds and other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities.

The sub-fund may at any time have up to 100 % of assets invested in shares, target funds, bonds and other forms of privatised debt, money market instruments, money deposits, cash and cash equivalents.

The sub-fund's assets are invested in shares and units of equity target funds without focusing on an individual country, sub-region or region or currency for that matter.

The assets are invested into government and corporate bonds and other debt securities, regardless of their credit rating and prevailing maturity and into the units of bond target funds, which invest in such bonds and which correspond with the sub-fund's investment limitations with its investment policy.

The sub-fund's assets may be invested in money market instruments regardless of their credit rating and the remaining maturity and into the units of money market target funds, which correspond the sub-fund's investment limitations with their investment policy.

The sub-fund's assets may be invested in money deposits with the maximum maturity of 12 months.

The sub-fund may have a maximum of 10% of its own assets invested in units of target funds.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this Prospectus.

Up to 100% of the sub-fund's assets may be invested in bonds, issued and guaranteed by the Republic of Slovenia, or its local, regional community, an individual Member State of the European Union or its local, regional community, a foreign country or an individual public international organisation, to which one or more Member States belong to. Sub-fund's assets shall be invested in at least 6 different issues of such financial instruments, and the value at each individual issue may not exceed 30% of the sub-fund's value.

The exposure to securities covered by other assets or mortgages, each individually may not exceed 20% of the sub-fund's assets, whereby securities shall not have embedded derivative financial instruments.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

##### **4. Risks and investor's profile**

When investing, the sub-fund is extremely exposed to the following forms of risk: market risk, settlement risk, liquidity risk, interest risk, credit risk, risk of asset and yield reduction, investment concentration risk and currency risk.

The mixed portfolio composition enables higher exposure to debt investments, which increases the credit risk. In case that the issuer becomes insolvent or finds himself in economic problems it can happen that the debtor does not settle his obligations towards the sub-fund in total or in due time.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

**Note:**

**Due to the composition of sub-fund's investments, it is very likely that the sub-fund's asset value per unit shall fluctuate considerably in the future.**

**An exposure of more than 35-percent is permissible with the sub-fund's investments to the following issuers: the Republic of Slovenia, its local or regional community, a Member State, its local or regional community, a third country or a public international organisation, to which at least one of the Member States belongs.**

**Due to investments into financial instruments where a higher exposure to the issuer is allowed, a greater exposure of the sub-fund to the investment concentration risk (a risk to an individual issuer) may be caused.**

**Investor's profile**

The sub-fund is designed for investors that pursue the investment objective of a share or balanced portfolio. It is suitable for investors, who are prepared to accept high investment risk. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. The sub-fund is intended for long-term savings for a period of 5 years and more, unless the investor pursues speculative or other purposes.

**5. Other specificities of the management rules**

***5.1. Initial net asset value per unit***

The initial sub-fund's net asset value per unit is EUR 12.4343.

***5.2. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

***5.3. Management fee***

The management company is entitled to an annual commission in the amount of 2.00% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by [www.infond.si](http://www.infond.si).

***5.4. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

***5.5. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

***5.6. Acquisition of an investment coupon based on a purchase order***

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.



## **XV. Infond Zdravstvo, equity sub-fund**

**(eng. Infond Health Care)**

Type of the sub-fund: equity sub-fund of the health sector.

### **1. Date of establishment and the investment coupon designation**

Date of ATVP's issuance of the authorisation for sub-fund management: 14 May 2007.

ISIN code: SI0021400526

LEI: 950400HMN29NTS7V9H52

Investment coupon designation: INDLF

### **2. Investment objectives**

The sub-fund's investment objective is to achieve return on capital gains, received dividends and interest with adequate diversification of investments. Regarding the complexity or the characteristics of investments into which it invests its assets, it is a basic sub-fund. Infond Health Care is defined as equity sub-fund that is sectorally limited to the health sector.

### **3. Investment policy**

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with active approach to sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- shares,
- target funds,
- bonds and other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities.

At least 85% of sub-fund's assets are invested in shares or in units of equity target funds (hereinafter jointly referred to as shares).

At least 80% of the sub-fund's assets are in the shares of the companies that belong to the health sector.

The sub-fund may have up to 15% of its asset invested in bonds and other forms of privatised debt. Assets are invested into government and corporate bonds and other debt securities, regardless of their credit rating and prevailing maturity and into the units of bond target funds, which invest in such bonds and which correspond with the sub-fund's investment limitations with its investment policy.

The sub-fund may have up to 15% of its assets invested in money market instruments and money deposits.

The sub-fund may have a maximum of 10% of its own assets invested in units of target funds.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this Prospectus.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

### **4. Risks and investor's profile**

The basic risk factors, which are related to the investor's investment into a sub-fund's investment coupons, are related to general economic situation and conditions in the health sector. When investing, the sub-fund is extremely exposed to the following forms of risk: market risk, investment concentration risk and settlement risk, liquidity risk and currency risk.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

**Note:**

**Due to the composition of sub-fund's investments, it is very likely that the sub-fund's asset value per unit shall fluctuate considerably in the future.**

**Investor's profile**

The sub-fund is designed for investors that pursue the investment objective of a share or balanced portfolio, where the sub-fund constitutes a share of the entire portfolio. It is suitable for investors, who are prepared to accept high investment risk. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. The sub-fund is intended for long-term savings for a period of 5 years and more, unless the investor pursues speculative or other purposes.

## **5. Other specificities of the management rules**

### ***5.1. Initial net asset value per unit***

The initial sub-fund's net asset value per unit is EUR 12.52.

### ***5.2. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

### ***5.3. Management fee***

The management company is entitled to an annual commission in the amount of 2.25% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by [www.infond.si](http://www.infond.si).

### ***5.4. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

### ***5.5. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

### ***5.6. Acquisition of an investment coupon based on a purchase order***

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.

## **XVI. Infond Kratkoročne obveznice - EUR, bond sub-fund**

(eng. Infond Bond ST – EUR)

Type of sub-fund: general bond ST– EUR sub-fund.

### **1. Date of establishment and the investment coupon designation**

Date of ATVP's issuance of the authorisation for sub-fund management: 25 September 2013

ISIN code: SI0021401532

LEI: 950400M8J3VBEUMJRB96

Investment coupon designation: INDMO

### **2. Investment objective**

The investment objective of the Sub-Fund is to achieve a return on interest received and capital gains with an appropriate diversification of investments. Given the complexity or characteristics of the investments in which it invests its assets, it is a basic sub-fund. Infond – Bond ST - EUR is defined as a general sub-fund of short-term bond , which is mainly subjected to the European currency of euro.

### **3. Investment policy**

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with an active approach to the sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- bonds,
- other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities, and
- target fund units.

The bond sub-fund has no exposure to shares.

At least 80% of the sub-fund's assets are invested in bonds and other forms of privatised debt.

Infond – Bond ST - EUR is a bond sub-fund that has assets invested in government and corporate bonds, with a maximum of 30% of assets exposed to emerging markets. The share of non-investment grade bonds does not exceed 30% of the sub-fund's assets, of which a maximum of 10% may be exposed to emerging markets. The sub-fund's assets are invested in government and corporate bonds and other debt securities and in units of bond target funds, which with their investment policy comply with the investment restrictions of the sub-fund. The average modified duration is greater than 1 year and less than 3 years.

The sub-fund has a maximum of 10 % of its own assets invested in target funds units.

At least 70% of assets are subjected to the European currency of euro.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this Prospectus.

Up to 100% of sub-fund's assets may be invested in bonds issued or guaranteed by the Republic of Slovenia, or its local, regional community, a single Member State or its local, regional community, a foreign country or a single public international organisation, which one or more Member States belong to. The sub-fund's assets shall be invested into at least 6 different issues of such financial instruments, and the value in a single issue may not exceed 30% of the sub-fund's value.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The sub-fund may hold, among other transferable securities, foreign bonds with a non-investment grade rating.

Exposure to securities covered by other assets or mortgages may not individually exceed 20% of the sub-fund's assets, and the securities shall not have integrated derivatives.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

### **4. Risks and investor's profile**

When investing, the sub-fund is extremely exposed to the following forms of risk: interest risk, market risk, credit risk, liquidity risk, risk of asset and yield reduction and investment concentration risk.

A large part of the assets is invested in debt investments, which increases the credit risk. In the event that the issuer becomes insolvent or finds itself in economic difficulties, it can happen that the debtor cannot settle its obligations to the sub-fund in full or in a timely manner.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

**Note:**

**An exposure of more than 35-percent is permissible with the sub-fund's investments to the following issuers: the Republic of Slovenia, its local or regional community, a Member State, its local or regional community, a third country or a public international organisation, to which at least one of the Member States belongs.**

**Due to investments into financial instruments where a higher exposure to the issuer is allowed, a greater exposure of the sub-fund to the investment concentration risk (a risk to an individual issuer) may be caused.**

**Investor's profile**

The sub-fund is designed for investors that pursue the investment objective of a conservative portfolio. It is suitable for investors willing to accept low to medium investment risk. The sub-fund is not intended for investors looking for a product with a guaranteed principle value. It is also intended for investors who want to balance their portfolio, which is highly equity-exposed. The sub-fund is also intended for short-term saving for a period of 1 year or more, unless the investor is pursuing speculative or other purposes.

**5. 5. Other specificities of the sub-fund's management rules**

***5.1. Initial net asset value per unit***

The initial sub-fund's net asset value per unit is EUR 12.52.

***5.2. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

***5.3. Management fee***

The management company is entitled to an annual commission in the amount of 0.40% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by [www.infond.si](http://www.infond.si).

***5.4. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

***5.5. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

***5.6. Acquisition of an investment coupon based on a purchase order***

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.

## **XVII. Infond Select, equity sub-fund of developed markets**

(eng: Infond Select)

Type of the sub-fund: global equity sub-fund of developed markets

### **1. Date of establishment and the ISIN code**

Date of ATPV's issuance of the authorisation for sub-fund management: 11 July 2007

ISIN code of the sub-fund's investment coupon: SI0021400344

LEI: 9504004K6C28PPEAMT53

Investment coupon designation: PEDWS

### **2. Investment objective**

The sub-fund's investment objective is to achieve return on capital gains, received dividends and interest with adequate diversification of investments. Regarding the complexity or the characteristics of investments into which it invests its assets, it is a basic sub-fund. Infond Select is defined as a global equity sub-fund of developed markets.

### **3. Investment policy**

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with active approach to sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- shares,
- target funds,
- bonds and other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities.

At least 85% of sub-fund's assets are invested in shares or in units of equity target funds (hereinafter jointly referred to as shares).

The sub-fund shall invest its assets into the shares of companies domiciled in at least two regions of developed markets. The exposure of the global region of developed markets amounts to at least 80%, and the investments into an individual region do not reach 80%.

The sub-fund may have up to 15% of its asset invested in bonds and other forms of privatised debt. Assets are invested into government and corporate bonds and other debt securities, regardless of their credit rating and prevailing maturity and into the units of bond target funds, which invest in such bonds and which correspond with the sub-fund's investment limitations with its investment policy.

The sub-fund may have up to 15% of its assets invested in money market instruments and money deposits.

The sub-fund may have a maximum of 10% of its own assets invested in units of target funds.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this Prospectus.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

### **4. Risks and investor's profile**

When investing, the sub-fund is extremely exposed to the following forms of risk: market risk, concentration risk and settlement risk, liquidity risk and currency risk.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

#### **Note:**

**Due to the composition of sub-fund's investments, it is very likely that the sub-fund's asset value per unit shall fluctuate considerably in the future.**

#### **Investor's profile**

The sub-fund is designed for investors that pursue the investment objective of a share or balanced portfolio, where the sub-fund constitutes a share of the entire portfolio. It is suitable for investors, who are prepared to accept high investment risk. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. The sub-fund is intended for long-term savings for a period of 5 years and more, unless the investor pursues speculative or other purposes.

#### **5. Other specificities of the sub-fund's management rules**

##### ***5.1. Initial net asset value per unit***

The initial sub-fund's net asset value per unit is EUR 10.00.

##### ***5.2. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

##### ***5.3. Management fee***

The management company is entitled to an annual commission in the amount of 2.25% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by [www.infond.si](http://www.infond.si).

##### ***5.4. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

##### ***5.5. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

##### ***5.6. Acquisition of an investment coupon based on a purchase order***

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.

## **XVIII. Infond Tehnologija, equity sub-fund**

### **(eng. Infond Technology)**

Type of the sub-fund: equity sub-fund equity sub-fund of the information technology sector and related industries in the consumer durables and communications services sectors.

#### **1. Date of establishment and the investment coupon designation**

Date of ATVP's issuance of the authorisation for sub-fund management: 5 September 2007.

ISIN code: SI0021400914

LEI: 950400M564Z48R4KAB16

Investment coupon designation: KDUNT

#### **2. Investment objectives**

The sub-fund's investment objective is to achieve return on capital gains, received dividends and interest with adequate diversification of investments. Regarding the complexity or the characteristics of investments into which it invests its assets, it is a basic sub-fund. Infond Technology is defined as an equity sub-fund that is sectorally limited to the information technology sectors and related industries in the consumer durables and communications services sectors.

#### **3. Investment policy**

The sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with active approach to sub-fund's asset management.

The sub-fund's assets are invested in the following types of financial instruments:

- shares,
- target funds,
- bonds and other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities.

At least 85% of sub-fund's assets are invested in shares or in units of equity target funds (hereinafter jointly referred to as shares).

At least 80% of sub-fund's assets are invested in shares of the companies that belong to the information technology sector and related industries in the consumer durables and communications services sectors, whereby investments into a single economic sector may not exceed 80% of the sub-fund's assets.

Industries related to the information technology sector are considered to be industries whose operations are mainly based on the use of information technology. According to the GICS (Global Industry Classification Standard) these are at the industry level of the: Internet & Direct Marketing Retail, Entertainment and Interactive Media & Services). These are companies that operate in the fields such as: social media, Internet sales, video games, digital advertising, streaming music and video contents, and similar activities.

The sub-fund may have up to 15% of its asset invested in bonds and other forms of privatised debt. The assets are invested into government and corporate bonds and other debt securities, regardless of their credit rating and prevailing maturity and into the units of bond target funds, which invest in such bonds and which correspond with the sub-fund's investment limitations with its investment policy.

The sub-fund may have up to 15% of its assets invested in money market instruments and money deposits.

The sub-fund may have a maximum of 10% of its own assets invested in units of target funds.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this prospectus.

The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

#### **4. Risks and investor's profile**

The basic risk factors, which are related to the investor's investment into a sub-fund's investment coupons, are related to general economic situation and conditions in the information technology sectors and related industries in the consumer durables and communications services sectors. When investing, the sub-fund is extremely exposed to the following forms of risk: market risk, investment concentration risk and settlement risk, liquidity risk and currency risk.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

**Note:**

**Due to the composition of sub-fund's investments, it is very likely that the sub-fund's asset value per unit shall fluctuate considerably in the future.**

**Investor's profile**

The sub-fund is designed for investors that pursue the investment objective of a share or balanced portfolio, where the sub-fund constitutes a share of the entire portfolio. It is suitable for investors, who are prepared to accept high investment risk. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. The sub-fund is intended for long-term savings for a period of 5 years and more, unless the investor pursues speculative or other purposes.

**5. Other specificities of the management rules**

***5.1. Initial net asset value per unit***

The initial sub-fund's net asset value per unit is EUR 20.00.

***5.2. Payments and redemptions with transferable securities***

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

***5.3. Management fee***

The management company is entitled to an annual commission in the amount of 2.25% of sub-fund's average annual net asset value for sub-fund management. The company may reduce the management fee. Among other things, the management company may reduce the management fee in the event that the funds are invested in the sub-funds under its own management. The management company shall inform the investors on the reduced charging of the management fee by [www.infond.si](http://www.infond.si).

***5.4. Cut-off time***

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

***5.5. Transferability of investment coupons***

The investment coupons of a sub-fund are not transferable.

***5.6. Acquisition of an investment coupon based on a purchase order***

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.



### **XIX. Infond Naložbeni cilj 2040, target date sub-fund**

(eng. Infond Investment goal 2040)

Type of the sub-fund: target date sub-fund.

#### **1. Date of establishment and the investment coupon designation**

Date of ATVP's issuance of the authorisation for sub-fund management: 21 December 2016.

ISIN code: SI0021401672

LEI: 950400D3UA4UK5TPFF37

Investment coupon designation: INDMF

#### **2. Investment objectives**

The sub-fund's investment objective is to achieve return on capital gains, received dividends and interest with adequate diversification of investments. Regarding the complexity or the characteristics of investments into which it invests its assets, it is a basic sub-fund. Infond Investment Goal 2040 is defined as a target date sub-fund. The fund is designed for pension saving or any other long-term financial objective. It is primarily designed for investors, who intend to withdraw the assets within a period after 2040. The basic investment strategy of the sub-fund is to adjust the investment policy throughout the period of the fund's business operation. From its incorporation onwards, the company will manage the fund by adapting the investment policy from a more risky equity investment policy to a more conservative investment policy in the period up to or after 2040.

#### **3. Investment policy**

Sub-fund's assets are invested in the below stated financial instruments considering general limitations defined in the common part of the umbrella fund prospectus and in accordance with limitations defined in this Appendix.

The investment objective shall be achieved with active approach to sub-fund's asset management. The sub-fund shall be managed as a sub-fund, the target date of which is the year 2040. It is designed for an investor, who shall withdraw its savings within the period after the 2040. Through the period of business operations of the fund, the company shall adjust the proportion of individual types of investments in the investment structure, namely ranging from predominantly equity investments at incorporation to predominantly bond and other less risky investments at or after the target date. After 2040, the investment policy of the fund shall not be changing significantly.

The sub-fund's assets are invested in the following types of financial instruments:

- shares,
- target funds,
- bonds and other forms of privatised debt,
- money market instruments,
- money deposits,
- other transferable securities.

The sub-fund's assets are invested in shares and units of equity target funds without focusing on an individual country, sub-region or region and currency respectively.

The assets are invested into government and corporate bonds and other debt securities, regardless of their credit rating, and into the units of bond target funds, which invest in such bonds and which correspond to the sub-fund's investment limitations with its investment policy. The proportion of foreign bonds with a credit rating outside the investment grade (eng. non-investment grade) does not exceed 30% of sub-fund's assets. The average maturity of bonds shall be between 1 year and 25 years, and the management company shall change the maturity in compliance with the situations on capital markets.

The sub-fund's assets may be invested in money market instruments regardless of their credit rating and the remaining maturity and into the units of money market target funds, which correspond the sub-fund's investment limitations with their investment policy.

The sub-fund's assets may be invested in money deposits with the maximum maturity of 12 months.

The list of stock exchanges and regulated markets is defined in APPENDIX D of this prospectus.

Up to 100% of the sub-fund's assets may be invested in different transferable securities and money market instruments issued and guaranteed by the Republic of Slovenia, or its local, regional community, an individual Member State of the European Union or its local, regional community, a foreign country or an individual public international organisation, to which one or more Member States belong to. Sub-fund's assets shall be invested in at least 6 different issues of such financial instruments, and the value at each individual issue may not exceed 30% of the sub-fund's value.

Exposure to securities covered by other assets or mortgages, each individually may not exceed 20% of the sub-fund's assets, whereby securities shall not have embedded derivative financial instruments.

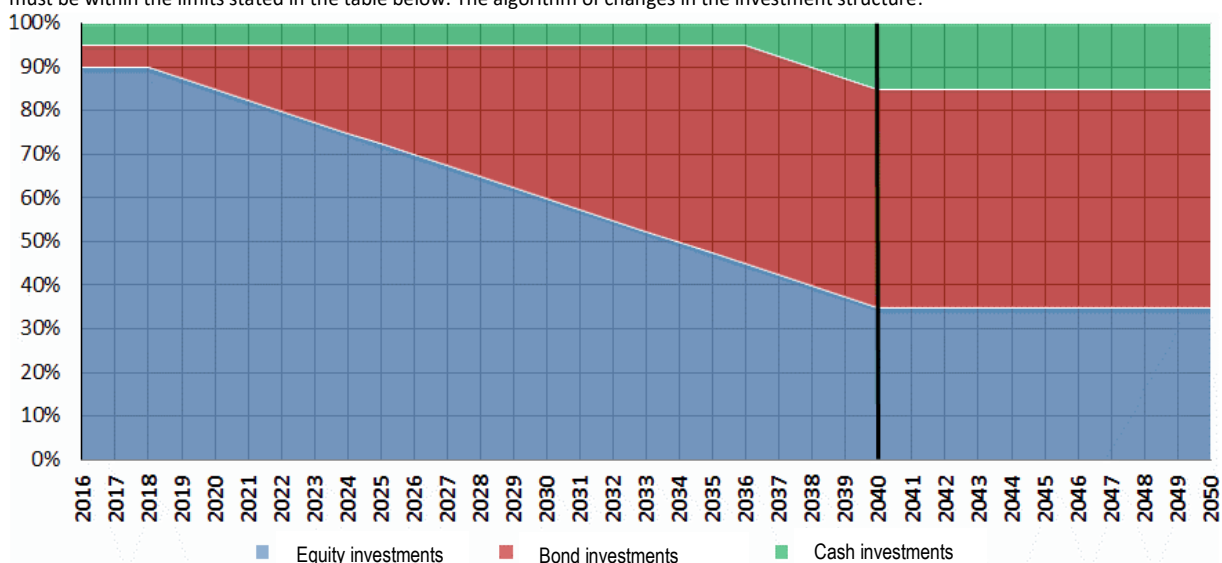
The sub-fund shall also invest in securities in the procedure of their first initial offering and in money market instruments, which are not traded with on the regulated market.

The management company shall not apply special techniques of investment management for the sub-fund's account for the purpose of hedging.

## Particularities of fund's business operations

The fund is not created for a fixed period and shall not be liquidated in 2040, but is created for an indefinite period.

The sub-fund shall follow the graphic investment structure displayed below. The structure may deviate from the graphic demonstration; however, it must be within the limits stated in the table below. The algorithm of changes in the investment structure:



Additional investment limitations:

Year	Equity investments		Bond investments		Cash investments	
	Shares, units of equity target funds		Bonds, other debt securities and other forms of privatised debt, units of bond target funds		Money market instruments, units of money market target funds, money deposits	
	Maximum	Minimum	Maximum	Minimum	Maximum	Minimum
2016	97.5%	82.5%	12,5%	0.0%	12.5%	0.0%
2017	97.5%	82.5%	12,5%	0.0%	12.5%	0.0%
2018	97.5%	82.5%	12,5%	0.0%	12.5%	0.0%
2019	95.0%	80.0%	15,0%	0.0%	12.5%	0.0%
2020	92.5%	77.5%	17,5%	2.5%	12.5%	0.0%
2021	90.0%	75.0%	20,0%	5.0%	12.5%	0.0%
2022	87.5%	72.5%	22,5%	7.5%	12.5%	0.0%
2023	85.0%	70.0%	25,0%	10.0%	12.5%	0.0%
2024	82.5%	67.5%	27,5%	12.5%	12.5%	0.0%
2025	80.0%	65.0%	30,0%	15.0%	12.5%	0.0%
2026	77.5%	62.5%	32,5%	17.5%	12.5%	0.0%
2027	75.0%	60.0%	35,0%	20.0%	12.5%	0.0%
2028	72.5%	57.5%	37,5%	22.5%	12.5%	0.0%
2029	70.0%	55.0%	40,0%	25.0%	12.5%	0.0%
2030	67.5%	52.5%	42,5%	27.5%	12.5%	0.0%
2031	65.0%	50.0%	45,0%	30.0%	12.5%	0.0%
2032	62.5%	47.5%	47,5%	32.5%	12.5%	0.0%
2033	60.0%	45.0%	50,0%	35.0%	12.5%	0.0%
2034	57.5%	42.5%	52,5%	37.5%	12.5%	0.0%
2035	55.0%	40.0%	55,0%	40.0%	12.5%	0.0%
2036	52.5%	37.5%	57,5%	42.5%	12.5%	0.0%
2037	50.0%	35.0%	57,5%	42.5%	15.0%	0.0%
2038	47.5%	32.5%	57,5%	42.5%	17.5%	2.5%
2039	45.0%	30.0%	57,5%	42.5%	20.0%	5.0%
2040	42.5%	27.5%	57,5%	42.5%	22.5%	7.5%
From 2041 onwards	42.5%	27.5%	57,5%	42.5%	22.5%	7.5%

## 4. Risks and investor's profile

When investing, the sub-fund is primarily extremely exposed to the following forms of risk: market risk, settlement risk, liquidity risk, interest risk, credit risk, the risk of a decrease in assets and returns, concentration risk and currency risk. Since this is a fund, the investment policy of which shall change significantly throughout the business operation period, the risks that the fund is exposed to shall change as well, primarily in the direction of reduction of volatility. The risks itself that the fund is exposed to shall not change, however the individual type of risk shall be more expressive (e.g. interest risk), or less expressive (e.g. market risk). The mixed composition of the portfolio enables greater exposure to debt investments, which

increases the credit risk. In the event that the issuer becomes insolvent or finds itself in economic difficulties, it may happen that the debtor shall not be able to settle its obligations to the sub-fund in full or on time.

Sustainability-related risks are currently not systematically included in the investment process of this fund. The fund does not invest in certain excluded activities that the company deems to be at issue. Based on the Sustainable Development Policy, the fund strives for the gradual and systematic integration of sustainability risks and criteria into the investment process, as well as in the further development of methodologies for monitoring and assessing sustainability risks.

The individual types of risks are in terms of substance defined in Chapter 3 of this Prospectus.

**Note:**

**Due to the composition of sub-fund's investments, it is very likely that the sub-fund's asset value per unit shall fluctuate considerably in the future.**

**An exposure of more than 35-percent is permissible with the sub-fund's investments to the following issuers: the Republic of Slovenia, its local or regional community, a Member State, its local or regional community, a third country or a public international organisation, to which at least one of the Member States belongs.**

**Due to investments into financial instruments where a higher exposure to the issuer is allowed, a greater exposure of the sub-fund to the investment concentration risk (a risk to an individual issuer) may be caused.**

**Investor's profile**

The sub-fund is designed for long-term investors, who shall invest their assets for a longer period, presumably until 2040. Irrespective of the above, the investors are not obliged to stay in the fund until 2040, and may withdraw their assets at any time. As a target date sub-fund, it is particularly designed, but not exclusively, for investors, whose purpose is to save funds for pension. The sub-fund is not designed for investors looking for a product with guaranteed principle amount. It is designed for investors, who are prepared to accept a balanced investment risk.

**5. Other specificities of the management rules**

**5.1. Initial net asset value per unit**

The initial sub-fund's net asset value per unit is EUR 10.00.

**5.2. Payments and redemptions with transferable securities**

It is not possible to make payments into the sub-fund with transferable securities while redemption with them is possible.

**5.3. Management fee**

The management company is entitled to the following annual fees for managing a sub-fund

Fee percentage of the average annual net asset value of a sub-fund	Period
1.75%	Up to and including 2023
1.50%	From 2024 up to and including 2027
1.25%	From 2028 up to and including 2031
1.00%	From 2032 up to and including 2035
0.75%	From 2036 up to and including 2039
0.50%	From 2040 onwards

**5.4. Cut-off time**

The cut-off time for payments and redemptions of investment coupons is every valuation date until 00.00:01 o'clock.

**5.5. Transferability of investment coupons**

The investment coupons of a sub-fund are not transferable.

**5.6. Minimum pay-in**

The minimum pay-in into the sub-fund is EUR 50.

**5.7. Acquisition of an investment coupon based on a purchase order**

An investment coupon of a sub-fund may also be acquired based on a purchase order in compliance with the requirements set out in the common part of the Prospectus.

## APPENDIX G: DATA ON SUB-FUNDS' BUSINESS OPERATIONS

The table below discloses the data on business operations of an individual sub-fund by indicating total costs of business operations and the past profitability of the sub-fund for each of the last 10 full calendar years of operation.

### Note

Achieved past investment profitability in sub-fund's investment coupons is not an indicator of its profitability in the future.

In international profitability comparisons, it is necessary to consider different tax regimes, which might influence the profitability calculation.

<i>Sub-fund name</i>	<i>TOC* for 1 Jan 2020 – 31 Dec 2020</i>	<i>Past profitability of the sub-fund in respect of an individual year</i>									
		2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Infond Global Balanced	2.12%	6.8%	16.6%	-4.0%	4.5%	7.8%	5.2%	9.1%	-5.53%	1.70%	-1.9%
Infond USA	2.40%	8.0%	28.1%	-0.2%	6.0%	9.9%	9.0%	21.4%	12.46%	8.39%	-6.3%
Infond Developed Markets	2.36%	4.0%	28.2%	-6.7%	7.8%	6.9%	8.0%	13.0%	18.49%	8.30%	-3.9%
Infond –Bond - EUR	1.21%	2.1%	2.9%	-1.2%	1.2%	2.1%	0.5%	6.0%	-9.76%	9.46%	-0.5%
Infond Emerging Markets	2.40%	9.8%	18.3%	-11.3%	16.1%	10.2%	-4.3%	8.2%	-4.54%	8.42%	-22.1%
Infond Megatrends	2.54%	8.6%	27.0%	-5.3%	2.3%	3.5%	9.9%	13.3%	16.76%	-0.35%	-19.7%
Infond Global Defensive	1.76%	2.9%	9.5%	-1.0%	4.8%	7.5%	2.5%	9.4%	-0.77%	2.91%	-13.0%
Infond Dividend	2.47%	-4.7%	18.0%	-8.8%	7.1%	18.1%	-4.3%	5.6%	5.58%	14.47%	-26.2%
Infond Socially Responsible	2.42%	15.8%	33.24%	-10.21%	7.3%	5.65%	5.14%	18.7%	17.25%	9.70%	-10.3%
Infond Global Equity	2.37%	5.8%	28.6%	-7.9%	13.1%	8.7%	11.4%	6.3%	2.37%	8.95%	-17.3%
Infond Materials and Energy	2.49%	-32.9%	9.5%	-12.7%	-4.0%	21.4%	-16.2%	0.2%	4.86%	-0.35%	-7.4%
Infond Euope	2.39%	-1.8%	25.8%	-13.6%	7.9%	3.5%	3.8%	-0.6%	12.11%	11.6%	-15.5%
Infond China	2.50%	0.4%	14.6%	-15.9%	14.4%	10.5%	-14.2%	6.8%	-3.13%	11.15%	/
Infond Global Flexible	2.13%	1.8%	16.2%	-7.0%	5.4%	10.7%	4.2%	11.8%	-11.50%	2.57%	-16.6%
Infond Health Care	2.37%	-2.9%	21.7%	7.1%	1.6%	-6.3%	14.1%	30.9%	28.65%	13.14%	4.8%
Infond Bond ST - EUR	0.50%	-0.1%	0.6%	-0.3%	-0.2%	-0.1%	0.0%	0.4%	/	/	/
Infond Select	2.47%	14.9%	30.5%	-5.1%	8.0%	11.9%	9.4%	20.2%	12.6%	2.1%	-19.5%
Infond Technology	2.37%	34.4%	47.75%	1.35%	28.8%	11.89%	17.4%	23.8%	19.90%	18.34%	-13.8%
Infond Investment Goal 2040	2.14%	5.6%	25.7%	-7.8%	/	/	/	/	/	/	/

\*TOC – total operating costs of the sub-fund (expressed in percentage from the average net asset value of a sub-fund in the previous financial year)

### Note

Total operational costs of the sub-fund are chargeable to the sub-fund's assets and are not chargeable directly to the investment coupon holders. Total operational costs include all costs of a single sub-fund business operation in a specific period defined in point 6.2. of this Prospectus, except costs of payments of third parties in relation to the acquisition or disposal of the sub-fund's assets and soft commissions from APPENDIX C of this prospectus. Sub-fund's operational cost may in the future be higher or lower than the ones indicated.

The calculation of past profitability of investments into the sub-fund's investment coupons does not include entry or exit charges of the investor, and potential impact of tax liabilities, which might be chargeable to the sub-fund's investment coupon holder at the time of redemption of the investment coupon is also not taken into account.

The chronological review of so far calculated TOC's is available on the management company's website [www.infond.si](http://www.infond.si).

#### **APPENDIX H: REMUNERATION POLICY OF THE MANAGEMENT COMPANY**

The management company has adopted and implemented a remuneration policy, which is compliant with prudent and effective risk management. The remuneration policy sets out the rules of remuneration for the management, the supervisory board and other employees with a special nature of work. The rules specified in the remuneration policy do not encourage the assumption of risk, and are compliant with the business strategy, objectives, values and interest of the company and the risk level of the sub-funds. The management company implements the remuneration policy in such a way that the fixed and variable remunerations are balanced, and that the fixed remuneration constitutes a sufficiently high proportion of total remuneration in order to allow full flexibility of variable remuneration,

The management company has introduced the Remuneration Policy in such a way that it is proportional to the size of the management company, its internal organisation, the characteristics and the activities of the management company.

The information on the details of the remuneration policy and the persons responsible for the remuneration is available to the investors on the management company's website <https://www.infond.si/o-druzbi>.

A free copy of the remuneration policy shall be provided to the investor also in a printed form upon its written request.



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