



Statute of Investment Fund

r2p invest SICAV, a.s.

Table of contents:

1	Definitions	3
2	Fund	4
3	Auditor	5
4	Manager and Administrator	5
5	Depository	7
6	Principles of Management of the Fund	8
7	Investment Objectives of the Fund.....	11
8	Investment Strategy of the Fund	11
9	Limits	12
10	Risk Profile	13
11	Manner of Investment in the Fund	155
12	Rules of Accepting and Granting Credits and Loans	16
13	Rules of Negotiating Repo Transactions and Derivatives by the Fund.....	17
14	Securities Issued for the Fund, their Subscription and Trading	17
15	Information on Fees, Costs and Total Expense Ratio	27
16	Additional Information	30
17	Provision of Information on the Fund's Economic Management	32
18	Communication with Investors and Investor Payment Account	32

1 Definitions

1.1 Unless specified otherwise below, capitalized terms contained in this Statute have the meaning defined by the Fund's Articles of Association.

1.2 For the purposes of this Statute (hereinafter **the "Statute"**), the capitalised terms used herein have the following meaning:

"Administrator" means a person authorized to perform company administration pursuant to Section 38 of the Investment Companies and Funds Act who performs this activity for the Fund based on a contractual arrangement as defined in Article 4 of this Statute.

"Shareholder" means each shareholder of the Fund who owns founder shares in the Fund.

"Auditor" means a company providing audit services to the Fund, as defined in Article 3 of this Statute.

"CNB" means the Czech National Bank, with its seat at Na Příkopě 28, Postal Code: 115 03, Prague 1, Czech Republic, telephone: +420 800 160 170, e-mail: podatelna@cnb.cz, web: www.cnb.cz.

"Depository" means a company pursuing the activities of a depository for the Fund, as defined in Article **Error! Reference source not found.** of this Statute.

"Crediting Date to the Fund's Account" means the date when the funds remitted by an investor are credited to the Fund's account. When fulfilling an obligation by set-off against payable obligations pursuant to Section 1982 *et seq.* of the Civil Code or Section 21(3) of the Business Corporations Act, as applicable, the effective date of an agreement on setting off mutual receivables is deemed to be the crediting date to the Fund's account.

"Distribution Ratio" means the amount of the ratio of the Class of Investment Shares issued for the Fund to the Investment Fund Capital of the Fund determined on the basis of the rules set out in the Articles of Association and the Statute of the Fund.

"EUR" means Euro, the currency of the Eurozone.

"Fund" means r2p invest SICAV, a.s., as defined in Article 2 of this Statute.

"Investment Share" means the investment share issued for the Fund, as defined in the Articles of Association and in Article 14 of this Statute unless the wording of this Statute indicates otherwise.

"Investment Fund Capital" means the assets and debts arising from the investment activities of the Fund within the meaning of Section 164(1) of the Investment Companies and Funds Act.

"Investment Company" means the Fund's manager, as defined in Article 4 of this Statute.

"Investor" means each shareholder of the Fund who owns an Investment Share issued by the Fund.

"CZK" means the Czech crown, i.e. the legal currency of the Czech Republic.

"Qualified Investor" means a qualified investor pursuant to Section 272 of the Investment Companies and Funds Act.

"Regulation" means Government Regulation No. 243/2013 Coll., on investments by investment funds and the techniques of their management, as amended.

"Real Estate" means real estate within the meaning of Section 498 (1) and Section 3055 of the Civil Code (including, but not limited to, land; right *in rem* to land; right

declared to be a real estate by law; and a structure connected to the ground by fixed foundations which did not become, upon the effective date of the Civil Code, a part of the land on which it had been built).

“Real Estate Company” means a capital corporation within the meaning of the Business Corporations Act or a comparable legal person under the laws of the Czech Republic or another country whose objects of business consist primarily in acquisition of Real Estate, management of Real Estate, lease of Real Estate and transfer of the ownership title to Real Estate for consideration, with a view to attaining profit.

“Manager” means a person authorized to manage company assets within the meaning of Section 5 of the Investment Companies and Funds Act who performs this activity for the Fund based on a contractual arrangement as defined in Article 4 of this Statute.

“Civil Code” means Act No. 89/2012 Coll., the Civil Code, as amended.

“Business Day” means every day (other than Saturdays, Sundays and statutory public holidays) when banks are open for standard business activities in the Czech Republic.

“Articles of Association” mean the current Articles of Association of the Fund in force on the date of adoption of the Statute.

“Class” means a type of Investment Shares within the meaning of Section 276 of the Business Corporations Act and Section 167(1) of the Investment Companies and Funds Act, i.e. Investment Shares with the same rights attached thereto.

“Equity Interest” means the Fund’s equity interest and the rights and obligations following therefrom in business companies within the meaning of the Business Corporations Act or in comparable legal persons under the laws of the Czech Republic or another country.

“Reporting Decree” means Decree No. 267/2020 Coll., on reporting by the manager and the administrator of an investment fund and of a foreign investment fund to the Czech National Bank.

“Investment Companies and Funds Act” or the “Act” means Act No. 240/2013 Coll., on investment companies and investment funds, as amended.

“(Business) Corporations Act” means Act No. 90/2012 Coll., on business companies and co-operatives (Business Corporations Act), as amended.

“Transformations Act” means Act No. 125/2008 Coll., on transformations of companies and co-operatives, as amended.

2 Fund

2.1 Basic information:

a) Name: **r2p invest SICAV, a.s.**

b) Abbreviated name: **r2p invest**

c) ID No.: 07315899

d) Registered office: Hvězdova 1716/2b, Nusle, 140 00 Praha 4

e) The Fund is a company registered in the Commercial Register kept by the Municipal Court in Prague, Section B, File 23674

2.2 The amount of the registered share capital of the Fund is **CZK 100,000 (in words: one hundred thousand Czech crowns). The amount of the registered share capital**

corresponds to the amount of the subscribed founder shares. The share capital of the Fund is equal to its fund capital.

- 2.3 Date of inception: 25 July 2018. The Fund was established by registration in the Commercial Register.
- 2.4 Date of registration of the Fund in the list of investment funds with legal personality maintained by the CNB pursuant to Section 597(1)(a) of the Investment Companies and Funds Act: 29 June 2018
- 2.5 The Fund has been established for an indefinite term.
- 2.6 The Fund is a qualified investor fund which collects money or things appreciable in money from several qualified investors within the meaning of Section 95(1) of the Act, by issuing Investment Shares, and arranges for joint investing of the collected money or things appreciable in money based on the set investment strategy for the benefit of the Qualified Investors, and further administers these assets.
- 2.7 The Fund's website: <http://www.r2pinvest.cz>
- 2.8 As of the approval date of this Statute, the Fund does not belong to any consolidation group.
- 2.9 The Fund does not use the services of a prime broker.
- 2.10 Investments in the Fund may be offered to the public. This is without prejudice to the obligation to offer investments only to Qualified Investors.
- 2.11 The Fund will not create any sub-funds.
- 2.12 The Fund has no historical data yet.

3 Auditor

- 3.1 Basic information:
 - a) Name: **EURO-Trend Audit, a.s.**
 - b) ID No.: 25733834
 - c) Registered office: Senovážné nám. 978/23, 110 00 Prague 1
 - d) Auditor's certificate No.: 317
- 3.2 Auditor's activities with respect to the Fund:
 - a) verification of the Fund's financial statements pursuant to Section 187 of the Investment Companies and Funds Act;
 - b) opinion on conformity of the Fund's annual report with its financial statements pursuant to Section 292 of the Investment Companies and Funds Act.

4 Manager and Administrator

- 4.1 Basic information:
 - a) Name: **AVANT investiční společnost, a.s.**
 - b) ID No.: 27590241
- 4.2 Registered office: Hvězdova 1716/2b, Nusle, 140 00 Praha Decision of the CNB Ref. No. 41/N/157/2006/5 2007/5698/540 of 4 April 2007, which came into legal force on 4 April 2007, is the decision on the license to perform activities.
- 4.3 The Investment Company is registered in the list of investment companies kept by the

CNB pursuant to Section 596(a) of the Investment Companies and Funds Act.

- 4.4 The Investment Company is the sole member of the Fund's statutory body in accordance with Section 9(1) and (2) of the Investment Companies and Funds Act. The Investment Company shall authorize a natural person without undue delay, who shall meet the requirements and prerequisites for performance of an office laid down by the law for the sole member of an elected body, to represent the Investment Company in such body.
- 4.5 The Investment Company may exceed the decisive limit.
- 4.6 Investment Company's website: <https://www.avantfunds.cz/cs/informacni-povinnost/>. The Fund publishes mandatory information on this website in accordance with the Investment Companies and Funds Act, Business Corporations Act and the Statute.
- 4.7 The Investment Company's activities with respect to the Fund:
- a) management of the Fund's assets:
 - a. administration of the Fund's assets,
 - b. risk management;
 - b) administration of the Fund, including, but not limited to:
 - a. keeping accounts;
 - b. provision of legal services;
 - c. compliance and internal audit;
 - d. handling complaints and claims of Investors;
 - e. valuation of the Fund's assets and debts within the scope stipulated by this Statute;
 - f. calculation of the current value of the Fund's share;
 - g. ensuring the performance of obligations concerning taxes, fees or other similar pecuniary performance;
 - h. maintaining the list of owners of the shares issued by the Fund;
 - i. distributing and paying proceeds from the Fund's assets;
 - j. ensuring the issue, exchange and repurchase of the shares issued by the Fund;
 - k. compiling and updating the Fund's annual report;
 - l. compiling and updating the Fund's key information or a comparable document under the laws of another country and making amendments thereto;
 - m. compiling a promotional communication regarding the Fund;
 - n. publishing, disclosing and providing information and documents to the Shareholders, Investors and other persons;
 - o. reporting data and providing documents, especially to the CNB or other Member State's supervisory authority;
 - p. performing other activities related to the management of property values owned by the Fund;
 - q. distribution and payment of pecuniary performances in relation to the Fund's dissolution;
 - r. keeping records of issue and repurchase of the shares issued by the Fund;

- s. ensuring or arranging for:
 - i. custody of securities and record keeping of book-entry securities issued by the Fund; or
 - ii. offering investments in the Fund;
- t. other activities directly related to the activities listed under a. to s.
- u. compliance with obligations arising from AML/CFT legislation;
- v. evaluating the suitability and appropriateness of an investment in the Fund for those interested in investing in the Fund to the extent set out in the Investment Companies and Funds Act.

4.8 The Manager is allowed to authorise another party to perform the individual activities set forth in this Statute whilst exercising professional care and under the conditions stipulated by the Investment Companies and Funds Act. The party authorised to perform the individual activities set forth in this Statute is allowed to authorise another party to perform one or more of the tasks within this activity. The costs for performing the individual activities set forth in this Statute delegated to another party paid from the Fund's assets related to its investment activity.

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

4.9 The Administrator is allowed to authorise another party to perform the individual activities set forth in this Statute whilst exercising professional care and under the conditions stipulated by the Investment Companies and Funds Act. The party authorised to perform the individual activities set forth in this Statute is allowed to authorise another party to perform one or more of the tasks within this activity. The costs for performing the individual activities set forth in this Statute delegated to another party paid from the Fund's assets related to its investment activity.

The Administrator may, at its discretion, delegate to another the performance of individual activities involving the administration of the Fund referred to in Article 4.7(b) of the Statute, subject to the approval of the Manager.

5 Depositary

5.1 Basic information:

a) Name: **UniCredit Bank Czech Republic and Slovakia, a.s.**

b) ID No.: 64948242

c) Registered office: Želetavská 1525/1, Prague 4 – Michle, Postal Code 140 92

5.2 The Depositary is a company registered in the list of depositaries kept by the CNB in accordance with Section 596(d) of the Investment Companies and Funds Act.

5.3 The Depositary's activities with respect to the Fund:

The Depositary shall perform activities for the Fund pursuant to Section 60 of the Investment Companies and Funds Act, in particular:

- a) keep the Fund's assets in custody if permitted by the nature of those assets;
- b) open and maintain cash accounts, and record any transactions concerning all the money pertaining to the Fund's assets;
- c) keep records, if permitted by the nature of the assets, of the Fund's assets other than those specified in subparagraphs a) and b).

- 5.4 The Depositary shall perform control duties pursuant to Section 73 of the Investment Companies and Funds Act for the Fund, especially whether the following has been performed in compliance with the Investment Companies and Funds Act, a directly applicable EU regulation concerned with the management of investment funds, this Statute and the arrangements of the depositary agreement:
- a) Investment Shares have been issued and repurchased,
 - b) the current value of the Investment Share has been determined,
 - c) the Fund's assets and debts have been valuated,
 - d) the consideration from transactions involving the Fund's assets has been paid within usual time-limits,
 - e) the Fund's revenues are being used.
- 5.5 The Depositary shall not perform activities for the Fund following from Section 73(1)(f) of the Investment Companies and Funds Act.
- 5.6 The arrangements under the depositary agreement prohibit the Depositary from transferring or further using the Fund's assets.
- 5.7 The activities set out in Section 71(1) of the Investment Companies and Funds Act performed by the Depositary may be entrusted to another person.

6 Principles of Management of the Fund

- 6.1 The principles of management of assets in the Fund also follow from the Fund's Articles of Association. Fund's property means Fund's assets.
- 6.2 The accounting period of the Fund is defined as the financial year. The first financial year shall be the period from 1 January 2021 to 31 March 2022; all subsequent accounting periods shall commence on 1 April of the current year and end on 31 March of the following year. This does not preclude any changes during the accounting period in connection with a transformation carried out under the Transformations Act or the Investment Companies and Funds Act. The approval of the financial statements of the Fund is the responsibility of the General Meeting of the Fund.
- 6.3 The Fund's assets and debts are valuated at fair value as of the calculation date of the value of the Investment Share. The fair value of the Fund's assets and debts (the individual property values) is determined by:
- a) the Investment Company under the conditions stipulated in Sections 194 and 195 of the Act; or
 - b) an independent expert.
- 6.4 The fair value of securities issued by the investment fund or foreign fund, which is an open-end fund is the value of a security announced by the administrator of such investment fund for the day as of which the fair value of Investment Share is determined. Where the administrator does not announce the value of a security for such day, the value of the security announced by the investment fund or foreign fund administrator for the closest preceding day shall be used. Where the administrator of the investment fund or foreign fund does not announce the value of a security within 20 days following the day as of which the current value of the Investment Share is determined, the last known value of the security as announced by the investment fund administrator shall be used for valuation or the value determined by the Administrator by model calculation taking account of the nature of the securities and estimate of development of the value of underlying assets of the investment fund or foreign fund

shall be used. The Administrator may extend the period as per the previous sentence to 90 days or use a different suitable method for determination of the fair value of such securities.

- 6.5 The Administrator may determine the fair value of Equity Interest of the Fund, including the fair value of securities issued by the investment fund or a foreign fund, which is a closed-end investment fund based on an independent expert determination of the fair value of the main property values owned by the Equity Interest being valuated or owned by the company in which the Equity Interest being valuated has a direct or indirect Equity Interest.
- 6.6 The fair value of Real Estate and Equity Interest of the Fund, including the fair value of securities issued by the investment fund or foreign fund, which is a closed-end investment fund, is always determined as at the end of every accounting period, whereas the value thus determined is considered the fair value for the period from the last day of the accounting period until the day preceding the next determination of fair value, i.e. the day preceding the date of:
 - a) extraordinary valuation; or
 - b) valuation as of the end of the following accounting period.
- 6.7 The Administrator shall arrange for an expert valuation of the Real Estate in case of acquisition/divestment of the Real Estate under the conditions stipulated by the Investment Companies and Funds Act. Both the Manager and the Administrator shall be bound by that valuation of the Real Estate.
- 6.8 Once annually, the Manager shall determine the level of use of leverage in accordance with Articles 6 to 11 of Regulation No. 231/2013 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision, as amended.
- 6.9 In the event of a sudden change in circumstances affecting the price of a property value owned by the Fund, based on a recommendation by the Fund's investment committee or on request of all shareholders owning founder shares in the Fund, the Administrator shall carry out a valuation reflecting the current circumstances affecting the price of the Fund's assets (hereinafter "**extraordinary valuation**"). Based on the extraordinary valuation, the Administrator shall also perform extraordinary determination of the current value of Investment Shares, and, together with the date of the extraordinary valuation, shall send it without delay to all the Fund's shareholders in accordance with the rules of notification of Fund's shareholders.
- 6.10 Value of assets denominated in a foreign currency shall be converted using the exchange rate published by the CNB and applicable on the date as of which the conversion is performed.
- 6.11 The Fund shall separate its assets and debts arising from its investment activities from its other assets in terms of accounting and property.
- 6.12 Only assets from the Fund's investment activity can be used to discharge or satisfy a creditor's or Shareholder's or Investor's receivable from the Fund that has arisen in connection with its investment activity. Assets from the Fund's investment activities may not be used to satisfy debt that is not debt from its investment activities.
- 6.13 Shareholder's rights to participate in the profits and the liquidation balance, as well as other property rights attached to a Fund share, always relate only to the assets and debts attributable to that type of share, i.e. in relation to Investment Shares to the assets and debts arising from the Fund's investment activities and in relation to founder shares to the assets and debts arising from the Fund's other activities.

- 6.14 Costs that arise or may arise in connection with the Fund's Other Assets may only be paid out of the Fund's assets that are not related to the Fund's investment activities.
- 6.15 Rules for payment from internal resources
- a) The Fund's profit/loss is determined as the difference between the revenues from the investment activities pursued by the Fund and the costs of securing the Fund's activities.
 - b) Revenues from the Fund's investment activities assets shall be used to cover the costs unless the generally binding legal regulations, the Articles of Association or this Statute stipulate otherwise. If the Fund's investment activities yield a profit for the accounting period (the revenues generated exceed the costs incurred from the investment activities), this profit need not be used for distribution of profit, but may be used for reinvestments aimed at increasing assets of the Fund and the value of individual Investment Shares. If the investment activities of the Fund result in a loss (the costs exceed the revenues from the investment activities), the loss shall be paid from the Fund's resources from the investment activities. Retained profits from investment activities shall be used preferentially to cover any losses.
 - c) c) In accordance with the provision of the preceding paragraph, the General Meeting of the Fund may decide that the profit shall be distributed to the Investors, based on the proposal of the Manager and after the prior opinion of the Investment Committee. The Investors' share of the profit shall be a dividend determined by the proportion of the Investor's share of the Fund's Investment Capital attributable to relevant Classes of Investment Shares as defined in this Statute on the record date for the exercise of the right to receive the dividend designated for such purpose in the Articles of Association. Dividends to shareholders holding Investment Shares may be paid solely in respect of the portion of the Investment Fund Capital attributable to the relevant Class of Investment Shares (i.e. a dividend on Preferred CZK Shares may be paid solely in respect of the Investment Fund Capital attributable to Preferred CZK Shares). The dividend on each Class of Investment Shares issued by the Fund may be determined in a different amount. The record date for the exercise of the right to dividend shall be the date determined for such purpose by the General Meeting of the Fund. Such date may not be earlier than the date of the General Meeting which resolved on the payment of the dividend and may not be subsequent to the dividend payment date. The dividend shall be payable not later than six months after the date on which the resolution of the General Meeting on the distribution of the profits from investment activities is adopted. The maturity of dividends and royalties shall be decided by the General Meeting by resolution on the distribution of profits from investment activities. Unless the General Meeting specifies the maturity and place of payment in the resolution, the statutory provisions shall apply. The Fund shall pay the dividend at its own expense and risk only by wire transfer to the account of the shareholder holding the investment shares as shown in the list of shareholders.
 - d) The General Meeting of the Fund may determine by its decision the criteria for the entitlement of members of the controlling and statutory bodies to receive royalties.
 - e) By virtue of its decision, the Fund's General Meeting may define criteria for payment of remuneration to members of the investment committee.
- 6.16 Use of profit from other assets:
- a) The provisions and procedure set out in Article 6.15 of this Statute shall apply mutatis mutandis to the use of profits arising from Other Assets. The Shareholders shall be entitled to a share in the profits arising from the Other Assets of the Fund. The Shareholders' share of the profits may be paid out exclusively from the Fund's capital attributable to the founder shares.

7 Investment Objectives of the Fund

- 7.1 The Fund's investment objective is to achieve constant absolute and stable appreciation of the values invested by the Investors. The Fund shall invest mainly in shares, stakes or other Equity Interests in Czech or foreign capital business companies (collectively, "**Business Companies**") and the grant of loans, borrowings, premiums outside the share capital or other similar benefits to the Business Companies. The Fund shall grant loans, borrowings or other similar benefits to the Business Companies for the purpose of purchase and sale of secured or unsecured receivables by the Business Companies (as purchasers). The income from the Fund's investments shall thus represent mainly income from profit shares of the Business Companies and interest on loans or other similar benefits granted to the Business Companies. The strategy therefore also includes diversification of risks based on investments in various assets that are not linked to the Fund either in terms of property or personnel.
- 7.2 The Fund is a with-profits investment vehicle, meaning it generally uses its profits, or a substantial portion thereof, to pay consideration for repurchases, redemptions or disposals of selected types of investment shares issued by the Fund and the remainder of the profits are reinvested in accordance with the Fund's investment strategy.
- 7.3 Investment in the Fund is suitable for Qualified Investors with investment experience, particularly in Equity Interests with a long-term investment time horizon. The investor should be able to accept a longer period of negative development in the value of the Fund's shares. Therefore, the Fund is suitable for investors who can afford to set aside their invested capital for 3 years or more, since, due to the nature of assets, which usually have lower liquidity, it takes time to recover the investment, in the order of several years, and who are willing to take a higher level of risk in order to achieve an adequate appreciation of the invested funds in the medium to long term.
- 7.4 Any change to this section of the Statute is subject to prior consent of at least 3/5 (three fifths) of votes of all the Shareholders made at the General Meeting, a decision made outside the General Meeting or by a separate written consent delivered to the Manager.

8 Investment Strategy of the Fund

- 8.1 The Fund's investment strategy is aimed at acquiring a variety of asset types as defined in this Statute. The Fund may only acquire assets or debts where the Fund can be expected to make a profit. The Fund may not enter into commitments and similar contractual arrangements that are not reciprocally offset by an appropriate consideration (e.g. a reduction in the acquisition price of assets). The Fund's assets may be invested in the following types of assets in order to achieve its investment objectives:
- a) Equity Interests in Business Companies,
 - b) investment securities,
 - c) securities issued by an investment fund or a foreign investment fund,
 - d) receivables for the payment of funds from the account,
 - e) granting of credits and loans,
 - f) other complementary assets with an expected above-standard return and risk within the European Union, such as Real Estate, property rights in Real Estate, trademarks, movable property, other derivatives other than financial derivatives

under the Act, receivables not included in the assets referred to in Article 8.1 of the Statute, valuation rights and rights associated with the assets referred to in this Article.

- 8.2 The property value pursuant to Article 8.1(a) and (b) of this Statute may be represented by a security or book-entry security.
- 8.3 Property values pursuant to Article 8.1(a) and (b) of this Statute always account for more than 90 % of the value of the Fund's assets.
- 8.4 Complementary assets pursuant to Article 8.1(a) through (h) always account for less than 10% of the value of the Fund's assets.
- 8.5 Capital business corporations and/or funds in which the Fund acquires equity interests may have the character of temporary special-purpose vehicles established for the purpose of acquiring bank or non-bank financing and diversification of risk.
- 8.6 The assets on which the Fund's investment strategy is focused may also be acquired by the Fund within transformations pursuant to the Transformations Act, as part of the assets which are to be passed to the Fund as the successor company based on the respective draft terms of transformation.
- 8.7 The Fund shall not track (copy) any particular index or indicator (benchmark).
- 8.8 The Fund may use both long and short positions and the investment horizon may range from intraday to a holding period of several years.
- 8.9 The Fund's investments are not geographically concentrated.
- 8.10 The Fund is entitled to invest in assets in other currencies.
- 8.11 Neither the return on investment in the Fund nor the yield on such investment is assured or guaranteed. The Fund is not a secured or guaranteed Fund and no guarantees are given by third parties to Investors in this regard.
- 8.12 The Fund's underlying investments shall not take into account the EU criteria for environmentally sustainable economic activities as set out in Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 establishing a framework to facilitate sustainable investments and amending Regulation (EU) 2019/2088.
- 8.13 When using derivatives, the Fund applies the methods set out in Regulation 231/2013 supplementing Directive 2011/61/EU of the European Parliament and of the Council as regards exemptions, general operating conditions, depositaries, leverage, transparency and supervision, as amended, to calculate its total exposure.
- 8.14 The Manager decides about changes in the Statute (including changes in the investment strategy). This is without prejudice to Article 7.4 of the Statute.

9 Limits

- 9.1 For the purpose of ensuring its internal operation, the Fund is obliged to hold liquid funds of at least CZK 500,000; the amount may be temporarily lower, until the settlement of a specific business case.
- 9.2 The Manager is entitled to use leverage in managing the Fund's assets. The leverage ratio shall not exceed 300 % (calculated according to the methodology of Commission Regulation (EU) No. 231/2013).
- 9.3 If there is an inconsistency between the composition of the Fund's assets and the investment limits set out above for reasons beyond the control of the Manager, the Manager shall arrange to remedy such inconsistency without undue delay so as to

preserve the interests of the Investors to the fullest extent possible.

- 9.4 The investment limits for the composition of the Fund's assets under Articles 8.3 and 8.4 of the Statute and the leverage limits under Article 9.2 of the Statute need not be complied with:
- a) for the first 12 months after formation of the Fund;
 - b) if the Investment Fund Capital corresponds to an amount less than EUR 2,000,000;
 - c) upon adoption of a decision to liquidate the Fund; and
 - d) if the Manager decided in advance that no new investments would be made on account of the Fund.

10 Risk Profile

- 10.1 The Manager advises Investors that the value of an investment in the Fund may go down as well as up and that the return on the amount originally invested is not guaranteed. The performance of the Fund in previous periods does not guarantee the same or better performance in the future. An investment in the Fund is intended to provide a return when held for the long term and is therefore not suitable for short-term speculation.
- 10.2 The Fund may exploit the current situation on the market to increase exposure within a certain class of assets, which may result in a higher risk due to insufficient diversification of the portfolio.
- 10.3 The relevant risks associated with the Fund's investment strategy, which may affect the value of investment in the Fund, are the following risks in particular:
- a) Market risk arising from the effect of changes in market developments on the prices and values of assets held by the Fund.
 - b) Currency risk, in that the value of an investment may be affected by a change in the foreign exchange rate. Assets held by the Fund may be denominated in currencies other than the currency of the investment share. Changes in the exchange rate between the currency of the investment share issued by the Fund and another currency in which the Fund's investments are denominated may result in a decrease or increase in the value of an investment instrument denominated in that currency. Adverse currency fluctuations may result in a loss.
 - c) Interest rate risk is defined as the risk of loss due to the adverse impact of changes in interest rates.
 - d) Credit risk, i.e. the risk associated with the potential default of the Fund's counterparty. The issuer of an investment instrument held by the Fund or the counterparty to a contractual relationship (when making a specific investment) fails to meet its obligation or the debtor of the receivable fails to repay the receivable on time and in full.
 - e) The risk of insufficient asset liquidity consisting in not guaranteeing the timely and adequate realisation of sufficient assets for sale.
 - f) The risk associated with the use of foreign capital to achieve the Fund's investment objectives lies in the amplified impact of market prices of the assets held by the Fund on the value of the shares, potentially allowing for higher profits but also higher losses.
 - g) The risk associated with possible failure of a company in which the Fund has an interest, in that such company may be affected by business risk. This risk

may result in a decline in the market price of the interest in the relevant company or its complete devaluation (for example, in the event of bankruptcy) or the inability to sell the interest in such company.

- h) Risk associated with real estate investments. In general, for investments in Real Estate subject to pledge or other third-party rights, the risk is posed by inadequate infrastructure required for the use of the Real Estate and the risk arising from the valuation of the Real Estate. If the Fund acquires Real Estate (specifically buildings) by construction, there is a risk of defective or late construction, which may result in damage to the Fund. Due to the nature of the property, there is also a risk of destruction of such asset, whether due to the actions of a third party or force majeure.
- i) Financial derivatives risk. The risks associated with financial derivatives are essentially market risks, particularly currency or interest rate risks depending on the underlying asset of the derivative. In addition, for financial derivatives that are not traded on regulated markets, the Fund may be exposed to counterparty and settlement risk. Although the initial investment in a financial derivative may be small (or non-existent), even a slight change in market conditions may cause a substantial decrease or increase in the market value of the financial derivative (the so-called leverage effect) and a significant imbalance between the performance of the various counterparties.
- j) Risks associated with repos. These are mainly counterparty credit risk, which is hedged by pledging securities. There may also be a risk of a drop in the price of the securities pledged, which is mitigated by requiring a collateral exceeding the amount of credit provided. Another risk of pledged securities is liquidity risk.
- k) Risk arising from public regulation related to the acquisition, ownership and lease of assets owned by the Fund, in particular the introduction or increase of taxes, deductions, fees or restrictions by the relevant government authorities.
- l) Settlement risk in that a transaction in the Fund's assets may be thwarted by the inability of the counterparty to the transaction to meet its obligations to deliver the assets or pay on the agreed date.
- m) The risk of loss of entrusted assets consisting in the fact that the assets of the Fund are in custody and there is therefore a risk of loss of the assets of the Fund entrusted to the custody or other safekeeping which may be caused by the insolvency, negligence or wilful act of the person holding the assets of the Fund in custody or other safekeeping.
- n) The risk of legal defects consisting in the fact that the value of the Fund's assets may decrease as a result of legal defects of the assets acquired into the Fund's assets, i.e., for example, as a result of the existence of a third-party pledge, easement, lease or pre-emptive right.

10.4 The occurrence of any of the events constituting the risks referred to in Articles 10.3 and 10.5 of this Statute may result in a delay, reduction or total lack of revenue. Such a situation may prevent the Fund from covering its own investment or, where applicable, from meeting its obligations to third parties. As the payment of the Fund's own investment shall normally be subject to the full payment of its obligations to the financing bank, the Fund's own investment would not be paid out before such payment is made to the financing bank; in the event of extremely adverse developments (including the possible insolvency of the relevant company), the Fund's own investment would not be paid out even in its original amount or the Fund would lose its own investment entirely.

- 10.5 Other relevant risks that may affect the value of an investment in the Fund:
- a) Risk of volatile current value of shares issued by the Fund due to changes in the composition or value of the Fund's assets.
 - b) Risk of suspension of the repurchase of the Investment Shares, i.e. under certain conditions, the Manager may suspend the repurchase of the Investment Shares of the Fund, which may result in a change in the current value of the Investment Shares for which the repurchase requests shall be settled, and in a delayed settlement of the repurchases.
 - c) Operational risk, which may result in loss due to deficiencies or failures of internal processes or human factors or due to external events, and the risk of loss of assets entrusted to the custody or other safekeeping, which may be caused in particular by the insolvency, negligent or intentional conduct of a person who has custody or other safekeeping of the Fund's assets or investment shares issued by the Fund.
 - d) The risk that the Fund may be dissolved for statutory reasons.
 - e) Risk that the CNB revokes the licence to perform the Manager's activities if a decision has been issued on its insolvency or if an insolvency petition has been dismissed because the Manager's assets would not suffice to cover the costs of the insolvency proceedings.
 - f) Risks arising from limitations on the Depository's control activities under Section 73(1)(f) of the Act.
 - g) Sustainability risk consisting of an environmental, social or governance event or situation which, if it were to occur, would have an actual or potential significant adverse impact on the value of the investment. These risks are considered by the Manager in accordance with its published policy on the integration of risk into investment decision-making processes.

11 Manner of Investment in the Fund

- 11.1 The Manager shall decide on the individual investments; the Manager is obliged to request a prior written opinion of the Fund's investment committee.
- 11.2 The Investment Committee of the Fund has three (3) members and is an advisory body of the Manager. The members of the Investment Committee shall be appointed and removed by the Board of Directors of the Fund, namely 1 (one) member upon the proposal of the chairman of the statutory body of the Manager and the remaining members upon the joint proposal of all shareholders holding the founder shares of the Fund. The meetings of the Investment Committee are chaired by its Chairman elected by the members of the Investment Committee from among its members. The Investment Committee decides on its opinion by a simple majority of all members; per rollam vote and vote by e-mail or by teleconference is possible. The Investment Committee shall vote on the opinions on proposals submitted by the Manager and individual members of the Investment Committee. The opinion is either (i) yes, we support the proposed investment or (ii) yes, we support the proposed investment subject to the following conditions or (iii) no, we do not support the proposed investment. Information on the composition of the Investment Committee and any changes thereto shall be provided by the Manager without undue delay upon request of the Investor.
- 11.3 The Manager is not bound by the investment committee's opinion and may decide on an individual investment despite the adverse opinion of the investment committee as long as this does not violate any generally binding legal regulation, this Statute, or

constitute a breach the Manager's duty of professional care. If the intention complies with the generally binding legal regulations, and this Statute, the Manager shall ensure implementation of the given investment plan.

- 11.4 In justified cases, the General Meeting of the Fund may approve a proposed transaction of the Fund. The approval of the General Meeting of the Fund for the proposed transaction must be given by all Shareholders (Shareholders holding founder shares of the Fund). The General Meeting of the Fund is entitled to vote on, among other things, the following matters:
- a) a decision to dispose of or acquire property if the value of the property to be disposed of or acquired exceeds CZK 50,000,000 (or its equivalent in any other foreign currency),
 - b) the acceptance of a loan or credit if the loan or credit exceeds CZK 50,000,000 (or its equivalent in any other foreign currency),
 - c) the provision of any security for a debt in excess of CZK 50,000,000 (or its equivalent in any other foreign currency).

12 Rules of Accepting and Granting Credits and Loans

- 12.1 A credit or a loan with a maturity period not exceeding 30 years may be accepted on account of the Fund under the terms and conditions corresponding to the market standard, in the amount of up to 200 % of the value of the Fund's Investment capital (calculated for each credit or loan individually). The aggregate of all the credits and loans on account of the Fund may not exceed 200 % of the value of the Fund's Investment Capital and simultaneously, the interest shall take into account low capitalization rules in order to maintain the full deductibility of interest as a tax expense of the Fund. In addition to the above, a credit or loan may be accepted on behalf of the Fund in particular for the purpose of effective liquidity management of the Fund.
- 12.2 The Fund's assets may be used to provide security for the accepted credit or loan on condition that the provision of such security has a positive economic impact. The provision of security must comply with the Fund's overall investment strategy.
- 12.3 A credit or a loan up to total 99 % of value of the Fund's assets may be granted on account of the Fund. A credit or a loan with a maturity period not exceeding 20 years may be accepted on account of the Fund under the terms and conditions corresponding to the market standard. The preferred means (not mandatory requirement) for the grant of credits or loans from Fund assets shall be the provision of adequate security (e.g. transfer of a right as security, pledge, promissory note, deed of guarantee, etc.). The maximum limit of credits and loans provided to one debtor is 95 % of the value of the Fund assets.
- 12.4 If a credit or loan is granted to a person in which the Fund has an Equity Interest allowing for the control of such person by the Fund, security need not be provided for the credit or loan, given the relationship of control between the two entities. Any receivables of the Fund from such person arising from the provided credits or loans may be contractually subordinated to the receivable(s) of another creditor. Credits or loans granted to a person in which the Fund has an Equity Interest allowing for the control of such person shall be provided with a maturity period not exceeding 25 years.
- 12.5 Security for credit or loan accepted by a third party may be provided on account of the Fund on condition that that the Fund has Equity Interest in such party allowing its control. The provision of security must comply with the Fund's overall investment

strategy.

- 12.6 Subject to compliance with the rules for the provision and acceptance of credits and loans pursuant to this Article of the Statute, the Fund may issue bonds with respect to the Fund, including bonds convertible to Investment Shares. The exchange ratio or the manner of its determination shall be laid down by a decision of the Fund's General Meeting.

13 Rules of Negotiating Repo Transactions and Derivatives by the Fund

- 13.1 The Fund may negotiate a repo transaction if the subject of the transaction is a property value defined in Article 8 of this Statute and if the terms and conditions of the repo transaction are in accordance with the Fund investment objectives.
- 13.2 The Fund may negotiate a derivative exclusively with a view of securing the value of the Fund's assets, mitigating the Fund's risk or reducing the costs related to the management of the Fund's assets.
- 13.3 Solely derivatives complying with the conditions stipulated in Section 12 of the Regulation may be negotiated on account of the Fund. The Fund may negotiate a derivative if the derivative is:
- a) admitted to trading on any of the markets set out in Section 3(1)(a) of the Regulation
 - b) negotiated with an admissible counterparty within the meaning of Section 6(3) of the Regulation; or
 - c) negotiated with a person in which the Fund has an Equity Interest allowing for control of such person.
- 13.4 The underlying assets of the financial derivative negotiated on account of the Fund may consist in the following:
- a) shares;
 - b) stock indices;
 - c) interest rates;
 - d) interest indices;
 - e) ETFs and similar investment instruments;
 - f) currencies in which the Fund makes its investments;
 - g) assets owned by the Fund or liabilities of the Fund.

14 Securities Issued for the Fund, their Subscription and Trading

Founder shares

- 14.1 The Fund issues founder no par value shares in the form of a **registered security to order, i.e. registered shares.**
- 14.2 The founder shares of the Fund are not admitted to trading on a regulated market, i.e. they are not listed on any official market.
- 14.3 The currency of the founder share is **CZK.**
- 14.4 The Administrator keeps a record of the owners of the founder shares in the list of

Shareholders. The founder shares are transferable by endorsement identifying the transferee uniquely and by contract at the time of delivery. In order for the transfer of a founder share to be effective against the Fund, notification of a change in the identity of the shareholder to the Administrator and the presentation of the registered share to the Administrator under the conditions set out in the Investment Companies and Funds Act and the Articles of Association shall be required.

- 14.5 The transferability of the founder shares of the Fund is subject to the Articles of Association.
- 14.6 Founder shares represent an equal proportion of the Fund's registered share capital. The registered share capital of the Fund is divided into 100,000 founder shares of the Fund. There is no right of repurchase attached to a founder share for the account of the Fund. Increases or decreases in the registered share capital are governed by the Articles of Association, the Investment Companies and Funds Act and the Business Corporations Act.
- 14.7 Shareholders shall have all the rights attaching to the shares of the Fund conferred on them by the Business Corporations Act, unless otherwise provided in the Articles of Association, the Investment Companies and Funds Act and/or this Statute within the Investment Companies and Funds Act.
- 14.8 Shareholders shall in particular possess:
- a) the right to a share of the Fund's profit from other assets, i.e. from the Fund's management of assets that are not part of the assets from investment activities (dividend), approved by the Fund's General Meeting for distribution;
 - b) the right to preferential subscription of new founder shares of the Fund in the event of an increase in the registered share capital of the Fund, unless the General Meeting of the Fund decides to exclude or limit the preferential right to subscribe for new founder shares;
 - c) the right to attend and vote at the General Meeting of the Fund, unless otherwise provided by law, to request and receive explanations on matters relating to the Fund and the right to make proposals and counter-proposals at the General Meeting of the Fund;
 - d) in the case of a qualified shareholder under Section 365 of the Business Corporations Act, the right to request the Fund's statutory body to convene an extraordinary General Meeting of the Fund to discuss the proposed matters;
 - e) the right to a share of the liquidation balance from other assets, i.e. from the management of the Fund's assets that are not part of the assets from investment activities, upon liquidation of the Fund;
 - f) in the event of an enforcement order for the sale of a founder share of the Fund or in the event of a distraint order for the sale of a founder share of the Fund, the right to exercise the Shareholder's pre-emptive right to the founder shares of another Shareholder under the terms of Section 283(2) of the Investment Companies and Funds Act;
 - g) pre-emptive right of a Shareholder to the founder shares of another Shareholder under the terms of § 160 Investment Companies and Funds Act;
 - h) the right to be provided, free of charge, with the current version of this Statute and the latest annual report.

Investment Shares

- 14.9 The Fund issues the following no par value Investment Shares of the following Classes:

- a) Preferred CZK Investment Shares (hereinafter "PIA-CZK"), which have the form of a book-entry security; they are issued to order, i.e. as registered shares and their value is expressed in CZK;
 - b) Preferred EUR Investment Shares (hereinafter "PIA- EUR"), which have the form of a book-entry security; they are issued to order, i.e. as registered shares and their value is expressed in EUR;
 - a)c) Performance investment shares (hereinafter "VIA"), which take the form of a book-entry security; they are issued to order, i.e. as registered shares, and their value is expressed in CZK;
 - d) Dividend CZK Investment Shares (hereinafter "DIA-CZK"), which have the form of a book-entry security; they are issued to order, i.e. as registered shares and their value is expressed in CZK;
 - b) Dividend EUR Investment Shares (hereinafter "DIA-EUR"), which have the form of a book-entry security; they are issued to order, i.e. as registered shares and their value is expressed in EUR.
- 14.10 PIA-CZK, PIA-EUR Investment Shares may be admitted to trading on a regulated market and another public market. DIA-CZK, DIA-EUR and VIA Investment Shares are not admitted to trading on a regulated market and another public market.
- 14.11 The company, through the Administrator, maintains a list of shareholders for shares issued in registered form within the meaning of Section 264 of the Business Corporations Act. Investment Shares in the form of book-entry securities are also registered in asset accounts. The list of shareholders shall not be replaced by an extract from the relevant register of book-entry securities for the Fund's shares in book-entry form, unless a generally binding legal regulation provides otherwise.
- 14.12 The value of the Investment Shares is expressed in Czech crowns (CZK) or in euros (EUR). Investments in the Fund, repurchases, purchases and sales of Investment Shares and any profit-sharing payments are made mainly in Czech crowns (CZK) or in euros (EUR).
- 14.13 Each Class of Investment Shares is allocated a proportion of the Investment Fund Capital as shown in this Statute below. All issued Investment Shares of a particular Class represent an equal proportion of the relevant part of the Investment Fund Capital attributable to that Class of Investment Shares.
- 14.14 Investors have all the rights attached to the Investment Shares conferred by law and the Articles of Association.
- 14.15 Owners of Investment Shares possess in particular:
- a) the right to be informed of the current value of the Investment Share;
 - b) the right to repurchase, purchase or sell Investment Shares on account of the Fund under the conditions stipulated by the Articles of Association and this Statute;
 - c) the right to a share of the Fund's profits (a dividend) approved by the General Meeting for distribution under the conditions stipulated by the Articles of Association and this Statute;
 - d) the right to participate in the Fund's General Meeting;
 - e) the right to vote at the General Meeting under the conditions stipulated by law and the Articles of Association;
 - f) the right to request and be provided with explanation of matters concerning the Fund at the Fund's General Meeting;
 - g) in case of enforcement of a decision by means of sale of an Investment Share or

in case of a distraint order for the sale of an Investment Share, the right to exercise a pre-emptive right to the Investment Shares of another shareholder under the conditions of Section 283(1) of the Investment Companies and Funds Act;

- h) the right to request exchange of a global Investment Share;
- i) the right to a share of the liquidation balance from the management of the Fund's assets resulting from investment activities upon the liquidation of the Fund;
- j) the right to be provided free of charge with the applicable version of the Statute and the last annual report.

14.16 In the case of Investment Shares in the form of book-entry securities, the rights associated with Investment Shares may be exercised in full from the date on which the Investment Shares were issued to the date on which the Investment Shares were cancelled. In the case of Investment Shares in the form of securities, the rights associated with Investment Shares may be exercised in full from the date on which the Investment Shares were issued to the shareholder to the date on which the Investment Shares were cancelled. In case of Investment Shares in the form of book-entry securities, the date when they are credited to the Investor's asset account is deemed to be the date of issue. In the case of Investment Shares in the form of securities, the date when the shares meet the requirements laid down by the generally binding legal regulations and when they have been prepared by the Fund for acceptance by the Investor is deemed to be the date of issue. In case of Investment Shares in the form of book-entry securities, the date when they are debited from the Investor's asset account is deemed to be the date of cancellation. In the case of Investment Shares in the form of securities, the date when the relevant body of the Fund decided on their cancellation shall be deemed to be the date of cancellation.

Transfer of Investment Shares

- 14.17 PIA-CZK, PIA-EUR, DIA-CZK and DIA-EUR Investment Shares are transferable without restriction. The transfer of VIA-CZK Investment Shares requires the prior written consent of the Fund's statutory body.
- 14.18 Investment Shares in the form of securities may be transferred by endorsement and contract.
- 14.19 Investment Shares in the form of book-entry securities may be transferred by a contract and registration in the relevant records.
- 14.20 A transfer of Investment Shares in the form of registered shares is effective *vis-à-vis* the Fund only if the change of the Investor is registered in the list of shareholders based on notification of the change of the Investor and submission of the share to a person keeping the list of shareholders for the Fund. The person keeping the list of shareholders for the Fund shall then enter the new owner of the Investment Shares in the list of shareholders without undue delay.
- 14.21 The transfer of Investment Shares in the form of book-entry securities is effective *vis-à-vis* the Fund when a change of the owner of the relevant share is demonstrated by means of an extract from the owner's account or on the date of delivery or acceptance of an extract from the records of issue of shares under the act regulating capital market undertakings.
- 14.22 The Fund's statutory body is obliged to refuse to grant consent to the transfer of the Investment Shares, if required, in case that:
 - a) the acquiror fails to meet the conditions imposed on the Investor under the Articles of Association and the Statute;
 - b) after the transfer, the transferor would cease to meet the conditions imposed on

the Investor under the Articles of Association and the Statute or

c) the acquiror or the transferor have not provided co-operation necessary for the performance of obligations following from the legal regulations governing measures against legalising the proceeds of crime, tax regulations or other generally binding legal regulations.

14.23 Upon death/dissolution of the Investor, the Investor's Investment Shares shall pass to the Investor's heir or legal successor.

14.24 In case of passage of the ownership title to the Investment Shares, the acquiror is obliged to inform the Administrator without undue delay of the change of owner.

Acquisition of Investment Shares

14.25 Issue of the Investment Shares is conditioned by conclusion of the Investment Agreement. Investment Shares may be acquired by a person under the conditions stipulated by the Investment Companies and Funds Act, the related legal regulations and under the conditions specified in this Statute. The Investment Shares may only be acquired by a Qualified Investor within the meaning of Section 272 of the Investment Companies and Funds Act.

14.26 Investment Shares may be acquired on the basis of an agreement by a person who invests at least:

a) the amount of EUR 125,000 (one hundred and twenty-five thousand Eur) or equivalent sum in other currency, if the person meets the conditions stipulated in Section 272 1)(a) to (i) point 1 of the Investment Companies and Funds Act,

b) the amount of CZK 1,000,000 (one million Czech crowns) or equivalent sum in other currency, if the person meets the conditions stipulated in Section 272(1)(i) point 2 of the Investment Companies and Funds Act,

c) the amount of CZK 100,000 (one hundred thousand Czech crowns) or equivalent sum in other currency, if the person meets the conditions stipulated in Section 272 (1)(h) point 1 or 2 of the Investment Companies and Funds Act.

The minimum amount of the Investor's subsequent investment (after payment of the initial investment) is CZK 100,000 (one hundred thousand Czech crowns).

The exchange rate published by the Czech National Bank as of the record date in case of subscription and as of the date of effect of the transaction in case of transfer shall be the decisive exchange rate for the purposes of the calculation of minimum investments.

Any amount invested in a currency other than the currency in which the value of the relevant Class of Investment Shares is expressed shall be converted into the currency in which the value of the relevant Class of Investment Shares is expressed at the rate announced by the CNB/ECB on the last day of the Decisive Period.

14.27 In order to maintain the stability and credibility of the Fund, the Fund's statutory body may choose the potential subscribers with whom it would conclude the Investment Agreement, and those with whom it would not. There is no legal entitlement to the conclusion of the Investment Agreement.

14.28 Investment Shares are subscribed only based on a public call for subscription.

14.29 Investments in the PIA-CZK, PIA-EUR, DIA-CZK and DIA-EUR Investment Shares are subject to an entry fee, between 0 % and 3 % of the amount of the investment, as set out in the relevant Investment Agreement. The entry fee is the income of the Fund. Investments in VIA Investment Shares are not subject to an entry fee.

14.30 The Fund shall issue Investment Shares for the current value of the Investment Share

published in each case retroactively for the period that includes the record date, i.e. the date of crediting the financial means remitted by the Investor to the Fund's account opened for this purpose by the Fund's depository, or for a pecuniary amount set off as of the record date through the procedure pursuant to Section 21(3) of the Business Corporations Act. The number of the Fund's Investment Shares to be issued for the sum credited to the Fund's account (minus any fees) charged under the Investment Agreement or for the pecuniary amount set off as of the record date through the procedure pursuant to Section 21(3) of the Business Corporations Act shall be calculated as the ratio of the credited amount and the current value of the investment share as of the record date. The difference (the remainder of the credited amount) insufficient for the purchase of an entire Investment Share shall constitute the Fund's income (as a manner of settling underpayments/overpayments).

- 14.31 The distribution rules for the distribution of Investment Fund Capital are set out in more detail in Annex No. 1 to the Statute.
- 14.32 The current value of the Investment Shares shall be determined from the Fund's Investment Fund Capital pertaining to the Investment Shares of the relevant Class ascertained at the end of the Decisive Period. The Decisive Period commences on the day following the date for which the last value of the Investment Shares was determined and ends on the last day of the given calendar month. The Decisive Period usually corresponds to a calendar year and the date of determination of the current value of the Investment Shares is the last day of the given calendar year. In exceptional cases, the Decisive Period may be shorter, especially if the Fund is a party to transformation pursuant to the applicable legal regulations or in case of an extraordinary determination of the current value of Investment Shares. In the calendar month in which the issue of Investment Shares of the relevant Class commences, Investment Shares are subscribed for at the issue price of CZK 1 (one Czech crown) or EUR 1 (one euro) per Investment Share. The provisions of the preceding sentences shall not affect the rules for the distribution of the Investment Fund Capital among the individual Classes of Investment Shares.
- 14.33 The current value of the Investment Share of each Class is determined on the basis of the current value of the part of the Investment Fund Capital pertaining to the participating Investment Shares of this Class as of the last day of the Decisive Period; the participating Investment Shares mean, as of the last day of the Decisive Period, the Investment Shares that participate in the results of investment of the Fund's assets in the Decisive Period, i.e. the issued Investment Shares whose record date for the settlement of their repurchase, exchange or redemption is to occur not earlier than as of the last day of the Decisive Period, as well as the not yet issued but fully paid-up Investment Shares whose record date for the settlement of their subscription occurred at any time before the last day of the Decisive Period.
- 14.34 The current value of an Investment Share is usually determined once a year and is rounded down to four decimal places. The current value of an Investment Share is announced within ten Business Days of its determination for the relevant period. The current value of an Investment Share is announced by sending it by e-mail to Investors. The current value of the Investment Share shall not be published.
- 14.35 Investment Shares shall be issued within sixty Business Days of the date of publication of the current price of shares for the period in which the Investor's funds were credited to the Fund's account. In justified cases (especially in case of an on-going expert revaluation of the Fund's assets), this period may be extended to eighty Business Days. Investment Shares in the form of book-entry securities shall be issued upon crediting of the Investment Shares to the relevant asset account. In the case of Investment Shares in the form of securities, the date when the shares meet the requirements laid down by the generally binding legal regulations and when they have

been prepared by the Fund for acceptance by the Investor is deemed to be the date of issue.

- 14.36 In case of retroactive correction of the current value of the Investment Share, the difference may be compensated from the Fund's assets in the amount of the ascertained differences concerning the number of issued Investment Shares. If the Investor has been issued a higher number of Investment Shares than the number that should have been issued to the Investor on the basis of the corrected current value of the Investment Share, the Fund shall decide on cancelling the relevant number of Investment Shares in the amount of the ascertained difference without compensation. The Investor is obliged to provide the Fund with co-operation in returning the cancelled Investment Shares without delay. The Fund is not liable for any damage caused as a result of the Investor's delay in providing co-operation in returning the Investment Shares. If the Investor has been issued a lower number of Investment Shares than the number that should have been issued to the Investor on the basis of the corrected current value of the Investment Share, the relevant number of Investment Shares shall be issued to the Investor additionally in the amount of the ascertained difference. In case of correction of the current value of an Investment Share which corresponds, in absolute value, to 0.5 % or less (unless the law stipulates otherwise) of the corrected current value of the Investment Share or as a result of which only negligible damage is caused and the purposefully expended costs related to compensation thereof would clearly exceed the amount of damage, the differences in the number of the shares issued shall not be compensated unless the Manager decides otherwise. In other cases of damage, the person who caused the damage is obliged to compensate it.
- 14.37 The Administrator shall keep a list of shareholders of the Fund as a list of the owners of the securities issued by the Fund (Section 38(1)(h) of the Investment Companies and Funds Act).

Repurchase of Investment Shares

- 14.38 Investment shares are repurchased based on a request for repurchase of Investment Shares delivered by the Investor to the Administrator. Funds from the Fund's assets pertaining to the Fund Capital of the repurchased Class of Investment Shares shall be used for the repurchase of the Investment Shares.
- 14.39 Investment Shares expire upon their repurchase.
- 14.40 The request for repurchase of the Investment Shares may be submitted as per Article 18 of the Statute.
- 14.41 In case of repurchase of Investment Shares, the Investment Shares which were the first to be acquired by the Investor shall always be deemed to be the first to be repurchased.
- 14.42 A request for repurchase of Investment Shares may be submitted for the first time upon expiry of 365 days after inception of the Fund, and at any time thereafter.
- 14.43 The Administrator shall provide for repurchase of the required number of Investment Shares on account of the Fund from the Investor
- a) within 9 months after the end of the calendar quarter in which it received the shareholder's request to repurchase Investment Shares, if the repurchase is for Investment Shares issued within 3 years prior to the request for repurchase; and
 - b) within 6 months after the end of the calendar quarter in which it received the shareholder's request to repurchase the Investment Shares in other cases.
- 14.44 The Administrator shall provide for repurchase of the Investment Share for its current

value announced retroactively for the period in which the Administrator received a request for repurchase of the Investment Shares, whereas this value corresponds to the value of the Investment Share determined as of the last day of the calendar quarter, in which the Administrator received request for repurchase of the Investment Shares.

- 14.45 Pay-out of funds corresponding to the value of the repurchased Investment Shares shall be made by wire transfer to the Investor's account specified in the list of shareholders or in the request for repurchase of Investment Shares. The minimum value of a single repurchase of Investment Shares shall be CZK 100,000 (one hundred thousand Czech crowns) if the Class of Investment Shares is denominated in CZK, or EUR 4,000 (four thousand euros) if the Class of Investment Shares is denominated in EUR. The value of Investment Shares held by one Investor may not fall below the minimum investment threshold set by law by repurchasing Investment Shares, unless the Investor requests the repurchase of all remaining Investment Shares.
- 14.46 Unless the Investment Agreement stipulates otherwise, the exit fee (deduction) shall apply to repurchase of Investment Shares in the amount of:
- a) 5 % of the aggregate value of the Investment Shares to be repurchased if the relevant shareholder has requested the repurchase of Investment Shares issued within three (3) years prior to the request for repurchase and at the same time more than 10 % of its Investment Shares are repurchased in a calendar year;
 - b) 0 % of the value of the repurchased shares if
 - ba) the relevant shareholder has made a request to repurchase Investment Shares issued within three (3) years prior to the request for repurchase and at the same time less than 10 % of its Investment Shares are repurchased in a calendar year; or
 - bb) the relevant shareholder has made a request for repurchase of Investment Shares issued more than three (3) years prior to the request for repurchase.

The exit fee represents the Fund's income.

- 14.47 If extraordinary revaluation of assets or debts, audit of financial statements or other activities take place in relation to the Fund that may later affect the calculation of the current value of the Investment Share for the Decisive Period, the Manager may extend the deadline for settlement of the repurchase by up to 120 days if the Manager receives the repurchase request in the decisive period; however, the deadline for settlement of the repurchase may not exceed 1 year of receipt of the repurchase request; at the same time, the Manager may decide on payment of an advance on repurchase in the amount determined on the basis of the last known current value of the Investment Share.
- 14.48 In case of retroactive correction of the current value of the Investment Share, the difference may be compensated from the Fund's assets in the amount of the ascertained differences concerning the amounts for the repurchased Investment Shares. If the amount paid to a shareholder for the repurchased Investment Share was higher than what should have been paid to the shareholder on the basis of the corrected current value of the Investment Share, the shareholder is not obliged to refund the relevant difference between the amounts if the difference was accepted in good faith. If the shareholder fails to prove good faith, the shareholder is obliged to compensate the Fund for the relevant difference between the amounts by refunding a part of the financial means received for the repurchase of the Investment Shares; otherwise, the Fund may decide on cancellation of the corresponding number of Investment Shares owned by the shareholder. The shareholder is obliged to provide the Fund with co-operation in returning the cancelled Investment Shares without

delay. The Fund is not liable for any damage caused as a result of the shareholder's delay in providing co-operation in returning the Investment Shares. If the amount paid to a shareholder for the repurchased Investment Share was lower than what should have been paid to the shareholder on the basis of the corrected current value of the Investment Share, the shareholder shall be compensated without undue delay by means of an additional payment for the repurchased Investment Shares in the amount of the ascertained difference. In case of correction of the current value of an Investment Share which corresponds, in absolute value, to 0.5 % or less (unless the law stipulates otherwise) of the corrected current value of the Investment Share or as a result of which only negligible damage is caused and the purposefully expended costs related to compensation thereof would clearly exceed the amount of damage, the differences in the number of the shares issued shall not be compensated unless the Manager decides otherwise. In other cases of damage, the person who caused the damage is obliged to compensate it.

Suspension of Issue or Repurchase of Investment Shares

- 14.49 The Manager may suspend the issue or repurchase of Investment Shares for a period not exceeding 3 months, but only if this is necessary for the protection of the rights or legally protected interests of the Investors.
- 14.50 The reasons for suspending the issue or repurchase of Investment Shares may include the following, without limitation:
- a) attaining of the lower or upper limit of the range of the Investment Fund Capital pursuant to the Articles of Association;
 - b) insufficient liquidity of the Fund;
 - c) significant changes in the value of the Fund's assets;
 - d) protection of the common interest of the Investors, consisting, for example, in the fact that a decision to dissolve the Fund has been made;
 - e) potential damage to the interest of Investors who remain in the Fund;
 - f) termination of the Fund's depositary contract.
- 14.51 If the lower or upper limit of the range of the Investment Fund Capital is attained pursuant to the Articles of Association, the Manager shall adopt, without undue delay, an effective measure to remedy the situation in accordance with Section 163(4) of the Investment Companies and Funds Act.

Exchange of Investment Shares

- 14.52 On the basis of the Investor's written request, Investment Shares of one Class may be exchanged for Investment Shares of some other Class (hereinafter the "**conversion**"), where:
- a) conversion may be effected in respect of the number of Investment Shares requested by the Investor, provided, however, that (i) the two Classes to be exchanged are Classes denominated in the same currency and (ii) neither of the two Classes is VIA;
 - b) the request for conversion must be made in the manner stipulated for filing requests for repurchase of the Investment Shares;
 - c) conversion is subject to consent by the statutory and control bodies;
 - d) the last day of the Decisive Period in which the request for conversion was delivered to the Fund or the Administrator shall be the record date for determining the current value of the Class of Investment Shares that are to be converted into

- another Class of Investment Shares (hereinafter “**record date of conversion**”);
- e) the Administrator shall determine the value of the given Class of Investment Shares that are to be converted into another Class of Investment Shares on the basis of the current value of these Investment Shares as of the record date of conversion;
 - f) for the purposes of distribution of the individual parts of the Investment Fund Capital, the Investment Shares that are to be converted into another Class of Investment Shares shall be deemed to be repurchased Investment Shares, and Investment Shares acquired by the Investor on the basis of the conversion shall be deemed to be newly subscribed Investment Shares.

Redemption of Investment Shares

- 14.53 In some cases, e.g. where the Fund has sufficient cash resources which are not intended to be used for the Fund’s investment activities, the Manager may, with the prior approval of the Fund’s controlling body, serve a notice on Investors to redeem the Investment Shares held by them for the account of the Fund (hereinafter “**Redemption Notice**”), in the number of units specified in the Redemption Notice, in which the Fund also agrees to pay the purchase price for such units in accordance with the rules set out in the Statute (hereinafter “**Redemption**”).
- 14.54 A Redemption Notice may be repeated and may include all Investment Shares held by the Investor. In the Redemption Notice, the Manager shall specify:
- a) whether the Redemption Notice shall apply to all Investors or only to Investors in a particular Class of Investment Shares;
 - b) in a non-discriminatory manner, the number of Investment Shares to be redeemed in the relevant Redemption;
 - c) the method of determining the purchase price; the purchase price shall always be determined as the net present value of the Investment Shares for the period which includes the date on which the Redemption Notice is sent to the Investor.

Investment Shares expire upon Redemption.

In a Redemption, Investment Shares first acquired by the Investor are redeemed first.

- 14.55 The Purchase Price for the redeemed Investment Shares shall be paid to the Investor within 30 (thirty) days from the date of debiting the Investment Shares from the relevant asset account or deletion from the list of shareholders, by transfer to the Investor’s payment account specified in the list of shareholders. If an extraordinary revaluation of assets or debts, audit of financial statements or other activities that may affect the calculation of the current value of the Investment Shares in the future are in progress in relation to the Fund, the procedure for redemption shall be similar to that set out in Article 14.48 of this Statute for the repurchase of Investment Shares. In the case of a retrospective adjustment to the net current value of an Investment Share, the procedure set out in Article 14.49 of this Statute shall again apply mutatis mutandis.
- 14.56 In particular, differences arising in the redemption of Investment Shares which are caused by different time points of entry of the relevant Investor into the Fund or different issue prices of Investment Shares of individual investors, even if they are Investment Shares of the same Class, shall not be deemed to be a non-discriminatory method.

15 Information on Fees, Costs and Total Expense Ratio

15.1 The Manager's fee for the performance of the Fund's asset management activities shall be paid out of the Fund's assets related to its investment activities and shall amount to the following percentage of the value of the Fund's capital at the end of the preceding month for each commenced month of performance of the function, according to the type of investment shares issued by the Fund:

- i) of the value of the fund capital attributable to the **Performance Investment Shares** issued by the Fund: 0.5 % p.a. of the part of their aggregate value up to CZK 300 million; 0.1 % p.a. of the part of their aggregate value in excess of CZK 300 million up to CZK 1,000 million and 0.05 % p.a. of the part of their aggregate value in excess of CZK 1,000 million;
- ii) of the value of the fund capital attributable to the **other Investment Shares** issued by the Fund: 0.5 % p.a. of the part of their aggregate value up to CZK 300 million; 0.4 % p.a. % p.a. of the part of their aggregate value in excess of CZK 300 million up to CZK 1,000 million and 0.3 % p.a. of the part of their aggregate value in excess of CZK 1,000 million.

15.2 The Administrator's fee for the administration of the Fund is paid from the assets of the Fund relating to its investment activities and amounts to:

- (a) for offering investments in the Fund, 100 % of the entry fee according to the Investment Agreements concluded in the relevant month, if the Administrator has arranged the conclusion of the relevant Investment Agreement; this amount is payable monthly on the basis of an invoice issued by the Administrator and is paid from the assets of the Fund related to the investment activity;
- (b) for offering investments in the Fund, an amount equal to 3 % p.a. of the current investment value (value of the relevant Investment Shares calculated as at the end of the previous calendar month) of the Fund's shareholders if the Administrator has arranged the conclusion of the relevant Investment Agreement until 31 December 2022, or 2 % p.a. of the current investment value (value of the relevant Investment Shares calculated as at the end of the previous calendar month) if the Administrator has arranged the conclusion of the relevant Investment Agreement after 31 December 2022. The entitlement to this payment shall commence from the calendar month following the month in which the amount invested was paid by the investor into the Fund's account, regardless of whether or not Investment Shares are issued, whereby the "current investment value" shall be deemed to be the nominal subscription amount of the relevant Investment Shares until the issue of the relevant Investment Shares. Entitlement to such fee continues until the end of the calendar month in which the relevant investor has made a request to repurchase the last Investment Shares of the Fund held them. Where an investor has made a partial repurchase request, the repurchase amount is part of the "current investment value" on which the remuneration is calculated for the last time at the end of the calendar month preceding the month in which the investor made the relevant repurchase request (i.e., for example, where a repurchase request is made in May, the fee on that repurchase amount is calculated for the month of May for the last time based on the current investment amount at the end of April). The entitlement to this fee continues even if the Investment Company is not the manager or administrator of the Fund;
- (c) for keeping records of the book-entry securities issued by the Fund, an amount equal to 0.06 % p.a. of the value of the book-entry Investment Shares calculated as at the last day of the calendar month preceding the calendar month for which

the fee is payable, the fee being payable for each calendar month in which the records of the book-entry securities are kept;

- (d) for the calculation of the current value of a security and a book-entry security issued by the Fund in EUR, or for each Class whose value is expressed in EUR, an amount of CZK 10,000 per month for each calendar month commencing with the calendar month in which the Fund first issued Investment Shares of the relevant Class (PIA-EUR and/or DIA-EUR).

- 15.3 In case of extended services related to management or administration of the Fund, the Investment Company shall be entitled to a fee, beyond the scope of the fees pursuant to Article 15.1 and Article 15.2 of this Statute, according to the price list, which forms a part of an agreement on discharge of office concluded with the Investment Company; the fee according to the price list is item-based or the Investment Company is entitled to a fee pursuant to the price list up to the amount approved for the given service in advance by the Fund's control body.

The Investment Company may be entitled to receive royalties as a share of the Fund's profit achieved in the previous financial year by decision of the General Meeting after approval of the Fund's annual financial statements. The date and method of payment of royalties shall be determined by the General Meeting of the Fund by its decision.

In addition to the fee, the Investment Company shall also be entitled to reimbursement for expenses incurred in arranging the Fund's affairs, subject to the approval of the Fund's controlling body. Advances may be made to the Investment Company for such expenses, subject to the prior approval of the Fund's controlling body, even on a recurring basis.

- 15.4 If, for any type of fee payable to the Investment Company, some parameters required for the calculation of the fee are unknown within 30 days of the end of the period for which the fee is paid, the Investment Company may invoice 90 % of the last known fee of the given type as an advance payment. As soon as the parameters required for the calculation of the relevant fee are known, the fee shall be subsequently charged without undue delay.

- 15.5 The fee for the performance of the Depositary's activities is paid from the Fund's assets related to its investment activities and amounts to CZK 600,000 per year (excluding VAT).

- 15.6 Further costs that arise or may arise in connection with the management of the Fund and administration paid from the Fund's assets related to its investment activity include, without limitation:

- a) costs arising in connection with the acquisition, administration and realisation of property values in which the Fund invests according to this Statute (including, but not limited to, the costs of analyses, studies, due diligence, audits, expert reports, commissions, fees, etc.),
- b) costs of offering investments in the Fund (fundraising),
- c) fee payable to the Depositary for activities other than the performance of activities under the depositary contract,
- d) costs associated with the Fund's investment activities,
- e) costs incurred as remuneration for authorised representatives,
- f) remuneration of the employees and members of the Fund's bodies,
- g) interest on credits and loans accepted in connection with the management of the Fund's assets,
- h) fees for keeping accounts and disposal of financial means,

- i) fee for escrow of securities or book-entry securities owned by or issued for the Fund,
- j) costs of insurance of the Fund's assets,
- k) costs of instruments for mitigating risks, securing the value of assets of the Fund,
- l) costs of dissolution of the Fund,
- m) costs associated with transformation of the Fund,
- n) costs of audit of the Fund and expert reports,
- o) costs of legal services,
- p) costs of marketing and advertising of the Fund,
- q) costs of keeping records of book-entry securities,
- r) notary, court and administrative fees and similar payments and taxes,
- s) costs of official translations into foreign languages.

15.7 Costs incurred or likely to be incurred in connection with the management and administration of the Fund (excluding the costs of the investment itself, the auditor, the valuer and the offering of investments), charged on the assets of the Fund relating to its investment activities, shall be a maximum of 10 % p.a. of the value of the Fund's assets, but shall always be at least equal to the minimum monthly fees for the Manager, the Administrator and the Depositary as set out in this Statute multiplied by the number of months in the year in which services are provided to the Fund and may therefore temporarily exceed the expense ratio, particularly at the beginning of the Fund's operation.

15.8 Further costs that arise or may arise in connection with the Fund's activities include the costs of the fee for offering and arranging for investments in the Fund. These costs shall be paid from the Fund's assets and may not exceed the sum of:

- a) 100 % of the entry fee related to the given investment, and
- b) not more than 3 % p.a. of the current invested amount that was demonstrably arranged for by a third party, during the term of the investment.

15.9 Table of information on fees charged to Investors and costs paid from the Fund's assets:

One-off fees charged before or after the investment is made (This is the highest amount that may be charged to an investor before an investment is made or paid out.)	
Entry fee (surcharge)	from 0 % to 3 % of the investment volume according to the Investment Agreement in the case of PIA-CZK, PIA-EUR, DIA-CZK and DIA-EUR Investment Shares 0 % of the investment volume in the case of performance investment shares
Exit fee (deduction)	5 % when requesting repurchase of Investment Shares issued within 3 years prior to the request and more than 10 % of the Investment Shares are repurchased in a calendar year

	0 % when requesting repurchase of Investment Shares issued within 3 years prior to the request and less than 10 % of the Investment Shares are repurchased in a calendar year
	0 % when requesting repurchase of Investment Shares issued more than 3 years prior to the request
Performance Fee	0 %

- 15.10 Costs that arise, or may arise, in connection with property unrelated to the Fund's investment activities may be paid only from the Fund's assets unrelated to the Fund's investment activities.

16 Additional Information

16.1 Information on the Statute

- a) The data set out in the Statute are regularly updated.
- b) An amendment to the Statute is not subject to approval by the CNB.
- c) Each subscriber of the Investment Shares
 - (i) must be offered the applicable version of the Articles of Association free of charge before entering into the Investment Agreement, and
 - (ii) must be provided with the applicable version of the Statute as well as the last annual report free of charge on request.
- d) Each subscriber may obtain the documents set out in Article **Error! Reference source not found.**(c) of the Statute at the Administrator's registered office.

16.2 Information about the Fund and supervisory body

- a) Additional information about the Fund can also be obtained at the registered office of the Administrator on Business Days from 9:00 am to 4:00 pm.
- b) The CNB is the supervisory body of the Fund.
- c) The Fund informs the investors that registration in the list of investment funds kept by the CNB and the supervision by the CNB in no way guarantee a return on investment or performance of the Fund, cannot exclude a possible breach of legal duties or the Statute by the Fund, Manager, Administrator, Depositary or another person, and do not guarantee that any potential damage caused by the breach shall be compensated.

16.3 Dissolution of the Fund

- a) The Fund may be dissolved:
 - (i) by decision of the General Meeting of the Fund;
 - (ii) by order of the court; or
 - (iii) as a result of a transformation (merger or division).
- b) The proposal to appoint a liquidator shall be approved by the General Meeting of the Fund. The Fund shall deliver the resolution of the General Meeting on the appointment of the liquidator to the Manager and the Administrator without undue delay.

- c) The shareholder is entitled to a share of the liquidation balance.
- d) The procedure for dissolution or transformation of the Fund or its dissolution with liquidation, as well as the rights of shareholders in the event of dissolution or transformation of the Fund, are governed by generally binding legal regulations, in particular the Investment Companies and Funds Act, the Business Corporations Act, the Civil Code and the Transformations Act, as well as the Articles of Association.

16.4 Basic information on the tax system applicable to the Fund:

- a) The taxation of the Fund and its shareholders is subject to the tax regulations of the Czech Republic, in particular Act No. 586/1992 Coll., on income taxes, as amended. The Fund is a basic investment fund whose income is currently subject to income tax of 5 %.
- b) If a tax non-resident in the Czech Republic receives the income from the sale of shares in the Fund, the Czech buyer is obliged, in cases stipulated by a generally binding legal regulation, to deduct an income tax guarantee from the purchase price in the amount stipulated by the generally binding legal regulations.
- c) Dividends paid by the Fund from the Fund's assets are generally subject to 15% withholding tax. The rate of the withholding tax may be limited by an international double taxation treaty binding on the Czech Republic. Therefore, the Fund may require proof of recipient's – foreign Shareholder's and/or Investor's tax domicile before payment of a dividend.
- d) Dividends paid to a legal entity may be exempt from taxation if the conditions set out in the legislation are met, in particular if the Shareholder and/or the Investor is a tax resident of a Member State of the European Union or Switzerland, subject to corporate income tax, owns at least 10 % of the Fund's registered share capital, the legal form of the Shareholder and/or the Investor corresponds to the forms described in the Annex to the relevant European Communities Directive (in the Czech Republic these are the following legal forms: joint stock company, limited liability company or cooperative) and owns the minimum required shareholding for at least 12 (twelve) months, this condition may be fulfilled additionally.
- e) The tax regime applicable to foreign investors generally depends on the country of the investor's tax residence. The Shareholder and/or Investor is obliged to provide the Fund or the Administrator, as appropriate, with co-operation in determining the country of the Shareholder's and/or Investor's tax residence in accordance with the Articles of Association. The Shareholder and/or Investor is obliged to report change of their tax domicile to the Administrator immediately after such change has occurred. If the Administrator does not have current information on the Shareholder's and/or Investor's domicile, it may refuse to provide performance to the Investor and/or the Shareholder.
- f) The regime of taxation of income or profits of the individual Shareholder's and/or Investors depends on the valid applicable tax regulations, which need not be identical for all Investors and/or Shareholders; therefore, the Shareholders and/or Investors should seek expert tax consulting on the regime of taxation if they are not sure about the relevant applicable tax regime.

16.5 Any disputes arising out of the Investor's investment in the Fund shall be resolved by the competent courts of the Czech Republic unless the agreement or a mandatory provision of a generally binding legal regulation stipulates otherwise. The laws of the Czech Republic shall be the governing law for contractual relationships related to the Investor's investment in the Fund unless the agreement or a mandatory provision of a legal regulation stipulates otherwise.

- 16.6 If the provisions of this Statute are in conflict with the provisions of the Articles of Association within a specific legal issue, the provisions of the Articles of Association shall prevail.
- 16.7 The Manager shall not undertake a specific assessment of the likely impact of sustainability risks on the return on the Investment Shares beyond its standard internal processes in the areas of investment process and risk management, particularly in light of the fact that implementing regulations and unifying rules in this area were not known sufficiently in advance or are not currently issued. The Manager is assessing the needs for future implementation in the light of developments in this area and is prepared to update the consideration of adverse impacts on sustainability factors.

17 Provision of Information on the Fund's Economic Management

- 17.1 The Fund is obliged to send an annual report to the CNB no later than within four (4) months of the end of the accounting period. The Manager and the Administrator are obliged to submit to the CNB a report from the qualified investor fund pursuant to Section 5(1)(c) of the Reporting Decree.
- 17.2 Informing of Investors and/or Shareholders

Type of disclosure	Frequency of and/or deadline for disclosure	Manner of disclosure
Applicable version of the Statute	On request	In printed form, electronically by e-mail, via the website
Annual report of the Fund	On request	In printed form, electronically by e-mail, via the website
Information on the current value of the Investment Share	Monthly	Electronically by e-mail, via the website
Information on the structure of the Fund's assets and on the level of use of leverage and its changes	Annually	Electronically by e-mail, via the website

18 Communication with Investors and Investor Payment Account

- 18.1 The rules for communication with Investors and the Investor's payment account shall be governed by the regulations contained in the Investment Agreement or the Administrator's terms and conditions to which the Investment Agreement refers, otherwise by the Statute. The rules contained in the Articles of Association shall apply in the alternative.
- 18.2 Any communication from an Investor regarding the Investor's details (including email address, telephone and payment account details, tax residency and name and residence or business name and registered office) or any other information relating to the Investor which is necessary for the proper and timely performance of the Fund's, the Manager's or the Administrator's obligations to that Investor must be made in

writing by the Investor and must be delivered to the Administrator:

- a) in person;
- b) through the Manager or the Distributor;
- c) through a postal service provider (including courier);
- d) by email or
- e) by electronic communication other than email (e.g. via a web application operated by the Administrator, Distributor or a third party).

However, electronic communication shall be deemed to be in writing only if the form of communication so chosen is confirmed to the Investor by the Fund, the Manager or the Administrator, as the case may be, after delivery.

- 18.3 Investor's communication through the Manager or the Distributor is effective only upon delivery to the Administrator.
- 18.4 Except as otherwise provided in this Statute or the Articles of Association, neither the Fund, the Manager nor the Administrator shall be obliged to verify that the signature on an Investor's expression of intent in writing is his/her own (handwritten or electronic).
- 18.5 A request to change the details entered in the register of shareholders (including email address, telephone number and tax residence and name and registered office) or a request to exchange Investment Shares must always be made:
 - a) in writing by personal delivery to the registered office of the Administrator including verification of Investor's identity by the Administrator;
 - b) in writing by personal delivery to the Manager or Distributor including verification of Investor's identity by the Manager's or Distributor's representative;
 - c) in writing including officially certified signature of the Investor through a post license holder (including a courier); or
 - d) other form of electronic communication allowing verification of Investor's identity (e.g. by a web application operated by the Administrator, Distributor or a third party) or via a message from Investor's databox sent to the Administrator's databox.
- 18.6 Request for repurchase of Investment Shares, Investor's notice of withdrawal from the Investment Agreement or notification of bank account number for payments shall be made:
 - a) in writing by personal delivery to the registered office of the Administrator including verification of Investor's identity by the Administrator;
 - b) in writing by personal delivery to the Manager or Distributor including verification of Investor's identity by the Manager's or Distributor's representative. Investor's signature must be officially certified except for Investor's request for payment to his/her account listed in the Investment Agreement, account notified to the Administrator in advance for payment or account from which an investment was made, whereas in such case the signature shall not require certification;
 - c) in writing including officially certified signature of the Investor through a post license holder (including a courier); or
 - d) other form of electronic communication allowing verification of Investor's identity (e.g. by a web application operated by the Administrator, Distributor or a third party) or via a message from Investor's databox sent to the Administrator's databox.
- 18.7 Information and data provided by the Investor to the Fund, Manager or Administrator for purposes of communication shall be used for all communication with Investor.

- 18.8 Obligation to provide information and notices from the Fund, Manager or Administrator *vis-à-vis* the Investor shall be fulfilled preferentially by emails or via a web application operated by the Administrator, unless the Articles of Association, Statute, general binding legal regulations or Investment Contract require different form of communication. The obligation to provide information and notices of the Fund, Manager or Administrator *vis-à-vis* the Investor may be performed and given through the Distributor. In such a case, the obligation *vis-à-vis* the Investor is fulfilled by dispatch of the relevant information to the Distributor.
- 18.9 Data and information in Article 18.2 of the Statute is always binding upon the Fund for the purposes of communication with the Investor and distribution of pecuniary performances (consideration) to the Investor, unless the Articles of Association, Statute, or Investment Agreement expressly stipulate otherwise.
- 18.10 The Investor is responsible for accuracy and currency of the provided information and data. Damage incurred by the Investor due to inaccurate data or information or due to failure to duly and timely notify a change of data or information shall not be attributable to the Fund, Manager or Administrator.
- 18.11 The Administrator shall ensure that changes to data and information in Article 18.2 of this Statute are made based on a written notice within 5 (five) Business Days, unless the Administrator and the notifying Investor agree on a shorter deadline.
- 18.12 If the Administrator specifies in writing that a certain department or a person are the addressees of communication, the communication of the Investor shall be invalid, unless it includes information that it is addressed to the relevant department or person.
- 18.13 All pecuniary performances shall be transferred to the Investor's bank account.
- 18.14 The Fund is entitled to refuse the payment of pecuniary performance or performance in kind to the Investor if this Investor has not provided the Fund, the Manager or the Administrator with co-operation necessary to ensure compliance with obligations arising from legal regulations governing measures against legalization of proceeds of crime, tax legislation or other generally binding legal regulations.
- 18.15 Damage incurred by the Investor due to failure to provide cooperation under Article 18.14 of this Statute shall not be attributable to the Fund, Manager or Administrator.
- 18.16 A person kept in the list of shareholders as a person maintaining follow-up records is also deemed Investor for the purposes of this Article.

In Prague, on 10.8.2022

AVANT investiční společnost, a.s., Manager

represented by JUDr. Petr Krátký, Vice-Chairman of the Board of Directors

Annex 1

Rules of Distribution of Fund Capital

Classes of shares and basic information on the calculation of share values

This Fund issues five classes of investment shares (IA):

Name of IA	Ticker	Currency	Minimum return p.a.	Max return p.a.
Preferred CZK Investment Shares	PIAC	CZK	7.4 %	8.4 %
Preferred EUR Investment Shares	PIAE	EUR	6.4 %	7.4 %
Dividend CZK Investment Shares	DIAC	CZK	7.4 %	8.4 %
Dividend EUR Investment Shares	DIAE	EUR	6.4 %	7.4 %
Performance Investment Shares	VIA	CZK	x	x

In the period 1.7.2022 - 30.6.2023, the min and max valuation of each share class changes as follows:

PIA and DIA (CZK) 9% - 10% p.a. (instead of 7.4% - 8.4% p.a.)

PIA and DIA (EUR) 8 % - 9 % p.a. (instead of 6,4 % - 7,4 % p.a.)

Decisive Period ... calendar month

Reference Period ... calendar year

IA Value ... rounded down to four decimal places for PIA and DIA (both CZK and EUR), and down to four decimal places for VIA

Principals

Principles for determining the Distribution Ratio of the Fund:

- a) Positive Portfolio Value Change shall be allocated in the following order:
 - Preferably in growth in the value of PIAC, PIAE, DIAC and DIAE up to an appreciation of 8.4 % p.a. for CZK classes and up to 7.4 % p.a. for EUR classes;
 - the remainder of the positive Portfolio Value Change shall be allocated in full to the VIA;

- b) In the event that, as a result of a negative Portfolio Value Change or insufficient value of a positive Portfolio Value Change, the growth in the value of PIAC, PIAE, DIAC and DIAE does not reach an amount equivalent to 7.4 % p.a. for the CZK Classes and 6.4 % p.a. for the EUR Classes, an amount providing for appreciation in the following amount shall be redistributed (if possible) to PIAC, PIAE, DIAC and DIAE to the debit of the value of VIA;
- c) Negative Portfolio Value Change shall be preferentially allocated to the decline in the value of VIA. The negative Portfolio Value Change shall be allocated to PIAC, PIAE, DIAC and DIAE on a pro rata basis (according to the size of their fund capital) only after the fund capital of the VIA has been fully depleted so that all these remaining IA types witness an identical percentage decline in value in their respective currency;
- d) The In the period 1.7.2022 - 30.6.2023, the minimum and maximum valuation of individual share classes is changed as follows:
PIA and DIA (CZK) 9.0% - 10.0% p.a. (instead of 7.4% - 8.4% p.a.)
PIA and DIA (EUR) 8,0 % - 9,0 % p.a. (instead of 6,4 % - 7,4 % p.a.)
- e) The objectives set out in this paragraph above are achieved through the division of the Fund Capital into portions attributable to a particular Class of Investment Shares. In doing so, the relative return of IA Classes entitled to the same level of appreciation but denominated in different currencies is always the same (i.e. movements in the CZK/EUR exchange rate do not affect the resulting appreciation of individual IA Classes). Any subscriptions, repurchases or dividend payments of a given IA Class are always reflected only in the Fund Capital of the relevant IA Class;
- f) The distribution of the Fund capital into individual parts is calculated at the end of each calendar month (or at the end of each decision period).

A. Definitions

1. **Decisive period t** means the current decisive period, as defined in Article 14.32 of this Statute, at the end of which the company's fund capital is redistributed.
2. **Reference period r** means the period of the calendar year into which the Decisive Period t falls. The start of the first reference period after the creation of the Fund shall be the start of the first decisive period. The end of the first reference period shall be 31 December of the calendar year in question.
3. **Decisive period t-1** is the decisive period preceding the Decisive Period t.
4. **Reference period r-1** je refer reference period preceding the Reference Period r.
5. **x type of investment share** means investment shares PIAC, PIAE, DIAC, DIAE and VIA.
6. **FK_{x,r-1}** means the portion of fund capital attributable to the x type of investment share at the end of the previous Reference Period.
7. **FK_{x,t}** means the portion of the Fund's capital attributable to the x type of investment share at the end of Decision Period t.
8. **Σ div_{x,r}** means the sum of the amounts of all gross dividends per share for the x type of investment shares for which the ex-dividend record date falls within the period from the beginning of the Reference Period to the end of the Decisive Period t.

9. **FX**_{CZK/EUR t} means CZK/EUR exchange rate as of the last day of Decisive Period t.
10. **FX**_{CZK/EUR r-1} means CZK/EUR exchange rate as of the end of Reference Period (r-1).
11. **UFK**_{x r-1} means the modified part of the fund capital pertaining to x type of Investment Shares as of the end of the preceding Reference Period, where for each x type of Investment Shares the following is true:

$$UFK_{x r-1} = (NAVPS_{x r-1} - \sum div_{x r}) \times a_{x t}$$

Whereas UFK of EUR IA can be calculated for CZK as follows:

$$UFK_{x r-1} = (NAVPS_{x r-1} - \sum div_{x r}) \times a_{x t} \times FX_{CZK/EUR t}$$

12. **FK**_{Total t} means the company's total fund capital from investment activities ascertained as of the end of the Decisive Period t.
13. **n** means the number of days of the Reference Period expired until the last day of Decisive Period t.
14. **a**_{x t} means the number of issued/participating Investment Shares of x type as of the end of Decisive Period t.
15. **NAVPS**_{x r-1} means the value of x type of Investment Shares as of the end of the preceding Reference Period.
16. **ACT** means the total number of days of the Reference Period
17. **UFK**_{PD r-1} means the sum of the adjusted portion of fund capital attributable to PIAC, PIAE, DIAC and DIAE at the end of the previous Reference Period:

$$UFK_{PD r-1} = UFK_{PIAC r-1} + UFK_{PIAE r-1} + UFK_{DIAC r-1} + UFK_{DIAE r-1}$$

18. **PFK**_{PIAC r-1} means the proportion of the adjusted portion of fund capital attributable to PIAC at the end of the previous Reference Period to the sum of the adjusted portion of fund capital of PIAC, PIAE, DIAC and DIAE at the same point in time:

$$PFK_{PIAC r-1} = UFK_{PIAC r-1} / UFK_{PD r-1}$$

19. **PFK**_{PIAE r-1} means the proportion of the adjusted portion of fund capital attributable to PIAE at the end of the previous Reference Period to the sum of the adjusted portion of fund capital of PIAC, PIAE, DIAC and DIAE at the same point in time:

$$PFK_{PIAE r-1} = UFK_{PIAE r-1} / UFK_{PD r-1}$$

20. **PFK**_{DIAC r-1} means the proportion of the adjusted portion of the funded capital attributable to the DIAC at the end of the previous Reference Period to the sum of the adjusted portion of the funded capital of the PIAC, PIAE, DIAC and DIAE at the same point in time:

$$PFK_{DIAC r-1} = UFK_{DIAC r-1} / UFK_{PD r-1}$$

21. **PFK_{DIAE t-1}** means the proportion of the adjusted portion of fund capital attributable to DIAE at the end of the previous Reference Period to the sum of the adjusted portion of fund capital of PIAC, PIAE, DIAC and DIAE at the same point in time:

$$PFK_{DIAE\ t-1} = UFK_{DIAE\ t-1} / UFK_{PD\ t-1}$$

B. Intermediate calculations

IA exchange rate adjustment in EUR in the Decisive Period (hereinafter "**FX_{cor x}**") :

$$FX_{cor\ PIAE} = \left(\frac{FX_{CZK/EUR\ t}}{FX_{CZK/EUR\ t-1}} - 1 \right) \times UFK_{PIAE\ t-1}$$

$$FX_{cor\ DIAE} = \left(\frac{FX_{CZK/EUR\ t}}{FX_{CZK/EUR\ t-1}} - 1 \right) \times UFK_{DIAE\ t-1}$$

Recalculated absolute return achieved in the Decisive Period (hereinafter "**Y**") :

$$Y = FK_{Total\ t} - \sum UFK_{x\ t} - FX_{cor\ PIAE} - FX_{cor\ DIAE}$$

The hypothetical absolute return attributable to the portion of the Fund's capital attributable to the PIAC in the Reference Period at the return corresponding to 7.4 % p.a. (hereinafter "**Y_{PIAC 74}**")

$$Y_{PIAC\ 74} = NAVPS_{PIAC\ t-1} \times (7,4\ \% \times n / ACT) \times a_{PIAC\ t}$$

The hypothetical absolute return attributable to the portion of the Fund's capital attributable to the PIAC in the Reference Period at the return corresponding to 8.4 % p.a. (hereinafter "**Y_{PIAC 84}**")

$$Y_{PIAC\ 84} = NAVPS_{PIAC\ t-1} \times (8,4\ \% \times n / ACT) \times a_{PIAC\ t}$$

The hypothetical absolute return attributable to the portion of fund capital attributable to PIAE in the Reference Period at the return corresponding to 6.4 % p.a. (hereinafter "**Y_{PIAE 64}**")

$$Y_{PIAE\ 64} = NAVPS_{PIAE\ t-1} \times (6,4\ \% \times n / ACT) \times a_{PIAE\ t} \times FX_{CZK/EUR\ t}$$

The hypothetical absolute return attributable to the portion of fund capital attributable to PIAE in the Reference Period at the return corresponding to 7.4 % p.a. (hereinafter "**Y_{PIAE 74}**")

$$Y_{PIAE\ 74} = NAVPS_{PIAE\ t-1} \times (7,4\ \% \times n / ACT) \times a_{PIAE\ t} \times FX_{CZK/EUR\ t}$$

The hypothetical absolute return attributable to the portion of the Fund's capital attributable to the DIAC in the Reference Period at the return corresponding to 7.4 % p.a. (hereinafter "Y_{DIAC 74}")

$$Y_{DIAC\ 74} = NAVPS_{DIAC\ r-1} \times (7,4\ \% \times n / ACT) \times a_{DIAC\ t}$$

The hypothetical absolute return attributable to the portion of the Fund's capital attributable to the DIAC in the Reference Period at the return corresponding to 8.4 % p.a. (hereinafter "Y_{DIAC 84}")

$$Y_{DIAC\ 84} = NAVPS_{DIAC\ r-1} \times (8,4\ \% \times n / ACT) \times a_{DIAC\ t}$$

The hypothetical absolute return attributable to the portion of the Fund's capital attributable to DIAE in the Reference Period at the return corresponding to 6.4 % p.a. (hereinafter "Y_{DIAE 64}")

$$Y_{DIAE\ 64} = NAVPS_{DIAE\ r-1} \times (6,4\ \% \times n / ACT) \times a_{DIAE\ t} \times FX_{CZK/EUR\ t}$$

The hypothetical absolute return attributable to the portion of the Fund's capital attributable to DIAE in the Reference Period at the return corresponding to 7.4 % p.a. (hereinafter "Y_{DIAE 74}")

$$Y_{DIAE\ 74} = NAVPS_{DIAE\ r-1} \times (7,4\ \% \times n / ACT) \times a_{DIAE\ t} \times FX_{CZK/EUR\ t}$$

And furthermore

$$Y_{Min} = Y_{PIAC\ 74} + Y_{PIAE\ 64} + Y_{DIAC\ 74} + Y_{DIAE\ 64}$$

$$Y_{Max} = Y_{PIAC\ 84} + Y_{PIAE\ 74} + Y_{DIAC\ 84} + Y_{DIAE\ 74}$$

C. FK x t calculations

The calculation of FK x t for the relevant x type of investment share can only be made if at least 1 investment share of the relevant type of investment share is issued at the end of the decisive period as follows:

Where $Y > Y_{Max}$:

$$FK_{PIAC\ t} = UFK_{PIAC\ r-1} + Y_{PIAC\ 84}$$

$$FK_{PIAE\ t} = UFK_{PIAE\ r-1} + Y_{PIAE\ 74} + FX_{cor\ PIAE}$$

$$FK_{DIAC\ t} = UFK_{DIAC\ r-1} + Y_{DIAC\ 84}$$

$$FK_{DIAE\ t} = UFK_{DIAE\ r-1} + Y_{DIAE\ 74} + FX_{cor\ DIAE}$$

$$FK_{VIA\ t} = UFK_{VIA\ r-1} + Y - Y_{Max}$$

Where $Y \leq Y_{Max}$ and at the same time $Y > Y_{Min}$:

$$FK_{PIAC\ t} = UFK_{PIAC\ r-1} + Y_{PIAC\ 74} + (Y - Y_{Min}) \times PFK_{PIAC\ r-1}$$

$$FK_{PIAE\ t} = UFK_{PIAE\ r-1} + Y_{PIAE\ 64} + (Y - Y_{Min}) \times PFK_{PIAE\ r-1} + FX_{cor\ PIAE}$$

$$FK_{DIAC\ t} = UFK_{DIAC\ r-1} + Y_{DIAC\ 74} + (Y - Y_{Min}) \times PFK_{DIAC\ r-1}$$

$$FK_{DIAE\ t} = UFK_{DIAE\ r-1} + Y_{DIAE\ 64} + (Y - Y_{Min}) \times PFK_{DIAE\ r-1} + FX_{cor\ DIAE}$$

$$FK_{VIA\ t} = UFK_{VIA\ r-1}$$

Where $Y \leq Y_{Min}$ and at the same time $Y \geq 0$ and at the same time $UFK_{VIA\ r-1} > (Y_{Min} - Y)$:

$$FK_{PIAC\ t} = UFK_{PIAC\ r-1} + Y_{PIAC\ 74}$$

$$FK_{PIAE\ t} = UFK_{PIAE\ r-1} + Y_{PIAE\ 64} + FX_{cor\ PIAE}$$

$$FK_{DIAC\ t} = UFK_{DIAC\ r-1} + Y_{DIAC\ 74}$$

$$FK_{DIAE\ t} = UFK_{DIAE\ r-1} + Y_{DIAE\ 64} + FX_{cor\ DIAE}$$

$$FK_{VIA\ t} = UFK_{VIA\ r-1} + Y - Y_{Min}$$

Where $Y \leq Y_{Min}$ and at the same time $Y \geq 0$ and at the same time $UFK_{VIA\ r-1} \leq (Y_{Min} - Y)$:

$$FK_{PIAC\ t} = UFK_{PIAC\ r-1} + (Y + UFK_{VIA\ r-1}) \times PFK_{PIAC\ r-1}$$

$$FK_{PIAE\ t} = UFK_{PIAE\ r-1} + (Y + UFK_{VIA\ r-1}) \times PFK_{PIAE\ r-1} + FX_{cor\ PIAE}$$

$$FK_{DIAC\ t} = UFK_{DIAC\ r-1} + (Y + UFK_{VIA\ r-1}) \times PFK_{DIAC\ r-1}$$

$$FK_{DIAE\ t} = UFK_{DIAE\ r-1} + (Y + UFK_{VIA\ r-1}) \times PFK_{DIAE\ r-1} + FX_{cor\ DIAE}$$

$$FK_{VIA\ t} = 0$$

Where $Y < 0$ and at the same time $UFK_{VIA\ r-1} > (Y_{Min} + |Y|)$:

$$FK_{PIAC\ t} = UFK_{PIAC\ r-1} + Y_{PIAC\ 74}$$

$$FK_{PIAE\ t} = UFK_{PIAE\ r-1} + Y_{PIAE\ 64} + FX_{cor\ PIAE}$$

$$FK_{DIAC\ t} = UFK_{DIAC\ r-1} + Y_{DIAC\ 74}$$

$$FK_{DIAE\ t} = UFK_{DIAE\ r-1} + Y_{DIAE\ 64} + FX_{cor\ DIAE}$$

$$FK_{VIA\ t} = UFK_{VIA\ r-1} + Y - Y_{Min}$$

Where $Y < 0$ and at the same time $UFK_{VIA\ r-1} \leq (Y_{Min} + |Y|)$:

$$FK_{PIAC\ t} = UFK_{PIAC\ r-1} + (Y + UFK_{VIA\ r-1}) \times PFK_{PIAC\ r-1}$$

$$FK_{PIAE\ t} = UFK_{PIAE\ r-1} + (Y + UFK_{VIA\ r-1}) \times PFK_{PIAE\ r-1} + FX_{cor\ PIAE}$$

$$FK_{DIAC\ t} = UFK_{DIAC\ r-1} + (Y + UFK_{VIA\ r-1}) \times PFK_{DIAC\ r-1}$$

$$FK_{DIAE\ t} = UFK_{DIAE\ r-1} + (Y + UFK_{VIA\ r-1}) \times PFK_{DIAE\ r-1} + FX_{cor\ DIAE}$$

$$FK_{VIA\ t} = 0$$

In the event that IA class is not invested in for the first time until the Reference Period (calendar year), the calculations in the first Reference Period (calendar year) must be adjusted to maintain the Fund's generally applicable distribution rules:

1) Instead of "n", "n x" shall be used in the formulas for this newly subscribed IA class only, where n x means the number of days elapsed in the Reference Period from the first day of the calendar month following the month in which the first investment in that newly subscribed IA class is credited to the Fund's account by the last day of the Decisive Period t.

2) And further for the case that $Y \leq Y \text{ Max}$ and at the same time $Y > Y \text{ Min}$

The relevant PFK x r-1 variable of the newly invested class needs to be adjusted to reflect the shorter duration of the investment in the first calendar year. That is, for each month that a new class is invested in, adjust the PFK x r-1 variable by the ratio of the number of newly issued shares to the total number of issued shares of that class multiplied by the ratio n x/n.

For each month of investment, the actual length of n x corresponding to the subscriptions of that month should be used (i.e. the length of time the subscriptions were entitled to the appreciation of the fund).

At the same time, the remaining PFK x r-1 (remaining after adjustment) needs to be allocated to the other IA classes that are entitled to a profit allocation in the relevant reference period on a pro rata basis (according to their PFK ratio).