



Subfund

Verdi podfond farem

INVESTMENT FUND SUB-FUND STATUTE

Valid as of 1 December 2022

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1 LIST OF TERMS AND ABBREVIATIONS USED

Unless the text of the Statute indicates otherwise, the following terms and abbreviations shall have the meanings set out below:

Administrator - Winstor investiční společnost a.s., with registered office at Růžová 948/14, Nové Město, 110 00 Prague 1, ID No. 083 15 868, a company registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, Insert 24543.

AML Act - Act No. 253/2008 Coll., on Certain Measures against the Legalization of Proceeds of Crime and Terrorist Financing, as amended.

Articles of Association - The up-to-date Articles of Association of the Fund deposited in the Collection of Deeds maintained by the relevant Registry Court.

Assets of the Sub-Fund – assets (in Czech *aktiva*) of the Sub-Fund.

Auditor - PricewaterhouseCoopers Audit, s.r.o., with registered office at Hvězdova 1734/2c, Nusle, 140 00 Prague 4, ID No. 407 65 521, a company registered in the Commercial Register maintained by the Municipal Court in Prague, Section C, Insert 3637.

BCA - Act No. 90/2012 Coll., on Business Corporations, as amended.

CMA - Act No. 256/2004 Coll., on Capital Market Undertakings, as amended.

CNB – The Czech National Bank.

Decree - Decree No. 58/2006 Coll., on the manner of keeping separate records of investment instruments and records based on separate records of investment instruments.

Depository - Československá obchodní banka, a.s., with registered office at Radlická 333/150, 150 57 Prague 5, ID No. 000 01 350, a company registered in the Commercial Register maintained by the Municipal Court in Prague, insert BXXXVI 46.

Expert Advisor - Verdi Advisory s.r.o. , with registered office at Ovocný trh 1096/8, Staré Město, 110 00 Prague 1, ID No. 171 60 677, a company registered in the Commercial Register maintained by the Municipal Court in Prague, Section C, Insert 367530.

Fund - Verdi SICAV a.s., as defined in Article 2.1 of the Statute.

Fund Capital - The value of the assets of the Sub-Fund that form part of the Sub-Fund's fortune (in Czech *jmění*) less the value of the debts that form part of the Sub-Fund's fortune.

Government Regulation - Government Regulation No. 243/2013 Coll., on the investment of investment funds and techniques for their management.

ICIF - Act No. 240/2013 Coll., on Investment Companies and Investment Funds, as amended.

Investment Committee - The Investment Committee of the Fund and the Sub-Fund as defined in Article 9 of the Statute.

Management company - Winstor investiční společnost a.s., with registered office at Růžová 948/14, Nové Město, 110 00 Prague 1, ID No. 083 15 868, a company registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, Insert 24543.

Initial subscription period - A period no longer than three months from the day when the issuance of investment shares by the Sub-Fund was started, determined by the Administrator.

Investor - Any shareholder of the Sub-Fund who owns an investment share issued by the Sub-Fund.

Investor List - Investor list maintained by the Administrator.

Manager - Winstor investiční společnost a.s., with registered office at Růžová 948/14, Nové Město, 110 00 Prague 1, ID No. 083 15 868, a company registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, Insert 24543.

Qualified Investor - Qualified investor as defined in Section 272 of ICIF.

Real estate company - A joint stock company, limited liability company or comparable legal entity under the foreign law, the object of which is predominantly the acquisition or construction of real estate, the management of real estate and the transfer of title to real estate for profit.

Regulation on key information documents - Regulation (EU) No. 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products.

Relevant Period - Calendar quarter. The Relevant Period begins on the day following the day for which the last current value of the investment shares has been determined and ends on the last day of the calendar quarter. Exceptionally, the record period may be shorter than a calendar quarter, particularly in cases where the Fund is a party to a merger or other transformation under applicable law or in the case of an extraordinary determination of the current value of the investment shares.

Shareholder - Any shareholder of the Fund who is the owner of the founder shares of the Fund.

Statute - This Statute of the Sub-Fund, which contains information about the investment method of the Sub-Fund and other information necessary for investors to accurately and correctly assess the investment.

Sub-Fund - Verdi podfond farem as a separate part from an accounting and asset perspective of the Fund's fortune according to Section 165 of the ICIF.

Sub-Fund Account - A bank account of the Fund established and maintained by the Depository for the purpose of collecting funds from Investors in the Sub-Fund.

Subscription Agreement - the "Agreement on the Issuance and Redemption of Investment Shares" entered into between the Investor and the Fund or other similar agreement governing the Investor's equity entry into the Fund and the mutual rights and obligations.

Valuation Date - The last day of the Relevant Period as of which the current value of the investment shares is determined retrospectively for the entire Relevant Period.

Website - The Sub-Fund's website is available at <https://www.winstor.cz/>.

2 DETAILS OF THE FUND AND THE SUB-FUND

2.1 INFORMATION ABOUT THE FUND

2.1.1 COMPANY NAME AND REGISTERED OFFICE

Verdi SICAV a.s., with registered office at Ovocný trh 1096/8, Staré Město, 110 00 Prague 1, ID No. 171 40 200, a company registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, Insert 27284.

2.1.2 SHORT NAME

Verdi SICAV

2.1.3 REGISTRATION IN THE LIST OF INVESTMENT FUNDS WITH LEGAL PERSONALITY

The Fund is registered in the list of investment funds with legal personality maintained by the CNB pursuant to Section 597(a) of ICIF.

2.2 INFORMATION ABOUT THE SUB-FUND

2.2.1 NAME OF THE SUB-FUND

Verdi podfond farem

2.2.2 SHORT NAME

Verdi podfond farem

2.2.3 CREATION OF THE SUB-FUND

1 June 2022, i.e. the date of registration of the Sub-Fund in the CNB list pursuant to Section 597 of ICIF.

2.2.4 THE PERIOD FOR WHICH THE SUB-FUND IS CREATED OR ESTABLISHED

The Sub-Fund is established for an indefinite period of time.

2.2.5 INCORPORATION OF THE SUB-FUND

The Sub-Fund is a sub-fund of the qualified investor' fund which, within the meaning of Section 95(1) of the ICIF, collects funds or things whose value can be expressed in monetary terms (valuable) from more than one Qualified Investors by issuing participating securities and makes joint investments of the collected funds or valuables on the basis of a specified investment strategy for the benefit of such Qualified Investors and further manages such assets.

2.3 INFORMATION ON THE PERSON OF THE PRIME BROKER OF THE FUND

The Fund does not have a prime broker.

2.4 REMOTE ACCESS DATA

Information published in a manner allowing remote access is published via the Website.

3 INFORMATION ON THE SUB-FUND'S AUDITOR

PricewaterhouseCoopers Audit, s.r.o., with registered office at Hvězdova 1734/2c, Nusle, 140 00 Prague 4, ID No. 407 65 521, a company registered in the Commercial Register maintained by the Municipal Court in Prague, Section C, Insert 3637.

The activities of the Auditor in relation to the Sub-Fund are as follows:

- a) the verification of the financial statements of the Sub-Fund pursuant to Section 187 of ICIF; and
- b) an opinion on the consistency of the Sub-Fund's annual report with its financial statements pursuant to Section 292 of ICIF.

4 INFORMATION ON THE MANAGER AND THE ADMINISTRATOR

4.1 INFORMATION ON THE PERSON OF THE OPERATOR AND THE ADMINISTRATOR

The Fund Manager and Administrator is Winstor investiční společnost a.s., with registered office at Růžová 948/14, Nové Město, 110 00 Prague 1, ID No. 083 15 868, a company registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, Insert 24543.

The Management company was created on the basis of the CNB's decision No.: 2019/068651/CNB/570, 2018/00275/CNB/571, which came into legal force on 20 June 2019.

The Management company is registered in the list of investment companies maintained by the CNB pursuant to Section 596(a) of ICIF.

The Management company is entitled to exceed the relevant threshold.

4.2 STATUTORY BODY

The Management company is the statutory body of the Fund in accordance with Section 9(1) and (2) of ICIF.

4.3 ACTIVITIES OF THE MANAGEMENT COMPANY IN RELATION TO THE SUB-FUND

The Management company performs the following activities in relation to the Sub-Fund:

- a) management of the Sub-Fund, namely:
 - i. managing the Sub-Fund's assets, including investing on behalf of the Sub-Fund;
 - ii. managing the risks associated with investing;

- b) administration of the Sub-Fund, in particular:
 - i. keeping the Sub-Fund's accounting records;
 - ii. provision of legal services;
 - iii. compliance and internal audit;
 - iv. handling complaints and claims of the Sub-Fund's investors;
 - v. valuation of the Sub-Fund's assets and debts;
 - vi. calculation of the current value of the Sub-Fund's investment shares;
 - vii. ensuring compliance with obligations relating to taxes, fees or other similar monetary payments;
 - viii. maintaining a list of owners of investment shares issued by the Sub-Fund;
 - ix. allocation and payment of the revenues from the Sub-Fund's assets;
 - x. ensuring the issuance, exchange and redemption of investment shares issued to the Sub-Fund;
 - xi. preparation and updating of the Sub-Fund's annual report;
 - xii. the preparation and updating of the Sub-Fund's Key Information Document or a comparable document under the law of a foreign country and the making of amendments thereto;
 - xiii. preparation of the Sub-Fund's promotional communication;
 - xiv. publication, disclosure and provision of information and documents to Investors and other persons;
 - xv. reporting data and providing documents, in particular to the CNB or to the supervisory authority of another Member State;
 - xvi. performance of other activities related to the management of the Sub-Fund's assets;
 - xvii. distribution and payment of monetary performance in connection with the dissolution of the Sub-Fund;
 - xviii. keeping records of the issuance and redemption of shares issued by the Sub-Fund;
 - xix. offering investments in the Sub-Fund.

The Management company performs these activities in their entirety itself or has delegated their performance to another person. Details of the delegation of certain activities are regulated in Article 5 of the Statute.

4.4 INFORMATION ON THE EXPERT ADVISOR

Verdi Advisory, s.r.o., with registered office at Ovocný trh 1096/8, Staré Město, 110 00 Prague 1, ID No. 171 60 677, a company registered in the Commercial Register maintained by the Municipal Court in Prague, Section C, Insert 367530.

5 INFORMATION ON THE DELEGATION OF THE PERFORMANCE OF AN INDIVIDUAL ACTIVITY TO ANOTHER PERSON

5.1 DELEGATING MANAGEMENT

The Manager has not delegated the management of the Sub-Fund's assets or part of the Sub-Fund's assets, namely the asset management of the Sub-Fund, including investments for the account of the Sub-Fund, to another person.

The Expert Advisor, who will mainly perform support activities related to the preparation of market analyses and the searching, proposing and management of investment opportunities, including their detailed elaboration, preparation of plans and valuations, is not authorized by the manager to perform any activity that involves management of the Fund. The Expert Advisor shall be remunerated for the above services. The Expert Advisor's fee is not part of the Manager's fee.

The content of the specific rights and obligations between the Manager and the Expert Advisor is regulated by the intermediation and cooperation agreement.

5.2 DELEGATING THE PERFORMANCE OF CERTAIN ACTIVITIES

The Management company has delegated the performance of certain activities to the below named companies on the basis of concluded contracts. The Management company may control and influence the performance of these activities by these companies by its instructions. The Management company may terminate the contracts under which these activities have been delegated with immediate effect. The delegation of these activities shall not affect the Management company's liability to compensate for damages resulting from the breach of its obligations as the Sub-Fund's Manager and Administrator under the Statute, ICIF and other legal regulations. The Management company does not exclude further delegation of activities which are usually part of the management or administration to a third party in the future under the conditions provided for by law.

The administration of certain information systems and information technologies is provided for the Management company by Winstor Capital a.s., with registered office at Růžová 948/14, Nové Město, 110 00 Prague 1, ID No. 060 99 122, a company registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, Insert 22495.

Compliance and internal audit is provided for the Fund by GPP s.r.o., with registered office at Korunní 2206/127, Vinohrady, 130 00 Prague 3, ID No. 077 54 302, a company registered in the Commercial Register maintained by the Municipal Court in Prague, Section C, Insert 307061.

The Manager has delegated performance of individual activities related to the management of the Sub-Fund to the Expert Advisor, who will perform mainly support activities related to the searching and proposing of investment opportunities and the preparation of market analyses. The outputs of the Expert Advisor serve as the basis for the Investment Committee's and subsequently the Manager's investment decisions. The Expert Advisor shall be compensated for the above services. The Expert Advisor's fee is not part of the Manager's fee. The content of the specific rights and obligations between the Manager and the Expert Advisor is governed by the cooperation agreement.

Other specialised activities in the administration of the Sub-Fund that may be provided by third parties include legal services or activities related to the management of the assets of the Sub-Fund, such as the advising on capital structure, industrial strategy and related matters to the Sub-Fund's subsidiaries, the provision of services relating to the mergers and other transformations of companies or the business transfers to Sub-Fund's subsidiaries and the maintenance of individual assets of the Sub-Fund. These activities will be provided by persons in accordance with the requirements of professional care for the specific case and these specialised services will be paid for from the assets of the Sub-Fund in accordance with the Sub-Fund's Statute.

6 INFORMATION ON THE DEPOSITORY

6.1 DETAILS OF THE PERSON OF THE DEPOSITORY

The Depository of the Sub-Fund is Československá obchodní banka, a.s., with registered office at Radlická 333/150, 150 57 Prague 5, ID No. 000 01 350, a company registered in the Commercial Register maintained by the Municipal Court in Prague, File No. BXXXVI 46.

The Depository is registered in the list of investment fund depositories maintained by the CNB.

The Depository is a 100% subsidiary of KBC Bank NV. The sole shareholder of KBC Bank NV is KBC Group NV.

6.2 ACTIVITIES OF THE DEPOSITORY

The Depository of the Sub-Fund shall, on the basis of a written agreement, ensure the custody, safekeeping and keeping records of the Sub-Fund's assets, perform the depository's duties in relation to the maintenance of funds and control duties as they arise from the ICIF and the depository agreement.

Within the scope of its activities, the Depository of the Sub-Fund ensures in particular:

- a) has custody of fungible investment instruments held by the Fund by keeping records of them in the ownership account that the Depository maintains for the Sub-Fund in the central register of book-entry securities, in a separate register of investment instruments, in the register linked to these registers or in a similar register maintained under the law of a foreign state;
- b) has custody of investment instruments or assets of the Sub-Fund, the nature of which allows it;
- c) keeps records of the Sub-Fund's assets, the nature of which allows it;
- d) maintains records of the assets of the Sub-Fund held or authorised to be held by the potential prime broker of the fund, if any;
- e) establishes or maintains monetary accounts in the name of the Sub-Fund or monetary accounts in the name of the Manager of the Fund established for the benefit of the Sub-Fund or monetary accounts in its own name established for the benefit of the Sub-Fund, in which case the Depository of the Sub-Fund shall ensure that its funds are not held in such account;
- f) keep records of all monetary accounts established for the Sub-Fund and controls the movement of the Sub-Fund's money in these accounts;
- g) carry out the orders of the Sub-Fund Manager in accordance with the Statute and in accordance with the depository agreement;
- h) controls that in compliance with the ICIF, the Statute and the provisions of the depository agreement:
 - i. all classes of investment shares of the Sub-Fund were issued and redeemed;
 - ii. the current value of the Sub-Fund's investment share was calculated;
 - iii. the assets and debts of the Sub-Fund were valued;
 - iv. consideration from transactions in the Sub-Fund's assets was paid within the usual time limits;
 - v. the revenues accruing to Sub-Fund are used;
 - vi. the assets of the Sub-Fund are acquired and disposed of.

6.3 RESPONSIBILITY OF THE DEPOSITORY

The Depository's responsibilities include, but are not limited to:

- a) The Depository shall be responsible for the custody of the investment instruments held by the Sub-Fund, for the safekeeping of the Sub-Fund's assets and for keeping records of such assets. The Depository's responsibility is not affected if the Depository has delegated the performance of these activities to another person. The liability of the Management company for damages incurred in the management and administration of the fund shall not be affected;
- b) If the Depository delegates any of its activities in relation to the Sub-Fund to another person, it shall notify the Administrator, who shall ensure that the details of such other person are included in the Statute;
- c) The Depository of the Sub-Fund who causes damage to the Management company, the Sub-Fund or an Investor by breaching its duty established or agreed for the performance of its activities as a depository shall be obliged to compensate for it. The obligation to compensate shall be waived only if the Depository proves that it did not cause the damage even negligently;
- d) if the investment instruments held by the Depository in custody or safekeeping are lost, the Depository shall compensate the Sub-Fund for the resulting damage without undue delay; regardless whether the Depository has delegated the performance of any activity to another person. The Depository of the Sub-Fund shall only be released from the obligation to compensate the damage if it proves that the loss was caused by an extraordinary, unforeseeable and insurmountable obstacle created beyond its control.

6.4 INFORMATION ON PERSONS TO WHOM THE DEPOSITORY DELEGATED CUSTODY OR CONTROL OF THE FUND'S ASSETS

The Depository of the Sub-Fund may delegate the custody, safekeeping or keeping records of the assets of the Sub-Fund to another person. The proportion of assets for which custody, safekeeping or keeping records may be delegated to other persons may reach up to 100% of the assets of the Sub-Fund.

The custody, safekeeping or record keeping of a part of the assets of the Sub-Fund is not currently delegated to any other person.

7 INFORMATION ON THE INVESTMENT STRATEGY

7.1 INVESTMENT OBJECTIVE AND STRATEGY OF THE SUB-FUND

The investment objective of the Sub-Fund is to achieve long-term appreciation of the funds entrusted to it by investing mainly in:

- a) real estate, mostly farms;
- b) equity participation in Real Estate Companies; and also

by providing debt financing to Real Estate Companies.

The Sub-Fund's investment objective and strategy are pursued in the Czech Republic and the Slovak Republic.

The Sub-Fund is entitled to acquire, appreciate, sell and lease the assets that may be acquired for the Sub-Fund's fortune. The Sub-Fund may also acquire real estate by way of construction or, for the purpose of further appreciation of real estate owned by it, to allow construction on such real estate. The Sub-Fund is also authorised to acquire assets which may be acquired in the Sub-Fund's fortune by using of borrowings and loans and to make other disposals of such assets.

Also other types of assets stated in Article 7.2 of the Statute may be acquired into the fortune of the Sub-Fund.

A change in the investment strategy of the Sub-Fund requires the approval of the General Meeting of the Fund.

Given the investment strategy of the Sub-Fund and the nature of the assets in which it invests, sustainability risks are not incorporated into the investment decisions of the Sub-Fund where they are not perceived to be relevant to the Sub-Fund.

7.2 DEFINITION OF THE TYPES OF ASSETS THAT MAY BE ACQUIRED IN THE SUB-FUND'S FORTUNE

Types of items that may be acquired in the fortune of the Sub-Fund:

- a) real estate;
- b) Real Estate Companies;
- c) land plots;
- d) participation in business corporations;
- e) shares or similar securities representing a participation in a company;
- f) receivables against business corporations;
- g) loans to business corporations;
- h) various types of bonds, promissory notes or similar securities representing the right to repay the debt issued by legal persons or individuals, including similar foreign securities;
- i) bank deposits;
- j) financial derivatives (especially swaps and forwards);
- k) money market instruments.

7.3 COPYING THE INDEX

The Sub-Fund does not intend to copy any index in its operations, nor does it intend to track any index in its operations.

7.4 CONCENTRATION OF THE SUB-FUND

The Sub-Fund does not have a strategic asset allocation. The Sub-Fund may, within the limits set out in the Statute and the ICIF, allocate investments within the different types of assets that may be acquired in the Sub-Fund's fortune. Changes of the Sub-Fund's portfolio are not made at predetermined intervals or according to predetermined rules.

7.5 SECURITY AND GUARANTEES

The return on an investment in the Sub-Fund's investment shares, or any part thereof, or the return on such investment is neither assured nor guaranteed. The Sub-Fund is not a secured or guaranteed fund. Third parties do not provide any guarantees to Investors.

7.6 POSSIBILITIES AND LIMITS FOR THE USE OF A LOAN OR BORROWING ON THE SUB-FUND'S ACCOUNT

The Sub-Fund may accept a loan or borrowing on terms and conditions consistent with market standards and only for the purpose of investing of the Sub-Fund.

The Sub-Fund may provide security using its assets to secure loans or borrowings. The provision of security must be consistent with the overall investment objectives and investment strategy of the Sub-Fund.

7.7 POSSIBILITIES AND LIMITS OF USING THE ASSETS OF THE SUB-FUND FOR GRANTING A LOAN OR BORROWING

A Sub-Fund cannot grant loans, borrowings and security unless they are related to the management of that Sub-Fund.

The Sub-Fund may grant loans or borrowings up to an aggregate of 95% of the value of the Sub-Fund's assets. Loans or borrowings will be granted by the Sub-Fund with a maturity not exceeding 10 years and on market standard terms. The granting of a loan or borrowing from the assets of the Sub-Fund shall be conditional upon

the provision of adequate security (e.g. a pledge, promissory note, guarantee, etc.) securing the proper repayment of the loan or borrowing, subject to the conditions in the following paragraph.

If a loan or borrowing is made to a Real Estate Company or a business corporation in which the Sub-Fund has significant influence, the Sub-Fund may not require such company to provide security for such loan or borrowing considering the existence of a controlling and controlled person relationship, and the Sub-Fund may contractually subordinate its own receivables from loans or borrowings made to such company to the receivable or receivables of another creditor.

7.8 MAKING A DONATION, SECURING THE DEBT OF ANOTHER PERSON OR PAYING A DEBT UNRELATED TO THE MANAGEMENT OF THE SUB-FUND

The assets of the Sub-Fund may be used to make a donation. The Sub-Fund may make donations to third parties, i.e. to provide monetary, movable (e.g. infrastructure) and immovable donations to local self government authorities, their subordinate entities, entities providing operation of infrastructure structures and systems and humanitarian, charitable, sports and similar public benefit organisations, in particular but not exclusively in connection with the acquisition, maintenance or improvement of the immovable property of the person receiving a donation, in connection with the science and education, research and development purposes, culture, education of the person receiving the donation, in connection with the promotion and protection of children and young people and their health, the protection of animals, or in connection with social, health, environmental, humanitarian, charitable, physical education and sports purposes and needs of the of the person receiving a donation.

The assets of the Sub-Fund may not be used to secure a debt of another person or to pay a debt that is not related to the management of the Sub-Fund.

7.9 POSSIBILITIES AND LIMITS RELATING TO THE SALE OF THINGS FOR THE ACCOUNT OF THE SUB-FUND THAT ARE NOT IN THE ASSET OF THE SUB-FUND

The Sub-Fund may not enter into contracts for the sale of investment instruments that it does not have in its asset.

7.10 RULES FOR CALCULATING THE FUND'S TOTAL EXPOSURE AND LIMITS ON TOTAL EXPOSURE

The Manager shall determine and disclose in its annual report, at least annually, the level of leverage in accordance with Articles 6 to 11 of Commission Delegated Regulation (EU) 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. The total exposure of the Sub-Fund is calculated using the commitment method and the gross asset value method.

The limit of the Sub-Fund's total exposure calculated using both the gross asset value method and the standard commitment method is set at 300% of the value of the Sub-Fund's assets.

7.11 INVESTMENT LIMITS

7.11.1 INVESTMENT LIMITS

The investment limits to be observed by the Sub-Fund for assets acquired into the Sub-Fund's fortune as set out in Article 7.2 of the Statute are as follows:

Type of asset acquired into the Sub-Fund's fortune	Min. % share of total value of assets	Max. % share of total the value of the assets
Real Estate	0%	10%
Real Estate Companies	0%	95%
Participation in business corporations	0%	50%

Shares or similar securities representing a participation in a company	0%	20%
Receivables against business corporations	0%	60%
Loans to business corporations	0%	95%
Various types of bonds, promissory notes or similar securities representing a right to repayment of the debt issued by legal persons or individuals, including similar foreign securities	0%	20%
Bank deposits	1%	100%
Money market instruments	0%	20%
Financial derivatives	0%	100%

Irrespective of the minimum percentage of Bank Deposits in the total value of the Sub-Fund's assets as set out in the table above, the amount of Bank Deposits in the Sub-Fund's assets shall be at least the equivalent of CZK 500 thousand. The Management company has prepared a contingency liquidity management plan for the Sub-Fund in case the liquidity of the Sub-Fund is threatened.

Information on any measures taken to manage the Sub-Fund's insufficient liquidity, or information on the proportion of the Sub-Fund's Assets subject to special measures due to their low liquidity, will be published by the Sub-Fund on the Website.

If the limits under this Article of the Statute are breached and if the exception under Article 7.11.2 of the Statute is not applicable, the Management company shall bring the composition of the Sub-Fund's assets into compliance with the investment limits under this Article of the Statute without undue delay and in such a way as to protect the interests of the Investors.

7.11.2 EXCEPTION FOR INVESTMENT LIMITS

The Sub-Fund shall not be obliged to comply with the investment limits for the composition of the Sub-Fund's assets set out in Article 7.11.1 of the Statute for a period of 36 months from the creation of the Sub-Fund.

7.12 CHARACTERISTICS OF A TYPICAL INVESTOR

The investment in the Sub-Fund is intended for qualified investors within the meaning of Section 272 of ICIF, i.e. investors with above-average investment experience. An investment in the Sub-Fund is intended for investors who are aware that the expected revenue from an investment in the Sub-Fund involves a higher level of risk and who are also able to evaluate the risks associated with an investment in the Sub-Fund.

The recommended investment horizon of the Fund is at least 5 years. The Sub-Fund is therefore suitable for investors who can afford to defer their invested capital for at least this period.

7.13 DETAILS OF TECHNIQUES FOR MANAGING THE SUB-FUND AND THE POSSIBILITIES AND LIMITS OF THEIR USE

The techniques that the Sub-Fund may use for the purpose of managing the Sub-Fund's Assets are financial derivatives. These techniques may only be used by the Sub-Fund if the following conditions are met:

- a) they relate to the assets that the Sub-Fund may acquire in its assets;
- b) they are used solely for the efficient management of the Sub-Fund and to reduce the risk associated with investing for the account of the Sub-Fund, to reduce the costs associated with investing for the account of the Sub-Fund, or to raise additional capital or earn additional revenue if the risk taken is consistent with the risk profile of the Sub-Fund;

- c) the use of these techniques does not circumvent the rules set out in the Government Regulation, as determined by this Sub-Fund's Statute and the Sub-Fund's investment strategy and;
- d) the debts of the Sub-Fund resulting from the use of these techniques are always fully covered by the Sub-Fund's Assets.

7.13.1 FINANCIAL DERIVATIVES

A Financial Derivative, whether admitted or not to trading on a regulated market of a Member State, may be contracted for the account of the Sub-Fund. A Financial Derivative admitted to trading on a regulated market of a Member State may be contracted for the account of the Sub-Fund if the underlying value to which the Financial Derivative relates is only:

- a) asset that can be acquired into the Sub-Fund's fortune according to the investment strategy of the Sub-Fund;
- b) interest rate, exchange rate or currency, or;
- c) a financial index that is sufficiently diversified, sufficiently representative and publicly available.

A Financial Derivative not admitted to trading on a regulated market of a Member State may be negotiated on behalf of the Sub-Fund if:

- a) the value of this derivative relates only to the values listed in Section 12 (a) to (c) of the Government Regulation;
- b) this derivative is valued reliably and verifiably every business day;
- c) the manager of the Sub-Fund may, at its own initiative, assign or terminate or otherwise terminate the derivative at any time for an amount that can be reached between the parties on terms that are not materially unfair to either party, or may enter into a new derivative for that amount to offset the underlying assets of the derivative in accordance with the procedure set out in Section 37 of the Government Regulation; and;
- d) the derivative is contracted with an Eligible Counterparty that is subject to the supervision of the CNB, the supervisory authority of another Member State or the supervisory authority of another state.

Without prejudice to the possibility of contract another type of Financial Derivative, the following Financial Derivatives are the most commonly used in the management of the Sub-Fund:

- a) currency swaps;
- b) currency forwards;
- c) interest rate swaps;
- d) options;
- e) futures.

7.14 DERIVATIVES RISK MITIGATION RULES AND LEVERAGE LIMITS

To mitigate the risk from the use of Financial Derivatives, the Sub-Fund follows the following rules:

- a) if the Financial Derivative is to be settled by the Sub-Fund by delivery of the underlying asset, the Sub-Fund shall hold the underlying asset in the Sub-Fund's assets at the time of negotiation and for the entire duration of the contractual relationship corresponding to the Financial Derivative;
- b) if the Financial Derivative is to be settled by the Sub-Fund by delivery of cash, the Sub-Fund shall hold in its assets at the time of negotiation and throughout the duration of the contractual relationship corresponding to the Financial Derivative cash or other asset with a value corresponding to the settlement price of the Financial Derivative in question;
- c) ensure that the underlying asset of the Financial Derivative is consistent with the investment strategy and risk profile of the Sub-Fund.

The level of leverage from derivatives will not exceed 100% of the Sub-Fund's Fund Capital.

8 INFORMATION ON RISK PROFILE

8.1 RISK PROFILE OF THE SUB-FUND

The Management company warns investors that the value of an investment in the Sub-Fund may go down as well as up and the return on the amount originally invested is not guaranteed, nor is the achievement of the stated objectives. The performance of the Sub-Fund in previous periods does not guarantee the same or better performance in the future. An investment in the Sub-Fund is intended to provide a revenue when held for the long term and is therefore not suitable for short-term speculation.

Prospective Investors should consider in particular the risks described in Article 8.2 of the Statute.

8.2 DESCRIPTION OF MATERIAL RISKS ARISING FROM AN INVESTMENT IN THE SUB-FUND

The Management company advises investors that the risks described below do not represent an exhaustive list of all possible risks that a potential investor should consider before investing in the Sub-Fund's investment shares, as the Sub-Fund may also be exposed to other risks that are not currently known and which cannot be identified and described in advance.

An investment in the Sub-Fund entails in particular the following material risks:

Risk arising from the Sub-Fund's investment strategy

The investment strategy of the Sub-Fund consists primarily in investing in real estate and in equity interests in Real Estate Companies, which are mainly associated with the following risks:

- a) Risk of insufficient legal title to the property or participation in the Real Estate Company. Although the Sub-Fund, in cooperation with its legal advisors, will always assess whether it has properly acquired title to the property or participation in the Real Estate Company on the basis of a purchase agreement or other legal title, it cannot be excluded that the legal title will be defective and the property or interest in the Real Estate Company will not pass to the Sub-Fund and the Sub-Fund will incur a loss.
- b) The risk of an adverse change in the legal environment which may lead to losses on the part of the Sub-Fund. It cannot be ruled out that new legislation will not be adopted which would impose new obligations on owners of real estate or interests in real estate companies, make it more difficult to acquire such assets or increase the related costs, which may result in limitations on the consistent implementation of the Sub-Fund's investment strategy, increased costs for the Sub-Fund and deterioration of the Sub-Fund's economic results.
- c) The risk of vacancy of the leased premises, where due to the wrong estimation of the parameters and characteristics of the properties in the Property of the Sub-Fund or in the property of the Property Companies in the Property of the Sub-Fund, the rental income of the Sub-Fund may be reduced, or the dividend income may be reduced, if the properties are in the property of the Property Companies in the Property of the Sub-Fund, and thus the economic results of the Sub-Fund may deteriorate.
- d) The risk of a decrease in the market value of rents that may lead to a deterioration in the economic results of the Sub-Fund.
- e) The risk of loss on the sale of real estate or interests in real estate companies, where the Fund may not estimate the possibility of appreciation of these assets when acquiring them, or the market value may decline due to adverse market developments.
- f) The risk of low liquidity, where investing in real estate and interests in real estate companies is in principle associated with their low liquidity, which may negatively affect the profitability of the investment, where in particular delays in the sales process or a possible reduction in the sale price due to, for example, poor timing of the sale, may have a negative impact on the economic results of the Sub-Fund.
- g) The risk of construction defects, where the value of the properties or Real Estate Companies owned by the Sub-Fund may decrease due to construction defects in such properties.

- h) The risk of damage to the properties owned by the Sub-Fund or the Real Estate Company owned by the Sub-Fund, which may occur as a result of a natural disaster or any other unforeseen event, which may result in a reduction in their value, the value of the rental income derived from them, or incur additional costs related to their repair or replacement.
- i) Transaction risk consisting of the possibility that the counterparty to a given transaction may not properly and timely meet its obligations when acquiring real estate or interests in Real Estate Companies. This risk may be limited to some extent by the selection of counterparties and the use of hedging and collateralisation instruments.

Concentration risk

The risk arises from the concentration of the Sub-Fund's investment activities in the real estate sector, which gives rise to a systematic risk that may significantly affect the development of the value of the Sub-Fund's assets in the event of negative economic developments in the real estate sector.

Market risk

The risk consists in the risk of loss of value of the investment in case of a change in market prices resulting from the influence of market developments on the value of assets held by the Sub-Fund. In general, all participations in corporations, securities, book-entry securities and all other assets that may be acquired by the Sub-Fund are exposed to market risk.

Credit risk

The risk lies in the fact that the entities that have debts to the Sub-Fund (e.g. borrowers from loans or borrowers from investment instruments, etc.) will not repay their debts properly and on time. The Management company mitigates this risk by, in particular, the appropriate selection of counterparties and issuers with regard to their creditworthiness, setting limits on the amount of exposure to individual counterparties and issuers and appropriate contractual arrangements.

Currency risk

A part of the Sub-Fund's assets may be placed in investments denominated in foreign currencies. In addition to fluctuations in the value (market price) of an investment in the relevant foreign currency, the amount of the Sub-Fund's assets is also affected by fluctuations in the exchange rates of the relevant foreign currencies against the Czech koruna. For the purpose of efficient management of the Sub-Fund, the Sub-Fund may use financial derivatives (currency swaps, currency forwards, options and futures).

Risk of insufficient liquidity

The risk consists in the impossibility to sell the asset held by the Sub-Fund at the required time or to obtain a reasonable price for the asset held by the Sub-Fund at the required time. The materialization of the risk of insufficient liquidity could, in the extreme case, lead to the suspension of redemption of the Sub-Fund's investment shares.

Operational risk

Operational risk consists of the risk of loss caused by deficiencies or failures in the internal processes of the Management company or third parties, human error or the impact of an unforeseeable external event. This risk is mitigated by maintaining adequate management and control systems of the Management company and third parties. This risk also includes the risk of loss of property entrusted to the custody or other care of a third party, which may be caused, for example, by the insolvency or negligent or intentional conduct of that third party.

Risk of legal defects

The value of the Sub-Fund's assets may decrease as a result of legal defects in the assets acquired into the Sub-Fund's assets, e.g. as a result of the existence of a third party lien, easement, lease, pre-emption right or other defect that may reduce the value of the asset.

Risk associated with the use of external capital (leverage risk)

The risk associated with the use of foreign capital is that the Sub-Fund is exposed to an amplified effect of the development of the market prices of the assets in the Sub-Fund's Assets on the value of the investment shares when using foreign capital to achieve investment objectives (i.e., in effect using leverage). The use of foreign capital thus potentially allows for higher profits but also higher losses. As the payment of funds invested by the Sub-Fund will generally be subject to the full payment of the obligations to the financing bank, the Sub-Fund's own funds would not be repaid prior to such payment. Thus, in the event of extremely adverse developments, including the possible insolvency of the relevant company, the Sub-Fund's own investment may not be returned even in its original amount or the Sub-Fund may even lose its own invested funds completely.

Risk of dissolution of the Sub-Fund

The risk is that the Sub-Fund may be dissolved for reasons set out in the ICIF or for other reasons. For reasons set out in the ICIF, a Sub-Fund may be dissolved, for example, if the Fund has no depository for more than 3 months or if the total Fund Capital of the Fund, including all Sub-Funds, does not reach EUR 1,250,000 within one year from the date of registration of the Fund in the list of investment funds with legal personality. The Sub-Fund may also be dissolved, e.g. by court decision, due to liquidation or merger or other transformation of the Sub-Fund, etc. In view of this possibility, the Investor is not guaranteed to be able to be a shareholder of the Sub-Fund for the entire duration of its investment horizon, which may have a negative impact on the expected revenue from the investment. The Investor is hereby expressly advised that there is no guarantee and no assurance is given as to the Investor's ability to remain in the Sub-Fund.

Risk of change in the legal system

The Sub-Fund is subject to various legal requirements, including the requirements of the tax laws of the countries in which it operates. If the legal requirements to which the Sub-Fund is subject were to change, such legal environment may differ significantly from the current situation.

9 METHOD OF INVESTMENT OF THE SUB-FUND

Decisions on investments in assets that may be acquired into the Sub-Fund's fortune are made solely by the Manager and are based on the investment strategy of the Sub-Fund. The basis for the decision is an analysis of the economic viability of the intended investment, the opinion of the Investment Committee and, where applicable, tax, accounting, legal or other analyses.

The Investment Committee has three (3) members and is an advisory body of the Manager. The members of the Investment Committee of the Sub-Fund are appointed and removed by the statutory body of the Fund upon the proposal of the Shareholders and the Chairman of the Board of Directors of the Manager of the Fund. Two (2) members of the Investment Committee of the Sub-Fund are proposed jointly by Shareholders holding a majority of the founder shares of the Fund and one (1) member is proposed by the Chairman of the Board of Directors of the Manager.

The Investment Committee shall vote on the opinions on proposals on equity investments submitted by the Manager and the individual members of the Investment Committee. The opinion of the Investment Committee may be affirmative or negative.

The Investment Committee shall decide on its opinion by a simple majority of all votes. If all the members of the Investment Committee agree, the Investment Committee may also meet by means of remote communication, whereby a per rollam vote on the opinion is allowed in the form of an email message.

The Investment Committee shall issue an opinion on each individual investment to be made after the last Investment Committee meeting. The Manager shall not be entitled to make an investment without the prior opinion of the Investment Committee unless otherwise stated in these Articles.

The Investment Committee's opinion usually includes the determination of the minimum and maximum amount of investment in an individual asset or assets defined by type, which may be set in absolute terms or as a percentage of the Sub-Fund's assets. In the event of a conflict between the minimum and maximum investment amount and the investment limits defined in the Statute, the investment limits defined in the Statute shall prevail.

The Manager is entitled to decide on investments within the minimum and maximum amount of investment in an individual asset or assets defined by type without the opinion of the Investment Committee. In the event of a passive overrun of the minimum and maximum investment in a individual asset or assets defined by type, the Manager is entitled to decide on a retroactive adjustment of the exposure within the defined limits without the opinion of the Investment Committee.

The Manager is not bound by the opinion of the Investment Committee and is entitled to decide on an individual investment even if the Investment Committee has a negative opinion, provided that this does not violate applicable law, the Fund's Statute, this Statute or the Manager's duty of professional care. If the project complies with the applicable law, the Fund's Statute and this Statute, the Manager shall ensure the implementation of the investment project.

10 PRINCIPLES FOR THE MANAGEMENT OF THE SUB-FUND AND INFORMATION ON THE PAYMENT OF PROFIT SHARE OR REVENUE OF THE SUB-FUND

10.1 CREATION OF THE SUB-FUND

The Sub-Fund was established in accordance with Article IX of the Articles of Association.

10.2 ACCOUNTING PERIOD

The first accounting period of the Sub-Fund is the period from the creation of the Sub-Fund to 30 June 2023.

In subsequent years, the accounting period of the Sub-Fund is always the period from 1 July to 30 June.

10.3 AUTHORITY TO APPROVE THE FINANCIAL STATEMENTS OF THE SUB-FUND

The approval of the Sub-Fund's financial statements is the responsibility of the General Meeting of the Fund.

10.4 RULES AND DEADLINES FOR VALUATION OF ASSETS AND DEBTS

The Assets and debts of the Sub-Fund are valued at fair value (in Czech *reálná hodnota*) at the Valuation Date in accordance with the ICIF and other legislation, in particular the Government Regulation. The valuation of the Sub-Fund's assets is carried out by the Administrator. Detailed procedures for valuation of the Sub-Fund's Assets and debts are set out in the Administrator's internal regulations.

The Management company accounts for the state and movement of assets and other assets, debts and other liabilities, as well as for the costs and revenues and the economic result of the of the Sub-Fund's assets separately from the subject matter of its own accounting and other funds managed by it and to the extent necessary to determine the value of the Fund's Capital attributable to each class of investment shares.

When converting the value of the Sub-Fund's assets denominated in foreign currency, the exchange rate of the CNB foreign exchange market published by the CNB and valid on the day on which the conversion is carried out shall be used.

Valuations of participations in business corporations and Real Estate Companies may be conducted once a year.

Real estate valuations may be carried out once a year.

10.5 COST ALLOCATION RULES

All expenses and fees attributable to the Sub-Fund will be allocated directly to the Sub-Fund.

All fees and expenses that are not directly attributable to the Sub-Fund will be allocated equally to the sub-funds of the Fund in proportion to their respective fund capital.

10.6 METHOD OF USE OF PROFIT OR REVENUE FROM THE ECONOMY OF THE SUB-FUND

The economic result of the Sub-Fund is the difference between the revenues from the activities carried out by the Sub-Fund and the costs of the Sub-Fund's activities.

Revenues from the Sub-Fund's Assets shall be used to cover costs, unless otherwise provided by applicable law or the Articles of Association. If the economy of the Sub-Fund for the accounting period ends with a profit (excess of revenues over the Sub-Fund's costs), the profit does not have to be used for payment of profit share, but may be used for reinvestment aimed at increasing the Sub-Fund's Assets and increasing the value of the share of individual Investors. If the economy of the Sub-Fund for an accounting period ends in a loss (excess of costs over the Sub-Fund's revenues), the loss incurred will be covered from the sources of the Sub-Fund. Retained earnings from previous years shall be used in priority to cover the loss.

In accordance with the provisions of the preceding paragraph, the General Meeting of the Fund may decide that a profit share shall be paid to the Investors. The profit share of the Investors of the Sub-Fund is a dividend.

The decisive date for the exercise of the right for a dividend is the date determined for such purpose by the General Meeting of the Fund. This date may not precede the date of the general meeting which decided on the payment of the dividend and may not occur after the dividend due date. The dividend shall be payable not later than 6 months after the date on which the resolution of the general meeting on the distribution of profits is adopted. The General Meeting shall decide on the due date of dividends and directors' profit share (in Czech *tantiéma*) by resolution on the distribution of profits.

Unless the General Meeting modifies the due date and place of payment in a resolution, the statutory provisions shall apply.

The Sub-Fund shall pay the dividend at its own cost and risk only by wire transfer to the account of the Investor of the Sub-Fund stated in the Investor List.

The General Meeting of the Fund may determine by its decision the criteria for the entitlement of members of the supervisory board and the statutory body to the payment of profit share (in Czech *tantiéma*).

The General Meeting of the Fund may establish by its decision the criteria for the eligibility of the members of the Investment Committee for payment of remuneration.

11 INFORMATION ON SECURITIES ISSUED BY THE SUB-FUND

11.1 TYPE OF INVESTMENT SHARES

The Fund issues investment shares as book-entry securities in name registered form.

11.2 CLASSES OF INVESTMENT SHARES

11.2.1 ISSUED CLASSES OF INVESTMENT SHARES

Unless the Statute expressly state otherwise, the provisions of the Statute shall apply in the same manner to all classes of investment shares issued by the Sub-Fund.

The Sub-Fund issues three classes of investment shares:

- a) Investment Management Shares ("**IAM**");
- b) Investment shares A in CZK (hereinafter referred to as "**IAA CZK**");
- c) Investment A Shares in EUR (hereinafter referred to as "**IAA EUR**").

IAM represent the Investor's share of the part of the Fund's Capital attributable to IAM (hereinafter referred to as "**FK IAM**"). IAA CZK represent the Investor's share of the part of the Fund's Capital attributable to IAA CZK (hereinafter referred to as "**FK IAA CZK**"). IAA EUR represent the Investor's share of the part of the Fund's Capital attributable to IAA EUR (hereinafter referred to as "**FK IAA EUR**").

Investment shares are in the form of book-entry securities and are issued in name registered form. Investment shares are not admitted to trading on a European regulated market.

IAM may only be issued to Shareholders or persons approved by the Fund's supervisory board.

11.2.2 RULES FOR CALCULATING THE VALUE OF THE FUND'S CAPITAL FOR EACH CLASS OF INVESTMENT SHARES

The distribution of the Sub-Fund's Fund Capital among the 3 classes of investment shares (IAM, IAA CZK and IAA EUR) is based on the performance of the portfolio over the calendar year.

To calculate the value of an investment share and its appreciation, the Fund Capital must be divided into three parts corresponding to IAM, IAA CZK and IAA EUR. The divided parts of the Fund Capital are recorded separately. The change in the Fund Capital (in particular the result of the Sub-Fund economy and the revaluation of the Sub-Fund's assets) for the Relevant Period shall be similarly divided.

The change in the Fund's Capital in case of the legal form of the Fund, i.e. a joint-stock company with variable share capital can be achieved in several ways (including subscriptions for new investment shares, redemptions of already issued investment shares, revaluation of assets), therefore all these must be taken into account for the correct determination of the values.

For the purposes of this Section 11.2.2 of the Statute, the following terms are defined:

Relevant Period t - The current Relevant Period at the end of which the Sub-Fund's Fund Capital is redistributed.

Relevant period t-1 - Relevant period preceding the Relevant Period t.

FK_{Total t} - Fund Capital at the end of the Relevant Period t.

FK_{Total t-1} - Fund Capital at the end of the Relevant Period t-1.

FK_{IAM t} - The part of the Sub-Fund's Fund Capital attributable to IAM at the end of Relevant Period t.

FK_{IAM t-1} - The part of the Sub-Fund's Fund Capital attributable to the IAM at the end of Relevant Period t-1.

FK_{IAA CZK t} - The part of the Sub-Fund's Fund Capital attributable to IAA CZK at the end of the Relevant Period t.

FK_{IAA CZK t-1} - The part of the Sub-Fund's Fund Capital attributable to IAA CZK at the end of the Relevant Period t-1.

FK_{IAA CZK last} - The part of the Sub-Fund's Fund Capital attributable to the IAA CZK at the end of the Relevant Period in which the entitlement for non-zero VR_{CZK, t} last arose.

FK_{IAA CZK gross t} - The part of the Sub-Fund's Fund Capital attributable to the IAA CZK at the end of the Relevant Period t before deducting VR_{CZK, t}, if applicable, and income tax expense, whereby:

$$FK_{IAA CZK gross t} = UFK_{IAA CZK t-1} + Y_{IAA CZK}$$

FK_{IAA EUR t} - The part of the Sub-Fund's Fund Capital attributable to IAA EUR at the end of the Relevant Period t.

FK_{IAA EUR t-1} - The part of the Sub-Fund's Fund Capital attributable to IAA EUR at the end of the Relevant Period t-1.

FK_{IAA EUR last} - The part of the Sub-Fund's Fund Capital attributable to IAA EUR at the end of the Relevant Period in which the entitlement for non-zero VR_{EUR, t} last arose.

FK_{IAA EUR gross t} - The part of the Sub-Fund's Fund Capital attributable to IAA EUR at the end of the Relevant Period t before deduction of VR_{EUR, t}, if applicable, and income tax expense, whereby:

$$FK_{IAA EUR gross t} = UFK_{IAA EUR t-1} + Y_{IAA EUR}$$

hwm - Serial number (index) of the Relevant Period in which the entitlement to a non-zero VR_{CZK, t} or VR_{EUR, t} last arose.

IZ_{t-1} - Total invested sources as of the last day of Relevant Period t-1, whereby:

$$IZ_{t-1} = FK_{Total t-1}$$

(+) cash that was raised in previous Relevant Periods by subscription of investment shares (after deduction of any entry surcharges and fees) but have not been accounted to the relevant equity account as at the last day of Relevant Period t-1 (they may be accounted only after the issue or registration of the investment shares, which may occur only after the current value of the investment shares has been determined, i.e. the current value of the investment shares must first be calculated according to the financial statements without new subscriptions. Only after the issue or registration will the new subscriptions be reflected in the Fund's Capital; however, these new sources can be invested from the beginning of the Relevant Period t and;

(-) liabilities (before deduction of any exit deductions and fees) to be paid for redemptions of investment shares based on redemption requests submitted in previous Relevant Periods, but which have not been accounted to the relevant liability account as at the last day of Relevant Period t-1 (they may be accounted only after payment, which can only occur after the current value of the investment shares has been determined, i.e. the current value of the investment shares must first be calculated according to the accounting statements without the new redemptions, only then will the redemptions be reflected in the Fund's Capital; however, these existing funds can no longer be invested from the beginning of the Relevant Period t.

IZ_{IAM t-1} - Invested sources as of the last day of Relevant Period t-1 for IAM, whereby:

$$IZ_{IAM t-1} = FK_{IAM Total t-1}$$

(+) cash that was raised in previous Relevant Periods by subscription of IAM investment shares (after deduction of any entry surcharges and fees) but have not been accounted to the relevant equity account as of the last day of Relevant Period t-1 (they can only be accounted after the issue or registration of the investment shares, which can only take place after the

current value of the IAM investment shares has been determined, i.e. the current value of the IAM investment shares must first be calculated according to the accounting statements without new subscriptions. Only after issuance or registration will the new subscriptions be reflected in the Fund Capital; however, these new resources can be invested from the beginning of the Relevant Period t and;

(-) liabilities (before deduction of any exit deductions and fees) to be paid for redemptions of IAM investment shares based on redemption requests submitted in previous Relevant Periods, but which have not been accounted to the relevant liability account as at the last day of Relevant Period t-1 (they may only be accounted after the redemption, which may occur only after the current value of the IAM investment shares has been determined, i.e. the current value of the IAM investment shares must first be calculated according to the accounting statements without new redemptions, only then will redemptions be reflected in the Fund's Capital; however, these existing sources can no longer be invested from the beginning of the Relevant Period t.

$I_{IAA\ CZK\ t-1}$ - Invested sources as of the last day of the Relevant Period t-1 for IAA CZK, whereby:

$$I_{IAA\ CZK\ t-1} = FK_{IAA\ CZK\ Total\ t-1}$$

(+) cash that was raised in previous Relevant Periods by subscription of IAA CZK investment shares (after deduction of any entry surcharges and fees) but was not accounted to the relevant equity account on the last day of Relevant Period t-1 (they may be accounted only after the issue or registration of the investment shares, which may occur only after the current value of the IAA CZK investment shares has been determined, i.e. the current value of the IAA CZK investment shares must first be calculated according to the accounting statements without new subscriptions. Only after the issue or registration will the new subscriptions be reflected in the Fund Capital; however, these new sources can be invested from the beginning of the Relevant Period t a;

(-) liabilities (before deduction of any exit deductions and fees) to be paid for redemptions of IAA CZK investment shares on the basis of redemption requests submitted in previous Relevant Periods, but which have not been accounted to the relevant liability account as at the last day of Relevant Period t-1 (they may be booked only after the redemption, which may occur only after the current value of the IAA CZK investment shares has been determined, i.e. the current value of the IAA CZK investment shares must first be calculated according to the accounting statements without new redemptions, only then will the redemptions be reflected in the Fund's Capital; however, these existing sources cannot be invested any more from the beginning of the Relevant Period t.

$I_{IAA\ EUR\ t-1}$ - Invested resources as of the last day of the Decision Period t-1 for IAA EUR, whereby:

$$I_{IAA\ EUR\ t-1} = FK_{IAA\ EUR\ Total\ t-1}$$

(+) cash that was raised in previous Relevant Periods by subscription of IAA EUR investment shares (after deduction of any entry surcharges and fees) but have not been accounted to the relevant equity account as of the last day of Relevant Period t-1 (they may be accounted only after the issue or registration of the investment shares, which can only occur after the current value of the IAA EUR investment shares has been determined, i.e. the current value of the IAA EUR investment shares must first be calculated according to the accounting statements without new subscriptions. Only after the issue or registration will the new subscriptions be

reflected in the Fund Capital; however, these new sources can be invested from the beginning of the Relevant Period t a;

(-) liabilities (before deduction of any exit deductions and fees) to be paid out for redemptions of IAA EUR investment shares based on redemption requests submitted in previous Relevant Periods, but which have not been accounted to the relevant liability account as at the last day of Relevant Period t-1 (they may only be accounted after the redemption, which can only occur after the current value of the IAA EUR investment shares has been determined, i.e. the current value of the IAA EUR investment shares must first be calculated according to the accounting statements without new redemptions, only then will the redemptions be reflected in the Fund's Capital; however, these existing sources cannot be invested any more from the beginning of the Relevant Period t.

UFK_{IAA t-1} - The adjusted part of the Fund Capital attributable to the IAM at the end of the Relevant Period t-1, whereby:

$$\mathbf{UFK_{IAA\ t-1}} = \mathbf{FK_{IAM\ t-1}}$$

(+) the aggregate amount of cash for which IAM have been issued in Relevant Period t, after deduction of any entry surcharges and fees;

(-) the amount of the liability incurred in the Relevant Period t by the Sub-Fund to the IAM owners in respect of the redemption request for such investment shares before deduction of any exit deductions and fees;

(-) the total amount of gross IAM dividends whose decisive date for payment (ex-dividend) falls within Relevant Period t.

UFK_{IAA CZK t-1} - Adjusted part of the Fund Capital attributable to IAA CZK at the end of the Relevant Period t-1, whereby:

$$\mathbf{UFK_{IAA\ CZK\ t-1}} = \mathbf{FK_{IAA\ CZK\ t-1}}$$

(+) the aggregate amount of cash for which IAA CZK were issued in the Relevant Period t, after deduction of any entry surcharges and fees;

(-) the amount of the liability incurred in the Relevant Period t by the Sub-Fund to the IAA CZK owners in respect of the redemption request for these investment shares before deduction of any exit deductions and fees;

(-) the total amount of gross IAA CZK dividends whose decisive date for payment (ex-dividend) falls within the Relevant Period t.

UFK_{IAA EUR t-1} - The adjusted part of the Fund's Capital attributable to IAA EUR at the end of Relevant Period t-1, whereby:

$$\mathbf{UFK_{IAA\ EUR\ t-1}} = \mathbf{FK_{IAA\ EUR\ t-1}}$$

(+) the aggregate amount of cash for which IAA EUR were issued in the Relevant Period t, after deduction of any entry surcharges and fees;

(-) the amount of the liability incurred in the Relevant Period t by the Sub-Fund to the IAA EUR owners in respect of the redemption request for such investment shares before deduction of any exit deductions and fees;

(-) the total amount of gross IAA EUR dividends for which the decisive date for payment (ex-dividend) falls within the Relevant Period t.

O_{CZK, i} - The sum of the financial values (volume) of all IAA CZK repurchased by the Sub-Fund whose redemption settlement date is in the i-th Relevant Period.

O_{EUR, i} - The sum of the financial values (volume) of all IAA EUR repurchased by the Sub-Fund whose redemption settlement date is in the i-th Relevant Period.

V_{CZK, i} - The sum of the financial values (volume) of all IAA CZK issued by the Sub-Fund, which were issued in i-th Relevant Period.

V_{EUR, i} - The sum of the financial values (volume) of all IAA EUR issued by the Sub-Fund that were issued in the i-th Relevant Period.

VH+OR_t - The sum of the Sub-Fund's economic result in the Relevant Period t after tax and the changes in the valuation differences of assets recognised in the Relevant Period t in the Sub-Fund's equity.

VR_{CZK, t} - Performance redistribution for IAA CZK in Relevant period t, whereby:

$$VR_{CZK,t} = 0.20 \times \max \left(\left[FK_{IAA CZK gross t} - FK_{IAA CZK last} - \sum_{i=hwm+1}^t (V_{CZK,i} - O_{CZK,i}) \right], 0 \right)$$

VR_{EUR, t} - Performance redistribution for IAA EUR in Relevant Period t, whereby:

$$VR_{EUR,t} = 0.20 \times \max \left(\left[FK_{IAA EUR gross t} - FK_{IAA EUR last} - \sum_{i=hwm+1}^t (V_{EUR,i} - O_{EUR,i}) \right], 0 \right)$$

Y_{IAM} - Revenue attributable to IAM in Relevant Period t before redistribution, whereby:

$$Y_{IAM} = (VH + OR_t) \times \frac{IZ_{IAM t-1}}{IZ_{IAM t-1} + IZ_{IAA CZK t-1} + IZ_{IAA EUR t-1}}$$

Y_{IAA CZK} - Yield attributable to IAA CZK in Relevant Period t before redistribution, whereby:

$$Y_{IAA CZK} = (VH + OR_t) \times \frac{IZ_{IAA CZK t-1}}{IZ_{IAM t-1} + IZ_{IAA CZK t-1} + IZ_{IAA EUR t-1}}$$

Y_{IAA EUR} - Yield attributable to IAA EUR in Relevant Period t before redistribution, whereby:

$$Y_{IAA EUR} = (VH + OR_t) \times \frac{IZ_{IAA EUR t-1}}{IZ_{IAM t-1} + IZ_{IAA CZK t-1} + IZ_{IAA EUR t-1}}$$

Subject to the above relations, the following rules subsequently apply to the size of **FK_{IAA CZK t}**, **FK_{IAA EUR t}** and **FK_{IAM t}**:

$$FK_{IAA CZK t} = UFK_{IAA CZK t-1} + Y_{IAA CZK} - VR_{CZK,t}$$

$$FK_{IAA EUR t} = UFK_{IAA EUR t-1} + Y_{IAA EUR} - VR_{EUR,t}$$

$$FK_{IAM t} = UFK_{IAM t-1} + Y_{IAM} + VR_{CZK,t} + VR_{EUR,t}$$

The current value of IAM for Relevant Period t is determined by the ratio of the FK_{IAM_t} to the number of IAM issued on the date for which the current value of IAM is determined.

The current value of IAA CZK for the Relevant Period t is determined by the ratio of $FK_{IAA\ CZK_t}$ and the number of issued IAA CZK as of the date for which the current value of IAA CZK is determined.

The current IAA EUR value for Relevant Period t is determined by the ratio of the $FK_{IAA\ EUR_t}$ to the number of IAA EUR issued on the date for which the current IAA EUR value is determined.

The current value of the investment shares is determined each Valuation Period on the Valuation Date.

For the purposes of calculating the value of the IAM investment shares in the first Relevant Period, i.e. the first calendar quarter immediately following the Initial Subscription Period, the terms $UFK_{IAM\ t-1}$ and $FK_{IAM\ t-1}$ are replaced by the term Σ cash and the value of the valued non-cash contributions raised by the IAM subscription during the Initial Subscription Period, for the purposes of calculating the value of the IAA CZK investment shares, the terms $UFK_{IAA\ CZK\ t-1}$ and $FK_{IAA\ CZK\ t-1}$ are replaced by the term Σ cash and the value of valued non-cash contributions, which were raised in the Initial Subscription Period through the subscription of IAA CZK, and for the purposes of calculating the value of the IAA EUR investment shares, the terms $UFK_{IAA\ EUR\ t-1}$ and $FK_{IAA\ EUR\ t-1}$ are replaced by the term Σ cash and the value of the valued non-cash contributions which were raised in the Initial Subscription Period through the subscription of IAA EUR.

11.3 ADMISSION TO TRADING ON A EUROPEAN REGULATED MARKET OR MULTILATERAL TRADING FACILITY

The Sub-Fund's investment shares are not admitted to trading on a European regulated market or multilateral trading facility, nor is the price of the investment shares published through any of these markets.

11.4 NOMINAL VALUE OF THE INVESTMENT SHARE

The investment shares of the Sub-Fund have no nominal value.

11.5 CURRENCY OF INVESTMENT SHARES

The value of the Sub-Fund's investment shares is quoted in Czech crowns (CZK) for IAM and IAA CZK and in euro (EUR) for IAA EUR.

Currency risk from currency fluctuations is spread among the holders of all classes of investment shares in a proportion corresponding to the current structure of the Sub-Fund's assets in the respective currencies, i.e. the Investor may be exposed to partial currency risk.

11.6 IDENTIFICATION SIGN

An International Share Identification Number (ISIN) has been assigned to the investment shares of the Sub-Fund:

- CZ0008048667 for IAM;
- CZ0008048675 for IAA CZK;
- CZ0008048683 for IAA EUR.

11.7 SIZE OF INVESTMENT

The minimum value of a Qualified Investor's initial investment in investment shares must be:

- a) at least the equivalent of CZK 100,000.00 (one hundred thousand Czech crowns) if the conditions of Section 272 (1) (h) of the ICIF are met;

- b) at least the equivalent of CZK 1,000,000.00 (one million Czech crowns) if the conditions of Section 272 (1) (i) (2) of the ICIF are met;
- c) at least the equivalent of EUR 125,000.00 (one hundred and twenty-five thousand euro) if the conditions of Section 272(1)(i)(1) of the ICIF are met. The exchange rate applicable for the purposes of conversion of the equivalent shall be the EUR/CZK exchange rate published by the CNB on the date of crediting the amount of money to the Sub-Fund's account in the case of subscription of investment shares and on the date of the realisation of the transaction in the case of transfer of investment shares.

The amount of the Investor's minimum subsequent investment, after repayment of the initial investment, is at least the equivalent of CZK 100,000.00.

11.8 REGISTER OF INVESTMENT SHARES

The Administrator shall maintain a list of the Sub-Fund's shareholders. As book-entry investment shares are issued to the Sub-Fund, these are also recorded by the Administrator in the owners' or customers' asset accounts.

A customer account may only be set up on the basis of the relevant contract for a person authorised to keep linked register. An owner's account may be established by the Management company or the person maintaining the linked register under the relevant agreement with the owner. The separate register and the linked register shall be kept in accordance with Section 93 of the CMA and the Decree.

11.9 TRANSFER OF INVESTMENT SHARES AND ESTABLISHMENT OF A PLEDGE OVER INVESTMENT SHARES

An investment share in the form of a security is transferable by means of a contract for the purchase of investment shares and registration in the relevant register. The transfer of investment shares requires the prior consent of the Fund's statutory body and the Fund's Supervisory Board. However, the contractual acquisition of investment shares may only be made pursuant to the conditions of ICIF.

On the death or dissolution of a shareholder, his investment shares pass to his heirs or legal successors.

The transfer of a book-entry investment share shall be effective against the Fund if the change of the owner of the share is evidenced by a statement from the owner's account or the date of delivery or receipt of the statement from the evidence of the share issue pursuant to the CMA.

In the event of a transfer of ownership of shares, the purchaser is obliged to inform the Administrator of the change of ownership without undue delay.

In addition to registration in the relevant register, the prior consent of the Fund's Board of Directors and the Fund's Supervisory Board is required for the establishment of a pledge over the Investment Management Shares (IAM).

11.10 RIGHTS ATTACHED TO INVESTMENT SHARES

Investors have all the rights attached to the shares of the Sub-Fund conferred by the BCA, except for the right to vote, unless otherwise provided in the Articles of Association, the Statute of the Fund, the Statute or the ICIF.

The investor has the right to redeem his investment shares on the terms and conditions set out in the ICIF and the Statute for the account of the Sub-Fund. The investment shares shall be cancelled upon redemption.

Owners of investment shares have in particular:

- a) the right to be informed of the current value of the investment share of the Sub-Fund;
- b) the right to redeem investment shares for the account of the Sub-Fund under the conditions set out in the ICIF and the Statute;

- c) the right to a share of the Sub-Fund's profit (dividend), approved by the General Meeting of the Fund for distribution;
- d) the right to vote at the General Meeting under the conditions set out in the ICIF;
- e) the right to request and receive explanations at the general meeting of the Fund on matters relating to the Fund and the Sub-Fund;
- f) the right to exercise, in the event of an order for enforcement of the decision to sell (in Czech *nařízení výkonu rozhodnutí prodejem*) an investment share of the Sub-Fund or in the event of an execution order (in Czech *exekuční příkaz*) to sell an investment share of the Sub-Fund, a pre-emptive right to the investment shares of another Investor under the terms of Section 283(1) of ICIF;
- g) the right to request the exchange of the collective investment share;
- h) the right to a share in the liquidation balance upon the dissolution of the Sub-Fund with liquidation;
- i) the right to be provided free of charge with the current version of the Statute, the latest annual report and the economic report.

Investors are not entitled to request the distribution of the Sub-Fund's assets or the dissolution of the Sub-Fund.

The Sub-Fund does not provide any special benefits to Investors.

11.11 CURRENT VALUE OF THE SUB-FUND'S INVESTMENT SHARES AND ITS PUBLICATION

The current value of investment shares is determined separately for each class of investment shares. The current value of an Investment share of a given class is determined from the Fund Capital attributable to the relevant class of the investment shares determined for a particular period at least once per Relevant Period on the Valuation Date.

In calculating the Fund Capital attributable to the relevant class of the investment shares, the parameters of each class set out in Article 11.2 of the Statute and any class specific costs are considered.

The current value of the investment share is rounded down to 4 decimal places.

The current value of a Sub-Fund's investment share is announced within 10 business days of its determination for the Relevant Period. The current value of an investment share of the Sub-Fund is announced by publication on the Website.

In the event of a sudden change in circumstances affecting the price of the asset value in the Sub-Fund Assets and at the request of all Shareholders, the Administrator shall carry out a valuation reflecting the current circumstances affecting the price of the Sub-Fund Assets (hereinafter referred to as an "**extraordinary valuation**"). On the basis of the extraordinary valuation, the Administrator shall also carry out an "extraordinary determination of the current value of the investment share", which shall be promptly sent to all Investors together with the date of the extraordinary valuation.

11.12 METHODS AND CONDITIONS OF THE ISSUE OF INVESTMENT SHARES

The investment shares of the Sub-Fund are issued in the Czech Republic.

A condition of the issue and delivery of investment shares to the Investor is the conclusion of the Subscription Agreement.

In the Initial Subscription Period, IAM and IAA CZK are subscribed for the amount of CZK 1.00 and IAA EUR for the amount of EUR 1.00 (hereinafter referred to as the "**Issue Price**").

Subscription for investment shares is subject to an entry fee (surcharge), the maximum amount of which is defined in Article 12.1.1 of the Statute. The exact amount of the entry fee (surcharge) is set out in the relevant Subscription Agreement. The entry fee is an income of the Sub-Fund.

In addition to the Initial Subscription Period referred to above, the Sub-Fund's investment shares are issued at the then current investment share value determined in relation to the relevant class of investment shares, in each case retrospectively for the Relevant Period which includes the Valuation Date on which the Administrator has received an application for subscription of investment shares in the manner set out in the Subscription Agreement.

The application for subscription of investment shares must be delivered by the interested party to the Administrator no later than 12:00 p.m. (noon) on the Valuation Date. An application for the issue of Investment Shares made at any time after this deadline shall be deemed to have been made within the application period for the following Relevant Period.

The number of investment shares issued to the Investor corresponds to the portion of the amount credited on the basis of the payment or value at which the Investor's non-cash contribution was valued and the current value of the relevant class of the investment share, or the Issue Price if the subscription is made during the Initial Subscription Period, plus any entry fee. The number of investment shares so calculated shall be rounded down to whole numbers. Any difference between the amount paid or the value of the non-cash contribution and the amount corresponding to the value of the investment shares issued shall be income to the Sub-Fund. The current value of an investment share shall be determined in accordance with the procedure set out in Article 11.11 of the Statute.

No Investment Shares may be issued until the funds intended for the subscription of the investment shares have been credited to the Sub-Fund's Account or until the non-cash contribution intended for the subscription of the investment shares has been deposited into the Sub-Fund.

An investment share in book-entry form is issued by registration on the securities owner's asset account or the customer asset account who maintains the linked securities register. The Administrator shall issue the investment shares within 60 calendar days of the determination of the current value of the investment shares applicable to the Relevant Period in which the Valuation Date occurs. In justified cases (in particular where an expert revaluation of the Sub-Fund's Assets is in progress), this period may be extended to 80 calendar days.

In order to maintain the stability of the Sub-Fund, its credibility, to avoid damage to the interests of existing Investors and in view of the provisions of the AML Act, the Fund, through its statutory body, reserves the right to decide with which applicants it will enter into the Subscription Agreement and with which it will not. There is no legal entitlement to enter into the Subscription Agreement and the Fund is not obliged to enter into the Subscription Agreement with any prospective investor.

The Administrator reserves the right to return to the sender's bank account any payment for which the sender cannot be identified. The Administrator also reserves the right to return a payment to the sender's bank account if it does not have proof that the sender has entered into a Subscription Agreement with the Fund.

In the event of a retrospective adjustment to the current value of an investment share, the Sub-Fund's Assets will be used to compensate for the difference in the amount of the identified differences relating to the investment shares issued. If a higher number of investment shares has been issued to the Investor than the number that should have been issued to the Investor based on the adjusted current value of the investment share, the Investor holding the book-entry shares will be debited with the relevant number of investment shares in the amount of the determined difference. If the Investor has been issued a number of investment shares lower than the number that should have been issued to him on the basis of the adjusted current value of the investment share, the Investor holding the book-entry shares shall be credited with the relevant number of investment shares in the amount of the determined difference. In the event of an adjustment to the current value of an investment share that represents in absolute value 0.5% or less of the adjusted current value of the investment share, the difference in the number of investment shares issued will not be compensated unless the Manager determines otherwise.

11.13 PROCEDURES AND CONDITIONS FOR THE REDEMPTION OF INVESTMENT SHARES

Redemption of the Sub-Fund's investment shares is based on the Investor's request for redemption of investment shares submitted on the prescribed form to the Administrator.

The Investor may submit a request for redemption of investment shares no earlier than after 24 calendar months from the moment of crediting the redeemed investment shares to the Investor's asset account.

A request for the redemption of investment shares can be made:

- a) in person at the Administrator's registered office on working days from 10:00 to 15:00;
- b) by post with a certified signature (in Czech *úředně ověřený podpis*);
- c) by e-mail with an advanced electronic signature (in Czech *zaručený elektronický podpis*) to info@winstor.cz.

The minimum value of a single redemption of investment shares is the equivalent of CZK 500,000. The minimum value of an individual redemption does not apply in cases where all remaining investment shares of one Investor are to be redeemed.

The Administrator shall arrange for the redemption of the investment share for an amount equal to its current value as at the date on which the request for redemption of the investment share was received, such value being the value of the investment share determined as at the Valuation Date of the Relevant Period on which the request for redemption was received by the Administrator.

A request for redemption of investment shares must be received by the Administrator by no later than 12:00 p.m. (noon) on the Valuation Date. A request to redeem investment shares made at any time after this deadline shall be deemed to have been made within the period for submission of request for the next Relevant Period.

The Administrator shall arrange for the redemption of the Sub-Fund's investment shares provided that after the redemption the Investor continues to meet the requirements for a qualified investor under Section 272 of ICIF. The Administrator shall not be obliged to redeem the Investor's investment shares if, as a result of the redemption, the Investor's investment should fall below the minimum amount set out in paragraph 1(h) or (i) of Section 272 of ICIF, unless the Investor requests the redemption of all of its Investment Shares in accordance with these Statute.

Redemption of the Sub-Fund's investment shares is subject to exit fees (deductions) as defined in Article 12.1.2 of the Statute. The exit fee is the income of the Sub-Fund.

Subject to the limitations set out in this Article of the Statute, the Administrator is obliged to redeem the Sub-Fund's investment shares from Investors within 30 days after the end of the full 12 calendar months following the end of the calendar quarter in which it received the Investor's request to redeem the investment shares.

Payment of cash corresponding to the value of the redeemed investment shares is made by wire transfer to the Investor's account specified in the List of Investors or in the request for redemption of investment shares.

Funds from the Sub-Fund's Assets are used to redeem the Sub-Fund's investment shares. Upon redemption, the investment shares of the Sub-Fund shall be cancelled and debited from the Investor's asset account.

In the event of a retrospective adjustment to the current value of an investment share, the Sub-Fund's Assets may be used to compensate the difference in the amount of the differences found in respect of the amounts for the redeemed investment shares. The Investor is not obliged to repay the positive difference in the amount for the redeemed investment shares if the difference was received in good faith and if the Investor no longer owns any investment shares at the time of the adjustment. If the Investor owns investment shares at the time of the adjustment, the difference may be compensated by the return of a portion of the cash for redemption of the investment shares or by cancellation of the corresponding portion of the shares held by the Investor.

The Investor shall promptly cooperate with the Sub-Fund in returning the cancelled investment shares. The Sub-Fund shall not be liable for any damages resulting from the Investor's delay in providing assistance in returning the investment shares. If, as a result of a retrospective adjustment to the current value of an investment share, an Investor has been underpaid for the redeemed investment shares, such Investor shall be compensated without undue delay by an additional payment for the redeemed investment shares in the amount of the difference found. In the event of an adjustment to the current value of an investment share that is 0.5% or less of the adjusted current value of the investment share, the difference will not be compensated unless the Manager determines otherwise.

11.14 REASONS FOR WHICH REDEMPTION OF INVESTMENT SHARES MAY BE SUSPENDED

The Manager may decide to suspend redemptions of the Sub-Fund's investment shares if it is necessary to protect the rights or legally protected interests of the Investors, such as in cases of natural events, in justified cases of very strong turbulence on the financial markets, in case of liquidity problems of the Sub-Fund's assets, if high redemptions of investment shares could cause a threat to the assets or in other justified cases.

Suspension of redemption of investment shares also applies to investment shares for the redemption of which the Investor requested redemption before the suspension of redemption of investment shares, if the payment of the consideration has not yet been made or during the period for which the redemption of investment shares was suspended.

12 DETAILS OF FEES CHARGED TO INVESTORS AND COSTS PAID FROM THE SUB-FUND'S ASSETS

Details of the fees charged to investors and the costs paid from the Sub-Fund's assets are set out in the table below:

One-off fees charged before or after the investment is made (this is the maximum amount that can be charged to the investor before the investment is made or before the investment is paid out)	
Entrance fee (surcharge)	0 to a maximum of 3% of the investment volume
Exit fee (deduction)	<p>30% of the current value of the redeemed Investment Shares A in CZK and Investment Shares A in EUR if the time between the moment of crediting the given investment shares to the Investor's asset account and the moment of settlement of the redemption of such investment shares is longer than 36 calendar months and at the same time shorter than 60 calendar months;</p> <p>0% in other cases</p>
Costs charged to the Fund's assets during the year	

Total Expense Ratio (TER)	2,5%	of the average value of the Fund's capital
Costs paid from the Fund's assets under special conditions		
Performance fee	0%	the year-on-year growth in the value of the Fund's Capital per investment share

The costs of the Sub-Fund are used to ensure the management of its assets, and both the fees paid directly by the Investor and the costs paid directly by the Sub-Fund may reduce the appreciation of the invested funds.

12.1 FEES AND COSTS PAID BY THE INVESTOR

12.1.1 ENTRANCE FEE (SURCHARGE)

The subscription of investment shares is subject to an entry fee (surcharge) of 0 to 3% of the amount invested. The exact amount is set out in the relevant Subscription Agreement. The entry fee is income of the Sub-Fund.

12.1.2 EXIT FEE (DEDUCTION)

The redemption of investment shares is subject to an exit fee (deduction) of the following amount:

- 30% of the current value of the redeemed IAA CZK and IAA EUR if the time between the time of crediting IAA CZK and IAA EUR to the Investor's asset account and the time of settlement of the redemption of IAA CZK and IAA EUR is longer than 36 calendar months and at the same time less than 60 calendar months;
- 0% in other cases.

The exit fee (deduction) is income of the Sub-Fund. The Supervisory Board of the Fund may decide to waive the exit fee. In the case of redemption of Investment Management Shares, the exit fee is not applicable.

12.1.3 PERFORMANCE FEE

The performance fee will not apply.

12.2 FEES AND COSTS PAID FROM THE FUND'S ASSETS

12.2.1 FUNCTIONS OF THE MANAGER AND ADMINISTRATOR

The Management company is entitled to a fee for the performance of the asset management and administration of the Sub-Fund. The fee is CZK 110,000.00 and at the same time 0.2% per annum of the total value of the Sub-Fund's Assets exceeding CZK 500,000,000.00 and reaching a maximum of CZK 750,000,000.00, 0.15% per annum of the total value of the Sub-Fund's Assets exceeding CZK 750,000,000.00 and reaching a maximum of CZK 1,000,000,000.00 and 0.1% per annum of the total value of the Sub-Fund's Assets exceeding CZK 1,000,000,000.00 for the accounting period before the accounting of the payment and the reserve for corporate income tax. The fee is paid monthly for each started calendar month according to the value of the Sub-Fund's Assets calculated at the end of the calendar month for which the fee is paid. The amount of the monthly fee shall be calculated as the multiple of the value of the Sub-Fund's Assets before the accounting of the payment and the reserve for corporation tax determined as at the last calendar day of the relevant month and the applicable fee rate and the act/365 coefficient, taking into account the minimum monthly rate defined above. Subsequent annual settlements of the asset management and administration fees, if any, shall be made by the Management company immediately after the end of the financial year, but no later than one month after the annual financial statements have been audited. The specific applicable fee rate is determined by the Management company and is available at the registered office of the Management company.

The Management company is also entitled to the following remuneration:

- a) CZK 2,000.00 for each subscription, transfer or redemption of investment shares, or capital convocation with subsequent issue of investment shares, which took place in a given quarter. At the same time, in the case of:
 - a. the necessary application of enhanced identification and control to the client pursuant to AML Act; or
 - b. where the client is a legal entity with its registered office in a state other than the Czech Republic;

this amount will be increased to CZK 5,000.00.

The amount is payable quarterly on the basis of an invoice issued by the Management company;

- b) CZK 10,000 for the preparation of the valuation of each one (1) real estate business company owned by the Sub-Fund, if the valuation is prepared directly by the Management company, regardless of whether the Management company bases the valuation on an expert opinion prepared by a third party for the valuation of the asset value (in particular real estate) in the assets of the valued business company. For the purposes of this agreement, a real estate company is deemed to be a business company under Section 100(3) of the ICIF;
- c) 100% of the Entry Fee under the relevant Subscription Agreement, if the Administrator has arranged the conclusion of the relevant Subscription Agreement;
- d) 0.8% p.a. of the fair value of ongoing investments from eligible Investors (according to the current value of investment shares) that have been intermediated by the Administrator, whereby this cost is calculated (assessed) for each calendar month; for the purposes of calculating the cost for a given calendar month, it is based on the value of the relevant investment shares at the end of the previous calendar quarter. The Management company's entitlement to remuneration under clause 12.2.1(d) shall survive the termination of the Management company's functions.

12.2.2 FUNCTIONS OF THE DEPOSITORY

The Depository is entitled to remuneration for the performance of the function of the Depository of the Sub-Fund. The fee for the performance of the Depository's activities, its amount, method of calculation and due date are set out in the depository agreement. The fee is payable monthly in arrears and shall not exceed CZK 50,000.00 per month. The fee does not include value added tax. The fee for the performance of the activities of the Depository is paid from the assets of the Sub-Fund. If the depository agreement is amended, the fee of Depository may change.

12.2.3 COSTS OF REMUNERATION FOR OFFERING TO INTERMEDIATE INVESTMENTS IN THE SUB-FUND

In connection with the Sub-Fund's activities, the Sub-Fund may also incur fees for offering and intermediating investments in the Sub-Fund by a third party. These costs are paid from the assets of the Sub-Fund and may not exceed the sum of:

- a) 100% of the entry fee associated with the investment, and;
- b) 2% p.a. of the real value of ongoing investments from eligible Investors (based on the current value of the investment shares) that have been demonstrably intermediated by a third party, whereby this cost is calculated (assessed) for each calendar month; for the purposes of calculating the cost for a given calendar month, it is based on the value of the relevant investment shares at the end of the preceding calendar quarter.

12.2.4 COST OF REMUNERATION OF THE MEMBERS OF THE INVESTMENT COMMITTEE

The members of the Investment Committee shall not be remunerated for the performance of their duties as members of the Investment Committee.

12.2.5 COSTS ASSOCIATED WITH THE ESTABLISHMENT OF THE FUND AND SPECIAL BENEFITS

Expenses incurred in the preparatory stage up to the time of the establishment of the Fund, purposely incurred for its establishment will be paid by the founders and after the establishment of the Fund will be charged to

its expenses. The amount of costs incurred in connection with the establishment of the Fund shall not exceed CZK 500,000.00 (five hundred thousand Czech crowns). The costs incurred in connection with the establishment of the Fund shall be re-invoiced to the sub-fund Verdi podfond farem after its establishment. No person participating in the establishment of the Fund has been granted any special benefit within the meaning of Section 254(1) of the BCA.

12.2.6 OTHER COSTS PAID FROM THE SUB-FUND'S ASSETS

The following costs are also paid from the Sub-Fund's assets:

- a) administrative and court fees;
- b) accounting and tax audit costs;
- c) the cost of expert reports, if required by law;
- d) the cost of expert opinions required for the valuation of the Sub-Fund's Assets;
- e) the costs of offering investments to the Sub-Fund; costs of marketing and public relations;
- f) the cost of presenting the Fund to the public and qualified investors;
- g) applicable taxes and fees and costs associated with administrative tasks related to the tax agenda (e.g. notary services, certified translations, etc.);
- h) fees to banks for maintaining accounts and handling funds;
- i) currency conversion fees;
- j) negative exchange rate differences of foreign currencies;
- k) the purchase price of the securities and other assets being sold;
- l) costs associated with the settlement, custody, deposit, payment of revenues and administration of foreign securities;
- m) fees and commissions paid to securities dealers on regulated and official markets and multilateral trading facilities or to mandators for the performance of services for the benefit of the Sub-Fund, directly related to transactions with the Sub-Fund's assets;
- n) a surcharge for the sale and a deduction for the redemption of investment shares of open-end funds belonging to the Sub-Fund's Assets;
- o) fee for the management, custody and safekeeping of securities in the Sub-Fund's Assets
- p) payment to the CSD (CDCP) and other similar foreign securities registries for the registration and maintenance of securities in the Assets of the Sub-Fund;
- q) costs related to securities lending, including interest;
- r) the cost of insurance of the Fund, the cost of insurance of the Fund's statutory and supervisory bodies;
- s) interest on loans and borrowings taken in connection with the management of the Sub-Fund's assets;
- t) interest on promissory notes (used as collateral for the obligation);
- u) costs associated with futures and options transactions and combinations thereof;
- v) option and futures premiums (cost);
- w) fees for listing the fund on a regulated or official market or multilateral trading facility;
- x) costs associated with legal proceedings directly related to the Sub-Fund or the Sub-Fund's Assets;
- y) costs demonstrably associated with achieving, maintaining and securing revenues on the Sub-Fund's Assets;
- z) costs associated with the realisation of revenues on the assets in the Sub-Fund's Asset;
- aa) costs of collection of the Sub-Fund's receivables (e.g. tax refunds), provided that the costs of collection are proportionate to the income from the receivable;
- bb) The Management company may, according to the needs of the Sub-Fund's investment objectives, hire and use the Sub-Fund's Assets to pay for external service providers, in particular for the purpose of preparing studies, expert opinions, analyses, providing legal services, and arranging the sale of the Sub-Fund's Assets, where such services are paid for by the Sub-Fund or companies owned by the Sub-Fund;
- cc) remuneration of members of the Sub-Fund's bodies, e.g. members of the Investment Committee;

- dd) the cost of representation of the Sub-Fund at the general meeting of the company whose participating securities are part of the Sub-Fund's Assets;
- ee) The Management company may, according to the needs of the Sub-Fund's investment objectives, hire and use the Sub-Fund's Assets to pay for external service providers, in particular for the purpose of preparing studies, expert opinions, analyses, providing legal services, and arranging the sale of the Sub-Fund's Assets, where such services are paid for by the Sub-Fund or companies owned by the Sub-Fund;
- ff) other costs not expressly mentioned which the Manager acting with professional care necessarily and reasonably incurs in connection with the management of the Sub-Fund's assets.

The Management company may decide that some of the above costs will be permanently or temporarily paid as part of the Sub-Fund's asset management fee.

12.2.7 FEES TO PERSONS MAINTAINING THE SECURITIES REGISTER OF THE SUB-FUND

The records of the issue of the Sub-Fund's investment shares are kept in a separate register, which is kept directly by the Management company in accordance with the ICIF and the Decree. The Management company keeps separate records and does not charge any fees for keeping such records.

12.2.8 REMUNERATION OF THE EXPERT ADVISOR

The Expert Advisor shall be entitled to remuneration from the Sub-Fund's Assets for the performance of the activities defined in Article 5.1 of this Statute. The amount of the remuneration is based on the activities necessarily performed for the Sub-Fund. The remuneration is paid quarterly and is set at 1.5% per annum of the value of the Sub-Fund's Assets calculated as at the end of the previous calendar quarter.

13 OTHER NECESSARY INFORMATION FOR INVESTORS TO ASSESS THE INVESTMENT

13.1 DETAILS OF THE STATUTE

The information contained in this Statute shall be updated on an ongoing basis, but at least annually after the end of the financial year. The Manager shall monitor whether or not there is a need to update the Statute. In the event that an amendment to the Statute is required, the necessary amendments shall be approved by the Manager.

The amendment to the Statute is not subject to the prior approval of the CNB. However, the Manager shall notify the CNB of any change to the Statute and provide the CNB with the new version of the Statute.

The current version of the Statute is published on the Website.

In addition to the Sub-Fund Statutes, a Key Information Document shall also be published. The information contained therein shall be consistent with that contained in the Sub-Fund Statute.

The date of signing of the valid version of the Statute and the names of the member(s) of the statutory body are stated at the end of the Statute.

The governing language of the Statute is Czech. The Statute may be translated into other languages. If there is a conflict between different language versions, the Czech language version approved by the Manager shall prevail.

Each investor shall be provided with the up-to-date version of the Key Information Document free of charge well in advance of the investment in the Sub-Fund and shall be provided with the up-to-date version of the Statute and the latest published annual report of the Sub-Fund free of charge in paper form upon request. These documents are also published in a manner allowing remote access on the Website. The Key Information Document and the Statute may be made available to investors on a non-paper medium or via the Website instead of in paper form, subject to the conditions set out in the Regulation on key information documents.

13.2 DISSOLUTION AND CONVERSION OF THE FUND AND THE SUB-FUND

The procedure for the dissolution or merger or other transformation of the Fund and the Sub-Fund as well as the rights of Shareholders and Investors in the event of dissolution or transformation of the Fund and the Sub-Fund are governed by applicable, in particular ICIF, the BCA and the Act on transformations.

13.3 CONTACT POINT

Contact point where additional information can be obtained if needed:

Name: Winstor investiční společnost a.s.
Address: Růžová 948/14, Nové Město, 110 00 Prague 1
Phone: +420 212 249 649
Management company website: <https://www.winstor.cz/>
Email: info@winstor.cz

13.4 TAX REGIME

Taxation of the Sub-Fund and the Investors is subject to the tax laws of the Czech Republic, in particular Act No. 586/1992 Coll., on Income Taxes, as amended. The Sub-Fund is an underlying investment fund and therefore, at the time of approval of this Statute, a 5% income tax rate applies to the taxation of the Sub-Fund's income. For legal and natural persons who are tax residents of the Czech Republic and who have investment shares included in their business assets, income from the redemption of investment shares is subject to the standard tax regime. For natural persons who do not have investment shares included in their business assets, income from the redemption of investment shares is exempt from income tax if the Investor has owned the investment shares for more than 3 years at the time of approval of this Statute. Otherwise, such income must be included in (other) income in the personal income tax return, unless the taxpayer's total income does not exceed CZK 100,000.00 in the taxable year.

If income is derived from the redemption of investment shares or from the payment of profit share to a recipient who is not a tax resident of the Czech Republic, the Management company is obliged to withhold income tax from the amount of the redeemed investment shares in the amount according to the applicable law of the Czech Republic. For this reason, the Management company reserves the right to require proof of the Investor's tax domicile.

The Management company notes that the tax treatment of income or gains of individual investors depends on the applicable tax law, which may not be the same for each investor, and that if an investor is unsure about the tax treatment of that investor, he or she should seek professional advice.

13.5 METHOD AND FREQUENCY OF PUBLICATION OF REPORTS ON THE FUND'S ECONOMIC RESULTS

The Administrator shall publish the annual report of the Sub-Fund on the Website in electronic form no later than 4 months after the end of the financial year. The Administrator shall also send the annual report of the Sub-Fund to the CNB.

The Annual Report of the Sub-Fund is available to Investors at the registered office of the Administrator and will be sent to them in paper form upon request at their expense without undue delay.

13.6 DETAILS OF THE MANAGEMENT COMPANY'S AND FUND'S SUPERVISORY AUTHORITY AND NOTICES

The supervisory authority of the Management company and the Fund is the Czech National Bank:

Name: Czech National Bank
Address: Na Příkopě 28, 115 03, Prague 1
Phone: +420 224 411 111

CNB website: <http://www.cnb.cz>

Email: podatelna@cnb.cz

The registration of the Sub-Fund in the CNB's list, the authorisation to operate as a management company and the exercise of supervision by the CNB do not guarantee the return on investment or the performance of the Sub-Fund, cannot exclude the possibility of a breach of legal obligations or the Statute by the investment fund manager, investment fund administrator, investment fund depository or any other person and do not guarantee that any damage caused by such a breach will be compensated.

13.7 FINAL PROVISIONS

The mutual rights and obligations of the Investors, the Manager and the Administrator under this Statute shall be governed by and construed in accordance with the laws of the Czech Republic.

Prague, 1 December 2022



David Petrů
Authorised representative of a member of the Board of Directors
Winstor investiční společnosti a.s.