Investor Information

pursuant to Art. 105 AIFMG

and

the trust agreement

including the sub-fund specific appendixes

Effective date: 01 June 2022

Teroxx Fund

AIF under Liechtenstein law
in the form of a collective trusteeship

(hereinafter referred to as the "AIF")

(Umbrella structure that can incorporate several sub-funds)

AIFM:

CAIAC

CAIAC Fund Management AG
Haus Atzig, Industriestrasse 2,
FL-9487 Bendern

Information for investors/distribution restriction

The acquisition of units in the AIF and/or the relevant sub-fund respectively is carried out on the basis of the relevant constitutive documents (trust agreement including Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Sub-fund Overview") as well as the investor information pursuant to Art. 105 AIFMG as well as the latest annual report. Only the information contained in the above-mentioned documents is valid. With the acquisition of fund units, these documents are deemed to have been accepted by the investor.

The distribution of the AIF and/or the relevant sub-fund is targeted at professional investors within the definition of Directive 2014/65/EU (MiFID II) in Liechtenstein. For all other countries the provisions pursuant to Appendix C "Specific information for individual distribution countries" shall apply.

This document does not constitute an offer or a solicitation to subscribe for the units in the AIF and/or the respective sub-fund by an individual in any legal system where such an offer or solicitation would be unlawful or where the individual who makes any such offer or solicitation is not deemed qualified to do so, or solicitation is made vis-a-vis an individual in relation to whom any such offer or solicitation would be unlawful.

Any information not contained in this trust agreement or in the documents that are accessible to the public are deemed not to have been certified and are not to be relied upon. Potential investors should inform themselves of the possible tax consequences, the legal requirements and any possible currency restrictions or exchange control laws that apply in the countries of their citizenship, residence or domicile and which may be relevant to the subscription, holding, conversion, redemption or disposal of fund units. Further tax considerations are explained in Art. 51 "Tax Regulations". Appendix C "Specific Information for Individual Distribution Countries" contains information regarding the distribution in various countries. The units of the AIF and/or the relevant sub-fund respectively are not licensed for distribution in all countries around the world. The provisions that apply in the relevant foreign country will apply to the issuance, conversion and redemption of the units.

Distribution restrictions

Units of the sub-fund must not be offered, sold or delivered within the USA.

The units have not been and will not be registered under the amended United States Securities Act of 1933 (the "**Act of 1933**") or under the securities laws of any state or territorial entity of the United States of America or its territories, possessions or other areas that are subject to its jurisdiction, including the Commonwealth of Puerto Rico (the "**United States**").

The units may not be offered, sold or otherwise transferred to the United States or to or for the account of U.S. persons (within the definition of the Act of 1933). Later transfers of units within the United States or to U.S. persons are also not permissible. The units are offered and sold on the basis of a release from the registration requirements of the law of 1933 pursuant to Regulation S to this law.

The company has not been, and will not be, registered in accordance with the amended United States Investment Company Act of 1940, or in accordance with any other U.S. federal laws. Accordingly, the units are not offered, sold or otherwise transferred in the United States nor to or for the account of U.S. persons (within the definition of the Act of 1933).

The units have neither been admitted by the U.S. Securities and Exchange Commission ("**SEC**") nor by any other regulatory or supervisory authority in the United States, nor has any such admission been refused; furthermore, neither the SEC nor any other regulatory or supervisory authority in the United States has made any decision on the accuracy or the appropriateness of this trust agreement or the benefits provided by the units.

This trust agreement must not be circulated in the United States. The distribution of this trust agreement and the offer of the units may also be subject to limitations under other legal jurisdictions.

In addition, units of the sub-funds may not be offered or sold or transferred to citizens of the United States or persons with domicile in the United States and/or other natural persons or legal entities, whose income and/or revenues, irrespective of origin, are subject to U.S. income tax or financial institutions that do not have to meet the provisions regarding the Foreign Account Tax Compliance Acts ("FATCA", in particular Sections 1471 - 1474 of the U.S. Internal Revenue Code as well as any treaties with the United States of America concerning collaboration regarding the simplified implementation of FATCA, insofar as applicable) and that do not have to register with the U.S. tax authorities as an institution subject to FATCA where required, as well as persons who, pursuant to Regulation S of the U.S. Securities Act of 1933 and/or the amended U.S. Commodity Exchange Act are deemed to be U.S. citizens. The sub-funds must in particular not be acquired by the following investors (list not exhaustive):

- U.S. citizens, incl. dual nationality citizens;
- Persons who live in the USA, and/or have their domicile there;
- Persons who are resident in the USA (Green Card Holders) and/or whose main residence is in the USA;
- Companies, trusts, properties, etc. established in the USA;
- Companies that transparently qualify for U.S. tax purposes and that have investors named in this section, as well as companies, whose earnings within the framework of a consolidated view for U.S. tax purposes are attributed to one of the investors named in this section;

- Financial institutions that are not subject to the provisions concerning the Foreign Account Tax Compliance Act ("FATCA", in particular the sections 1471 to 1474 of the U.S. Internal Revenue Code, as well as any possible agreement with the United States of America on cooperation for facilitating the implementation of FATCA, as applicable in each case) and which do not, insofar as required, register with the U.S. Internal Revenue Service as an institute participating in FATCA; or
- U.S. persons defined in the relevant valid version of Regulation S of the United States Securities Act 1933.

In general, units of the AIF must not be offered in jurisdictions or to persons where this is not permissible.

Investors should read and consider the risk definition in Point VII. "Risk information" before they acquire units in the sub-fund.

Reference is expressly made to the fact that, in the case of the redemption of units in the AIF and/or its sub-fund respectively, a notice period of one month must be considered from the end of each quarter.

Table of Content

PART I: INVESTOR INFORMATION PURSUANT TO ART. 105 AIFMG

CAIAC Fund Management AG, Bendern, as AIFM, provide the following information regarding Teroxx Fund available to the investors in the relevant current form.

In addition to this information, reference is expressly made to the constitutive documents (trust agreement, Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Sub-fund Overview"). With the acquisition of units, these documents are accepted to have been approved by the investor. These documents do not substitute the careful review of the constitutive documents.

This AIF is targeted at professional investors within the definition of Directive 2014/65/EU (MiFID II).

1. General information

The publication medium of the AIF is the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] (www.lafv.li) as well as other media channels defined in the trust agreement.

All notices to investors, including those regarding amendments to the trust agreement as well as to Appendix B "Sub-fund Overview" are published on the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] (www.lafv.li) as the publication medium of the AIF, and in other media channels and data carriers specified in the trust agreement.

On each valuation day, the net asset value as well as the issue price and redemption price of the fund units of the AIF and/or the sub-fund and/or unit class respectively are published on the website of the LAFV [Liechtensteinischer Anlagefondsverband] (www.lafv.li) as the publication medium of the AIF, as well as any other media defined in the fund documents and durable data carriers (letter, fax, email or similar).

The annual report audited by an auditor is made available free of charge to investors at the registered office of the AIFM and at the depository.

2. Supplementary investment information pursuant to Art. 105 AIFMG

2.1 Description of the investment strategy and the aims of the AIF (Art. 105 Para. 1 (a) AIFMG)

See Appendix B "Sub-fund Overview" under "Investment principles of the sub-fund"

2.2 Information on the headquarters of any Master AIF, if the AIF concerned is a feeder AIF (Art. 105 Para. 1 (b) AIFMG)

In the case of the sub-fund these is not feeder AIFs.

2.3 Information on the headquarters of the target funds, if the AIF concerned is a fund-of-funds (Art. 105 Para. 1 (c) AIFMG)

The sub-fund is not a fund-of-funds.

2.4 Description of the type of assets in which the AIF may invest (Art. 105 Para. 1 (d) 1. AIFMG)

See Appendix B "Sub-fund Overview" under "Investment principles of the sub-fund"

2.5 Description of the techniques that it may implement and all the associated risks, any investment restrictions, the circumstances under which the AIF can implement leverage, the type and origin of the leverage permitted and the associated risks, any other restrictions in the use of leverage and agreements governing securities and the re-use of assets as well as the maximum scope of the leverage that the AIFM may implement for the account of AIF (Art. 105 Para. 1 (d) 2. AIFMG)

See trust agreement "General risks" as well as Appendix B "Sub-fund Overview" under "Risks and risk profile of the sub-fund"

2.6 Description of the procedure and the requirements for the amendment to the investment strategy and policy (Art. 105 Para. 1 (d) 3. AIFMG)

A change to the investment policy within the legal and contractually permissible investment spectrum can result in a substantive change to the risk associated with the AIF and/or with the sub-fund respectively. The AIFM can change the investment policy of the AIF and/or the corresponding sub-fund within the valid trust agreement through a change to the trust agreement including Appendix B "Sub-fund Overview" at any time and to a major degree. Information on the publication requirements can be found in Para. 1 General Information.

2.7 Description of the most important legal characteristics of the contractual relationship entered into for the investment, including information about the relevant laws (Art. 105 Para. 1 (e) 1. AIFMG)

The AIFM and/or the AIF with its issued sub-funds are subject to Liechtenstein law. The exclusive legal venue for all disputes arising between the investors, the AIFM, any commissioned third-party companies and the depository is Vaduz.

However, with regard to the claims of investors from these countries, the AIFM and/or the depository and the AIF may submit themselves to the place of jurisdiction of the countries in which the units of the AIF and/or the sub-fund are offered and sold. Contrary and mandatory statutory places of jurisdiction remain reserved.

The legally binding language for this trust agreement as well as for Appendix A "Organisational structure of the AIFM/AIF" and for Appendix B "Sub-fund Overview" is German.

2.8 Description of the most important legal characteristics of the contractual relationship entered into for the investment, including information about the applicable law (Art. 105 Para. 1 (e) 2. AIFMG)

The AIFM and the AIF with its sub-funds are subject to Liechtenstein law.

2.9 Description of the most important legal characteristics of the contractual relationship entered into for the investment, including the enforceability of judgmentsin the state of residence of the AIF (Art. 105 Para. (e) 3. AIFMG)

However, with regard to the claims of investors from these countries, the AIFM and/or the depository and the AIF with its sub-funds may submit themselves to the place of jurisdiction of the countries in which the units of the AIF and/or the sub-fund are offered and sold. Contrary and mandatory statutory places of jurisdiction remain reserved.

The enforceability of judgements in Liechtenstein is subject to the Execution Order (EO). The enforceability of a foreign judgement in the Principality of Liechtenstein (country of domicile of the AIF) may require a separate procedure in the Principality of Liechtenstein.

2.10 Information about the identity and the duties of all the service providers commissioned by the AIF, in particular the AIFM, the depository of the AIF and the auditor, with a description of the rights of the investors; (Art. 105 Para. 1 (f) AIFMG)

See chapter II of the trust agreement "The organisation" as well as Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Sub-fund Overview"

2.11 Description how the AIFM covers any potential liability arising from its professional activity; (Art. 105 Para. 1 (g) AIFMG)

See trust agreement "The AIFM"

2.12 Description of the administrative or custodial functions that have been delegated, the name of the contractor and description of any conflict of interest associated with the transfer (Art. 105 Para. 1 (h) AIFMG)

See Appendix B "Sub-fund Overview" under "Delegation of tasks by AIFM" and "Depository" as well as disclosure on the website of the AIFM

2.13 Description of the valuation procedure and methods used by the AIF (Art. 105 Para. 1 (i) AIFMG)

See Appendix B "Sub-fund Overview" under "Valuation"

2.14 Description of the procedure for dealing with the liquidity risks of the AIF, taking into account the redemption rights under normal and extraordinary circumstances and the redemption agreements with the investors (Art. 105 Para. 1 (k) AIFMG)

See trust agreement "General risks" as well as Appendix B "Sub-fund Overview" under "Sub-fund specific risks" where necessary

2.15 Description of all remuneration, fees and other costs with disclosure of the highest amount for each, insofar as this must be borne directly or indirectly by the investors (Art. 105 Para. 1 (l) AIFMG)

See trust agreement "Costs and fees" as well as Appendix B "Sub-fund Overview"

2.16 Description of the manner in which the AIFM guarantees the fair treatment of investors, as well as a description of any possible preferential treatment granted with information on the type of investor concerned and where necessary the legal or economic connections between these investors, the AIF or the AIFM (Art. 105 Para. 1 (m) AIFMG)

The AIFM always acts in the interests of the AIF and/or its sub-funds, the investors and market integrity respectively. In doing so, equal treatment of investors is of prime importance. Preferential treatment of individual investors is expressly prohibited.

Every investor is treated equally:

- Information is always published simultaneously in a standard way
- The provisions for subscription to or redemption of fund units are the same for all investors per unit class
- No investor receives specific information individually or is entitled to special benefits

2.17 The most recent annual report; (Art. 105 Para. 1 (n) AIFMG)

See Para. 1 General information

2.18 Procedure and conditions for the issue and distribution of units in an AIF; (Art. 105 Para. 1 (o) AIFMG)

See trust agreement governing "Issue of units" as well as "Redemption of units"

2.19 The most recent net inventory value of the AIF or the last market price of its units pursuant to Art. 43 AIFMG (Art. 105 Para. 1 (p) AIFMG)

See Para. 1 General information

2.20 Previous performance of the AIF (Art. 105 Para. 1 (q) AIFMG)

See Para. 1 General information

2.21 Where necessary, identity to prime broker: (Art. 105 Para. 1 (r) 1. AIFMG)

n/a

2.22 Where appropriate regarding prime broker: a description of every material agreement between the AIF and the prime brokers, the manner in which the conflicts of interest with regard to this are resolved, the provision in the contract with the depository governing the possibility of a transfer and re-use of assets of the AIF and/or its sub-funds respectively as well as information on every possible existing transfer of liability to the prime broker (Art. 105 Para. 1 (r) 2. AIFMG)

n/a

2.23 Description how and when the information required pursuant to Art. 106 Para. 1 (b) and Para. 2 must be disclosed (Art. 105 Para. 1 (s) AIFMG)

The information required pursuant to Art. 106 Para. 1 (b) and Para. 2 AIFMG is published in the annual report.

3. Specific Information for individual distribution countries

Pursuant to the applicable law in the Principality of Liechtenstein, the constitutive documents of the FMA are displayed. This distribution notification only covers information that concerns the implementation of the provisions of the AIFMG. For this reason, the following Appendix C "Specific information for individual distribution countries", which is based on foreign law, is not subject to review by the FMA and is thus excluded from the distribution notification.

Current status of this document, which was presented to the FMA for acknowledgement: 01 June 2022

PART II: THE TRUST AGREEMENT

Preamble

The trust agreement as well as Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Sub-fund Overview" form an integral unit. The trust agreement, Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Sub-fund Overview" are printed out in full. The trust agreement, Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Sub-fund Overview can be amended or supplemented by the AIFM in full or in part at any time. Changes to the trust agreement, Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Sub-fund Overview" require the prior approval of the Financial Market Authority (FMA).

Insofar as any matter is not governed in this trust agreement, the legal relationships between the investors and the AIFM shall be governed by the law of 19 December 2012 on Alternative Investment Fund Managers (AIFMG) and the amended regulation on Alternative Investment Fund Managers (AIFMV), and, to the extent that no provision has been made therein, by the provisions of the law on Persons and Companies (Personen- und Gesellschaftsrecht, "PGR") concerning the trusteeship.

I. General provisions

Art. 1 General Information on the AIF

The Teroxx Fund (hereinafter: AIF) was established based on the law of 19 December 2012 for Alternative Investment Fund Managers (AIFMG) and the amended regulation on Alternative Investment Fund Managers (AIFMV). The AIFM registered the operation and management on 04 February 2021 with the FMA. The notification of approval from the FMA was delivered to the AIFM on 15 March 2021.

The trust agreement and Appendix B "Sub-fund Overview" entered into force for the first time on 15 March 2021.

The trust agreement and Appendix B "Sub-fund Overview" were last notified to the FMA via a change notification on 12 May 2022.

The valid version can be found on the website of LAFV Liechtenstein Investment Fund Association www.lafv.li or can be obtained free of charge from the AIFM or the depository.

The AIF is a legally independent structure for collective investment undertakings of the open-ended type and is subject to the law of 19 December 2012 on Alternative Investment Fund Managers (hereinafter "AIFMG").

The AIF has the legal form of a collective trusteeship. A collective trusteeship is the creation of identical trusteeships with an indefinite number of investors for the purpose of capital investment and asset management for the investors' account, with the individual investors being invested in this trust in line with their respective shares and subject to personal liability only up to the amount invested.

The AIF is an umbrella structure, that can incorporate several sub-funds. The different sub-funds are separate from the other sub-funds with regard to their assets and liabilities.

The sub-funds can invest according to their investment policy. The investment policy for each sub-fund is determined within the framework of the investment goals. The AIF or each of its sub-funds forms a special asset fund in favour of the investors. In the event of the liquidation or bankruptcy of the AIFM, this separate estate does not form part of the bankruptcy estate of the AIFM.

The respective rights and obligations of the owners of the units (hereinafter referred to as "investors"), the AIFM and the depositary are governed by this trust agreement.

The investment vehicles in which the AIFM is entitled to invest and the regulations to be observed can be found in the AIFMG and the constitutive documents. The trust agreement comprises a general part as well as Appendix B "Sub-fund Overview".

The AIFM must notify the FMA in writing of any significant amendments at least one month prior to implementing the planned amendment or immediately following the occurrence of an unplanned amendment. The FMA checks the legality of the amendments; any illegal amendments will be prohibited.

The securities and other assets of the relevant sub-fund are managed in the interests of the investors. Only the investors in the sub-fund are entitled to the full assets of a sub-fund according to amount of their units. The assets of each sub-fund are separate from the assets of the other sub-funds. Claims from investors and beneficiaries that are enforced against a sub-fund or that arise during the incorporation, existence or liquidation of a sub-fund are limited to the assets of this sub-fund.

The AIFM can liquidate existing sub-funds and/or set up new sub-funds as well as different unit classes with specific characteristics within these sub-funds at any time. These constitutive documents are updated each time a new sub-fund is set up and/or with the creation of an additional unit class.

With the purchase of units (the "units") of one or several sub-fund(s), each investor acknowledges the trust agreement, which defines the contractual relationship between the investors, the AIFM and the depositary, as well as the properly executed amendments to this document. With the publication of changes to the trust agreement, the annual report, or other documents on the website of the LAFV Liechtenstein Investment Fund Associationwww.lafv.li these changes are binding on investors.

Art. 2 General information about the sub-funds

The investors can participate in the assets of the relevant sub-fund of the AIF in relation to the units that they have acquired.

The units are not confirmed by documents, but are held as book entries, in other words, no certificates are issued. A meeting of investors is not provided. Through subscription or the acquisition of units, the investor acknowledges the trust agreement, Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Sub-fund Overview". Investors, heirs or other beneficiaries are not entitled to request the division or liquidation of the AIF and/or its sub-funds. The details about the relevant sub-funds of the AIF are described in Appendix B "Sub-fund Overview".

The AIFM can resolve to set up further sub-funds at any time and to amend the constitutive documents accordingly.

All the units in a sub-fund have, in principle, the same rights, unless the AIFM decides pursuant to § 26 of the trust agreement to issue different unit classes within a sub-fund.

In relation to the investors, each sub-fund is deemed to consist of independent assets. The rights and duties of the investors in one sub-fund are separate from those of the investors in another sub-fund.

Vis-a-vis third parties, the assets of the individual sub-funds will only be liable regarding to obligations entered into by the relevant sub-fund.

These constitutive documents as well as the investor information pursuant to Art. 105 AIFMG apply for all of the sub-funds of the Teroxx Fund.

At the current point in time, the AIF is offering the following sub-fund(s) for subscription:

- Teroxx Fund – Teroxx Digital Asset Fund

II. Organisation

Art. 3 Corporate domicile/competent supervisory authority

Principality of Liechtenstein/Financial Market Authority of Liechtenstein (Finanzmarktaufsicht, "FMA"); www.fma-li.li.

Art. 4 Legal relationships

The legal relationships between the investors and the AIFM are governed by the law of 19 December 2012 on Alternative Investment Fund Managers (AIFMG) and the amended regulation on Alternative Investment Fund Managers (AIFMV), and, to the extent that no provision has been made therein, by the provisions of the law on Persons and Companies (Personen- und Gesellschaftsrecht, "PGR") concerning the trusteeship.

Art. 5 The AIFM

CAIAC Fund Management AG (hereinafter referred to as "AIFM"), Haus Atzig, Industriestrasse 2, FL-9487 Bendern, commercial register number FL-0002.227.513-0.

CAIAC Fund Management AG was founded on 15 May 2007 for an unlimited period in the form of a limited company. The registered headquarters of the AIFM and its central administration are in Bendern, Principality of Liechtenstein.

CAIAC Fund Management AG was founded on 15 May 2007 for an unlimited period in the form of a limited company with its registered office and central administration in Bendern, Principality of Liechtenstein. The Financial Market Authority (FMA) Liechtenstein issued an operating licence to CAIAC Fund Management AG on 10 May 2007 and on 15 November 2013 granted approval for it to operate as an AIFM pursuant to the law governing managers of alternative investment funds (AIFMG). CAIAC Fund Management AG also holds a licence as a Management Company pursuant to the IUG and UCITSG. The share capital of the AIFM is CHF 1'000’000.- (in words: one million Swiss francs) and has been fully paid up.

The AIFM has installed a comprehensive internal risk management system that monitors the total risk across various instances (human and technical). In addition to this, the AIFM has taken out comprehensive professional liability insurance. The AIFM has also covered the professional liability risks that may arise from managing AIFs as well those that can be attributed to the professional negligence of its committees or employees with its own funds amounting to at least 0.01% of the assets of all the AIFs under management. The coverage is reviewed on an annual basis and adjusted where necessary.

The AIFM manages the AIF for the account of and in the exclusive interest of the investors pursuant to the provisions of the constitutive documents.

The AIFM is entitled to administer the assets in the AIF and/or sub-funds in its own name in accordance with the statutory provisions and the constitutive documents, and to exercise any and all rights thereunder. The details regarding the rights and obligations of the AIFM are determined in the AIFMG.

The main activities of the AIFM include portfolio management and/or risk management. In addition, it can perform administrative duties and distribution activities.

With the agreement of the AIFMG the AIFM can delegate individual tasks to third parties. The AIFM informs the FMA about the delegation of tasks before these become effective.

The Liechtenstein Investment Fund Association's website (Liechtensteinischer Anlagefondsverband, "LAFV") at www.lafv.li. provides an overview of all the funds and/or sub-funds managed by the AIFM.

Board of Directors

President: Dr Roland Müller

Members: Dr Dietmar Loretz

Gerhard Lehner

Executive management

Chair: Thomas Jahn

Members: Raimond Schuster

Art. 6 Delegation of tasks

In compliance with the provisions of the AIFMG and AIFMV, the AIFM may delegate some of its tasks to third parties for the purpose of the efficient performance of its business. The specifics of any such delegation will be set forth in an agreement concluded between the AIFM and the agent/representative.

a) Portfolio manager

The following person shall act as the portfolio manager for the sub-funds listed below JFD Bank AG, Keplerstrasse 6, D-71636 Ludwigsburg:

– Teroxx Fund – Teroxx Digital Asset Fund

The task of the portfolio manager is, in particular, the independent daily implementation of the investment policy and the management of daily operations of the AIF and/or its sub-funds and other related services under the supervision, control and responsibility of the AIFM. These duties are fulfilled in compliance with the principles of the investment policy and the investment restrictions of the AIF and/or its sub-funds respectively, as described in this trust agreement, as well as the fund-specific appendixes.

The precise execution of the order is governed in a contract governing the delegation of tasks (portfolio management) concluded between the AIFM and the JFD Bank AG.

b) Distribution

The distributor for the AIF is ATVANTIS Asset Management GmbH, Strasse des Friedens 112, D-07548 Gera.

The precise execution of the order is governed in a distribution contract concluded between the AIFM and the ATVANTIS Asset Management GmbH.

Art. 7 Investment adviser

No investment adviser is engaged.

Art. 8 Depositary

For the assets of each sub-fund, the AIFM has mandated a bank or a securities firm with its registered office or branch in the Principality of Liechtenstein or another approved body as defined in the AIFMG as depository, pursuant to the banking laws in Liechtenstein. The assets of the individual sub-funds can be held with different depositories. The role of the depository is governed by the AIFMG, the depository agreement and the trust agreement.

Kaiser Partner Privatbank AG, Herrengasse 23, FL-9490 Vaduz has been appointed as the depository.

The depository will fulfil its duties and assume the responsibilities defined in the respective current versions of the AIFMG and the depository agreement (hereinafter referred to as the "Depository Agreement"). In accordance with the law and the depositary agreement, the depositary is responsible for (i) the general supervision of all the AIF assets and/or its sub-funds and (ii) the custody of the assets of the AIF and/or its sub-funds entrusted to the depositary and held in its name or by the depositary, and (iii) the administrative activities associated with these obligations.

Investors should note that there may be jurisdictions in which the effect of the generally prescribed segregation of assets with respect to the property rights situated in that country are not recognised in the event of bankruptcy. In cooperation between the AIFM and the depository, every effort is made to avoid the custody of assets in such jurisdictions.

The depository maintains the share register of the AIF on behalf of the AIFM.

The depository may, in accordance with the decrees and provisions mentioned, delegate its depository duties to one or more authorised representatives (hereinafter referred to as "sub-depositories"). A list of sub-depositories appointed for the safekeeping of the assets held in the name of and for the account of the AIF can be requested from the depository.

No conflicts of interest shall arise from this delegation.

The depository complies with the provisions of the Liechtenstein FATCA Agreement and the relevant implementation of amended regulations in the Liechtenstein FATCA Law.

Art. 9 Prime broker

Only a credit institute, a regulated investment company or another entity may be mandated. Such a prime broker will be subject to regulatory oversight and constant monitoring and will offer services to professional investors in order to primarily finance or carry out transactions with financial instruments as a counterparty, and will possibly offer other services such as the clearing and settlement of transactions, custodianship services, securities lending and customised technologies and facilities for business support.

A prime broker may be appointed by the depository as a sub-depository, or by the AIFM as a business partner.

No prime broker has been appointed for the AIF.

Art. 10 Auditors for the AIF and AIFM

Auditor of the AIFM: Grant Thornton AG, Bahnhofstrasse 15, FL-9494 Schaan

Auditor of the AIF: PricewaterhouseCoopers AG, Vadianstrasse 25a / Neumarkt 5, CH-9001 St. Gallen

The sub-funds of the AIF and AIFM must have their business activities audited each year by an independent auditor recognised by the FMA.

III. Distribution

Art. 11 Distribution information/distribution restrictions

The AIFM provides investors with the required information pursuant to the AIFMG in the currently valid form before they acquire units in the AIF and/or its sub-funds respectively on the website of the LAFV (Liechtensteinischer Anlagefondsverband [Liechtenstein Investment Fund Association]) unter www.lafv.li and the website of the AIFM under www.caiac.li or the information can be obtained from the AIFM or the depository free of charge.

The units may be acquired on the basis of the constitutive documents and the latest annual report, if this has already been published. Only the information contained in the constitutive documents is valid. With the acquisition of units, these documents are deemed to have been accepted by the investor.

The units of the AIF and/or the relevant sub-funds respectively are not licensed for distribution in all countries around the world. The provisions that apply in the relevant country apply to the issuance, redemption and conversion of units.

The distribution of the units of the AIF and/or the relevant sub-fund in Liechtenstein is targeted at all the following investors:

- Professional investors within the definition of the Directive 2014/65/EU (MiFID II)

Definitions of the different investor groups can be found under Art. 12 below.

Subscription points

Units in the AIF and/or its sub-funds may be purchased from the depository and from any other bank with registered offices locally or abroad, which are governed by the Directive 91/308/EEC, as amended by the Directive 2015/849/EU, or an equivalent regulation and is subject to adequate supervision.

Art. 12 Professional investors

A. Professional investors

For AIF for professional investors in terms of Directive 2014/65/EC (MiFID), the following applies:

A professional client is a client who possesses sufficient experience, knowledge and expertise to make his or her own investment decisions and who can properly assess the risks that are incurred. In order to be considered a professional client, the client must comply with the following criteria:

I. Categories of clients considered to be professional clients

The following legal entities should all be regarded as professional clients with regard to securities investment services and financial instruments in terms of the Directive:

1. Legal entities that must be authorised or under supervision to be able to operate in the financial markets The following list is to be understood as encompassing all those authorised legal entities who provide services that are representative for the named legal entities: legal entities that are authorised by a member state within the framework of a directive, legal entities that are authorised or supervised by a member state without reference to a directive, legal entities that are authorised or supervised by a third-party country:
   a) Banks
   b) Investment firms
   c) Other authorised or regulated financial institutions
   d) Insurance companies
   e) Undertakings for collective investment and their management companies
   f) Pension funds and their management companies
   g) Commodity traders and commodity derivatives traders
   h) Local investors
   i) other institutional investors.
2. Large companies that fulfil two of the following requirements at a company level:
   - balance sheet total: EUR 20 000 000,
   - net turnover: EUR 40 000 000,
   - own funds: EUR 2 000 000.

3. National and regional governments, public bodies that manage public debt, central banks, international and supranational institutions such as the World Bank, the IMF, the ECB, the EIB and other comparable international organisations.
4. Other institutional investors whose main activity is to invest in financial instruments, including entities working with the securitisation of assets and other financing transactions.

   The legal entities mentioned above are considered to be professional clients. They must, however, be allowed to request treatment as non-professional clients, with investment firms agreeing to provide a higher level of protection. If a client of an investment firm should be one of the above-mentioned companies, before any services are provided, the investment firm must be instructed that it has been classified as a professional client on the basis of the information that it has received and that it will be treated as such, unless the investment firm and the client agree otherwise. The firm must also inform the client that it can request a variation of the terms of the agreement in order to secure a higher degree of protection.

   It is the responsibility of the client who has been classified as a professional client to ask for a higher level of protection if it deems it is unable to properly assess or manage the risks involved.

   The higher level of protection will be provided if a client who has been classified as a professional client enters into a written agreement with the investment firm, to the effect that it will not be treated as a professional client within the definition of the valid rules of conduct. Such an agreement should specify whether this applies to one or more particular services or transactions, or to one or more types of product or transaction.
5. Clients that according to Directive 2014/65/EC (MiFID II) can be treated as professional clients upon request.

IV. Changes to the trust agreement/structural measures

Art. 13 Changes to the trust agreement

This trust agreement can be amended or supplemented in whole or in part by the AIFM at any time.

The AIFM must notify the FMA in writing of any significant amendments to the information transmitted pursuant to Art. 112 Para. 2 AIFMG at least one month prior to implementing the amendment or immediately following the occurrence of an unplanned amendment.

Art. 14 General information on the structural measures

Every type of structural measure is permitted. Structural measures are deemed to be

a) Mergers of:
   1. domestic AIF or its sub-funds with foreign AIF or its sub-funds;
   2. foreign AIF or its sub-funds with domestic AIF or its sub-funds;
   3. domestic AIF or its sub-funds with foreign AIF or its sub-funds, insofar as the law of the country in which the foreign AIF has its registered office does not prohibit this, as well as
b) Splitting of AIF or its sub-funds, whereby the provisions for mergers pursuant to Art. 78 and 79 AIFMG apply mutatis mutandis

For structural measures between the AIF and undertakings for collective investment in transferable securities (UCITS) the provisions of the UCITSG apply.

Provided that no other regulations are defined below, structural measures are subject to the legal provisions of Art. 76 et seq. AIFMG and the related regulatory provisions.

Art. 15 Merger

Within the definition of Art. 78 AIFMG, the AIFM may, at any time and at its sole discretion, but subject to the approval of the relevant supervisory authority(ies) where necessary, resolve on the merger of the AIF with one or several other AIF(s). This is irrespective of the legal form and/or the registered office of the fund. Sub-funds and unit classes of an AIF may also be merged with each other, but also the AIF and any of its unit classes with one or several AIF(s) or their sub-funds and unit classes.

the merger of an AIF requires the prior approval of the FMA.

The FMA grants its approval, insofar as:

- the written agreement of the depository involved is present;
- the constitutive documents of the AIF involved in the merger provide for the eventuality of a merger;
- the licence of the AIFM of the AIF taking over includes the management of the investment strategies of the AIF to be taken over;
- the assets of the AIF involved in the merger are valued, the conversion ratio is calculated and the assets and liabilities are taken over on the same day.

The merger becomes effective as of the merger deadline. The surrendering AIF expires with the entry into force of the merger. The investors are correspondingly informed of the conclusion of the merger. The AIFM of the surrendering AIF notifies the FMA of the conclusion of the merger and sends the confirmation of the relevant auditor on the proper execution as well as the conversion rate at the time of the entry into force of the merger. The merger is listed in next year's annual report of the receiving AIF. An audited final report is prepared for the surrendering AIF.

Insofar as an AIF involved in the merger is also distributed to private investors, in addition to the provisions mentioned in Art. 78 AIFMG the following requirements also apply:

a) the private investors must be informed about the proposed merger at least 30 days before the reference date; and

b) neither the AIF nor the private investors may be charged with the costs of the merger, unless the private investors have voted by a qualified majority to accept the costs.

At an arbitrary transfer date, all of the AIF assets and/or of its sub-fund respectively may be transferred to another existing or, by way of the merger, newly formed AIF or sub-fund.

Up until five working days before the scheduled transfer date, the investors have the option of either returning their units without incurring the redemption fee or of converting their units into units from another AIF that is also managed by the AIFM and has a similar investment policy to that of the AIF and/or the sub-fund to be merged.

On the transfer date, the value of the receiving AIF and that of the surrendering AIF and/or its sub-funds is calculated, the conversion ratio is determined and the whole process is audited by the auditor. The exchange ratio is calculated in accordance with the ratio of the net inventory values of the surrendering and receiving AIFs and/or sub-funds as of the takeover date. The investor receives the number of units in the new AIF and/or sub-fund that corresponds to the value of the units held in the surrendered AIF and/or sub-fund. It is also possible for the investors in the surrendering AIF and/or sub-fund to be paid out up to 10% of the value of their units in cash. If the merger takes place in the current business year of the surrendering AIF and/or sub-fund, the AIFM of the fund/sub-fund must prepare a report for the transfer reference date, that complies with the requirements for an annual report.

The AIFM makes an announcement in the AIF's publication medium, i.e. the LAFV Liechtenstein Investment Fund Association website www.lafv.li, if the AIF has absorbed another AIF and the merger has taken effect. If the AIF ceases to exist due to a merger, the AIFM who manages the receiving or newly established AIF undertakes the notification.

The transfer of all the assets of this AIF to another domestic AIF or another foreign AIF takes place only with the approval of the Financial Market Authority Liechtenstein (FMA).

In addition, the provisions pursuant to Art. 78 AIFMG apply for the merger.

If private investors are involved, Art. 79 AIFMG must in particular be complied with.

Art. 16 Information, approval and investor rights

The information to investors must be communicated via a permanent data carrier or made available in the publication medium pursuant to Art. 85 AIFMV insofar as the constitutive documents provide for a provision of information in the publication medium.

Information concerning mergers is provided on the LAFV Liechtenstein Investment Fund Association's website (www.lafv.li) as the publication medium of the AIF.

If the units of the AIFs taking part in the merger are only distributed to professional investors, the merger plan must include the following information as a minimum:

a) the AIFs involved;

b) the background and the reasons for the planned merger; and

c) the planned effective merger date.

The investors will be informed, appropriately and accurately, about the proposed merger. The investor information must be such that investors are able to make an informed assessment of the implications of such plans for their investments and the exercising of their rights.

At the request of an investor the AIFM provides the merger plan free of charge. It is not obliged to publish the merger plan.

Art. 17 Costs of the structural measures

Insofar as one of the AIFs taking part in the merger is also distributed to private investors, neither the AIF nor the private investors may be charged with the costs of the merger, unless the private investors have voted by a qualified majority to accept the costs.

In the case of AIFs and/or their sub-funds that are distributed exclusively to professional investors, the respective sub-fund assets can be used to cover the legal, advisory or administrative costs that are associated with the preparation and execution of these structural measures. In such cases, the investor information must also state the expected costs, both in total and as an approximation per unit.

This applies mutatis mutandis for splitting.

V. Liquidation of the AIF, its sub-funds and its unit classes

Art. 18 General

The provisions governing the liquidation of the AIF also apply for its sub-funds.

The information to investors must be communicated via a permanent data carrier or made available in the publication medium pursuant to Art. 85 AIFMV insofar as the constitutive documents provide for a provision of information in the publication medium.

Information concerning mergers is provided on the LAFV Liechtenstein Investment Fund Association's website (www.lafv.li) as the publication medium of the AIF and/or the sub-fund.

Art. 19 Resolution for liquidation

The liquidation of the AIF or one of its sub-funds is mandatory in the cases prescribed by law. In addition, the AIFM has the right to liquidate the AIF or individual sub-funds at any time.

Unit classes can be liquidated following a resolution of the AIFM.

Investors, their heirs or other persons cannot request the division or liquidation of the AIF or an individual sub-fund and/or an individual unit class.

The resolution regarding the liquidation of a sub-fund and/or a unit class is published on the website of the LAFV Liechtenstein Investment Fund Association's website (www.lafv.li) as the publication medium of the AIF, as well as other media named in the fund documents or via permanent data carriers (letter, fax, email or similar) where required. The FMA is sent a copy of the investor notification. As from the day of such a liquidation resolution, no further units are issued, converted or redeemed.

In the event of the liquidation of the AIF or one of its sub-funds, the AIFM may immediately start liquidating the AIF's assets in the best interests of the investors. Moreover, the liquidation of the AIF and/or the corresponding sub-fund is carried out according to the provisions of the law on Persons and Companies (Personen- und Gesellschaftsrechts, PGR).

If the AIFM liquidates a unit class without liquidating an AIF and/or the corresponding sub-fund, all the units in this unit class are redeemed at the net asset value that is valid at that time. The AIFM publishes this redemption and the depository pays out the redemption price to the investors.

The liquidation/dissolution may also be settled by redemption in kind. In this case, the investors must agree to the redemption in kind within 30 days of the publication of its announcement. Otherwise, the redemption in kind is deemed as rejected.

Art. 20 Reasons for liquidation

If the net asset value of the AIF and/or its sub-funds has fallen below the minimum value that is required for financially efficient management, or if material changes have taken place in the political, economic or monetary environment, or as part of rationalisation measures, the AIFM may resolve to redeem all the units of the AIF, a sub-fund or a unit class at the net asset value (taking into consideration the actual realisation prices and costs of the assets) on the valuation day on which the relevant resolution enters into effect.

Art. 21 Liquidation costs

The liquidation costs are borne by the net assets of the AIF or the respective sub-fund affected.

Art. 22 Liquidation and bankruptcy of the AIFM and/or the depository

In the event of the liquidation or bankruptcy of the AIFM, the assets managed as part of the collective capital investment for the account of the investors will not be part of the its bankruptcy estate and will not be liquidated together with its assets. The AIF or a sub-fund will form a special asset fund in favour of the investors. Subject to FMA approval, each special asset fund must be transferred to another AIFM or liquidated by way of separate satisfaction in favour of the investors in the AIF or the sub-fund.

In the event of bankruptcy on the part of the depositary, the AIF's managed assets must be transferred, subject to FMA approval, to another depositary or liquidated by way of separate satisfaction in favour of AIF's investors.

Art. 23 Termination of the depository agreement

In the event of the termination of the depository agreement, the net fund assets of the AIF or a sub-fund must be transferred, subject to FMA approval, to another depository or liquidated by way of separate satisfaction in favour of the investors in the AIF or sub-fund.

VI. Creation of sub-funds and unit classes

Art. 24 Creation of sub-funds

The AIF comprises one or several sub-funds. The AIFM can resolve at any time to establish new sub-funds and to liquidate or merge existing sub-funds. The trust agreement including the sub-fund specific Appendix B "Sub-fund Overview " must be modified accordingly.

The investors can participate in the assets of the relevant sub-fund of the AIF in relation to the units that they have acquired.

In relation to the investors, each sub-fund is considered to consist of independent assets. The rights and duties of the investors in one sub-fund are separate from those of the investors in another sub-fund.

Vis-a-vis third parties, the assets of the individual sub-funds will only be liable with regard to obligations entered into by the relevant sub-fund.

Art. 25 Duration of the individual sub-funds

The sub-funds can be set up for a limited or unspecified duration. The duration of the relevant sub-fund can be found in Appendix B "Sub-fund Overview".

Art. 26 Creation of unit classes

The AIFM can create several unit classes for every sub-fund.

For example, unit classes may be formed that differ from the existing unit classes in terms of the appropriation of income, the issuance fee, the reference currency and the use of currency hedging transactions, the management fee and the minimum investment amount, or any combination of these attributes. The rights of investors who have purchased units belonging to existing unit classes will not, however, be affected by this.

The unit classes that have been issued in connection with each sub-fund, as well as the fees and remuneration incurred in connection with the sub-fund units are specified in Appendix B "Sub-fund Overview".

VII. General investment principles and restrictions

The assets of each sub-fund are invested in terms of the AIFMG rules, and according to the investment principles described below and within the scope of the investment restrictions.

Art. 27 Investment target

The investment target for the specific sub-fund is described in Appendix B "Sub-fund Overview".

Art. 28 Investment policy

The investment policy for the specific sub-fund is described in Appendix B "Sub-fund Overview".

The following general investment principles and restrictions apply to all the sub-funds, provided no deviations or additions are specified in Appendix B "Sub-fund Overview" for the relevant sub-fund.

This is an actively managed fund without reference to a benchmark.

Art. 29 Accounting and reference currency

The accounting currency as well as the reference currency per unit class are given in Appendix B "Sub-fund Overview".

With regard to the accounting currency, this is the currency in which the sub-fund's books are kept. With regard to the reference currency, this is the currency in which the performance and the net asset value of each unit class is calculated. Investments are made in the currencies that are most suitable for the performance of the relevant sub-fund.

Art. 30 Profile of a typical investor

The profile of the typical investor of the relevant sub-fund is described in Appendix B "Sub-fund Overview".

Art. 31 Permitted investments

In principle, an AIF and/or each of its sub-funds may invest in all asset classes. Possible restrictions are defined in Appendix B "Sub-fund Overview".

Art. 32 Not authorised investments

The investments for each sub-fund that are not authorised are provided in Appendix B "Sub-fund Overview".

The AIFM may determine further investment restrictions in the interests of the unit holders at any time, insofar as these are required in order to comply with the laws and provisions of those countries in which the unit certificates of the AIF and or its sub-funds are offered and sold.

Art. 33 Investment limits

The statutory provisions of the AIFMG do not provide for any investment limits. Any restrictions determined by the AIFM are defined in Appendix B "Sub-fund Overview".

A. Investment periods within which the relevant investment limits must be achieved

The investment limits must be achieved within the period defined in Appendix B "Sub-fund Overview".

B. Procedure in the case of deviations from the investment limits

1. A sub-fund does not need to comply with the investment limits for its assets when exercising subscription rights from securities or money market instruments from its assets; however, it must correct this within a reasonable period of time.
2. If the above-mentioned investment limits are exceeded, the AIFM must strive, first and foremost, to normalise the situation through its sales, taking into consideration the best interests of the investors.
3. Any damages suffered as a result of an active breach of the investment limits/investment regulations must be compensated immediately with regard to the sub-fund assets.

Art. 34 Use of derivatives, techniques and instruments

The use of derivatives, borrowing, securities lending and repurchase agreements are governed by the statutory provisions of the AIFMG.

Further information on the risk management procedure, securities lending and repurchase agreements can be found in Appendix B "Sub-fund Overview" for the corresponding sub-fund.

Risk management procedure

The AIFM must use a risk management procedure that permits it to monitor and assess at all times the risk associated with the investment positions as well as its relevant share in the overall risk profile of the investment portfolio; moreover, it must use a procedure that permits a precise and independent assessment of the value of the OTC derivatives to take place. The AIFM must submit reports to the FMA at least once a year with information that imparts a realistic picture of the derivative financial instruments used for the relevant sub-fund, the underlying risks, the investment limits and the methods that are used to assess the risks that are associated with the derivative transactions.

The total exposure ("total commitment") of the AIF and/or the relevant sub-fund is calculated using the Commitment method or with the aid of the Value-at-Risk method (VaR method) taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available for the liquidation of the positions.

The risk management method applied by the AIFM can be found in Appendix B "Sub-fund Overview".

Leveraging of financing (leverage)

The leverage of a sub-fund refers to the relationship between the risk of a sub-fund and its net asset value.

Leverage is the method used by the AIFM to increase the investment grade of the relevant sub-fund. This can be performed by concluding leveraged financing embedded in derivative financial instruments, repurchasing agreements, or some other method.

The leverage is calculated by dividing the total exposure of the AIF and/or its sub-funds by its net asset value. In order to do this, the calculation of the total exposure can be carried out according to two different methods, i.e. depending on the method used, there is a different value for the leverage.

By using the total nominal value approach ("gross method") the calculation is made by adding up the absolute values of all the positions of the relevant sub-fund without offsetting.

The Commitment method ("net method") changes positions in derivative financial instruments into equivalent positions in the related underlying assets. In this case, the calculation is carried out taking into account the hedging transactions, i.e. after offsetting the netting and hedging effects.

The anticipated leverage according to the gross and commitment methods can be found in Appendix B "Sub-fund Overview".

Liquidity management:

The AIFM uses appropriate methods for managing liquidity and works with procedures that enable it to monitor the liquidity risks of the relevant sub-fund. The AIFM ensures that the sub-fund it manages complies with the investment strategy, the liquidity profile and the redemption principles of the relevant sub-fund of the AIF.

Derivative financial instruments

The AIFM may enter into derivative transactions for the purpose of hedging, efficient portfolio management, the generation of additional income and as part of the investment strategy on behalf of the AIF and/or its sub-fund. As a result, the risk of loss of the AIF and/or its sub-funds may increase at least temporarily.

The use of derivative financial instruments can be found in Appendix B "Sub-fund Overview". In this context, the AIFM refers to the risk management procedure given in Appendix B "Sub-fund Overview".

The AIFM may use exclusively the following basic forms of derivatives or combinations of these derivatives or combinations of other assets that may be acquired for the AIF and/or its sub-funds in the AIF and/or its sub-funds:

1. Contracts on securities, money market instruments, financial indices within the definition of Article 9 Para. 1 of Directive 2007/16/EC, interest rates, precious metals, raw materials, exchange rates or currencies;
2. Options or warrants on securities, money market instruments, financial indices within the definition of Article 9 Para. 1 of Directive 2007/16/EC, interest rates, precious metals, raw materials, exchange rates or currencies and on futures contracts pursuant to point 7.5.4.1, if;
   - exercise is possible either during the entire term or at maturity and
   - the option value is a fraction or a multiple of the difference between the price and the market value of the underlying, and the value of the option becomes zero if the plus/minus sign for the difference is reversed;
3. interest-rate swaps, currency swaps or interest-currency swaps;
4. Options on swaps according to point 3, insofar as they have the characteristics described under point 2 (swaptions);
5. Credit default swaps, if they serve exclusively and verifiably as hedges for the credit risk of exactly attributable assets of the AIF and/or its sub-funds.

The above-mentioned financial instruments can be independent assets, or also part of assets.

Securities loan

The AIFM does not participate in any securities loans.

Repurchase agreements

The AIFM does not participate in any repurchase agreements.

Further information on the risk management procedure, on securities loans and on repurchase agreements can be found in Appendix B "Sub-fund Overview".

Securities policy and investment of securities

General

In connection with transactions in OTC financial derivatives and efficient portfolio management techniques, the AIFM may accept securities in the name and on behalf of the sub-fund, in order to reduce its counterparty risk. This section defines the securities policy used by the AIFM in such cases. All assets received by the AIFM in terms of its efficient portfolio management techniques (securities lending, securities repurchase agreements, reverse repurchase transactions) in the name and on behalf of the sub-fund are treated as securities within the definition of this section.

Admissible securities and strategies for diversification and correlation

The AIFM may use the securities that he has accepted to reduce the counterparty risk if they comply with the criteria set out in the applicable laws, regulations and directives issued by the FMA, in particular with regard to liquidity, rating, the issuer's creditworthiness, correlations and risks relating to the management of securities and usability. Securities should, above all, meet the following conditions:

Liquidity

Every security that is not comprised of cash or sight deposits must be highly liquid at a transparent price and must be traded on a regulated market or within a multilateral trading system. In addition, securities with a short settlement cycle must be given preference over securities with a long settlement cycle, since they can be converted to cash more quickly.

Valuation

The value of the securities must be calculated on at least every trading day and must always be up to date. The inability to independently determine the value jeopardises the AIF. This also applies for mark-to-model valuations and rarely traded assets.

Creditworthiness

The issuer of the security must have a high level of creditworthiness. If the creditworthiness is not very high, haircuts must be performed. In the case of a high level of volatility in the value of the security, this is only permissible if appropriately conservative haircuts are used.

Correlation

The security is not emitted, issued or guaranteed by the counterparty or by a company belonging to the group of companies of the counterparty and does not have a high level of correlation with the development of the counterparty. However, investors are advised that experience shows that in a difficult market environment the correlation between different issuers, irrespective of the type of security, increases enormously.

Diversification of securities

The securities held are adequately diversified in relation to countries, markets and issuers. The criterion of adequate diversification with regard to the concentration of issuers is deemed to have been fulfilled, if the sub-fund receives securities for which the maximum commitment vis-a-vis an individual issuer does not exceed 20% of the net inventory value of the sub-fund. In the case of securities from several securities lending transactions, OTC derivative transactions and repurchasing transactions that all derive from the same originator, issuer or guarantor, the total risk vis-a-vis this issuer must be aggregated for the calculation of the total risk limit. In derogation to this subsection, AIFs can be completely secured by means of different securities and money market instruments that are issued or guaranteed by an EEA member state, one or several of its regional authorities, a third country or at least a public international body that belongs to an EEA member state. This AIF should hold securities that have been issued in the course of at least six different issues, whereby the securities from an own issue should not exceed 30% of the net inventory value of the AIF.

A sub-fund can deviate from these regulations in accordance with the provisions set out under Art. 31 above.

Custody and use

Insofar as the ownership of the acquired securities is transferred to the AIFM of an AIF, the securities that have been received must be put into safekeeping with the depository of the AIF. Otherwise, the security must be held by a third-party custodian who is subject to prudential supervision and is independent of the service provider, or is legally secured against the default of the connected party.

It must be guaranteed that the AIF can sell the security at any time and without delay without the need to notify or obtain the agreement of the counterparty.

Investment of the securities

Securities, with the exception of sight deposits (liquid assets), must not be sold, reinvested or pledged.

Securities that are made up of liquid assets (sight deposits and demand deposits) may only be used in one of the following types:

- Investments in sight deposits with a term of a maximum of twelve months with credit institutions that have their registered office in an EEA member state or a third country whose supervisory law is comparable with that of the EEA;
- bonds issued by states with a high level of creditworthiness;

- investments as part of repurchase transactions, insofar as the the counterparty in the repurchase transaction is a credit institution that has its registered office in an EEA member state or a third country whose supervisory law is comparable with that of the EEA;
- investments in money market funds with a short maturity structure pursuant to ESMA (European Securities and Markets Authority)/2014/937 Point 43 (j).

The reinvestment of sight deposits and demand deposits must comply with the provisions governing the risk diversification of non-liquid securities.

When assessing the value of the securities that are exposed to a significant fluctuation risk, the AIF must apply prudent discount rates. The AIFM must take into account a valuation discount policy (haircut strategy) for the AIF for every type of asset held as a security as well as the characteristics of the assets, such as, in particular, the creditworthiness and the price volatility of the relevant assets as well as the results of the stress tests carried out. The valuation discount policy must be documented and must make transparent every decision taken regarding the use of the valuation discount policy or the decision to refrain from this with regard to the relevant nature of the assets.

Amount of securities

The AIFM determines the amount of securities required for transactions with OTC derivatives and for efficient portfolio management techniques by referring to the limits for counterparty risks defined in the trust agreement, taking into account the nature and characteristics of the transactions, the creditworthiness and identity of the counterparties and the prevailing market conditions.

Rules for haircuts

Securities are valued daily on the basis of the available market prices and taking into account suitably conservative discounts (haircuts), as determined by the AIFM for each asset class on the basis of its rules for haircuts. Depending on the nature of the securities received, these rules take account of various factors such as the creditworthiness of the issuer, the maturity, the currency, the price volatility of the assets and, where appropriate, the result of the liquidity stress tests that have been carried out by the AIFM under normal and exceptional liquidity conditions.

Art. 35 Investments in different institutions for collective investments

A sub-fund may possibly invest its assets in units in different institutions for collective investments, depending on its individual investment policy The investment limits for each sub-fund can be found in Appendix B "Sub-fund Overview".

The investors should take note that at the level of indirect investments, further indirect costs and charges are incurred and remunerations and professional fees are offset — these expenses are, however, debited directly to the individual indirect investments. If the investments according to this article form a major part of the assets of the relevant sub-fund, the maximum amount of the management fees can be found in Appendix B "Sub-fund Overview" and the annual report.

If units are managed directly or indirectly by the AIFM or a company, or associated with the AIFM by means of joint management, control or qualified participation, neither the AIFM nor the other company may levy charges for the issue or redemption of units to or from the AIF and its sub-funds.

Art. 36 Borrowing limit

The assets of a sub-fund may not be pledged or otherwise encumbered, assigned or surrendered as a security, unless this is a case of borrowing within the definition of the following paragraph or to provide security within the framework of the processing of transactions with financial instruments.

A sub-fund may accept credit at conditions in line with the market both for investment purposes and to meet redemption requests. The amount of borrowing of the relevant sub-fund is determined in Appendix B "Sub-fund Overview" under "Investment principles of the sub-fund". The borrowing limit does not apply to the acquisition of foreign currency through back-to-back loans. The AIF and/or the relevant sub-fund is not entitled to be granted the maximum permitted credit line by the depository. The sole decision as to whether, how and to what extent credit is granted rests with the depository, in accordance with its credit and risk policy. This policy can change under certain circumstances during the term of the AIF.

The above paragraph does not oppose the acquisition of financial instruments that are not yet full paid up.

Art. 37 Joint administration

In order to reduce the operating and administration costs and at the same time to facilitate a broader diversification of the investments, the AIFM can resolve to jointly manage a part or the whole of the assets of one or several sub-funds together with assets that are held by other institutions for collective investments.

The assets of this AIF and/or its sub-funds are currently managed individually and thus not collectively with assets that are held by other institutions for collective investments.

VIII. Risk information

Art. 38 AIF specific risks

The performance of the units depends on the investment policy and the market performance of the individual investments of the relevant sub-fund and cannot be determined in advance. In this context, it is explicitly noted that the value of the units may rise or fall at any time compared to the issue price. There is no guarantee that investors will get their invested capital back.

The sub-fund specific risks of the individual sub-funds can be found in Appendix B "Sub-fund Overview".

Art. 39 General risks

In addition to the specific sub-fund related risks, the investments of the individual sub-fund may also be subject to general risks.

All investments in the sub-funds entail risks. These risks can include, or be associated with, equity and bond market risks, currency, interest-rate, credit and volatility risks as well as political risks. Each of these risks may occur in conjunction with other risks. While some of these risks are briefly discussed in this section, it should, however, be noted than an exhaustive list of any and all potential risks is not possible.

Potential investors should be aware of the risks associated with an investment in units and should only make an investment decision once they have obtained comprehensive advice from legal, tax and financial advisers, auditors or other experts with regard to the suitability of an investment in units of a sub-fund of this AIF, taking into consideration their financial and tax situation as well as any other circumstances, the information in this trust agreement and the investment policy of the relevant sub-fund.

With regard to the measurement of the market risk the perspective principle is not used.

Market risk

This is a general risk that is associated with all investments, that the value of a specific investment may possibly change to the detriment of the unit value of the AIF and or the sub-fund.

Price risk

It is possible that value losses may occur in the investments in which the AIF and/or sub-fund invests. In this case, the market value of the investments develops negatively in comparison to the acquisition price. In addition, investments are exposed to various price fluctuations (volatility). In an extreme case, there may be a threat of the loss of the full value of the corresponding investment.

Economic risk

This is the risk of price losses arising from failure to take economic developments into consideration when making an investment decision or not doing so in an accurate way, thereby making investments in securities at the wrong time or holding securities during an unfavourable economic phase.

Concentration risk

The investment policy may identify different factors that can result in a concentration of the assets in specific countries, markets or sectors. The AIF and/or its sub-fund is then particularly heavily dependent on the development of these assets, countries, markets or sectors.

Interest rate risk

If the AIF and/or its sub-fund invests in interest-bearing securities, it is exposed to interest rate risk. If market interest rates rise, the market value of the interest-bearing securities belonging to the assets may drop significantly. This effect will be magnified if the assets also hold interest-bearing securities with a longer residual maturity and a lower nominal interest rate.

Currency risk

If the AIF and/or sub-fund holds assets denominated in foreign currency(ies), it is exposed to a direct currency risk (unless the foreign currency positions are hedged). Falling exchange rates may lead to a depreciation of the foreign currency assets. In addition to direct currency risks, investors also face indirect currency risks. Internationally active companies are more or less dependent on the exchange rate development, which can have a indirect impact on the performance of investments.

Monetary value risk

Inflation can reduce the value of the assets. The purchasing power of the invested capital decreases when the inflation rate is higher than the profit yielded by the investments.

Psychological market risk

Moods, opinions and rumours can result in a substantial decline in prices, although the earnings situation and future prospects of the companies in which investments are made do not necessarily need to have changed on a permanent basis. Shares are particularly susceptible to the psychological market risk.

Risks from derivative financial instruments

The AIF and/or the sub-funds may use derivative financial instruments. These can be used not only for hedging but they can also form part of the investment strategy. The use of derivative financial instruments for hedging purposes may alter the general risk profile by reducing the opportunities and risks. The use of derivative financial instruments for investment purposes may affect the general risk profile by creating additional opportunities and risks. The use of derivative financial instruments can be found in Appendix B "Sub-fund Overview".

Derivative financial instruments are not autonomous financial instruments, but they are rights that are principally derived from the price and the price fluctuations and expectations of an underlying security. Investments in derivatives are exposed to general market risk, management risk, as well as credit and liquidity risk.

Depending on the special features of the derivative financial instruments (e.g. leverage) the above-mentioned risks can be different and sometimes greater than with an investment in the underlying assets. Therefore the use of derivatives requires not only an understanding of the underlying assets, but also an in-depth knowledge of the derivatives themselves.

Derivative financial instruments also bear the risk that the AIF and/or the corresponding sub-fund will suffer a loss since another party (as a rule a "counterparty") involved with the derivative financial instrument does not comply with its obligations.

The credit risk for derivatives that are traded on a stock exchange is generally lower than the risk for derivatives that are traded over the counter (OTC), since the clearing house that acts as the issuer or counterparty for the derivative traded on the stock exchange accepts a settlement guarantee. For derivatives that are traded over the counter there is no comparable guarantee from the clearing house. Thus in certain circumstances, an OTC derivative cannot be closed.

In addition, there are liquidity risks, since certain instruments can be difficult to buy or sell. If the derivative transactions are particularly large, or if the corresponding market is illiquid (as can be the case for derivatives that are traded over the counter), in certain circumstances transactions cannot be fully completed or a position can only be liquidated at increased costs.

Further risks in connection with the use of derivatives are the incorrect pricing or valuation of derivatives. Many derivatives are complex and often valued subjectively. Inappropriate valuations can result in increased demands for cash payments from counterparties or to a loss in value for the relevant sub-fund. Derivatives do not always have a direct or parallel relationship to the value of the assets, interest rates or indices from which they are derived. Therefore the use of derivatives by the relevant sub-fund does not always represent an effective means of achieving the investment target of the relevant sub-fund, but can sometimes even result in an opposite effect.

Risk from collateral management in connection with OTC financial derivatives and efficient portfolio management techniques

In the case of the AIF and/or the sub-fund performing over the counter transactions (OTC transactions/efficient portfolio management techniques), it may be exposed to risks in connection with the creditworthiness of the OTC counterparties. When entering into futures contracts, options and swap transactions, securities loans, securities repurchasing transactions, reverse repurchase agreements or using other derivative techniques, the AIF and/or the sub-fund is exposed to the risk that the OTC counterparty might fail to meet (or is unable to meet) its obligations under one specific or several contracts. The counterparty risk may be reduced by the provision of collateral. If the AIF and/or the sub-fund is owed collateral in accordance with the applicable agreements, any such collateral will be held in custody by the depository, or on behalf of the depository, for the benefit of the AIF. Bankruptcy and insolvency cases or any other cases of credit default on the part of the depository, or within its sub-depositories and correspondent bank network, may result in the rights of the AIF and/or the sub-fund in connection with the collateral being altered or restricted in some other way. If the AIF and/or the sub-fund owes collateral to the OTC counterparty in accordance with the applicable agreements, any such collateral must be transferred to the OTC counterparty as agreed between the AIF and/or the sub-fund and the OTC counterparty. Bankruptcy and insolvency cases or any other cases of credit default on the part of the OTC counterparty, the depository or within its sub-depositories and correspondence bank network, may result in the rights or the recognition of the AIF and/or the sub-fund in relation to the collateral being delayed, restricted or even excluded, whereby the AIF and/or the sub-fund would be forced to comply with its obligations under the OTC transaction, irrespective of any collateral provided in advance to cover any such obligation.

The risk associated with the management of the collateral, such as, in particular the operational or legal risk, is calculated, managed and reduced by the risk management applied for the AIF and/or the sub-fund.

The AIF and/or the sub-funds can ignore the counterparty risk insofar as the value of the collateral, valued at market price and taking into account the appropriate discounts, exceeds the risk amount at all times.

An AIF and/or a sub-fund may incur losses resulting from the investment of the cash collateral that it accepts. Such a loss may result from a loss in the value of the investment made with the cash collateral that has been accepted. If the value of the cash collateral that has been invested decreases, this reduces the amount of the collateral that was available to the sub-fund at the time the transaction was concluded and that must be returned to the counterparty. The AIF and/or the sub-fund would have to cover this difference in value between the collateral originally received and the amount available for return to the counterparty, whereby this would result in a loss for the sub-fund.

Liquidity risk

Assets can also be acquired for the AIF and/or the sub-fund that are not admitted for trading on a stock exchange or on another organised market. Thus the risk can occur that these assets are subject to a period of delay, price discounts or cannot be resold at all.

Even assets that are traded on an organised market can be subject to the risk that the market experiences phases of illiquidity from time to time. This may result in the assets not being tradeable at the desired time and/or not in the desired quantity and/or not at the targeted price.

Counterparty risk

The risk here is that the contractual partners (counterparties) do not meet their contractual obligations to honour settlement on transactions. A loss for the AIF and/or the sub-fund can arise from this.

Credit and issuer risk

Deteriorating solvency or even the bankruptcy of an issuer may result in the partial, at the very least, or the total loss of assets.

Country or transfer risk

Country risk is designated as the risk that a foreign debtor is unable to render services in a timely manner or at all due to a lack of transferability or willingness of the country of domicile (for example, due to foreign exchange restrictions, transfer risks, moratoria and embargoes) despite said debtor having the ability to pay. For example, payments to which the AIF and/or the sub-fund is entitled are not made or are made in a currency which is no longer convertible due to foreign exchange restrictions.

Operational risk

Operational risk is the risk of loss for the assets of a sub-fund arising from unsatisfactory internal processes as well as human or system errors with the AIFM or from external events; this includes legal, documentation and reputational risks, as well as risks arising from the trading, accounting and assessment processes employed by the sub-fund.

Processing risk

Investment in unlisted securities in particular run the risk that the processing through a transfer system is not carried out as anticipated due to a delayed payment or delivery, or a payment or delivery that is not as per the agreement.

Key personnel risk

An exceptionally positive performance of the AIF and/or sub-fund during a particular period is attributable to the abilities of the individuals acting on behalf of the fund and therefore to the correct decisions made by management. However, the fund management personnel may change and new decision-makers may not be as successful.

Legal and tax risk

The acquisition, holding or selling of units in the sub-fund can be subject to tax laws (e.g. deduction of tax source) outside of the domicile country of the AIF and/or the sub-fund. In addition, the legal and tax treatment of sub-funds may change in an unforeseeable manner over which the sub-fund manager has no control. This means that amendments to inaccurately determined bases of taxation of the AIF and/or the sub-fund for past financial years (e.g. due to tax audits) may lead, in the case of a correction with negative tax consequences for investors, to investors having to carry the tax burden arising out of the correction for previous financial years even if they were not invested in the AIF and/or the sub-fund at the time. Conversely, a situation may arise for investors in which they no longer benefit from a positive tax correction for the current and past financial years in which they were invested in the AIF and/or the sub-fund because they redeemed or sold their units before the corresponding correction was implemented. In addition, corrections to the tax data may result in taxable income and tax benefits being assessed for tax purposes in a different tax period than that actually applicable, which may have negative effects on individual investors.

Custody risk

The custody of assets is associated with a risk of loss that may result from insolvency, violation of due diligence on the part of the depository and/or force majeure.

Change to the investment policy and fees

A change to the investment policy within the legal and contractually permissible investment spectrum can result in a change to the risk associated with the sub-fund. The AIFM can increase the fees to be levied from the sub-fund and/or change the investment policy of the sub-fund within the valid trust agreement through a change to the trust agreement including Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Sub-fund Overview" at any time and to a major degree.

Amendments to the trust agreement

Under the trust agreement, the AIFM reserves the right to amend the terms and conditions of the trust agreement. Moreover, pursuant to the trust agreement it is possible for him to completely liquidate the AIF or to merge it with another fund. For the investor, this therefore entails the risk that he may not achieve the planned retention period.

Risk of redemptions being suspended

In principle investors can request the redemption of their units from the AIFM pursuant to the valuation interval of the sub-fund. However, in the event of extraordinary circumstances the AIFM can temporarily suspend the redemption of the units and take them back at a later date at the price that is then valid (see "Suspension of the calculation of the net asset value and issue, redemption and conversion of units" for details). This price can be lower than the price prior to the suspension of the redemption. A suspension of the redemption of units can follow directly on the liquidation of the sub-fund.

Hedging risk

Unit classes in a reference currency that is not the same as the portfolio currency can be hedged against exchange rate fluctuations. Therefore investors in the relevant unit class should hedge against possible losses due to negative exchange rate developments as far as possible, however this means that they cannot take advantage of any positive exchange rate developments at the same time either. Due to fluctuations in the hedged volume in the portfolio as well as constant subscriptions and redemptions, it is not always possible to hedge to the exact same amount as the net asset value of the unit classes to be hedged. Therefore there is a possibility that the net asset value per unit in a hedged unit class will not perform identically to the net asset value of a non-hedged unit class.

Sustainability risks

The term "sustainability risks" refers to the risk of an actual or potential loss of value of an investment due to the occurrence of environmental, social or corporate governance-related (ESG) events. The AIFM incorporates sustainability risks into its investment decisions in accordance with its corporate strategy.

The evaluation of the risks shows no relevant effects on the return because the investment policy and the performance achieved in the past mean that a relevant impact on the overall portfolio cannot be assumed, although of course past performance is not an indicator of future performance.

IX. Valuation and share transactions

Art. 40 Calculation of the net asset value per unit

The net asset value (NAV) per unit of a sub-fund or of a unit class is calculated by the AIFM or a person appointed by him at the end of the financial year as well as on the relevant valuation date on the basis of the last known price, taking into account the valuation interval.

The NAV of a unit in a unit class of a sub-fund is expressed in the currency of the account of the sub-fund or, if different, in the reference currency of the respective unit class, and is derived from the share of the particular unit class in the assets of the relevant sub-fund, reduced by any debt obligations of the same sub-fund that are attributable to the relevant unit class, divided by the number of units in the respective unit class in circulation.

The calculation of the NAV takes current statements and valuations of the broker accounts used into consideration.

Following a resolution, the AIFM is entitled to calculate a so-called special NAV outside the usual valuation interval for the AIF and/or its sub-fund in order to enable a.o. the timely issuance and redemption of units in special cases. Information about this is provided in the relevant Appendix B "Sub-fund Overview".

The valuation principles of the AIF and/or its sub-funds as well as further information regarding the calculation of the net asset value per unit can be found in Appendix B "Sub-fund Overview".

Art. 41 Issuance of units

Units of a sub-fund are issued on each valuation date (issue date) at the net asset value per unit of the relevant unit class of the relevant sub-fund, plus any issuance fee due and in addition to any taxes and levies.

The units are not securitised with documentation.

The depository must receive the subscription applications at the latest by the cut-off time. If a subscription application is received after the cut-off time, it will be scheduled for the following issue day. In the case of applications placed with distributors within the country or abroad, earlier cut-off times may apply to ensure the timely forwarding of any such applications to the depository in Liechtenstein. The applicable cut-off times may be obtained from the relevant distributors.

Information concerning the issue date, the valuation interval, the cut-off time and the size of the possible maximum issuance fee is provided in the respective Appendix B "Sub-fund Overview".

The payment must be received within the deadline specified in Appendix B "Sub-fund Overview" (value date) pursuant to the relevant issue date on which the issue price of the units was set. However, the AIFM is authorised to extend this deadline, if the anticipated deadline proves to be too short.

The AIFM will ensure that the issuance of units is charged on the basis of the net asset value per unit, which is not known to the investor at the time of application (forward pricing).

Any and all taxes and levies incurred through the issuance of units will also be charged to the investor. If units are acquired via banks that are not mandated to distribute such units, it cannot be excluded that such banks will charge additional transaction costs.

If payment is made in a currency other than the accounting currency, the equivalent value from the conversion of the payment currency into the accounting currency minus any fees is used for the acquisition of shares.

The minimum investment amount that an investor must subscribe to in any given unit class is defined in Appendix B "Sub-fund Overview". The minimum investment amount can be waived at the discretion of the AIFM.

Contributions in kind are not permitted.

In addition, the AIFM may decide to completely or temporarily suspend the issuance of units if new investments could negatively affect the achievement of the investment objective.

The depository and/or the AIFM can, at any time, reject a subscription application or temporarily limit, suspend or ultimately discontinue the issuance of units if this appears to be necessary in the interests of the investors, in the public interest or for the purpose of protecting the AIFM, the AIF or its sub-funds or the investors. In such cases, the depository will refund any payments received for subscription applications not yet actioned promptly without interest, if necessary with the assistance of the paying agents.

The issuance of units in the AIF and/or its sub-funds can be suspended in application scenarios pursuant to Art. 44 of this trust agreement.

Art. 42 Redemption of units

Units in a sub-fund are redeemed on each valuation day (redemption day) taking into account any notice period specified in Appendix B "Sub-fund Overview", and at the net asset value per unit of the corresponding unit class of the respective sub-fund, less any redemption fees, taxes or levies.

The depository must receive the redemption applications by no later than the cut-off time. If there is a notice period for redemptions, this can be found in Appendix B "Sub-fund Overview". If a redemption application is received after the cut-off time, it is scheduled for the following redemption day. In the case of applications placed with distributors within the country or abroad, earlier cut-off times may apply to ensure the timely forwarding of any such applications to the depository in Liechtenstein. The applicable cut-off times may be obtained from the relevant distributors.

Information concerning the redemption date, the valuation interval as well as the size of the possible maximum redemption fee due can be found in Appendix B "Sub-fund Overview".

The repayment is made within a specific period (value date) after the valuation day. However, the AIFM is authorised to extend this deadline, if the standard value proves to be too short. Information on the value can be found in Appendix B "Sub-fund Overview". This does not apply if, for legal reasons such as currency or transfer restrictions, or for other reasons outside the depository's control, the transfer of the redemption amount proves to be impossible.

In the case of large redemption applications, the AIFM can decide not to settle a redemption request until it is possible to sell the corresponding assets of the sub-fund without unnecessary delay. If such a measure is necessary, all redemption applications received on the same day will be settled at the same price.

If, at the request of the investor, payment should be made in a currency other than the billing currency, the amount to be paid is calculated on the basis of the revenues from the conversion of the billing currency into the payment currency, minus any fees and levies.

The corresponding unit will expire upon payment of the redemption fee.

If the execution of a redemption application results in the holdings of the relevant investor falling under the minimum investment threshold of the corresponding unit class specified in Appendix B "Sub-fund Overview", the AIFM may, without further notification to the investor, treat this redemption application as an application for the redemption of any and all shares held by the corresponding investor in this unit class or as an application for the conversion of the remaining units into units of another unit class in the same sub-fund, with the same reference currency, whose requirements the investor meets.

The AIFM and/or depository may unilaterally repurchase units against the will of the investor against payment of the redemption price if this appears to be necessary in the best interests of or for the protection of the investors, the AIFM or one or several of the sub-funds, in particular if

1. there is a suspicion that the investor is engaged in "market timing", "late trading" or any other market techniques that may be detrimental to the investors as a whole;
2. the investor does not meet the requirements for the acquisition of units; or
3. the units are sold in a country in which the relevant fund is not authorised for distribution or have been acquired by a person who is not permitted to acquire such units.

The AIFM ensures that the redemption of units will be charged on the basis of the net asset value per unit, which is not known to the investor at the time of submission of the application (forward pricing).

The redemption of units in the AIF and/or its sub-funds may be discontinued in the event of cases in Art. 44 of this trust agreement.

Contributions in kind are not permitted.

Art. 43 Conversion of units

Insofar as different sub-funds or unit classes are offered, conversion of units of one unit class into units of another unit class can take place both within one and the same sub-fund as well as from one sub-fund to another sub-fund. Information on any conversion fees can be found in Appendix B "Sub-fund Overview". If a conversion of units is not possible for certain sub-funds or unit classes, this is stated for the sub-fund or the unit class in question in Appendix B "Sub-fund Overview".

The number of units that the investor wishes to convert is calculated according to the following formula:

$$A = \frac{(B \times C)}{(D \times E)}$$

A = Number of units of the new sub-fund and/or the unit class that is the target of the conversion

B = Number of units in the sub-fund and/or unit class from which the existing units are to be converted

C = Net asset value or redemption price of units submitted for conversion

D = Currency exchange rate between the sub-fund affected and/or any unit classes. If both sub-funds and/or unit classes are valued in the same billing currency, this coefficient is 1.

E = Net asset value of the units in the sub-fund and/or any unit class that is the target of the conversion, plus taxes, fees or other levies

In some countries, levies, taxes and stamp duties may be incurred when changing sub-fund or unit classes.

The AIFM may reject a conversion application for a sub-fund and/or for a unit class at any time if this appears to be necessary in the best interests of the sub-fund, the AIFM or the investors, in particular if:

1. there is a suspicion that with the acquisition of the units the investor is engaged in "market timing", "late trading" or any other market techniques that may be detrimental to the investors as a whole;

2. the investor does not meet the requirements for the acquisition of units; or
3. the units are sold in a country in which the relevant sub-fund is not authorised for distribution or they have been acquired by a person who is not permitted to acquire such units.

The AIFM ensures that the conversion of units will be charged on the basis of the net asset value per unit, which is not known to the investor at the time of submission of the application (forward pricing).

The redemption of units in the AIF and/or its sub-funds may be discontinued in the event of cases in Art. 44 of this trust agreement.

Art. 44 Suspension of the calculation of the net asset value as well as the issue, redemption or conversion of units

The AIFM may temporarily suspend the calculation of the net asset value and/or the issuance and redemption of units in a sub-fund if this is warranted in the best interest of investors, in particular:

1. if a market that forms the basis for the valuation of a substantial part of the assets of the AIF and/or its sub-funds has been closed, or trading in such markets has been restricted or suspended;
2. in the event of political, economic or other emergencies; or
3. if trades on behalf of the AIF and/or its sub-funds can no longer be executed due to restrictions on the transfer of assets.

The suspension of the net asset value of a sub-fund does not impede the calculation of the net asset value of the other sub-fund if none of the above-mentioned conditions apply to the other sub-funds.

In addition, the AIFM may decide to completely or temporarily suspend the issuance of units if new investments could negatively affect the achievement of the investment objective.

The issuance of units will be temporarily suspended in particular if the calculation of the net asset value per unit is suspended. If the issuance of units is suspended, the investors are informed immediately about the reason for this and the time of the suspension by notification in the publication medium and in the media defined in the fund documents or by means of durable data carriers (letter, fax, email or similar).

Moreover, in order to safeguard the best interests of the investors, the AIFM is entitled to carry out redemptions on a larger scale only once the corresponding assets in the relevant sub-fund have been sold without delay while at the same time safeguarding the investor's interests, i.e. in this case, the AIFM is entitled to temporarily suspend redemptions.

No new units are issued while the redemption of units is suspended. Units whose redemption is temporarily restricted cannot be converted. The temporary suspension of the redemption of units in a sub-fund does not result in the temporary suspension of the redemption of units in other sub-funds that are not affected by the relevant circumstances.

The AIFM ensures that the relevant sub-fund assets contain sufficient liquid funds to enable units to be redeemed at the request of investors without delay under normal circumstances, taking into account any notice, lock-up and payment periods.

The AIFM will notify the FMA without undue delay, as well as the investors in a suitable manner, regarding the suspension of unit redemption or payment. Any applications for subscription or redemption will be settled once the calculation of the net asset value has been resumed. Investors may revoke their applications for subscription or redemption until trading in the units has been resumed.

Art. 45 Late trading and market timing

If there is a suspicion that an applicant conducts late trading or market timing, the AIFM and/or the depositary will refuse acceptance of the application for subscription, conversion or redemption until the applicant has dispelled any doubts with regard to the application.

Late trading

Late trading is the acceptance of a subscription, conversion or redemption order received after the deadline for the receipt of orders (cut-off time) on the relevant day and its execution at the price on the basis of the prevailing net asset value on this date. An investor can use late trading to make a profit from the knowledge of events or information which is published after the cut-off time for orders but which is not reflected in the price at which the investor’s order is charged. This investor is therefore at an advantage compared to investors who have adhered to the official cut-off time. The advantage of this investor is even more significant if he/she is able to combine late trading with marking timing.

Market timing

Market timing is an arbitrage process in which an investor systematically subscribes units of the same sub-fund or the same unit class on a short-term basis and then either redeems or converts them by exploiting time differences and/or errors or weaknesses within the system for the calculation of the net asset value of the sub-fund or unit class.

Art. 46 Prevention of money laundering and the financing of terrorism

The AIFM ensures that the national distributors are obligated vis-a-vis the AIFM to observe the current provisions of the Liechtenstein Duty of Care law (Sorgfaltspflichtgesetz) and the associated Duty of Care regulation (Sorgfaltspflichtverordnung), as well as the FMA directives in the relevant valid form.

If the national distributors themselves accept money from investors, they are under a duty of care in accordance with the Duty of Care law and the Duty of Care regulation to identify the subscriber, to ascertain the beneficial owner, to create a profile of the business relationship and to comply with any and all provisions regarding the prevention of money laundering.

Furthermore, the distributors and their selling agents must comply with any and all provisions for the prevention of money laundering and the financing of terrorism that are in force in the relevant distribution countries.

X. Costs and fees

Art. 47 Ongoing fees

A. Costs based on the assets (individual fees)

Risk management and administrative fee:

The AIFM charges an annual fee for risk management and administration pursuant to Appendix B "Sub-fund Overview." This is calculated on the basis of the average sub-fund assets, delimited pro rata temporis within the framework of the NAV calculation and paid out quarterly. Minimum fees can be allocated pro rata temporis within the framework of the NAV calculation and paid quarterly. It lies within the discretion of the AIFM to determine different risk management and administrative fees for one or several unit classes of the relevant sub-fund.

Depository fee:

The depository receives remuneration for the fulfilment of its tasks in the depository agreement according to the remuneration defined in the relevant Appendix B "Sub-fund Overview." This is calculated on the basis of the average sub-fund assets, delimited pro rata temporis within the framework of the NAV calculation and paid out quarterly. Minimum fees can be allocated pro rata temporis within the framework of the NAV calculation and paid out quarterly. It lies within the discretion of the AIFM to determine different depository fees for one or several unit classes of the relevant sub-fund.

Portfolio management fee (management fee):

If the portfolio management is contractually obligated, it may receive remuneration from the respective fund assets in accordance with Appendix B "Sub-fund Overview". This is calculated on the basis of the average sub-fund assets, delimited pro rata temporis in the NAV calculation and paid out quarterly. This fee is levied in addition to the administration fee. Minimum fees can be allocated pro rata temporis within the framework of the NAV calculation and paid quarterly. It lies within the discretion of the AIFM to determine different portfolio management fees for one or several unit classes of the relevant sub-fund.

In addition, the portfolio manager may receive a value-oriented performance fee from the respective fund assets.

Distributor fee (distribution fee):

If a distributor is contractually obligated, this distributor may receive remuneration from the sub-fund assets, the maximum amount, calculation and payment of which is defined for the relevant sub-fund in Appendix B "Sub-fund Overview". This is calculated on the basis of the average sub-fund assets, delimited pro rata temporis in the NAV calculation and paid out quarterly. Minimum fees can be allocated pro rata temporis within the framework of the NAV calculation and paid out quarterly. It lies within the discretion of the AIFM to determine different distribution fees for one or several unit classes of the relevant sub-fund.

B. Costs independent of the assets (individual fees)

Ordinary expenses

As well as the fees that can be levied as per the above paragraphs, the following expenses independent of the assets can be charged to the assets of the sub-fund. The applicable amount of expenses for the relevant sub-fund is defined in the annual report. The AIFM and the depositary are entitled to compensation for the following expenses incurred in the exercising of their functions:

- costs for the preparation, printing and forwarding of the annual reports or any other publications required by law;
- costs for the publication of notifications to investors from the AIF and/or its sub-funds in the relevant publication media and, if applicable, any newspapers or electronic media specified by the AIFM, including price publications;
- fees and costs for permits and for the supervision of the AIF in Liechtenstein and abroad;
- all taxes that are levied on the assets of the sub-fund as well as its returns and expenses debited to the corresponding sub-fund assets of the AIF;
- any taxes that arise in connection with the costs of administration and safekeeping;
- fees incurred in connection with any listing (initiation , maintenance and liquidation) of the AIF and/or its sub-funds and with the distribution locally and abroad (e.g. advisory, legal and translation costs);
- fees, costs and professional fees in connection with the determination and publication of tax factors for the EU/EEA countries and/or any and all countries where there are distribution licences and/or private placements exist, in accordance with the actual expenses incurred at market-driven rates;

- Costs incurred in connection with the fulfilment of the requirements and follow-up duties from the distribution of the units of the AIF and/or its sub-funds in Liechtenstein and abroad (e.g. fees for paying agencies, agents and other representatives with a similar function, fees for fund platforms (e.g. listing fees, set-up fees, etc.), consultancy, legal, translation fees);
- Costs for creation or amendment, translation, filing, printing and dispatch of the fund prospectus, the constitutive documents (trust agreement), KIID (Key Investor Information Document), calculation of the SRRI (Synthetic Risk and Reward Indicator), etc. in the countries where the units are distributed;
- Administrative costs and cost reimbursement for government agencies;
- an appropriate share of the costs of printed material and advertising incurred in direct connection with the offering and selling of units;
- professional fees for auditors and legal and tax advisers, provided that these expenses are incurred in the interests of the investors;
- Costs for creation and the publication of the tax bases and the certification that the tax information was determined according to the rules of the relevant foreign tax laws;
- internal and external costs for recovering foreign withholding taxes, to the extent that they can be charged for the account of the AIF and/or the relevant sub-fund. As regards the recovery of foreign withholding taxes, it should be noted that the AIFM is not obliged to undertake recovery and will only carry this out if the procedure is justified based on the criteria of the materiality of the amounts and the proportionality of the costs relative to the amount recovered. With regard to investments that are the object of securities lending, the AIFM will not undertake any recovery of withholding taxes;
- Expenses in connection with the exercising of voting rights or the rights of creditors by the AIF and/or its sub-funds, including the fees for external consultants;
- Costs for the credit assessment of the assets of the AIF and/or its sub-funds and/or its target assets by nationally or internationally recognised rating agencies;
- Costs in connection with legal provisions for the AIF and/or its sub-funds (e.g. reports for the authorities, important investor information, etc.);
- Fees and costs incurred through other legal or supervisory regulations that must be fulfilled by the AIFM within the framework of implementing the investment strategy (such as reporting and other costs incurred within the framework of fulfilling the European Market Infrastructure Regulation (EMIR, EU Regulation 648/2012));
- Costs of effecting recessed tax, legal, accounting, economic and market technical audits and analyses (due diligence) by third parties on an investment, involving in particular an in-depth review of the investment eligibility of a private equity investment for the AIF and/or its sub-funds. These costs may also be charged to the AIF and/or the sub-funds, even if the investment is subsequently not undertaken.
- Research costs
- Costs for the setting up and support of additional counterparties, if this is in the interests of the investors.
- Costs and expenses for the preparation of statements and reports to insurance companies, pension funds, foundations, other financial services companies, rating agencies (e.g. GroMiKV, Solvency II, MiFID II, VAG, ESG/SRI report and ratings, etc.).

The effective costs incurred for the sub-fund are set out in the annual report.

Certain costs and fees incurred by the sub-fund may be waived or paid externally, especially in the fund's initial phase. The objective here is to mitigate the fund's high cost burdens relative to the net assets in the establishment phase. This may lead to the specified TER (Total Expense Ratio) not being calculated on the same basis as future TERs. Relevant disclosure and statements as well as the valid expenditure amount of the relevant sub-fund / unit class are defined in the annual report.

Unit holders are informed of the utilisation and renunciation of this possibility by means of a notification.

Transaction costs

In addition, the sub-funds bear any and all ancillary costs arising from the asset management for the sale and purchase of investments (broker commissions in line with the market, commissions, levies) as well as any and all taxes imposed on the assets of the relevant sub-fund and its earnings and expenses (e.g. withholding taxes on foreign earnings). Furthermore, the sub-funds will bear any external costs, i.e. third-party fees incurred through the sale and purchase of investments. These costs are directly set off against the cost price and/or sales value of the relevant investments.

Any consideration included in a fixed flat-rate fee may not be additionally charged as an individual expense.

Costs for currency hedging of unit classes

Any costs for currency hedging of unit classes are allocated to the corresponding unit class.

Incorporation costs

The costs for the incorporation of the AIF and/or its sub-funds and the initial offering of units will be charged against the assets of the existing sub-funds upon incorporation over a period of maximum five years. Incorporation costs are allocated pro rata among the respective sub-fund assets. Costs incurred in connection with the creation of further sub-funds will be charged against the assets of each respective sub-fund to which they have been assigned over maximum five years.

Liquidation fees

In the case of the liquidation of the AIF and/or the sub-fund, the AIFM can levy a liquidation fee amounting to a maximum of CHF 15'000.- or the equivalent value in another currency in its favour. In addition to this amount, all the costs of the authorities, the auditor and the depository must be borne by the AIF and/or the sub-fund affected.

Extraordinary disposition costs

Furthermore, the AIFM may charge costs for extraordinary dispositions to the relevant sub-fund assets.

Extraordinary disposition costs are comprised of the expenses that are incurred solely to safeguard the investor's interests, which arise during the course of ordinary business activities and which were not foreseeable at the time of the formation of the AIF and/or the relevant sub-fund. More specifically, extraordinary disposition costs are the costs for legal counselling and the pursuit of legal claims in the interests of the AIF and/or the corresponding sub-fund or the investors. In addition, these also include any and all costs associated with extraordinary dispositions required under the AIFMG and AIFMV (e.g. amendments to fund documents).

Furthermore, the AIFM may directly charge any costs for specialised advisory services to the relevant sub-fund's assets in the case of activities that are not already covered by other fees. In particular in the context of capital measures of target investments, which usually trigger brokerage fees from banks for the purchase of shares or other asset classes and structured products (for example, in the case of capital increases of target investments and the acquisition of structured products). These advisory services can be provided externally by audit firms, legal advisers or banks. If this results in a lower cost than provision by third parties, the AIFM can provide these services itself and charge this to the relevant sub-fund's assets, if it has the required expertise.

These costs comprise the expenses that are incurred solely to safeguard the investor's interests, which arise during the course of ordinary business activities and were not foreseeable in detail at the time of the formation of the AIF or the relevant sub-fund.

Payments

In connection with the acquisition and sale of assets and rights for the AIF and/or its sub-fund, the AIFM, the depository and any representatives will ensure that payments in particular directly or indirectly benefit the AIF and/or its sub-fund.

Ongoing fees (Total Expense Ratio, TER)

The total of the ongoing fees before any performance-related expenses (Total Expense Ratio before Performance Fee; TER) is calculated and included according to the general principles determined in the rules of conduct; with the exception of the transaction costs, all the costs and fees that are debited from the relevant sub-fund assets on an ongoing basis. The TER of the relevant sub-fund and or the relevant unit class is published on the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] under www.lafv.li as well as in the relevant annual report, insofar as it has already been published.

Investment success fee (performance fee)

In addition, the AIFM may charge a performance fee. If a performance fee is charged, this is defined in detail in Appendix B "Sub-fund Overview".

Art. 48 Costs incurred by the investor

Issuance fee:

To cover the costs incurred by the placement of units, the AIFM may charge an issuance fee on the net asset value of the newly issued units in favour of the AIFM, the depository and/or the distributors locally or abroad according to Appendix B "Sub-fund Overview".

Any issuance fee in favour of the relevant sub-fund can also be found in Appendix B "Sub-fund Overview".

Redemption fee

For the payment of the redeemed units the AIFM levies a redemption fee on the net asset value of the redeemed units in favour of the AIF and/or the corresponding sub-fund pursuant to Appendix B "Sub-fund Overview".

Any redemption fee in favour of the AIFM, the depository and/or the distributors locally or abroad can also be found in Appendix B "Sub-fund Overview".

Conversion fee

In the case of a change from one sub-fund to another and/or from one unit class to another unit class requested by the investor, the AIFM can levy a fee on the net asset value of the original sub-fund and/or the original unit class pursuant to Appendix B "Sub-fund Overview".

XI. Final provisions

Art. 49 Appropriation of the profit

The realised earnings of a sub-fund are derived from the net income together with any price gains realised. The net income is made up of the yields from interest and/or dividends as well as other income received less the expenses.

The AIFM can distribute the net income and/or the net realised price gains of a sub-fund and/or a unit class to the investors in the sub-fund and/or corresponding unit class or re-invest (plough back) this net income and/or these net realised price gains in the sub-fund and/or relevant unit class, i.e. carry them forward to the new financial account.

The net income and/or the net realised price gains of those unit classes that have a distribution policy pursuant to Appendix B "Sub-fund Overview" can be distributed annually or more frequently both in full or in part.

The net income and/or the net realised price gains as well as the carried forward net revenue and/or the carried forward net realised price gains of the sub-fund and/or the relevant unit class can be used in the distribution. Interim distributions from the carried forward net revenue and/or the carried forward realised price gain are not permitted.

Distributions are paid on the units outstanding on the distribution date. No interest is paid on the announced distributions as from the time of their due date.

Art. 50 Allowances

The AIFM reserves the right to grant allowances to third parties for the provision of services. The calculation basis for any such allowances is typically the commissions and fees, etc. charged and/or the assets/asset components placed with the AIFM. The amount of any such allowances corresponds to a percentage of the relevant calculation basis. Upon request, the AIFM will at any time disclose further information regarding its agreements concluded with third parties vis-à-vis the investor. The investor hereby expressly waives any further right to information vis-à-vis the AIFM, in particular the AIFM is under no obligation to provide a detailed account with regard to allowances that are actually paid.

The investor acknowledges and accepts that the AIFM may be granted allowances, usually in the form of portfolio payments, from third parties (including group companies), in connection with the introduction of investors, the acquisition/distribution of collective capital investments, certificates, notes, etc. (hereinafter referred to as "products", including those managed and/or issued by a group company). The amount of such allowances differs depending on the product or the product provider. Retainer fees are typically based on the volume of a product or product group held by the AIFM. The size of such fees usually corresponds to a percentage of the management fees charged for the respective product, which are periodically remunerated during the holding period. In addition, sales commissions may also be paid by securities issuers in the form of discounts on the issue price (percentage rebate) or in the form of one-off payments, the amount of which corresponds to a percentage share of the issue price. Unless specified otherwise, the investor may, at any time prior to or following the provision of the service (purchase of the product), request further details from the AIFM regarding the agreements concluded with third parties concerning any such allowances. If the investor does not request any further details prior to providing the service or if the investor obtains the service after gathering further details, the investor waives any claim for the surrender of assets in terms of section 1009a of the General Civil Code (Allgemeines Bürgerliches Gesetzbuch, "ABGB").

Art. 51 Tax regulations

All Liechtenstein AIFs in the legal form of a collective trusteeship are fully taxable in Liechtenstein and are subject to income tax. The income from the managed assets represents tax-free income.

Issue levy and securities transfer tax[1]

The creation (issue) of units in such an AIF and/or its sub-funds is not subject to any issue levy or securities transfer tax. The transfer of title of the investor units against payment is subject to securities transfer tax if one of the parties or an intermediary is a domestic securities trader. The redemption of units is exempt from securities transfer tax. The collective trusteeship is deemed to be an investor that is exempt from the securities transfer tax.

Tax source or paying agent tax

Both income and capital gains, whether distributed or reinvested, may be subject in part or in whole to a so-called paying agent tax (for example compensation tax source, Foreign Account Tax Compliance Act), depending on who actually directly or indirectly holds the units in the AIF and/or its sub-funds.

The AIF in the legal form of a collective trusteeship is otherwise not subject to any tax source obligation in the Principality of Liechtenstein, thus it is exempt in particular from any coupon or withholding tax obligation. Foreign income and capital gains generated by the AIF in the legal form of a collective trusteeship and/or any sub-funds of the AIF may be subject to tax deducted at source in the applicable country of investment. Double taxation treaties may apply.

The AIF and/or its sub-funds has the following tax status:

Automatic exchange of information (AEOI)

With regard to the AIF and/or the sub-funds, a Liechtenstein paying agent may be obligated, subject to compliance with the AEOI agreements, to report the holders of the units to the local tax authorities or to make a corresponding statutory notification.

FATCA

The AIF and/or any sub-funds complies with the provisions of the Liechtenstein FATCA Agreement and the relevant implementation regulations in the Liechtenstein FATCA Law.

1 In accordance with the Customs Union Agreement (Zollanschlussvertrag) between Switzerland and Liechtenstein, Swiss stamp duty law also applies in Liechtenstein. For the purposes of Swiss stamp duty legislation, the Principality of Liechtenstein is therefore regarded as being domestic.

Natural persons with tax domicile in Liechtenstein

Private investors that are tax-domiciled in the Principality of Liechtenstein must declare their units as assets; these are subject to wealth tax. Any income distributions or reinvested income of the AIF in the legal form of the collective trusteeship and/or any sub-funds of the AIF are exempt from purchase tax. Any capital gains realised upon the sale of the units are exempt from acquisition taxes. Capital losses cannot be deducted from taxable income.

Persons with tax domicile outside Liechtenstein

The taxation of investors domiciled outside the Principality of Liechtenstein as well as any other tax implications of the holding, purchasing or selling of units is based on the tax laws of their relevant country of domicile.

Disclaimer

The explanations on the tax situation are based on the legal situation and practice as it currently stands. Legislative changes, changes to case law and changes to the decrees and practice of tax authorities are expressly reserved.

Investors are urged to consult their own professional advisers with regard to the relevant tax implications. Neither the AIFM nor the depository or their representatives/agents may be held liable for the investor's individual tax implications that arise from the sale, purchase or the holding of units.

Art. 52 Information to investors

The publication medium of the AIF is the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] (www.lafv.li) as well as other media channels defined in the trust agreement.

All notices to investors, including those regarding amendments to the trust agreement as well as to Appendix B "Sub-fund Overview" are published on the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] (www.lafv.li) as the publication medium of the AIF, and in other media channels and data carriers specified in the trust agreement.

On each valuation day, the net asset value as well as the issue price and redemption price of the units of the AIF and/or the sub-fund and/or unit class respectively are published on the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] (www.lafv.li) as the publication medium of the AIF, as well as any other media and durable data carriers (letter, fax, email or similar) defined in the fund documents.

The past performance of the individual sub-funds and/or the unit classes is shown on the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] (www.lafv.li). The historical performance of a unit up until now is no guarantee of any particular current or future performance. The value of a unit may increase or decrease at any time.

The annual report audited by an auditor is made available free of charge to investors at the registered office of the the AIFM and at the depository.

Art. 53 Reports

The AIFM prepares an audited annual report for every AIF in compliance with the statutory provisions in the Principality of Liechtenstein, which must be published six months after the conclusion of each financial year at the latest.

Additional audited and non-audited interim reports may also be produced.

Art. 54 Financial year

The financial year of the AIF can be found in Appendix B "Sub-fund Overview".

If, due to the payment date, the financial year is six months or less, the shortened year is added to the following financial year, so that it is extended to a period of up to 18 months. If the length of the shortened year is more than six months, a truncated financial year is calculated for this shortened year.

Art. 55 Limitation

Any claims on the part of investors vis-à-vis the AIFM, the liquidator, the trustee or the depository are time-barred five years after the occurrence of the damage, no later however than one year after the redemption of the unit or after knowledge of the damage.

Art. 56 Governing law, place of jurisdiction and authoritative language

The AIF is governed by the laws of Liechtenstein. The exclusive legal venue for any and all disputes arising between the investors, the AIFM and the depository is Vaduz.

However, with regard to the claims of investors, the AIFM and/or the depository as well as the AIF and its sub-funds may submit themselves to the place of jurisdiction of the countries in which the units are offered and sold. Contrary and mandatory statutory places of jurisdiction remain reserved.

The legally binding language for this trust agreement as well as for Appendix A "Organisational structure of the AIFM/AIF" and Appendix B "Sub-fund Overview" is German.

Art. 57 General

Furthermore, reference is made to the provisions of the AIFMG, the provisions of the Civil Code (ABGB), the provisions of the Liechtenstein Persons-and-Companies Act (PGR) on collective trusteeships and the general provisions of the PGR, as amended.

Art. 58 Effective date

This trust agreement enters into force on 01 June 2022.

01 June 2022

The AIFM:

CAIAC Fund Management AG, Bendern

The depository:

Kaiser Partner Privatbank AG, Vaduz

Appendix A: Organisational structure of the AIFM/AIF

The organisational structure of the AIFM

AIFM:	CAIAC Fund Management AG Haus Atzig, Industriestrasse 2, FL-9487 Bendern
Board of Directors:	Dr Roland Müller Dr Dietmar Loretz Gerhard Lehner
Executive Management:	Thomas Jahn Raimond Schuster
Auditor:	Grant Thornton AG Bahnhofstrasse 15, FL-9494 Schaan

Overview of the AIF

Name of the AIF:	Teroxx Fund
Legal structure:	AIF in the legal form of a collective trusteeship in accordance with the law of 19 December 2012 on Alternative Investment Fund Managers (AIFMG).
Umbrella structure:	Umbrella structure with one sub-fund
Country of incorpation:	Liechtenstein
Date of incorpation of the AIF:	15 March 2021
Financial year:	The financial year of the AIF commences on 1 January and ends on 31December
AIF's accounting currency:	EUR
Portfolio management:	**Teroxx Fund – Teroxx Digital Asset Fund** JFD Bank AG Keplerstrasse 6, D-71636 Ludwigsburg
Distribution:	**Teroxx Fund – Teroxx Digital Asset Fund** ATVANTIS Asset Management GmbH Strasse Friedens 112, D-07548 Gera
Depository:	Kaiser Partner Privatbank AG Herrengasse 23, FL-9490 Vaduz
Auditor:	PricewaterhouseCoopers AG Vadianstrasse 25a / Neumarkt 5, CH-9001 St. Gallen
Supervisory authority:	Financial Market Authority of Liechtenstein (Finanzmarktaufsicht Liechtenstein FMA); www.fma-li.li

Further information on the sub-funds can be found in Appendix B "Sub-fund Overview".

The distribution in Liechtenstein is targeted for professional investors within the context of Directive 2014/65/EU (MiFID II). For all other countries the provisions pursuant to Appendix C "Specific information for individual distribution countries" apply.

Appendix B1: Sub-fund Overview

B1 Sub-fund 1: Teroxx Digital Asset Fund

B1.1 Sub-fund Overview

	Unit classes of the sub-fund			
Unit classes[2]	**Class A**	**Class B**	**Class S-EUR**[3]	**Class S-USD**[3]
Security number	110625987	110625992	119279500	119279566
ISIN	LI1106259875	LI1106259925	LI1192795006	LI1192795667
WKN	A3CL93	A3CL92	n/a	n/a
Term of sub-fund	unlimited			
Listing	no			
Accounting currency of the sub-fund	EUR			
Reference currency of the unit classes	EUR	EUR	EUR	USD
Minimum investment[4]	EUR 125'000.-	EUR 1 million	EUR 50'000.-	USD 50'000.-
Initial issue price	EUR 100.-	EUR 100.-	EUR 100.-	USD 100.-
Initial subscription date	open	25 October 2021	open	open
Payment (initial value date)	open	25 October 2021	open	open
Valuation day (D)	end of month			
Valuation interval[5]	monthly			
Value issue and redemption date (D+3)	three bank working days after calculation of the net asset value/NAV			
Cut-off date for subscriptions (D)	valuation day at 4:00 p.m. (CET) at the latest			
Cut-off date for redemptions	**notice period of 1 month to the end of each quarter, no later than 4:00 p.m. (CET)**			
Denomination	2 decimal places			
Securitisation	book entry form / no certificates issued			
End of financial year	on 31 December			
Appropriation of proceeds	accumulating			

Distribution Information (investor base)

Unit classes	**Class A**	**Class B**	**Class S-EUR**	**Class S-USD**
Professional investor	permitted	permitted	permitted	permitted
Private investors	not permitted	not permitted	not permitted	not permitted

Information about fees, type of fees charged to investors

Unit classes	**Class A**	**Class B**	**Class S-EUR**	**Class S-USD**
Maximum issuance fee	5%	2%	5%	5%
Maximum redemption fee	none			

2 The currency risks of the unit classes issued can be fully or partially hedged.
3 By decision of the AIFM, this unit class may be closed for subscriptions at any time.
4 The detailed subscription conditions are described in Art. 41. Lower minimum investments can also be accepted with the approval of the AIFM.
5 With the agreement of the AIFM, special NAVs can be calculated at any time.

Information about ongoing fees, type of fees charged to the sub-fund [6] [7] [8] [9]

Unit classes	Class A	Class B	Class S-EUR	Class S-USD
Maximum depository expenses[10]	0.20% p.a. or minimum CHF 20'000.- p.a.			
Maximum administrative expenses	0.20% p.a. or minimum CHF 25'000.- p.a. additional CHF 2'500.- p.a. for each unit class			
Maximum risk management expenses	0.10% p.a.			
Maximum portfolio management expenses	1.00% p.a.	1.00% p.a.	0.50% p.a.	0.50% p.a.
	or minimum CHF 20'000.- p.a.			
Maximum distribution expenses	0.90% p.a.	0.50% p.a.	0.50% p.a.	0.50% p.a.
Performance fee Hurdle rate High watermark	30% no yes	30% no yes	25% 5% p.a. yes	25% 5% p.a. yes

B1.2 AIFM delegation of tasks

B1.2.1 Portfolio management

The portfolio management for this sub-fund has been delegated to JFD Bank AG, Keplerstrasse 6, D-71636 Ludwigsburg.

B1.2.2 Distribution

The distribution for this sub-fund has been delegated to ATVANTIS Asset Management GmbH, Strasse des Friedens 112, D-07548 Gera.

B1.3 Investment adviser

No investment adviser is engaged.

B1.4 Depository

The depository function for this sub-fund is carried out by Kaiser Partner Privatbank AG, Herrengasse 23, FL-9490 Vaduz.

B1.5 Auditor

PricewaterhouseCoopers AG, Vadianstrasse 25a / Neumarkt 5, CH-9001 St. Gallen, is appointed as the auditor for this sub-fund.

B1.6 Investment principles of the sub-fund

The following provisions govern the specific sub-fund related investment principles of the **Teroxx Digital Asset Fund**.

B1.6.1 Investment objective and investment policy

The objective of the sub-fund is to generate an above-average positive return. The sub-fund invests predominantly in one or more investment companies that specialise in investing in and actively trading cryptocurrencies.

The investment companies invest primarily in the cryptocurrencies with the highest market capitalisation, but also in permitted assets that are closely related to cryptocurrencies. The main selection criteria for these investments are the technological structure of the cryptocurrency, the liquidity and the degree of establishment of the cryptocurrency in the digital currency environment. The final selection is made through the use of algorithms in the context of technical analysis, such as trend and momentum analysis, in order to determine the growth potential of a cryptocurrency. The trend-following strategies that are employed are supplemented and stabilised by additional quantitative methods.

6 Plus taxes and other costs: transaction costs and expenditure incurred by the AIFM and the depository in the exercising of their functions.
7 The actual fees / expenses charged are specified in the annual report. Details can be found in the trust agreement. Payment is always made quarterly.
8 The expense items stated are calculated cumulatively and do not include the other stated expense items. For details see X. Costs and fees
9 In the event of the liquidation of the AIF, the AIFM can levy a liquidation fee amounting to a maximum of CHF 15'000.- in its favour.
10 The depositary is entitled to charge negative interest to the AIF.

The sub-fund may limit the higher volatility in the market through the use of derivatives of the respective cryptocurrencies in the investment portfolio. In addition, other assets specified as permissible in B1.7.1 (Table) may also be acquired, in particular for liquidity management purposes.

In accordance with the Taxonomy Regulation (EU) 2020/852 Art. 7, the following declaration is attached:

The investments on which this financial product is based do not take into account the EU criteria for environmentally sustainable economic activities.

The fund does not take into account any detrimental effects of investment decisions on sustainability factors because it is difficult to obtain information due to the data basis (Art. 7 (2) of (EU) 2019/2088).

B1.6.2 Currency of account

The accounting currency of the sub-fund as well as the reference currency per unit class are given in Appendix B1.1. of this Appendix.

With regard to the accounting currency, this is the currency in which the sub-fund's books are kept. The reference currency is the currency in which the performance and the net asset value of the relevant unit class of the sub-fund is calculated, and not the investment currency of the relevant unit class of the sub-fund. Investments are made in the currencies that are most suitable for the performance of the relevant sub-fund.

B1.6.3 Profile of a typical investor

The **Teroxx Digital Asset Fund** is suitable for speculative investors with a long-term investment horizon who accept very high risks. Due to fluctuations in value, the investor must be able to accept very high capital losses in the event of the redemption of units. In view of the investment strategy, the investor should be able to accept the potentially limited liquidity of the sub-fund.

B1.7 Investment provisions[11]

The following provisions apply in addition for investments in the sub-fund:

B1.7.1 Permitted investments

The sub-fund can fundamentally invest its assets in the following investments

A	**The sub-fund is entitled to acquire ("YES"), the following assets or is not entitled to acquire them ("NO") and make investments/use techniques ("YES") or is not authorised to do so ("NO") (in %):**	
1.	**Securities, value rights, money market instruments, forms of participation and other (hybrid) financial instruments**	
	a) that are traded on a stock exchange or another regulated market of an EU/EEA member state or third country which is recognised and open to the public and which is considered to have correct procedures in place	**YES**
	b) are not traded on a stock exchange or another regulated market *<u>for example:</u> investment companies/special purpose vehicles (private equity), unlisted bond issues / bonds /, loans (private debts) and so-called managed accounts*	**YES**
2.	**sight deposits or deposits at notice** with a term of max. 12 months (*see B1 7.2)*	**YES**
3.	**Derivative financial instruments,** which:	
	a) are traded on a stock exchange or on another regulated market that is open to the public	**YES**
	b) are not traded on a stock exchange or another regulated market (OTC derivative transactions) *see B1.7.3*	**YES**
4.	**Units or shares in domestic and foreign investment funds and/or other investment instruments of collective capital investment - regardless of their legal form** *<u>These include</u>: ETFs, hedge funds, CTAs, private equity funds, FX funds, fund-of-funds, open-ended/closed-ended funds*	**YES**
5.	**Real estate** *(see B1.7.5)* *This includes investments in physical real estate through special purpose and investment companies. Direct investments in physical real estate are not permitted.*	**NO**
6.	**Commodities** *(see B1.7.6)* *This includes investments in physical commodities through special purpose and investment companies. Direct investments in physical commodities are not permitted.*	**NO**

11 Pursuant to Art. 10 Para. 4 AIFMV, a sub-fund may only deviate from the investment limits in its investment policy within the first six months of the subscription payment.

7.	**Cryptocurrencies** (see B1.7.7) This involves indirect investments in cryptocurrencies via investment companies or other financial instruments, such as derivatives, exchange-traded funds and certificates. Direct investments in cryptocurrencies are not permitted.	**YES**
8.	**Precious metals** *(precious metals accounts and physical precious metals see B1.7.8)*	
	a) Gold	**NO**
	b) Silver	**NO**
	c) Other/further precious metals	**NO**
9.	**Other (asset) values,** including intangibles *(see B1.7.9)*	**NO**
10.	Physical short sales (including any required securities borrowing)	**NO**
11.	Securities lending	**NO**
12.	Securities borrowing	**NO**
13.	Repurchase agreements	**NO**
B	**The following investment restrictions and/or investments/techniques have been defined for the sub-fund:**	
1.	The investment restrictions pursuant to B1.7.9 apply. Further investment restrictions may be determined at any time [12]	**NONE**
C	**Borrowing (in %):**	
1.	The sub-fund may borrow a maximum of 50% of its net assets from the depositary or from third parties.	**50%**
D	**Pledges:**	
1.	The sub-fund may pledge the property and rights belonging to the assets.[13]	**NO**
E	**Risk limits of leverage (in %):**	
1.	**Total risk (leverage) according to commitment method** (Leverage risk from financing and derivatives)	**250%**
2.	**Risk from derivates according to commitment method** (leverage risk from derivatives)	**100%**
The investment limits must be observed 6 months after the sub-fund is fully paid up.		

The investment categories listed in chart B1.7.1 are described in more detail below:

B1.7.2 Sight deposits or deposits at notice with a term of maximum twelve months

There are no investment limits regarding the liquid assets held at the depository. If, and insofar as it seems to be in the interests of the investors, the AIFM may define further investment restrictions within the framework of a change to the constitutive documents. Demand and time deposits with banks with terms of up to twelve months are deemed to be liquid assets.

B.1.7.3 Derivative financial instruments

Investments in derivative financial instruments that are not traded on a regulated market (OTC derivatives), may only be undertaken with a counterparty which is subject to a supervisory authority that is the equivalent of Liechtenstein and that can be clearly valued, sold liquidated or offset by way of a quid-pro-quo transaction.

B1.7.4 Units or shares of domestic and foreign investment funds and/or other investment instruments of collective capital investments

The legal form of the bodies for collective investment undertakings (CIU) is irrelevant. These can be contractual investment funds, investment funds in the form of a company or unit trusts.

B1.7.5 Real estate

If real estate see chart B1.7.1 is permitted, the investment is made through investment companies/special purpose vehicles. Direct investments in physical real estate are not permitted.

Indirect investments in the real estate sector, e.g. via funds, ETFs, listed real estate shares, etc., are permitted, provided that the corresponding (financial) instruments are permitted in accordance with the sub-fund's investment chart.

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12 If and insofar as they lead to a modification of the investment principles shown here, they will be implemented by amendment of the constitutive documents in accordance with the respective applicable provisions, and disclosed accordingly.

13 Pledges for permissible borrowing, short selling and derivative transactions, as well as to hedge permissible securities trading transactions are generally always possible.

B1.7.6 Commodities

If commodities are permissible according to chart B1.7.1, the investment is made through companies/special-purpose vehicles. Direct investments in physical commodities are not permitted.

Indirect investments in commodities sector, e.g. via derivatives, funds, ETFs, listed and market-traded securities, etc. are permitted, provided that the corresponding (financial) instruments are permitted in accordance with the sub-fund's investment chart. When using derivatives, the corresponding closing out before maturity ensures that no commodities are delivered.

B1.7.7 Cryptocurrencies

This involves indirect investments in cryptocurrencies via investment companies or other financial instruments, such as derivatives, exchange-traded funds and certificates.

B1.7.8 Precious metals

Precious metals means precious metal accounts and physical precious metals. Indirect investments in precious metals, e.g. via derivatives, funds, ETFs, securities, etc., are permitted, provided that the corresponding (financial) instruments are permitted in accordance with the sub-fund's investment chart.

B1.7.9 Other (asset) values, including intangibles

Direct investments in physical goods, e.g. works of art, antiques or similar, are not permitted.

B1.7.10 Investment limits and/or investments/techniques

There are no further investment restrictions for the sub-fund.

B1.7.11 Investment periods within which the relevant investment limits must be achieved

The investment limits must be observed 6 months after the sub-fund is fully paid up.

B1.7.12 Risk management procedure

For its risk management procedure the AIFM uses the recognised calculation method known as the commitment method.

B1.8 Valuation

Valuation is carried out by the AIFM pursuant to the principles set out in the constitutive documents.

The net asset value (NAV) per unit of a sub-fund or of a unit class is calculated by the AIFM or a person appointed by him at the end of the accounting financial as well as on the relevant valuation date on the basis of the last known price, taking into account the valuation interval.

The net asset value of a unit in a unit class of a sub-fund is expressed in the currency of the account of the sub-fund or, if different, in the reference currency of the respective unit class, and is derived from the share of the particular unit class in the assets of the relevant sub-fund, reduced by any debt obligations of the same sub-fund that are attributable to the relevant unit class, divided by the number of units in the respective unit class in circulation. When units are issued and redeemed, rounding takes place as follows:

- to EUR 0.01
- to USD 0.01

The respective sub-fund assets are calculated according to the following principles:

B1.8.1 Securities officially listed on a stock exchange are valued at their last available price. If a security is officially listed on more than one stock exchange, the last available price recorded on the stock exchange that is the principal market of the relevant security will be authoritative.

B1.8.2 Securities not officially listed on a stock exchange, but traded in a market that is open to the public, are valued at their last available price.

B1.8.3 Securities or money market instruments with a residual maturity of less than 397 days can be depreciated or credited in linear terms by the difference between the cost price (acquisition price) and the redemption price (price on maturity). A valuation at the current market price may be waived if the redemption price is known and fixed. Any changes in the credit rating are also taken into account;

B1.8.4 Investments with a price that is not in line with the market, and investments that do not fall under the preceding point B1.8.1, point B1.8.2 and point B1.8.3 are valued at a price which would probably be obtained if the asset were sold prudently at the time of valuation and which is determined in good faith by the executive board of the AIFM or its agents/representatives under its control or supervision.

B1.8.5 OTC derivatives are valued on a verifiable daily basis to be determined by the AIFM in good faith, in accordance with generally accepted valuation models that are verifiable by auditors on the basis of the sales value that is likely to be achieved.

B1.8.6 Investment assets such as undertakings for collective investment in transferable securities (UCITS), undertakings for collective investments (UCI), alternative investment funds (AIF), and/or other funds are valued at the last calculated and available net asset value. If the redemption of units has been suspended or no right of redemption exists for close-ended funds or no redemption prices have been determined, these units as well as any other assets will be valued at the relevant market value, as determined by the AIFM in good faith and in accordance with generally accepted valuation models which can be verified by auditors.

B1.8.7 If no tradable price is available for the relevant assets, any such assets as well as any other legally permissible assets will be valued at the relevant market value, as determined by the AIFM in good faith and in accordance with generally accepted valuation models that are verifiable by auditors on the basis of the sales value that is likely to be achieved.

B1.8.8 Cash is valued at its nominal value plus interest accrued.

B1.8.9 The market value of securities and other investments denominated in a currency other than that of the relevant sub-fund will be converted to the relevant fund currency using the most recent mean rate of exchange.

The AIFM is authorised to temporarily apply other suitable valuation principles for the sub-fund assets if the aforementioned valuation criteria appear to be infeasible or inappropriate in the light of extraordinary events. In the event of a huge number of redemption requests, the AIFM may value the units of the relevant sub-fund assets on the basis of the prices at which the necessary sale of securities is expected to be made. In this case, the same calculation method will be applied to any issue or redemption applications that were submitted at the same time.

B1.9 Risks and risk profile of the sub-fund

The performance of the units depends on the investment policy and the market performance of the individual investments of the sub-fund and cannot be determined in advance. There is no guarantee that the investment objective will actually be achieved or that there will be an increase in the value of the investments. When the shares are redeemed, the investor may not get back the full amount originally invested in the sub-fund.

B1.9.1 General risks

The investments in the sub-fund may be subject to general risks. These include in particular the market risk, the credit and issuer risk, the liquidity risk, the counterparty risk, the operational risk and the country risk. A further detailed, though not exhaustive, list can be found in § 39 of the investment conditions.

B.1.9.2 Sub-fund specific risks

Due to its investment policy, the risks of this sub-fund are not comparable with those of other bodies for collective investments in securities within the meaning of the law governing certain bodies for collective investments in securities (law on undertakings for collective investments in transferable securities UCITSG).

For this reason the general risks can be considerably increased. In the following, the general risks with an increased risk profile as well as further sub-fund specific risks are listed.

Liquidity risk

The investment in private equity is associated with an increased liquidity risk, since the sale of unlisted investments requires more time in comparison with listed investments. For this reason, the redemption of units can be more difficult in certain circumstances.

Concentration risk

As the sub-fund does not define any investment restrictions with regard to position sizes, the fund is exposed to an increased concentration risk. This risk must be borne by the investor accordingly. If there is an increased concentration on individual cryptocurrencies within the investment company, the performance of the fund is significantly dependent on the development of these cryptocurrencies.

Leverage risk from financing and derivatives

The use of derivative financial instruments that are not held for hedging purposes can lead to increased risks.

Due to the possible use of loans and derivatives, the sub-fund may have a leverage risk if the permitted limits are used.

The AIFM expects that the total risk (leverage) of the sub-fund calculated according to the commitment method will generally not exceed 250% and the derivative risk will not exceed 100% of the NAV. Depending on the market conditions, the leverage may vary and in special exceptional cases it can also be higher.

Market risk

Due to its investment focus, this sub-fund has a significantly increased market risk in relation to cryptocurrencies, as these investments can sometimes be very volatile. This can lead to considerable capital losses in the fund's assets (see Cryptocurrency risks - Market risks of cryptocurrencies). The investor must be aware of the relevant market risks and be able to accept them.

Investment company risks

Investment company risks result, among other things, from the operational activities of the company. There is a risk that the company's decision-makers will misjudge the market development of cryptocurrencies and consequently pursue strategies that lead to significant losses in the fund's assets. Furthermore, in the event of any external financing of the investment company, a so-called leverage effect may come into effect on the market valuation of the company.

For further operational, tax and legal risks, please refer to the cryptocurrency risks and general risks in Art. 39.

Conflict of interest risk

Due to the diverse business activities, organisation and procedures of the AIF, the AIFM, the portfolio manager, the depositary, and the companies associated with these, there is an inherent risk that conflicts of interest may arise. On the basis of the legal regulations and the respective admission requirements, the AIFM takes precautions in order to identify, avoid, or mitigate conflicts of interest.

Cryptocurrencies risks

Investing in cryptocurrencies entails specific risks that may not exist when investing in ordinary securities. A non-exhaustive list of risks that apply specifically to investments in cryptocurrencies and crypto-assets is provided below:

Operational risks relating to the trading of cryptocurrencies are risks arising due to the user and the instability of information technology. There is a risk of irreversible losses due to malware, data loss or hacker attacks on online exchanges. The loss of the entire online wallet as a result of a hacker attack cannot be ruled out. Other risks arise, for example, if the capacity of the system is overloaded, which can result in system breakdowns and blackouts. General operational risks can also not be ruled out. For example, the loss of or damage to the private keys necessary to access the cryptocurrency wallets is possible and may result in the permanent loss of access to the "online wallet" and heavy fund losses.

Regulatory/political risks with regard to cryptocurrencies arise, for example, from cryptocurrencies that are currently unregulated and/or could be used for illegal activities such as money laundering. Other regulatory risks arise from a lack of consumer protection in cryptocurrency transactions. Lack of regulation can lead to a lack of confidence in the cryptocurrency market, which could lead to impairments. On the other hand, tighter regulation in the future could lead to a fall in demand and prices. In addition, future tax burdens or other restrictions on trade may have a negative impact on the value of the trade. In general, changes in current regulation can lead to turmoil in cryptocurrency markets, the impact of which cannot be estimated at present. Tighter regulation could lead to increased operational and compliance burdens for online trading platforms. As a result, an increase in transaction costs would be conceivable. In a "worst-case scenario," significant losses or total failures could occur if a platform fails to comply with legal requirements. So far, there is little experience of how the demand for and supply of cryptocurrencies are affected by geopolitical events. In principle, political crises could favour significant trading volumes (purchases and sales) both locally and globally.

Currency risks: Although crypto currencies have been developed to perform exchange functions, they may be considered as assets or commodities for investment purposes. Nevertheless, the fund is exposed to the usual currency risks, such as the risk of changes in value of USD against EUR or CHF. In addition, the Fund is exposed to cryptocurrency risks, in particular USD against Bitcoin (USD/BTC). These fluctuations in value are of great importance to the Fund. This risk is not minimised by using FX hedging.

Settlement risk: Due to the rapidly growing number of unregulated cryptocurrency exchanges, the potential volume of insolvency cases of these service providers is increasing. Crypto-exchanges are usually neither regulatory nor contractually liable should access to the trading platform or managed "online wallets" be impossible. In addition, crypto exchanges can block the transmission of cryptocurrencies and assets without fear of regulatory consequences or liability.

Lack of popularity as a medium of exchange: Although cryptocurrencies are called currencies, they are not recognised as legal tender, which means that their use or acceptance as a transaction currency depends on the person who accepts them. They therefore do not have the following characteristic features of a "traditional currency":

- Acceptance at the full nominal value of the currency;
- Mandatory acceptance of the currency;
- Release from payment obligations of the debtor after payment has been made using the currency.

  The market value of cryptocurrencies is based on the assumption that they can be used as a medium of exchange as well as the expectation of increasing distribution, acceptance and demand. At present, however, cryptocurrencies can only be used to a limited extent as a means of exchange, and the current demand comes largely from speculation. Significant price fluctuations are the result. In combination with the aforementioned consumer protection deficiency, this currently contributes to a limited popularity as a medium of exchange.

Hacker risk: So-called "wallets" serve as digital purses and the storage of cryptocurrency balances. Each wallet is protected from unauthorised access by a unique private key. Should an outsider still gain access to a "wallet", then the content could be transferred or stolen to a foreign "wallet".

***Market risks of cryptocurrencies*:** Due to the above mentioned characteristics, cryptocurrencies are generally considered to be highly speculative investments. Their market price therefore primarily reflects supply and demand for cryptocurrency by speculators and traders and not their "fundamental" value. Combined with the lack of regulation by regulators and central banks, this adds significantly to greater volatility compared to traditional currencies and financial instruments.

Volatility is influenced by, among other things, the following factors:

- number of cryptocurrency units ("tokens"/"coins") in circulation;
- global demand for cryptocurrencies, driven by a variety of variables, including: acceptance as a means of exchange, security of trading on crypto exchanges, regulatory restrictions and reputational risk due to use for illegal purposes;
- the global supply of cryptocurrencies, which is influenced by factors similar to demand;
- investor inflation expectations regarding "classic" fiat currencies;
- investor deflation expectations regarding cryptocurrencies;
- interest rate level;
- exchange rates at which cryptocurrencies can be exchanged for "classic" fiat currencies;
- service interruptions in the operation of crypto exchanges;
- theft or news of cryptocurrency theft;
- trading activities of large market participants ("Whales");
- monetary policy of governments and trade restrictions;
- maintenance and further development of cryptocurrency software /protocols;
- global or regional political or economic events;
- fees, including transaction costs and fees of miners("Miner").

In addition, many cryptocurrencies are relatively new and unproven. Since the market depth (liquidity) may therefore fluctuate greatly depending on the exchange and time of day, there is the possibility of significant price divergences on the various trading platforms.

Hedging risk: Significant volatility cannot only lead to rapid erosion of profits, but also makes it difficult to predict price movements. This in turn impairs the ability to hedge crypto positions.

Competitive risk: Due to strong competition, crypto currencies are constantly being developed further. The potential of rapidly changing market leadership creates a significant risk for a fund focused on a specific cryptocurrency. Falling demand for a cryptocurrency due to falling popularity can lead to price erosion. Further competitive risks lie in the potential development of other innovative payment methods.

Risk of inadequate development and acceptance of cryptocurrencies: The future development and acceptance of cryptocurrencies and blockchain technology are influenced by many factors. Should cryptocurrencies lose popularity, experience a deterioration in software quality or a reduction in their usability, these developments could negatively affect the valuation of the affected crypto asset.

Risk of price manipulation: Due to the low market depth of individual currencies, there is also the possibility of price manipulation by a few investors ("whales”) who control a critical amount of a specific cryptocurrency. Lack of transparency and the absence of a central monitoring authority increase this risk.

Convertibility: While some cryptocurrencies are convertible, there are a variety of currencies that are not. Such non-convertible currencies are valid only in a particular community or in a closed "ecosystem" and cannot be converted into fiat currencies.

Risk of programming errors: Cryptocurrencies consist of software code. Despite constant development, a possible programming error cannot be ruled out due to the complexity of the source code. Such an error could lead to a loss of trust in this cryptocurrency and lead to a significant price decline.

Liquidity risks of cryptocurrencies: Lack of liquidity can negatively affect pricing for a cryptocurrency and increase volatility.

Legal risks: Examples include:

- Legal cases, regardless of their outcome, could reduce public confidence in a cryptocurrency and so affect its market value;
- The availability of and access to cryptocurrencies could be restricted in the future by government regulation. Governments have a currency monopoly and could suddenly enact laws that legally prohibit or significantly restrict the possession or trading of cryptocurrencies;
- Crypto networks are decentralised, but a large part of the "server farms" are located in Asia. A sudden failure could slow transaction processing. The associated risks are the blocking of "wallets" or the theft of cryptocurrencies within them;

- Consumer protection against theft, fraud or human error does not have the same quality in the case of cryptocurrencies as with other assets. Since cryptocurrencies are not fiat currency, the usual legal protection by banks does not apply;
- Third parties could claim intellectual property in relation to a crypto source code, which could restrict access to and transfer the "tokens"/"coins" of the affected cryptocurrencies.

Money laundering risk: Cryptocurrency transactions are conducted on a peer-to-peer basis, without in-depth identification of the parties involved. In addition, opening and maintaining wallets are often not subject to classic KYC/AML requirements, and there are often no regulated financial intermediaries involved who could inform the authorities about suspicious transactions. Therefore, there is a risk of money laundering.

Risks related to Bitcoin mining, the Bitcoin blockchain, the Bitcoin Protocol and its further development as well as the remuneration of the "Bitcoin miners":

- A subscriber or group of subscribers who have access to more than 50% of the computing power in the Bitcoin network ("51% Attack") would be able to manipulate transactions. For example, The same bitcoins could be used multiple times ("double-spending") or the transactions of other participants are blocked. In 2014, a mining pool passed the 50% threshold for a short time. Although there is no evidence of harmful or illegal activity in this specific context, the incident illustrates that it is a real risk. Should a negative scenario including "double-spending" manifest itself, this would most likely have a negative impact on confidence in Bitcoin and its pricing;
- Bitcoin "Miners" could reduce or stop their activity if mining becomes economically unattractive. This could slow down the transactions in the Bitcoin network and also increase the risk of a "51% attack" with the consequences described above. The number of newly created Bitcoins, which receive the "Minor" as compensation for their activity, halves automatically every 210'000 blocks ("Halving"). The last reduction took place in July 2016, the next is expected around May 2020. Reducing compensation to the "miners" by reducing the issuance of new bitcoins could lead to a balancing increase in transaction costs. As a result, both the demand for Bitcoin and the incentive for traders to use Bitcoin as a means of payment may decline.
- Reducing compensation to "miners" could also increase the dominance of professional, larger mining operations. Such companies are able to make significant investments in the mining infrastructure. These establishments operate with narrow profit margins and have more regular and recurring expenses compared to the smaller miners. They therefore tend to sell gained bitcoins faster, which could lead to a sales overhang and a price decline. With a negative margin, the mining operations could also be partially or completely discontinued.
- The further development of the Bitcoin protocol and the Blockchain are decisive for the future acceptance of Bitcoin by the general public. This development could be jeopardised, for example, by disagreements between various interest groups or by insufficient remuneration to the "miners". Actors could suggest and implement changes to the network that have a negative impact on Bitcoin's price performance and consequently on the fund.
- Blockchain Forks: Blockchain networks rely on all users to apply the same rules. A Blockchain Fork is an event where, due to fundamental disagreements between user groups, a split in the existing block chain and the emergence of a new, derived block chain may occur. An example is the split of the Bitcoin block chain in "Bitcoin" and "Bitcoin Cash" in 2017. Such events could have a negative impact on the NAV of the fund.

Cost Risk: Due to the limited number of providers willing to handle transactions in crypto assets, the direct transaction costs ("commissions") may in some cases be significantly higher than those incurred in the settlement of conventional securities transactions, e.g. with stocks or bonds, are common.

Technological risks: Crypto assets are based on a new technology called blockchain. Although this technology is said to have extraordinary disruptive potential, it also creates new risks. The blockchain software could e.g. be corrupted and hacked, which could lead to the loss of crypto assets. By limiting itself to the largest and most mature crypto assets, the fund management company seeks to minimize this risk.

Glossary

Address

The "address" allows to uniquely identify the target of a Bitcoin transaction. The Bitcoin address generated from the "Public Key" is a so-called "hash" value and consists of alphanumeric characters, which can also be represented as QR code. This form of presentation makes it easier to capture the Bitcoin address via smartphone.

Altcoin

All digital currencies other than Bitcoin are summarised under the collective term "Altcoin". These include Ether, Litecoin, Bitcoin Cash and Ripple.

ASIC

The abbreviation “ASIC” stands for Application Specific Integrated Circuit. This refers to a silicon chip that is produced exclusively for a single operation. With regard to Bitcoin, an ASIC is used for the SHA-256 hashing.

ASIC Miner

The "ASIC Miner" is a PC that operates mining on the basis of ASIC chips. The PC can either have pre-installed software that makes it an ASIC miner, or the ASIC chips are installed in the motherboard. Such an ASIC miner is efficient and especially suitable for mining Bitcoin or certain altcoins.

Confirmation

Every transaction of cryptocurrencies is confirmed by the network. A "confirmation" related to Bitcoin means that a transaction has been verified by the network and integrated into a block. Confirmed transactions are irreversible under normal circumstances. Each additional block generates makes it more difficult to manipulate previous transactions.

Bitcoin

"Bitcoin" is the most popular and according to current market capitalization also the largest cryptocurrency. The Bitcoin blockchain is distributed, participation does not require any special permission ("permissionless") and due to a combination of cryptography and economic incentives there is no trust in the functioning of the system between participants ("trustless"). The concept was published in a white paper in 2008 under the pseudonym Satoshi Nakamoto. At the beginning of 2009, the associated open source software followed.

Block

The "block" is the record within a blockchain that summarises a number of confirmed transactions. The Bitcoin blockchain is expanded by a new block approximately every ten minutes using mining.

Block Reward

The first miner, which generates a hash for a specific set of transactions that meets the cryptographic requirement of the Bitcoin blockchain, establishes a new block and receives a so-called "block reward" in return. At the moment, the Block Reward is 12.5 Bitcoins. The Block Reward halves every 210,000 blocks ("Halving").

Blockchain

A "blockchain" is a continuously expandable list of data sets, called "blocks", which are linked together by means of cryptographic methods. Each block typically contains a cryptographically secure hash (scatter value) of the previous block, a timestamp, and transaction data. The term blockchain is also used when an accounting system is managed in a decentralised manner and the correct state must be documented, because many participants are involved in the accounting. This concept is called distributed ledger technology or DLT. What is to be documented is irrelevant to the concept of blockchain. Crucially, subsequent transactions build on previous transactions and confirm them as correct by proving knowledge of previous transactions. This makes it impossible to manipulate or eliminate the existence or content of previous transactions without destroying all subsequent transactions at the same time. Other decentralised accounting participants who are still aware of subsequent transactions would recognize a tampered copy of the blockchain by showing inconsistencies in the calculations.

BTC

"BTC" is a common abbreviation for Bitcoin. It is also the usual ticker for Bitcoin on the crypto exchanges.

Client

A "client" is software that can be installed on a mobile device, computer, or laptop. The client connects the corresponding device to the Bitcoin network and is used to process the user's transactions. For some software packages, a "wallet" is integrated into the client.

Cloud Mining

Mining bitcoins or other cryptocurrencies requires computing power. There are two basic possibilities: buying specialised mining hardware or renting the required computing power in a cloud. The latter method is widely used because there is no need to purchase the hardware. In addition, the vendors often not only provide the computing power, but also operate the mining hardware.

Decentralised system

Many cryptocurrencies, e.g. Bitcoin, are based on "distributed ledger technology". In a decentralised system, there is no central authority that can independently change existing rules or enact new ones. Unlike a central network, transactions are carried out directly between the users involved ("peer-to-peer") without intermediaries. Also, the data is not stored centrally, but all users hold a complete copy of the blockchain locally. The trade repository, also known as a distributed ledger, is available on all nodes of the entire network. All users have identical rights and equal access to information. A decentralised system is less vulnerable to manipulation and abuse of power than central systems because of its self-sufficiency.

Difficulty

The term "difficulty" or "mining difficulty" refers to the level of difficulty associated with the "hashing" of a new block. The difficulty of the Bitcoin blockchain is dynamic and adapts to the computing power of the network, with the aim of keeping the time required for generating a new block constant at about 10 minutes. If more computing power is used in mining, finding a valid hash for the next block becomes correspondingly difficult. Growing popularity and rising bitcoin prices tend to result in a higher difficulty.

Distributed Ledger Technology (DLT)

Decentralised and digitally managed account books are grouped under the umbrella term "Distributed Ledger Technology". The term existed before the introduction of blockchain technology, and a blockchain is therefore a special case of a "DLT". Blockchain technology differs from other DLTs, for example, by grouping the data in blocks.

Double Spending

In "Double Spending", a user tries to send the same Bitcoins in parallel to different recipients. This double issue of bitcoins is inadmissible and often the target of a "51% attack". Various security mechanisms, such as mining and the chain-like structure of the blockchain itself are usually sufficient to thwart double-spending attempts.

Exchange

An "exchange" or "stock exchange" refers to an organised marketplace where commodities, currencies and securities are traded or "exchanged". Although crypto exchanges are not "exchanges" in the regulatory sense, the term exchange is also used here. Crypto exchanges can trade digital currencies and sometimes convert into Fiat currencies.

Faucet

A "Faucet" refers to a website that gives away a share of cryptocurrencies to visit the site or fill out Captcha. It is a marketing measure with the aim of attracting new prospects for a cryptocurrency and increasing its acceptance in the market. Faucets are also used in established cryptocurrencies and are financed by advertising money.

Fiat Money/ Fiat Currencies

The "fiat currency", fiat money or fiat currency is all currencies issued by state decree and by central banks, which have neither an intrinsic value nor are covered by raw materials (e.g. gold) or other goods.

Fork

A "fork” describes an event in the field of cryptocurrencies in which a new blockchain is split off from the original by modifying the source code. A fork occurs when planned changes to the blockchain protocol in the cryptocurrency community do not have a consensus. If a part of the community does not update their software to the new version, two different versions of the original network will continue in parallel. This will effectively create a new cryptocurrency, as was the case with the spin-off of Bitcoin Cash in August 2017.

Genesis Block

The Genesis Block is the first block of a blockchain and forms the basis for all subsequent blocks. Each cryptocurrency has its own Genesis block.

Hash

For cryptocurrencies, the term hash refers to a mathematical function in which a variable amount of data is reduced to a specific value. Cryptographic hash functions are collision-resistant, i.e. it is practically impossible to find two different input values that give an identical hash value. Because even minimal changes in input values result in different hash values, they can be used to validate data.

Hash Rate

The "hash rate" or "hash power" refers to the speed at which the required computational operations are performed when a new block ("mining") is untamed. The hash rate indicates how many calculations can be performed within a second. For example, if the haste rate of the network is 12 TH/s, 12 trillion calculations per second are performed.

Consensus procedure

A "consensus procedure" protects the blockchain from manipulation. It prevents a participant from using a value multiple times, i.e. transferring an amount twice, even though it exists only once. The consensus process solves this "double spending" problem: only when the majority of affiliated "nodes" agree on the creation of a new bloc will it be validated and attached to the previously created blocks.

Cryptography

"Cryptography" is originally the science of encryption of information. Today, it also deals in general with the topic of information security, i.e. the conception, definition and construction of information systems that are resistant to manipulation and unauthorised reading. Cryptography is used in the Bitcoin blockchain to protect the "wallets" and the blockchain in general. For example, cryptography prevents a user from accessing bitcoins in third party wallets.

Cryptocurrency

"Cryptocurrency" is the collective term for digital means of payment, which are based on cryptographic tools such as blockchains and digital signatures. As a payment system, they should be independent, distributed and secure. They are not currencies in the true sense of the word. Unlike fiat currencies, cryptocurrencies are currently only created by non-state entities. In 2009, Bitcoin was the first cryptocurrency to be publicly traded, and in 2018 more than 4,500 cryptocurrencies were in use.

Ledger

For cryptocurrencies, a ledger refers to the account book or the transaction directory. It contains all transaction-relevant information. If the account books are stored in a decentralised manner, it is called a “distributed ledger".

Mining

In the context of Bitcoin, "mining" refers to the process of adding transaction records to Bitcoin's public ledger of past transactions, the blockchain. The main purpose of mining is to achieve a secure, tamper-proof consensus. Bitcoin mining is also the mechanism by which new bitcoins are introduced into the system, as miners receive a subsidy in the form of newly created bitcoins in addition to transaction fees. Mining is intentionally designed to be resource-intensive and difficult, so that the number of blocks found daily by the miners remains stable. Individual blocks must contain a valid proof of work. This proof of work is verified by other Bitcoin nodes each time a block is received. Bitcoin uses the Hashcash proof-of-work feature. Each block is given a hash value and appended to the previous block. This creates a chronological and linear concatenation of the blocks. This process is used to optimise the security of the network.

Node

A "node" (also known as a network node) is any computer that connects to a particular cryptocurrency via download of the open source software. In principle, a node serves as a connection point for data transmissions in conjunction with other participants (nodes) of the network around the world, which together form the backbone of a blockchain. Each so-called "full node" contains a copy of the complete blockchain. For transactions, the relevant information is received, checked and forwarded by each node. In this process, the nodes communicate with each other and validate information in this way.

P2P

"P2P" is the common abbreviation for the term "peer-to-peer". In a peer-to-peer system, each individual in the system interacts directly and directly with other individuals. All individuals are equal. You can both use and provide the services of the network. Based on the Bitcoin system, this means that every transaction is transmitted by a user to other users without the use of intermediaries. A reviewing instance, such as a bank, is superfluous for the security of the system.

Permissioned Ledger

A Permissioned Ledger is a variety of the Distributed Ledger. In contrast to the "Unpermitted Ledgers" access to the account book is controlled. The user requires authorisation to access the transaction directory. Accordingly, in the case of a Permitted Ledger, one or more users grant access to other users. Government institutions and private companies especially rely on the Permissioned Ledgers. In this way they have more control over their data and transactions. In addition, the consensus mechanism for a Permissioned Ledger is often much simpler than for an open blockchain, which allows a higher transaction speed.

Pool

In a "pool" or "mining pool" the computing power of PCs are brought together online by software protocols. If the pool manages to open a block, the reward is automatically distributed to the participants in the pool. Well-known pool organizers include Antpool, BTCC Mining Pool and Slush Pool. Mining pools are not only formed for Bitcoin, but also for Ethereum, Litecoin and many other proof-of-work cryptocurrencies.

Private key

The private key is stored in a user's wallet. In the context of cryptocurrencies, it refers to a secret number or string that allows a user to access a specific wallet and authorise transactions. When a transaction is initiated, the Wallet software uses the private key to generate a digital signature. This signature serves as confirmation that a particular user has triggered the transaction and at the same time ensures that the transaction cannot be changed once it has been published.

Proof-of-Stake (PoS)

The proof-of-stake is an alternative to the classic proof-of-work mechanism. Proof-of-Stake refers to a process by which a blockchain network consults over which participant may create the next block. In this case, a weighted random selection is used, whereby the weights of the individual participants are determined from participation duration and/or assets (the "stake"). In contrast to proof-of-work for Bitcoin and Ethereum, proof-of-stakes are time- and energy-intensive mining and it's not possible to take over the network by owning computing power alone ("51% attack"). To address known proof-of-stake issues (especially the nothing-at-stake problem), the delegated proof-of-stake has been developed, which is used by some of the world's most active blockchains as a consensus algorithm. including EOS, Steem and Tronix.

Proof-of-Work (PoW)

The "proof-of-work" mechanism is a form of so-called consensus mechanism to consensus across the network and to agree together on an identical version of the blockchain. Performing a proof-of-work mechanism is called "mining" in the context of blockchains. The miners try to find a result with certain properties by executing calculations a billion times. If such a result is found, the miner is remunerated. The miners use hash functions, i.e. mathematical functions that generate a string of fixed length from a string ("hash") of any length. The difficulty lies in finding a result with certain properties that result from the hash function. Finding a suitable hash is based on a process of trial-and-error and is very resource intensive (hence "work").

Satoshi

"Satoshi" refers to the smallest bitcoin unit and is to be understood as a tribute to the founder of Bitcoin, Satoshi Nakamoto. A Satoshi equals one hundred millionth of Bitcoin, i.e. 0.00000001 or 10-8 BTC.

Satoshi Nakamoto

The inventor of the cryptocurrency Bitcoin is known under the pseudonym "Satoshi Nakamoto", who published the Bitcoin white paper in October 2008 and the first version of the related software Bitcoin Core in January 2009.

Scrypt

"Scrypt" was released by Colin Percival in 2010 and is a password-based key derivation feature used, for example, in the mining of Litecoin and Dogecoin. It is therefore an alternative to the SHA-256 algorithm used in Bitcoin mining. Scrypt uses a proof-of-work algorithm and has been deliberately designed to make it difficult to use ASICs.

SHA-256

"SHA-256" stands for "Secure Hash Algorithm 256". It is a cryptographic function on which, among other things, the security-relevant proof-of-work system of the Bitcoin blockchain is based.

Smart Contract

A "Smart Contract" is a computer protocol that depicts and verifies contracts or technically accompanies the execution of a contract. It contains predefined conditions and can trigger actions and processes automatically if these conditions are met. A written fixation of a contract (on paper or in a file) is thus ideally superfluous. Smart Contracts are interesting for application in various fields, for example in the insurance industry. Smart Contracts also form the basis for "Decentralised Autonomous Organizations" ("DAO"). DAOs are autonomous companies whose rules are based on computer code and need no central authority. Actions, governance and control functions are controlled by algorithms. Applications of this type can be developed on the Ethereum Blockchain.

Unpermissioned Ledger

An "imperfect ledger" is a subset of the "distributed ledger". In contrast to the "Permissioned Ledger", access to the account book is open to anyone and is not regulated. The user does not need authorisation to access the transaction directory. As a result, proof-of-work mechanisms are primarily used in Unpermitted Ledgers because they do not require trust among the participants for the validation of entries.

Wallet

A "wallet" is a software that stores a user's private keys. In combination with the private key, a wallet allows sending, receiving and managing cryptocurrencies and thus acts as a kind of digital wallet.

Whitepaper

A "whitepaper" in the context of a blockchain describes a document that receives all the relevant information about the areas of application of a new cryptocurrency, the underlying technology and the problems that the developers want to solve with the help of the new currency. The term is based on the concept of a political "white paper". The best-known Blockchain white paper was published in 2008 under the pseudonym Satoshi Nakamoto and describes the concept and protocol of the Bitcoin Blockchain.

B1.10 Costs eligible for reimbursement from the sub-fund

An overview of the costs that are reimbursed from the sub-fund can be found under point B1.1 of the Appendix.

B1.11 Performance fee

In addition, the AIFM is entitled to receive a performance fee pursuant to Appendix B1 "Sub-fund Overview", based on the increase in value of the unit of the corresponding unit class adjusted by any distributions or capital measures.

Any performance fee will be calculated and accrued on each valuation day based on the number of outstanding units of the relevant unit class, provided that the unit price of the relevant unit class

a) is above the high watermark.

b) is above the hurdle rate (pro rata) compared to the last official NAV (for the unit classes Class S-EUR and Class S-USD).

A deferred performance fee will be paid out quarterly retrospectively (March, June, September, December).

The high watermark principle is used as the basis for calculation. If the sub-fund or the corresponding unit class suffers a loss in value, the performance fee is only charged again when the unit price of the corresponding unit class, adjusted for any distributions or capital measures, reiches a new high after deduction of all costs (high watermark). This is an all-time high watermark (all-time high = high watermark principle).

The actual charged performance fee is shown in the annual report of the sub-fund.

01 June 2022

The AIFM:

CAIAC Fund Management AG, Bendern

The depository:

Kaiser Partner Privatbank AG, Vaduz

Appendix C: Specific information for individual distribution countries

Distribution in the EU and in the EEA outside Liechtenstein

Teroxx Fund - Teroxx Digital Asset Fund

The AIF may be distributed in the EU and in the EEA outside Liechtenstein to investors who are considered as professional investors within the meaning of Annex II to Directive 2004/39/EU or who may be treated on application as professional investors.

Some jurisdictions allow distribution to other groups of investors because of notification, so that it may also be distributed to them - in each case under the law of the host member state. Prerequisite for this is a proper notification.

Federal Republic of Germany:

The Federal Republic of Germany allows distribution to professional customers based on a notification.

The Fund was notified on the 27 May 2021 for the Federal Republic of Germany.

Distributor partner is ATVANTIS Asset Management GmbH, Strasse des Friedens 112, D-07548 Gera.

Republic of Austria:

The Republic of Austria allows distribution to professional customers based on a notification.

The Fund was notified on the 24 August 2021 for the Republic of Austria.

Distributor partner is ATVANTIS Asset Management GmbH, Strasse des Friedens 112, D-07548 Gera.