

# **Investor Information**

**pursuant to Art. 151a, 105 AIFMG**

**and**

# **the trust agreement**

**including the fund specific appendix**

**Effective date: 23 December 2025**

# **Leanval Private Debt Fonds**

**ELTIF in accordance with Regulation (EU) 2015/760 on European long-term investment funds  
in the legal form of a collective trusteeship under Liechtenstein law**

**(hereinafter referred to as the "ELTIF")**

**(single fund)**

**AIFM:**



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

## Information for investors/distribution restriction

The acquisition of units in the ELTIF is carried out on the basis of the relevant constitutive documents (trust agreement including Appendix A "Organisational structure of the AIFM/ELTIF" and Appendix B "Fund Overview"), the provisions of Regulation (EU) 2015/760 on European long-term investment funds as well as the investor information pursuant to Art. 151a, 105 AIFMG and the Key Information Document ("PRIIP-KID") 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 ELTIF is targeted within the European Union and Liechtenstein at professional investors within the definition of Directive 2014/65/EU (MiFID II) as well as private investors in accordance with the respective distribution authorisations granted or to be granted. 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 ELTIF 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 ELTIF 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 ELTIF 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 ELTIF 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 ELTIF 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 ELTIF must not be offered in jurisdictions or to persons where this is not permissible.

Investors should read and consider the risk definition in Point VIII: "Risk information" before they acquire units in the ELTIF.

**Reference is expressly made to the fact that the redemption of units of the ELTIF is subject to a notice period of three months from the redemption date, whereby redemption is only permitted after the end of the initial period.**

**When servicing redemptions, a redemption gate is also applied as follows:**

**It should be noted that a maximum of 33.3% of the liquidity<sup>1</sup> held directly in the ELTIF may be used for gross redemptions per redemption day of the ELTIF.**

**In principle, amounts that exceed the redemption gate are reported on the next redemption date of the ELTIF.**

**If there are more redemptions on a redemption day than the redemption gate described above permits, the payout is allocated on a percentage basis per redemption order (not 'first-in / first-serve').**

**Detailed information can be found in Appendix B "Fund Overview".**

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<sup>1</sup> Liquidity means liquid assets as defined in Article 50 paragraph 1 of Directive 2009/65/EG of the European Parliament and of the Council of 13 July 2009. When calculating liquidity, new subscriptions to be settled on the redemption date are added to the liquidity held in the fund.

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## PART I: INVESTOR INFORMATION PURSUANT TO ART. 151a, 105 AIFMG

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CAIAC Fund Management AG, Bendern, as AIFM, provide the following information regarding Leanval Private Debt Fonds 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/ELTIF" and Appendix B "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.

The offer of ELTIF units is targeted at professional investors and private investors within the definition of Directive 2014/65/EU (MiFID II).

### 1. General information

The publication medium of the ELTIF is the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] ([www.lafv.li](http://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 "Fund Overview" are published on the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] ([www.lafv.li](http://www.lafv.li)) as the publication medium of the ELTIF, 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 ELTIF and/or unit class respectively are published on the website of the LAFV [Liechtensteinischer Anlagefondsverband] ([www.lafv.li](http://www.lafv.li)) as the publication medium of the ELTIF, 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. 151a, 105 AIFMG

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

See Appendix B "Fund Overview" under "Investment principles of the ELTIF"

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

The ELTIF is not a feeder ELTIF.

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

The ELTIF is not a fund-of-funds.

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

See Appendix B "Fund Overview" under "Investment principles of the ELTIF"

#### 2.5 Description of the techniques that it may implement and all the associated risks, any investment restrictions, the circumstances under which the ELTIF 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 ELTIF (Art. 105 Para. 1 (d) 2. AIFMG)

See trust agreement "General risks" as well as Appendix B "Fund Overview" under "Risks and risk profile of the ELTIF"

#### 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 ELTIF. The AIFM can change the investment policy of the ELTIF within the valid trust agreement through a change to the trust agreement including Appendix B "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 ELTIF is subject to the provisions of the ELTIF Regulation and the 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 ELTIF may submit themselves to the place of jurisdiction of the countries in which the units of the ELTIF 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/ELTIF" and for Appendix B "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 ELTIF are subject to the ELTIF Regulation and Liechtenstein law.

The ELTIF 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 ELTIF can invest according to its investment policy. The investment policy for the ELTIF is determined within the framework of the investment goals. The ELTIF 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, the ELTIF Regulation and the constitutive documents. The trust agreement comprises a general part as well as Appendix B "Fund Overview".

With the purchase of units of the ELTIF, 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 Association [www.lafv.li](http://www.lafv.li) these changes are binding on investors.

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

However, with regard to the claims of investors from these countries, the AIFM and/or the depositary and the ELTIF may submit themselves to the place of jurisdiction of the countries in which the units of the ELTIF 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 ELTIF) 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 ELTIF, in particular the AIFM, the depositary of the ELTIF 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/ELTIF" and Appendix B "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 "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 ELTIF (Art. 105 Para. 1 (i) AIFMG)**

See Appendix B "Fund Overview" under "Valuation"

**2.14 Description of the procedure for dealing with the liquidity risks of the ELTIF, 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 "Fund Overview" under "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 "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 ELTIF or the AIFM (Art. 105 Para. 1 (m) AIFMG)**

The AIFM always acts in the interests of the ELTIF, 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
- Preferential treatment or special economic advantages for individual investors or investor groups within the relevant unit class(es) are excluded

**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 ELTIF; (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 ELTIF 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 ELTIF (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 ELTIF 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 ELTIF 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.

**2.24 Facility for the processing of subscription, payment, repurchase and redemption orders from investors for units of the ELTIF**

See Chapter II of the trust agreement 'Organisation' as well as Appendix A 'Organisational structure of the AIFM/ELTIF' and Appendix B "Fund Overview"

**2.25 Information for investors on how orders can be placed in accordance with 2.24 and how repurchase and redemption proceeds are paid out**

See trust agreement „Issuance of units“ sowie zur „Redemption of units“

**2.26 Facility for facilitating the handling of information and access to procedures and arrangements relating to the exercise of investor rights arising from investments in ELTIFs in Liechtenstein**

See Chapter II of the trust agreement 'Organisation' as well as Appendix A 'Organisational structure of the AIFM/ELTIF' and Appendix B "Fund Overview"

**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 ELTIF Regulation and 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: 23 December 2025

## PART II: THE TRUST AGREEMENT

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### Preamble

The trust agreement as well as Appendix A "Organisational structure of the AIFM/ELTIF" and Appendix B "Fund Overview" form an integral unit. The trust agreement, Appendix A "Organisational structure of the AIFM/ELTIF" and Appendix B "Fund Overview" are printed out in full. The trust agreement, Appendix A "Organisational structure of the AIFM/ELTIF" and Appendix B "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/ELTIF" and Appendix B "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 Regulation (EU) 2015/760 on European long-term investment funds (ELTIF Regulation) as amended, 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 ELTIF

Leanval Private Debt Funds (formerly Frankfurter Mezzanine Fonds hereinafter: ELTIF) 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 Leanval Private Debt Fund was initially authorised by the FMA as an alternative investment fund (AIF) on 31 August 2018 and approved as an ELTIF on 30 September 2024.

The trust agreement and Appendix B "Fund Overview" were last published via a change notification of the FMA on 11 December 2025.

The valid version can be found on the website of LAFV Liechtenstein Investment Fund Association [www.lafv.li](http://www.lafv.li) or can be obtained free of charge from the AIFM or the depositary.

The ELTIF 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") and the ELTIF Regulation.

The ELTIF 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 ELTIF can invest according to its investment policy. The investment policy for the ELTIF is determined within the framework of the investment goals. The ELTIF 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, the ELTIF Regulation and the constitutive documents. The trust agreement comprises a general part as well as Appendix B "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 equity-like instruments, assets in kind and other assets of the ELTIF are managed in the interests of the investors. Only the investors in the ELTIF are entitled to the full assets of the ELTIF according to amount of their units. Claims from investors and beneficiaries that are enforced against the ELTIF are limited to the assets of this ELTIF.

The AIFM can set up different unit classes with specific characteristics at any time. These constitutive documents are updated each time the ELTIF is changed and/or with the creation of an additional unit class.

With the purchase of units (the "units") of the ELTIF, 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 Association [www.lafv.li](http://www.lafv.li) these changes are binding on investors.

#### Art. 2 General information about the ELTIF

The investors can participate in the assets of the ELTIF 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/ELTIF" and Appendix B "Fund Overview". Investors, heirs or other beneficiaries are not entitled to request the division or liquidation of the ELTIF. The details about the ELTIF are described in Appendix B "Fund Overview".

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

## II. Organisation

### Art. 3 Corporate domicile/competent supervisory authority

Principality of Liechtenstein/Financial Market Authority of Liechtenstein (Finanzmarktaufsicht, "FMA"); [www.fma-li.li](http://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 Regulation (EU) 2015/760 on European long-term investment funds (ELTIF Regulation) as amended, 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 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 ELTIFs 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 ELTIFs under management. The coverage is reviewed on an annual basis and adjusted where necessary.

The AIFM manages the ELTIF 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 ELTIF 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](http://www.lafv.li) provides an overview of all the funds managed by the AIFM.

### Board of Directors

Current status according to the commercial register at the registered office:

Office of Justice (AJU), FL-9490 Vaduz

### Executive management

Chair: Thomas Jahn

Members: Raimond Schuster

### Art. 6 Delegation of tasks

In compliance with the provisions of the AIFMG and AIFMV and the ELTIF Regulation, 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

LeanVal Asset Management AG, Bleichstrasse 52, D-60313 Frankfurt acts as the portfolio manager for the ELTIF.

LeanVal Asset Management AG (LVAM), founded at 1991 as Conservative Concept Portfolio Management AG, has been a provider of investment solutions in mutual and individual special funds for more than 30 years. With 14 employees and based in Frankfurt, the company's day-to-day activities focus on the development and management of option-based volatility strategies and multi-asset solutions. Private debt rounds off the product range. LVAM is part of the LeanVal Group, a bank-independent financial services provider for professional and institutional investors. LVAM's derivatives know-how and the LeanVal Group's expertise in fundamental analysis are incorporated into LVAM's investment strategies.

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 ELTIF 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 ELTIF 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 portfolio manager.

#### **b) Distributors**

The AIFM acts as distributor in Liechtenstein for the ELTIF.

The AIFM can appoint distributors in different distribution countries at any time.

#### **a) Facility for the processing of subscription, payment, repurchase and redemption orders from investors for units of the ELTIF**

The depositary acts as the facility for processing subscription, payment, repurchase and redemption orders from investors for units of the ELTIF in Liechtenstein for the ELTIF.

#### **b) Facility for facilitating the handling of information and access to procedures and arrangements relating to the exercise of investor rights arising from investments in ELTIFs in Liechtenstein**

The AIFM acts as the facility for the handling of information and access to procedures and arrangements relating to the exercise of investor rights arising from investments in ELTIFs in Liechtenstein.

#### **Art. 7 Investment adviser**

No investment adviser is engaged.

#### **Art. 8 Depositary**

The AIFM has appointed an entity authorised under the ELTIF Regulation as depositary for the assets of the ELTIF.

The role of the depositary is governed by the AIFMG the ELTIF Regulation, the depositary agreement and the trust agreement.

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

The depositary will fulfil its duties and assume the responsibilities defined in the respective current versions of the AIFMG the ELTIF Regulation and the depositary agreement (hereinafter referred to as the "Depositary Agreement"). In accordance with the law the ELTIF Regulation and the depositary agreement, the depositary is responsible for (i) the general supervision of all the ELTIF assets and (ii) the custody of the assets of the ELTIF 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 depositary, every effort is made to avoid the custody of assets in such jurisdictions.

The depositary maintains the share register of the ELTIF on behalf of the AIFM.

The depositary may, in accordance with the decrees and provisions mentioned, delegate its depositary 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 ELTIF can be requested from the depositary. In the case of sub-custody, there is no possibility for the depositary to exempt itself from liability in the event of a loss of financial instruments whose custody has been transferred to the sub-custodian.

No conflicts of interest shall arise from this delegation.

The depositary 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 depositary as a sub-depository, or by the AIFM as a business partner.

No prime broker has been appointed for the ELTIF.

#### **Art. 10 Auditors for the ELTIF and AIFM**

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

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

The ELTIF has published its annual report and its business activities 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 ELTIF respectively on the website of the LAFV (Liechtensteinischer Anlagefondsverband [Liechtenstein Investment Fund Association]) under [www.lafv.li](http://www.lafv.li) and the website of the AIFM under [www.caiac.li](http://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 ELTIF 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 ELTIF is targeted at all the following investors:

- Professional investors
- Private investors

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

#### Subscription points

Units in the ELTIF 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.

#### WARNINGS for private investors

**The term of the ELTIF exceeds ten years, so the ELTIF product may not be suitable for private investors who are unable to enter into such a long-term and illiquid commitment.**

**The above warning does not affect the rules regarding the redemption of units of the ELTIF after the end of the initial period.**

#### Art. 12 Professional investors / private investors

##### A. Professional investors

###### For ELTIF 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.

## **B. Private investor**

Private investor means an investor that is not a professional investor.

## **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 IFM 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 and subsequent amendments to Article 5(1) and (2) of the ELTIF Regulation 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, prohibition of conversion into a collective investment undertaking**

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

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

For structural measures between the ELTIF and undertakings for collective investment in transferable securities (UCITS) the provisions of the UCITSG apply. ELTIFs may not be converted into a collective investment undertaking not subject to the ELTIF Regulation.

Provided that no other regulations are defined below, structural measures are subject to the legal provisions of Art. 76 et seq. AIFMG, of Article 4 of the ELTIF Regulation 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 ELTIF with one or several other ELTIF(s). This is irrespective of the legal form and/or the registered office of the fund. Sub-funds and unit classes of an ELTIF may also be merged with each other, but also the ELTIF and any of its unit classes with one or several ELTIF(s) or their sub-funds and unit classes.

the merger of an ELTIF 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 ELTIF involved in the merger provide for the eventuality of a merger;
- the licence of the AIFM of the ELTIF taking over includes the management of the investment strategies of the ELTIF to be taken over;
- the assets of the ELTIF 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 is compatible with the requirements of Article 4(2) of the ELTIF Regulation.

The merger becomes effective as of the merger deadline. The surrendering ELTIF 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 ELTIF 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 ELTIF. An audited final report is prepared for the surrendering ELTIF.

Insofar as an ELTIF 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:

- the private investors must be informed about the proposed merger at least 30 days before the reference date; and
- neither the ELTIF 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 ELTIF assets may be transferred to another existing or, by way of the merger, newly formed ELTIF 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 ELTIF that is also managed by the AIFM and has a similar investment policy to that of the ELTIF and/or the sub-fund to be merged.

On the transfer date, the value of the receiving ELTIF and that of the surrendering ELTIF 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 ELTIFs and/or sub-funds as of the takeover date. The investor receives the number of units in the new ELTIF and/or sub-fund that corresponds to the value of the units held in the surrendered ELTIF and/or sub-fund. It is also possible for the investors in the surrendering ELTIF 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 ELTIF 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 ELTIF's publication medium, i.e. the LAFV Liechtenstein Investment Fund Association website [www.lafv.li](http://www.lafv.li), if the ELTIF has absorbed another ELTIF and the merger has taken effect. If the ELTIF ceases to exist due to a merger, the AIFM who manages the receiving or newly established ELTIF undertakes the notification.

The transfer of all the assets of this ELTIF to another domestic ELTIF or another foreign ELTIF 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](http://www.lafv.li)) as the publication medium of the ELTIF.

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

- the ELTIFs involved;
- the background and the reasons for the planned merger; and
- 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 ELTIFs taking part in the merger is also distributed to private investors, neither the ELTIF 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 ELTIFs 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. Initial period, term, Liquidation of the ELTIF and its unit classes

### Art. 18 General

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](http://www.lafv.li)) as the publication medium of the ELTIF.

### Art. 19 Term

The ELTIF has an original term until 31 August 2039 ('basic term').

The term may be extended by the AIFM at its sole discretion by a further 2 (two) times a maximum of 5 (five) years. Investors must be notified of such an extension without delay. The basic term and the two extensions of 5 years each are defined together as the 'end of the term' within the meaning of the ELTIF Regulation.

The term of the fund is commensurate with the long-term nature of an ELTIF and is long enough to cover the term of each of its assets, which is assessed on the basis of the illiquidity profile and the economic life of the asset, and to enable the fund to achieve its stated investment objective.

In accordance with Article 21 of the ELTIF Regulation, the AIFM will determine an asset-by-asset schedule for the orderly disposal of these assets and inform the FMA thereof at least one year before the end of the term of the ELTIF.

The schedule will

- a) be an assessment of the potential buyer market,
- b) be an assessment and comparison of potential sales prices,
- c) be a valuation of the assets to be divested; and
- d) include a time period for the divestment plan.

The AIFM may decide to deviate from the investment restrictions set out in this trust agreement and Appendix B "Fund Overview" before the end of the term of the ELTIF in order to dispose of the assets of the ELTIF in an orderly manner. The FMA and the investors will be notified of the start and duration of this period before it begins.

### Art. 20 Resolution for liquidation, Reasons for liquidation

The ELTIF must be liquidated at the end of the term of the ELTIF. Furthermore, the AIFM may liquidate the ELTIF at its sole discretion, whereby the liquidation may take place in particular under the following circumstances:

- a) a current or foreseeable and sustained deterioration in market conditions that could lead to a significant reduction in the net asset value of the ELTIF;
- b) the amount of the ELTIF's total assets does not allow the AIFM to manage the ELTIF in an economically efficient manner;
- c) a change in the economic or political situation has a material adverse effect on the investments of the ELTIF; or
- d) the AIFM is of the opinion that this is in the best interests of the investors.

From the date of the AIFM's decision, no more units will be issued. At the same time, all identifiable outstanding costs and fees are deferred. The AIFM shall inform investors of the reasons and procedure for the redemption options prior to liquidation.

In the event of the liquidation of the ELTIF, the AIFM or a liquidator appointed by the AIFM (who may be a natural or legal person and whose powers and compensation are determined by the AIFM) will be liquidated. The net liquidation proceeds will be distributed by the liquidators to the unitholders of the ELTIF in proportion to their interest in the ELTIF. Liquidation proceeds that are not claimed by unitholders at the end of the liquidation of the ELTIF will be deposited with Kaiser Partner Privatbank AG, Herrengasse 23 FL-9490 Vaduz and will expire after the statutory period.

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 ELTIF and/or an individual unit class.

The resolution regarding the liquidation of the ELTIF and/or a unit class is published on the website of the LAFV Liechtenstein Investment Fund Association's website ([www.lafv.li](http://www.lafv.li)) as the publication medium of the ELTIF, 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 ELTIF, the AIFM may immediately start liquidating the ELTIF's assets in the best interests of the investors. Moreover, the liquidation of the ELTIF 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 ELTIF, 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 cannot be finalised by a distribution in kind (payment in kind).

#### **Art. 21 Liquidation costs**

The liquidation costs are borne by the net assets of the ELTIF.

#### **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 its bankruptcy estate and will not be liquidated together with its assets. The ELTIF 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 ELTIF.

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

### **VI. Creation of sub-funds and unit classes**

#### **Art. 24 Creation of sub-funds**

This ELTIF is not an umbrella structure and there are thus no sub-funds. The AIFM may, at any time, resolve to convert the ELTIF into an umbrella structure and thus create sub-funds.

#### **Art. 25 Term of the ELTIF**

The ELTIF can be set up for a limited or unspecified term. The term of the ELTIF can be found in Appendix B "Fund Overview".

#### **Art. 26 Creation of unit classes**

The AIFM can create several unit classes for the ELTIF.

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 the ELTIF, as well as the fees and remuneration incurred in connection with the ELTIF units are specified in Appendix B "Fund Overview".

### **VII. General investment principles and restrictions**

The assets of the ELTIF are invested in terms of the AIFMG and the ELTIF Regulation 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 ELTIF is described in Appendix B "Fund Overview".

#### **Art. 28 Investment policy**

The investment policy for the ELTIF is described in Appendix B "Fund Overview".

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

#### **Art. 29 Accounting and reference currency**

The accounting currency of the ELTIF as well as the reference currency per unit class are given in Appendix B "Fund Overview".

With regard to the accounting currency, this is the currency in which the ELTIF'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 ELTIF.

#### **Art. 30 Profile of a typical investor**

The profile of the typical investor of the ELTIF is described in Appendix B "Fund Overview".

#### **Art. 31 Permitted investments**

In principle, an ELTIF may invest in all asset categories of Article 9 of the ELTIF Regulation, exclusively under the conditions laid down in the ELTIF Regulation. Reinvestments are permitted. Possible restrictions are defined in Appendix B "Fund Overview".

## **Art. 32 Not authorised investments**

The investments for the ELTIF that are not authorised are provided in Appendix B "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 ELTIF are offered and sold.

## **Art. 33 Investment limits and initial period**

The AIFM shall ensure that the assets of the ELTIF are diversified in such a way as to achieve an appropriate spread of the investment risk, taking into account the requirements of the ELTIF Regulation.

Investment limits are no longer to be observed if and insofar as the term of the ELTIF has expired and the AIFM begins to liquidate the assets of the ELTIF or the AIFM begins to liquidate the ELTIF following a decision.

Where changes in the price or value of assets of the ELTIF are caused solely by market fluctuations or other events outside the control of the AIFM, these constitute a passive breach of the defined investment limits. If such a circumstance arises, the AIFM shall use its best endeavors to ensure that the ELTIF complies with the investment limits again, taking due account of the interests of the investors in the ELTIF.

Compliance with the investment limits may be temporarily suspended in accordance with the provisions of Article 17, section 1 (c) of the ELTIF Regulation in the event of an additional capital raising or a reduction of the existing capital of the ELTIF, provided that such suspension lasts no longer than 12 months.

Where the ELTIF invests through subsidiaries, such investments shall be treated for the purposes of the above investment limits on a look-through basis and the underlying assets of the subsidiaries shall be treated as if they were investments made directly by the ELTIF.

### **A. Initial period, Investment periods within which the relevant investment limits must be achieved**

The investment limits must be achieved within the period („initial period“) defined in Appendix B "Fund Overview".

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

1. The ELTIF 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 ELTIF assets.
4. If the ELTIF is in breach of the investment limits and the breach is outside the control of the AIFM of the ELTIF, the AIFM of the ELTIF shall take the necessary measures to rectify the assets within a reasonable period of time, taking due account of the interests of the investors of the ELTIF.

## **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 and the ELTIF Regulation.

Further information on the risk management procedure, securities lending and repurchase agreements can be found in Appendix B "Fund Overview".

### **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 and the investment limits of the ELTIF Regulation for OTC derivatives are observed. 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 ELTIF, 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 ELTIF 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 "Fund Overview".**

### **Leveraging of financing (leverage)**

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

Leverage is the method used by the AIFM to increase the investment grade of the ELTIF. 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 ELTIF 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 ELTIF 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.

Further details on the use of leveraged finance, in particular cash borrowing, are governed by the provisions of the ELTIF Regulation.

**The anticipated leverage according to the commitment methods can be found in Appendix B "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 ELTIF. The AIFM ensures that the ELTIF it manages complies with the investment strategy, the liquidity profile and the redemption principles of the ELTIF.

#### **Derivative financial instruments**

The AIFM may only use derivatives to hedge risks associated with other assets of the ELTIF. As a result, the risk of loss of the ELTIF may increase at least temporarily.

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

#### **Securities loan, repurchase agreements and similar risks**

The AIFM does not participate in any securities loans and repurchase agreements.

**Further information on the risk management procedure, on securities loans and on repurchase agreements can be found in Appendix B "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 receive collateral in the name and for the account of the ELTIF in compliance with the provisions of the ELTIF Regulation relating to the investment limits for OTC derivatives in order to reduce its counterparty risk. This section defines the securities policy used by the AIFM in such cases.

#### **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 ELTIF. 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 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 ELTIF receives securities for which the maximum commitment vis-a-vis an individual issuer does not exceed 20% of the net inventory value of the ELTIF. 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,

ELTIFs 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 ELTIF 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 ELTIF.

An ELTIF 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 ELTIF, the securities that have been received must be put into safekeeping with the depository of the ELTIF. 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 ELTIF 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 and redeemable deposits), must not be sold, reinvested or pledged.

Securities that are made up of sight deposits (liquid assets 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 and short (remaining) term;
- 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 ELTIF must apply prudent discount rates. The AIFM must take into account a valuation discount policy (haircut strategy) for the ELTIF 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**

The ELTIF may invest a maximum of 10% of its assets in units of other undertakings for collective investment (UCIs).

#### **Art. 36 Borrowing limit**

The assets of the ELTIF 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.

An ELTIF 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 ELTIF is determined in Appendix B "Fund Overview" under "Investment principles of the ELTIF". The ELTIF 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 ELTIF.

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

There is no entitlement to the granting of the maximum permissible credit limit vis-à-vis the depository. The sole decision as to whether, how and in what amount loans are granted rests with the depository in accordance with the credit and risk policy. Under certain circumstances, this policy may change during the term.

## Art. 37 Joint administration

The assets of this ELTIF are currently managed individually and thus not collectively with assets that are held by other institutions for collective investments.

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 an ELTIF together with assets that are held by other institutions for collective investments.

## VIII. Risk information

### Art. 38 ELTIF specific risks

**The performance of the units depends on the investment policy and the market performance of the individual investments of the ELTIF 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 fund specific risks of the ELTIF can be found in Appendix B "Fund Overview".

### Art. 39 General risks

In addition to the fund specific risks, the investments of the ELTIF may also be subject to general risks.

All investments in the ELTIF 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 that 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 this ELTIF, 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 ELTIF.**

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

#### Acquisition of portfolio companies/ initial period

The completion of the initial period and the associated investment in authorised portfolio companies requires successful acquisition in a highly competitive market environment. In acquiring investment opportunities, the ELTIF will be in competition with other investment vehicles as well as natural persons, financial institutions and other institutional investors. The AIFM and portfolio manager consider themselves capable of implementing the ELTIF's strategy; however, there can be no guarantee that the ELTIF will be able to find and acquire sufficient suitable portfolio companies with which the intended investment objective can be achieved. Nor can it be guaranteed that the ELTIF will be able to invest all of the capital available to it.

#### 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 ELTIF.

#### Price risk

It is possible that value losses may occur in the investments in which the ELTIF 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 ELTIF is then particularly heavily dependent on the development of these assets, countries, markets or sectors.

#### Interest rate risk

If the ELTIF 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 ELTIF 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 an 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 ELTIF may use derivative financial instruments. 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 "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 ELTIF 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 counterparty 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 ELTIF. 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 ELTIF does not always represent an effective means of achieving the investment target of the ELTIF, 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 ELTIF 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 ELTIF 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 ELTIF 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 ELTIF. 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 ELTIF in connection with the collateral being altered or restricted in some other way. If the ELTIF 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 ELTIF 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 ELTIF in relation to the collateral being delayed, restricted or even excluded, whereby the ELTIF 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 ELTIF.

The ELTIF 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 ELTIF 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 ELTIF at the time the transaction was concluded and that must be returned to the counterparty. The ELTIF 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 ELTIF.

### **Liquidity risk**

Assets can also be acquired for the ELTIF 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 ELTIF 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 ELTIF 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 an ELTIF 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 ELTIF.

### **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 ELTIF 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 ELTIF can be subject to tax laws (e.g. deduction of tax source) outside of the domicile country of the ELTIF. In addition, the legal and tax treatment of ELTIF may change in an unforeseeable manner over which the ELTIF manager has no control. This means that amendments to inaccurately determined bases of taxation of the ELTIF 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 ELTIF 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 ELTIF 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 ELTIF. The AIFM can increase the fees to be levied from the ELTIF and/or change the investment policy of the ELTIF within the valid trust agreement through a change to the trust agreement including Appendix A "Organisational structure of the AIFM/ELTIF" and Appendix B "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 ELTIF 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 ELTIF. 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 ELTIF.

## 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.

## Conflict of interest risk

Due to the diverse business activities, the organisation and procedures of the ELTIF, the AIFM, the depositary, the portfolio manager 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.

## Changes to the applicable law

The ELTIF must comply with legal requirements, including investment and securities law requirements in various jurisdictions, including Liechtenstein. Should these laws change during the life of the ELTIF, the legal requirements to which the ELTIF and investors may then be subject could differ materially from the current requirements.

## IX. Valuation and share transactions

### Art. 40 Calculation of the net asset value per unit

The net asset value (NAV) per unit of the ELTIF 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 the ELTIF is expressed in the currency of the account of the ELTIF 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 ELTIF, reduced by any debt obligations of the same ELTIF that are attributable to the relevant unit class, divided by the number of units in the respective unit class in circulation.

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

**The valuation principles of the ELTIF and as well as further information regarding the calculation of the net asset value per unit can be found in Appendix B "Fund Overview".**

### Art. 41 Issuance of units

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

The units are not securitised with documentation.

The depositary 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 depositary 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 "Fund Overview".

The payment must be received within the deadline specified in Appendix B "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 "Fund Overview". The minimum investment amount can be waived at the discretion of the AIFM.

Upon the application of the investor and with the agreement of the AIFM, subscriptions for units can also be made against the transfer of investments at the current exchange rate for the day (contributions in kind or payment in specie). The AIFM is not obliged to enter into such an agreement.

Contributions in kind must be examined and valued by the AIFM based on objective criteria. The investments transferred must be in line with the investment policy of the ELTIF and in the opinion of the AIFM there must be a current investment interest in the securities. The intrinsic value of the contribution in kind must be examined by the AIFM or the auditor. All the costs that are incurred in this connection (including the costs of the auditor, other expenses as well as any taxes and levies) are borne by the relevant investor and must not be booked against the relevant fund assets.

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 ELTIF 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 ELTIF can be suspended in application scenarios pursuant to Art. 44 of this trust agreement.

#### **Art. 42 Redemption of units**

**It is possible to**

- a) **after fifteen (15) years from the date of approval of the ELTIF, or**
- b) **if this is earlier, from the time of expiry of the initial period as set out in Appendix B "Fund Overview", to announce the redemption of the units in accordance with the redemption requirements as set out in Appendix B "Fund Overview" and to redeem the units on each redemption date at the net asset value per unit of the corresponding unit class of the ELTIF, less any redemption discounts and any taxes and levies.**

**When servicing redemptions, a redemption gate is also applied as follows:**

**It should be noted that a maximum of 33.3% of the liquidity<sup>2</sup> held directly in the ELTIF may be used for gross redemptions per redemption day of the ELTIF.**

**In principle, amounts that exceed the redemption gate are reported on the next redemption date of the ELTIF.**

**If there are more redemptions on a redemption day than the redemption gate described above permits, the payout is allocated on a percentage basis per redemption order (not 'first-in / first-serve').**

**Detailed information can be found in Appendix B "Fund Overview".**

**The date of the end of the initial period, if this is earlier than the expiry of fifteen years from the approval of the ELTIF and redemptions are therefore permitted, shall be announced to the investors by the AIFM.**

#### **Example**

The net asset value (NAV) of the ELTIF amounts to a total of EUR 30,000,000 on the redemption date. The ELTIF has liquid assets amounting to EUR 2,100,000 on the redemption date. In addition, new subscriptions amounting to a total of EUR 900,000 will be settled at the same NAV. The ELTIF thus has liquid assets amounting to a total of EUR 3,000,000.

The following transactions exist as at the redemption date:

- Investor A requests the redemption of shares worth EUR 160,000.
- Investor B requests the redemption of shares worth EUR 440,000.
- Investor C requests the redemption of shares worth EUR 600,000.
- Investor D subscribes to new shares worth EUR 900,000.

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<sup>2</sup> Liquidity means liquid assets as defined in Article 50 paragraph 1 of Directive 2009/65/EG of the European Parliament and of the Council of 13 July 2009. When calculating liquidity, new subscriptions to be settled on the redemption date are added to the liquidity held in the fund.

The total redemption requests therefore amount to EUR 1,200,000, while subscriptions of EUR 900,000 are received at the same time.

According to the statutory regulations, no more than 33.3% of the liquid assets may be used to service redemptions per redemption date. This corresponds to:

$$\text{EUR } 3,000,000 \times 33.3\% = \text{EUR } 999,000$$

Since the redemption requests amounting to EUR 1,200,000 exceed this amount, they will be allocated proportionally. The servicing factor (rounded to two decimal places) is:

$$\text{EUR } 999,000 / \text{EUR } 1,200,000 = 83.25\%$$

The redemptions will be serviced proportionally as follows:

- Investor A receives shares worth EUR 133,200 (83.25% of EUR 160,000)
- Investor B receives shares worth EUR 366,300 (83.25% of EUR 440,000)
- Investor C receives shares worth EUR 499,500 (83.25% of EUR 600,000)

The unserviced redemption amounts totaling EUR 201,000 will be automatically registered for the next redemption date.

In the case of high redemption requests, extraordinary market conditions (e.g. pandemics, geopolitical crises, etc.), as well as delayed or missing interest and principal payments on bonds, the ELTIF may also exhibit low liquidity over an extended period, which is why redemption requests can only be fulfilled over a longer timeframe.

The depository must receive the redemption applications by no later than the cut-off time. If there is a notice period for redemptions and/or further redemption conditions exist, they can be found in Appendix B "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 "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 "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 ELTIF 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 "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 ELTIF, 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 the ELTIF, 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 ELTIF 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 ELTIF may be discontinued in the event of cases in Art. 44 of this trust agreement.

Redemptions in kind are permitted and must be examined and valued by the AIFM based on objective criteria. Units can also be redeemed against the transfer of investments in the ELTIF and/or its sub-funds at the relevant daily rate (redemptions in kind or payment in specie).

### **Art. 43 Conversion of units**

Insofar as different unit classes are offered, conversion of units of one unit class into units of another unit class can take place within the ELTIF. Information on any conversion fees can be found in Appendix B "Fund Overview". If a conversion of units is not possible for the ELTIF or unit classes, this is stated in Appendix B "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 unit class that is the target of the conversion
- B = Number of units in the 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 affected unit classes. If both unit classes are valued in the same billing currency, this coefficient is 1.
- E = Net asset value of the units in the 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 unit classes.

The AIFM may reject a conversion application for a unit class at any time if this appears to be necessary in the best interests of the ELTIF, 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 ELTIF or unit class 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 ELTIF 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 the ELTIF 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 ELTIF 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 ELTIF can no longer be executed due to restrictions on the transfer of assets.

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 ELTIF 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 the ELTIF does not result in the temporary suspension of the redemption of units in other ELTIF that are not affected by the relevant circumstances.

The AIFM ensures that the ELTIF 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 ELTIF 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 ELTIF 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 "Fund Overview." This is calculated on the basis of the average ELTIF 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 ELTIF.

##### **Depository fee:**

The depository receives remuneration for the fulfilment of its tasks in the depository agreement according to the remuneration defined in Appendix B "Fund Overview." This is calculated on the basis of the average ELTIF 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 ELTIF.

##### **Portfolio management fee (management fee):**

If the portfolio management is contractually obligated, it may receive remuneration from the fund assets in accordance with Appendix B "Fund Overview". This is calculated on the basis of the average ELTIF 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 ELTIF.

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

##### **Distributor fee (distribution fee):**

If a distributor is contractually obligated, this distributor may receive remuneration from the ELTIF assets, the maximum amount, calculation and payment of which is defined in Appendix B "Fund Overview". This is calculated on the basis of the average ELTIF 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 ELTIF.

#### **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 ELTIF. The applicable amount of expenses for the ELTIF is defined in the annual report. The AIFM and the depository 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 ELTIF 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 ELTIF in Liechtenstein and abroad;
- all taxes that are levied on the assets of the ELTIF as well as its returns and expenses debited to the corresponding assets of the ELTIF;
- 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 ELTIF 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 ELTIF 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), PRIIP-KID (Key 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 ELTIF. 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 ELTIF, including the fees for external consultants;
- Costs for the credit assessment of the assets of the ELTIF and/or its target assets by nationally or internationally recognised rating agencies;
- Costs in connection with legal provisions for the ELTIF (e.g. reports for the authorities, Key Information Document, 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 ELTIF. These costs may also be charged to the ELTIF, 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.).

Certain costs and fees incurred by the ELTIF 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 ELTIF / 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.

The effective costs incurred for the ELTIF are set out in the annual report.

### **Transaction costs**

In addition, the ELTIF 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 ELTIF and its earnings and expenses (e.g. withholding taxes on foreign earnings). Furthermore, the ELTIF 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 ELTIF and the initial offering of units will be charged against the assets of the ELTIF over a period of maximum five years. Incorporation costs are allocated pro rata among the assets of the ELTIF.

### **Liquidation fees**

In the case of the liquidation of the ELTIF, 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 ELTIF affected.

### **Extraordinary disposition costs**

Furthermore, the AIFM may charge costs for extraordinary dispositions to the assets of the ELTIF.

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 ELTIF. More specifically, extraordinary disposition costs are the costs for legal counselling and the pursuit of legal claims in the interests of the ELTIF 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 ELTIF'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 ELTIF'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 ELTIF.

### **Payments**

In connection with the acquisition and sale of assets and rights for the ELTIF, the AIFM, the depository and any representatives will ensure that payments in particular directly or indirectly benefit the ELTIF.

### **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 assets of the ELTIF on an ongoing basis. The TER of the ELTIF and/or the relevant unit class is published on the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] under [www.lafv.li](http://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 "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 "Fund Overview".

Any issuance fee in favour of the ELTIF can also be found in Appendix B "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 ELTIF pursuant to Appendix B "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 "Fund Overview".

## Conversion fee

In the case of a change 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 unit class pursuant to Appendix B "Fund Overview".

## XI. Final provisions

### Art. 49 Appropriation of the profit

The realised earnings of the ELTIF 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 the ELTIF and/or a unit class to the investors in the ELTIF and/or corresponding unit class or re-invest (plough back) this net income and/or these net realised price gains in the ELTIF 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 "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 ELTIF 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 1009 of the General Civil Code (Allgemeines Bürgerliches Gesetzbuch, "ABGB").

### Art. 51 Tax regulations

All Liechtenstein ELTIFs 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<sup>3</sup>

The creation (issue) of units in such an ELTIF 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 ELTIF.

The ELTIF 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 ELTIF in the legal form of a collective trusteeship of the ELTIF may be subject to tax deducted at source in the applicable country of investment. Double taxation treaties may apply.

<sup>3</sup> 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.

The ELTIF has the following tax status:

#### **Automatic exchange of information (AEOI)**

With regard to the ELTIF, 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 ELTIF complies with the provisions of the Liechtenstein FATCA Agreement and the relevant implementation regulations in the Liechtenstein FATCA Law.

#### **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 ELTIF in the legal form of the collective trusteeship of the ELTIF 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 ELTIF is the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] ([www.lafv.li](http://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 "Fund Overview" are published on the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] ([www.lafv.li](http://www.lafv.li)) as the publication medium of the ELTIF, 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 ELTIF and/or unit class respectively are published on the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] ([www.lafv.li](http://www.lafv.li)) as the publication medium of the ELTIF, 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 ELTIF and/or the unit classes is shown on the website of the Liechtenstein Investment Fund Association [LAFV Liechtensteinischer Anlagefondsverband] ([www.lafv.li](http://www.lafv.li)) or PRIIP-KID. 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 AIFM and at the depository.

#### **Art. 53 Reports**

The AIFM prepares an audited annual report for every ELTIF 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 ELTIF can be found in Appendix B "Fund Overview".

#### **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 ELTIF 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 ELTIF 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/ELTIF" and Appendix B "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 trusteeships and the general provisions of the PGR, as amended.

**Art. 58 Effective date**

This trust agreement enters into force on 23 December 2025.

23 December 2025

**The AIFM:**

CAIAC Fund Management AG, Bendarn

**The depository:**

Kaiser Partner Privatbank AG, Vaduz

## Appendix A: Organisational structure of the AIFM/ELTIF

### The organisational structure of the AIFM

<b>AIFM:</b>	CAIAC Fund Management AG Haus Atzig, Industriestrasse 2, FL-9487 Bendern
<b>Board of Directors:</b>	Current status according to the commercial register at the registered office: Office of Justice (AJU), FL-9490 Vaduz
<b>Executive Management:</b>	Thomas Jahn Raimond Schuster
<b>Auditor:</b>	Grant Thornton AG Bahnhofstrasse 15, FL-9494 Schaan

### Overview of the ELTIF

<b>Name of the ELTIF:</b>	Leanval Private Debt Fonds
<b>Legal structure:</b>	ELTIF according to the ELTIF Regulation in the legal form of a collective trusteeship in accordance with the law of 19 December 2012 on Alternative Investment Fund Managers (AIFMG).
<b>Umbrella structure:</b>	No
<b>Country of incorporation:</b>	Liechtenstein
<b>Date of incorporation of the AIF:</b>	31 August 2018
<b>Financial year:</b>	The financial year of the ELTIF commences on 01 April and ends on 31 March of the following year.
<b>Approval date as ELTIF:</b>	30 September 2024
<b>ELTIF's accounting currency:</b>	EUR
<b>Portfolio management:</b>	LeanVal Asset Management AG Bleichstrasse 52, D-60313 Frankfurt
<b>Distributors in Liechtenstein:</b>	CAIAC Fund Management AG Haus Atzig, Industriestrasse 2, FL-9487 Bendern
<b>Facility for the processing of subscription, payment, repurchase and redemption orders from investors for units of the ELTIF:</b>	Kaiser Partner Privatbank AG Herrengasse 23, FL-9490 Vaduz
<b>Facility for facilitating the handling of information and access to procedures and arrangements relating to the exercise of investor rights arising from investments in ELTIFs in Liechtenstein:</b>	CAIAC Fund Management AG Haus Atzig, Industriestrasse 2, FL-9487 Bendern
<b>Depository:</b>	Kaiser Partner Privatbank AG Herrengasse 23, FL-9490 Vaduz
<b>Auditor:</b>	Grant Thornton AG Bahnhofstrasse 15, FL-9494 Schaan
<b>Supervisory authority:</b>	Financial Market Authority of Liechtenstein (Finanzmarktaufsicht Liechtenstein FMA); <a href="http://www.fma-li.li">www.fma-li.li</a>

Further information on the ELTIF can be found in Appendix B "Fund Overview".

The distribution within the European Economic Area is targeted for professional investors within the context of Directive 2014/65/EU (MiFID II) as well as to suitable private investors. For all other countries the provisions pursuant to Appendix C "Specific information for individual distribution countries" apply.

## Appendix B: Fund Overview

### B1 Leanval Private Debt Fonds

#### B1.1 Fund Overview

Unit classes of the ELTIF		
<b>Unit classes<sup>4</sup></b>	Class EUR	Class CHF
Security number	43542897	43542898
ISIN	LI0435428979	LI0435428987
WKN	A2N9ED	n/a
<b>End of the ELTIF term</b>	<b>15 years from approval as an ELTIF</b>  <b>The term may be extended by the AIFM at its sole discretion by a further 2 (two) times a maximum of 5 (five) years.</b>	
End of the initial period	31 March 2025	
Listing / stock exchange listing <sup>5</sup>	no	
Accounting currency of the ELTIF	EUR	
Reference currency of the unit classes	EUR	CHF
Minimum investment <sup>5</sup>	1 unit	1 unit
Initial issue price	EUR 1'000.-	CHF 1'000.-
Initial subscription date	30 November 2018	28 February 2025
Payment (initial value date)	30 November 2018	28 February 2025
Valuation day (D) / issue day	end of month	
Valuation interval <sup>6</sup>	monthly	
<b>Cut-off days for redemptions</b>	<b>each on 31 March / 30 June / 30 September / 31 December</b>	
Value issue and redemption date	three bank working days after calculation of the net asset value/NAV	
Cut-off date for subscriptions (D-15)	15 calendar days on the valuation day 4 p.m. (CET) at the latest	
<b>Redemption gate<sup>7</sup></b>	<p><b>It should be noted that a maximum of 33.3% of the liquidity<sup>8</sup> held directly in the ELTIF may be used for gross redemptions per redemption day of the ELTIF.</b></p> <p><b>In principle, amounts that exceed the redemption gate are reported on the next redemption date of the ELTIF.</b></p> <p><b>If there are more redemptions on a redemption day than the redemption gate described above permits, the payout is allocated on a percentage basis per redemption order (not 'first-in / first-serve').</b></p>	
<b>Cut-off date for redemptions</b>	<p><b>Notice period of three months<sup>9</sup> on the redemption day 4 p.m. (CET) at the latest</b></p> <p><b>When servicing redemptions, a redemption gate is also applied.</b></p>	
Denomination	no decimal places	
Securitisation	book entry form / no certificates issued	
End of financial year <sup>10</sup>	each on 31 March	
Appropriation of proceeds	accumulating	

<sup>4</sup> The currency risks of the currency classes issued can be fully or partially hedged.

<sup>5</sup> The detailed subscription conditions are described in Art. 41.

<sup>6</sup> With the agreement of the AIFM, special NAVs can be calculated at any time.

<sup>7</sup> The redemption gate may be wholly or partially waived at any time with the agreement of the AIFM.

<sup>8</sup> Liquidity means liquid assets as defined in Article 50 paragraph 1 of Directive 2009/65/EG of the European Parliament and of the Council of 13 July 2009. When calculating liquidity, new subscriptions to be settled on the redemption date are added to the liquidity held in the fund.

<sup>9</sup> The notice period may be wholly or partially waived at any time with the agreement of the AIFM.

<sup>10</sup> The financial year was previously closed on 31 December and was changed to 31 March with the acknowledgement of the FMA of 08 August 2022 to 31 March. Taking this change into account, there is an extended financial year, which closed on 31 March 2023.

### Distribution Information (investor base)

Unit classes	Class EUR	Class CHF
Professional investor	permitted	permitted
Private investors	permitted	permitted

### Information about fees, type of fees charged to investors

Unit classes	Class EUR	Class CHF
Maximum issuance fee	5%	5%
Maximum redemption fee	none	none
Maximum conversion fee for the conversion from one unit class to another unit class	conversion not possible	conversion not possible

### Information about ongoing fees, type of fees charged to the ELTIF <sup>11 12 13 14 15</sup>

Unit classes	Class EUR	Class CHF
Maximum depository expenses	0.20% p.a. or minimum CHF 20'000.- p.a.	
Maximum administrative expenses	0.20% p.a. or minimum CHF 20'000.- p.a. additional CHF 2'500.- p.a. for each unit class	
Maximum risk management expenses	0.10% p.a.	
Maximum portfolio management expenses	1.50% p.a.	
Performance fee Hurdle rate High watermark	9% no yes	

### B1.2 AIFM delegation of tasks

#### B1.2.1 Portfolio management

The portfolio management has been delegated to LeanVal Asset Management AG, Bleichstrasse 52, D-60313 Frankfurt.

#### B1.2.2 Distributors

There is no delegation of task. The AIFM acts as distributor in Liechtenstein for this ELTIF.

### B1.3 Investment adviser

No investment advisor has been engaged.

### B1.4 Depository

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

### B1.5 Auditor

Grant Thornton AG, Bahnhofstrasse 15, FL-9494 Schaan, is appointed as the auditor.

11 Plus taxes and other costs: transaction costs and expenditure incurred by the AIFM and the depository in the exercising of their functions.

12 The actual fees / expenses charged are specified in the annual report. Details can be found in the trust agreement. Payment is always made quarterly.

13 The expense items stated are calculated cumulatively and do not include the other stated expense items. For details see X. Costs and fees.

14 In the event of the liquidation of the ELTIF, the AIFM can levy a liquidation fee amounting to a maximum of CHF 15'000.- in its favour.

15 The depository is entitled to charge negative interest to the ELTIF.

## **B1.6 Investment principles of the ELTIF**

The following provisions govern the specific fund related investment principles of the **Leanval Private Debt Funds**.

### **B1.6.1 Investment objective and investment policy**

The investment objective of this ELTIF is to generate a positive return and long-term capital growth.

The ELTIF invests in line with

- with the objective of the European Union to enable smart, sustainable and inclusive growth by mobilising capital through medium to long-term investments in the real economy, including investments to support the European Green Deal and other priority areas, and
- the provisions of Regulation (EU) 2015/760 on European long-term investment funds

in real estate projects from Germany, member states of the European Economic Area or member states of the Organisation for Economic Co-operation and Development (OECD) indirectly through debt instruments and equity-like instruments of qualified portfolio companies as well as through lending to qualified portfolio companies. The ELTIF may also invest equity in portfolio companies.

The property projects are primarily projects in the residential, commercial, retail and office property sectors. These projects can also include infrastructure-related buildings such as care homes, kindergartens, hotels and doctors' surgeries.

The ELTIF may also hold real estate and infrastructure investments as tangible assets via special purpose vehicles and investment companies.

In addition, other assets specified as permissible in B1.7.1 (table) may also be acquired.

Investment decisions are made on the basis of current capital market.

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 ELTIF 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 ELTIF'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 ELTIF is calculated, and not the investment currency of the relevant unit class of the ELTIF. Investments are made in the currencies that are most suitable for the performance of the ELTIF.

### **B1.6.3 Profile of a typical investor**

The fund is suitable for more risk-averse investors who accept high risks.

Due to the investment strategy, investors should be able to accept a possible limited liquidity of the ELTIF.

Due to fluctuations in value, investors must be prepared to accept high capital losses in the case of redemption of units.

## **B1.7 Investment provisions<sup>16</sup>**

The following provisions apply in addition for investments in the ELTIF:

### **B1.7.1 Permitted investments**

The ELTIF can fundamentally invest its assets in the following investments:

#### **B1.7.1.1 Equity or equity-like instruments that are**

- a) issued by a qualifying portfolio undertaking within the meaning of Article 11 ELTIF Regulation (hereinafter "qualifying portfolio undertaking") and which the ELTIF acquires from this qualifying portfolio undertaking or from a third party via the secondary market;
- b) issued by a qualifying portfolio undertaking in exchange for an equity or quasi-equity instrument previously acquired by the ELTIF from that qualifying portfolio undertaking or from a third party via the secondary market;
- (c) issued by an entity in which a qualifying portfolio undertaking has an equity interest in exchange for an equity or quasi-equity instrument acquired by the ELTIF in accordance with point (a) or (b).

<sup>16</sup> Pursuant to Art. 10 Para. 4 AIFMV, an ELTIF may only deviate from the investment limits in its investment policy within the first six months of the subscription payment.

Art. 11 para. 1 of the ELTIF Regulation defines "qualifying portfolio undertakings" as follows:

"A qualifying portfolio company is a company that fulfils the following requirements at the time of the initial investment:

- a) it is not a financial undertaking, unless,
- (i) it is a financial undertaking other than a financial holding company or a mixed-activity holding company; and
- ii) this financial undertaking was authorised or registered less than five years before the date of the initial investment;
- b) it is an entity that
- i) is not admitted to trading on a regulated market or a multilateral trading facility; or
- ii) is admitted to trading on a regulated market or in a multilateral trading facility and has a market capitalization of no more than 1 500 000 000EUR;
- (c) it is established in a Member State or in a third country, provided that the third country
- (i) is not classified as a high-risk third country listed in the delegated act adopted pursuant to Article 9(2) of Directive (EU) 2015/849 of the European Parliament and of the Council (\*);
- (ii) is not included in Annex I of the Council Conclusions on the revised EU list of non-cooperative jurisdictions for tax purposes.“

**B1.7.1.2 Debt instruments issued by a qualified portfolio company.**

**B1.7.1.3 Debt securities issued by a qualified portfolio company pursuant to a Regulation of the European Parliament and of the Council on European Green Bonds.**

**B1.7.1.4 Loans to a qualifying portfolio company** with a maturity that does not exceed the maturity of the ELTIF.

**B1.7.1.5 Real estate and infrastructure assets** held through a qualified portfolio company.

**B1.7.1.6 Simple, transparent, and standardized securitizations**, where the underlying risk positions correspond to one of the following categories:

- a) Loans for residential properties that are either secured by one or more mortgages on residential properties or fully guaranteed by a guarantor that is eligible under Article 201 paragraph 1 of Regulation (EU) No. 575/2013 of the European Parliament and of the Council (3) and belongs to credit quality step 2 or above according to Part 3 Title II Chapter 2 of the aforementioned Regulation;
- b) Commercial loans that are secured by one or more mortgages on commercial properties, particularly office or other commercial properties;
- c) Loan facilities, including loans and leasing transactions, for all types of businesses or corporations;
- d) Trade receivables or other underlying risk positions that represent a distinct asset category from the perspective of the originator or sponsor based on internal methods and parameters, and the proceeds from the securitization bonds are used to finance or refinance long-term investments.

**B1.7.1.7 Shares of one or more other ELTIF, EuVECA, EuSEF, OGAW, and EU-AIF,**

managed by EU AIFMs, provided that such ELTIFs, EuVECAs, EuSEFs, UCITS, and EU-AIF invest in eligible assets within the meaning of Articles 9(1) and 9(2) of the ELTIF Regulation and have not themselves invested more than 10% of their assets in other collective investment undertakings.

**B1.7.1.8 Securities and money market instruments** within the meaning of Directive 2009/65/EG Article 50 paragraph 1 letters a to d, traded on a stock exchange or on another regulated market in an EU/EEA Member State or third country which operates regularly and is recognized and open to the public.

**B1.7.1.9 Money market instruments** within the meaning of Directive 2009/65/EG Article 50 paragraph 1 letter h, which are not traded on a regulated market.

**B1.7.1.10 Units in UCITS and other collective investment vehicles comparable to UCITS** within the meaning of Directive 2009/65/EG Article 50 paragraph 1 letter e, provided that, according to their constitutive documents, they are permitted to invest no more than 10% of their assets in units of another UCITS or comparable collective investment vehicles.

**B1.7.1.11** **Sight deposits or deposits at notice with a term of** maximum twelve months for credit institutions that have their registered office in an EEA member state or a third country whose supervisory law is equivalent to EEA law.

**B1.7.1.12** **Derivative financial instruments for hedging purposes**, which are solely used to hedge the risks associated with other ELTIF investments. The financial derivatives can be traded on a stock exchange or another regulated market open to the public, or off-exchange, i.e., on another unregulated market (so-called OTC derivative transactions).

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.

**B1.7.2** **Non-authorised investments / investment techniques**

In particular, the following investments are not authorised:

**B1.7.2.1** Direct investments in physical real estate and infrastructure assets are not permitted. Indirect investments in such assets via qualified portfolio companies and holding companies are permitted.

**B1.7.2.2** Direct investments by the ELTIF in physical commodities, physical precious metals, and other physical goods, as well as certificates and derivative financial instruments related to these assets.

**B1.7.2.3** Short sales of assets of any kind.

**B1.7.2.4** Securities lending, securities borrowing, and repurchase agreements.

**B1.7.2.5** Units or shares in investment funds or other investment instruments of the collective investment scheme that are not included in the authorised investments in section B.B1.7.1.7 and B1.7.1.10 are listed.

**B1.7.2.6** Derivative financial instruments for purposes other than risk hedging.

**B1.7.3** **Investment limits**

The following investment limits apply to the ELTIF:

**B1.7.3.1** The ELTIF must invest at least 55% of its capital in assets in accordance with B1.7.1.1 to B1.7.1.7.

**B1.7.3.2** The ELTIF may invest no more than 20% of its capital in instruments issued by the same qualifying portfolio company or loans granted to the same qualifying portfolio company.

**B1.7.3.3** The ELTIF may invest a maximum of 20% of its capital indirectly via qualified portfolio companies in a single property or infrastructure investment.

**B1.7.3.4** The combined value of the simple, transparent and standardized securitizations included in an ELTIF portfolio must not exceed 20% of the value of the ELTIF's capital.

**B1.7.3.5** The ELTIF may invest a maximum of 10% of its capital in deposits, securities, money market instruments and OTC derivatives (see B1.7.1.8, B1.7.1.9, B1.7.1.11, B1.7.1.12) if these assets are issued by a single entity.

**B1.7.3.6** the ELTIF may invest no more than 20% of its capital in units of a single collective investment undertaking.

**B1.7.3.7** The ELTIF's exposure to a counterparty in over-the-counter (OTC) derivative transactions may not exceed 10 % of the value of the ELTIF's capital.

**B1.7.3.8** The ELTIF must invest at least 51% of its capital in debt instruments or in (hybrid) debt-like instruments of private issuers.

**B1.7.4** **Limitation of borrowing**

Cash loans may only be taken out if the borrowing fulfils all of the following requirements:

- a) for ELTIFs, it does not exceed 50 % of the net asset value of the ELTIF;
- (b) it is used to make investments or to provide liquidity, including for the payment of costs and expenses, provided that the ELTIF's holdings of cash and cash equivalents are insufficient to make the investment in question;
- (c) it is denominated in the same currency as the assets to be acquired with the borrowed cash or in another currency, provided that this foreign currency position has been properly hedged
- d) the repayment term is no longer than the term of the ELTIF.

**B1.7.5** **Limiting the leverage effect**

The total risk or leverage of the ELTIF according to the commitment method may not exceed 150% of its net asset value.

#### **B1.7.6 Risk management procedure / calculation of the leverage effect**

The AIFM uses the commitment method as a recognised calculation method for risk management.

The leverage of the ELTIF is the ratio between the risk of an ELTIF and its net asset value. Leverage is any method by which the AIFM increases the investment level of the ELTIF (leverage effect). This can be done, for example, by utilising the borrowing specified as permissible in B1.7.4.

If the ELTIF holds real estate via real estate (special purpose) companies or if the ELTIF invests in such real estate companies, the loans taken out in the company are included in the calculation of leverage at fund level if they increase the ELTIF's exposure.

If the ELTIF invests in mezzanine or other debt capital, the loans taken out in the property company are not taken into account when calculating the leverage at fund level.

Positions in derivative financial instruments are converted into equivalent positions in the corresponding 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.

#### **B1.7.7 Pledging of assets**

The assets of the ELTIF may not be pledged or otherwise encumbered, transferred by way of security or assigned by way of security, except in the case of collateral in the context of borrowing within the meaning of section B1.7.4 or the provision of collateral in the context of the settlement of transactions involving financial instruments.

#### **B1.7.8 Investment periods within which the corresponding investment limits must be reached**

The investment limits must be complied with within twelve months of approval as an ELTIF.

#### **B1.7.4 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 ELTIF 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 ELTIF is expressed in the currency of the account of the ELTIF 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 ELTIF, reduced by any debt obligations of the ELTIF 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 CHF 0.01

The respective ELTIF 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 (ELTIF), 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 ELTIF will be converted to the relevant ELTIF currency using the most recent mean rate of exchange.

The AIFM is authorised to temporarily apply other suitable valuation principles for the ELTIF 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 ELTIF 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.

## **B1.8 Risks and risk profile of the ELTIF**

**The performance of the units depends on the investment policy and the market performance of the individual investments of the ELTIF 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 ELTIF.**

### **B1.9.1 General risks**

The investments in the ELTIF 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.

### **B1.9.2 Fund specific risks**

Due to its investment policy, the risks of this ELTIF 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 fund specific risks are listed.

#### **Liquidity risk**

In the case of assets such as Loans, unlisted/listed debt instruments, equity and equity-like instruments of portfolio companies that are not traded on a stock exchange or other regulated market, there is a risk that these cannot be resold or can only be resold with a time delay and possibly with corresponding price discounts. For this reason, the redemption of units may be impaired under certain circumstances.

In addition, buy and sell orders influence the liquidity of the ELTIF, as the outflows may exceed the inflows and their netting may lead to a significant net outflow of the ELTIF's liquid assets. It is therefore conceivable that, despite suitable risk management instruments, the liquidity is not sufficient to satisfy redemption orders and these cannot be executed promptly.

#### **Concentration risk**

Concentration risk refers to risks or cluster risks that result from the composition of the overall portfolio of a ELTIF.

Due to its investment policy, the ELTIF is highly dependent on the performance of the property market in Germany and other EEA and OECD countries. In the case of a focused investment in a small number of individual property projects, the risk diversification characteristic of ELTIFs may not apply and the performance of the ELTIF may deviate significantly from the general performance of the underlying property markets.

#### **Market, credit and issuer risk**

Due to the ELTIF's ability to invest in equity and debt securities and debt rights, there is an increased market and credit risk with this type of investment, which can have a negative impact on netassets. A deterioration in the solvency or even the bankruptcy of an issuer or debtor can mean at least a partial loss of assets.

The ELTIF receivables may be subordinated receivables such as mezzanine financing, which act as risk capital and are serviced subordinated to other receivables and therefore have an increased default risk. These and other receivables may be partially or fully unsecured.

#### **Risks in relation to private equity / private debt**

Companies eligible for investments in private equity / private debt may be highly leveraged and more sensitive to negative market movements, such as rising interest rates, than established companies. In addition, the risk of the company becoming insolvent and going bankrupt is higher than for listed companies.

Equity and debt instruments of non-listed companies also have higher risks, as, among other things:

- the standards of accounting, auditing or supervision are lower than those of listed investments

- the companies possibly have only a short history and limited market experience or offer innovative and non-market-established products / technologies
- the companies may be in a start-up or restructuring phase and have a strained financial situation including uncertain planning and a lack of organisation.
- Asset-value-changing facts, such as a significantly different asset, financial and earnings situation, may not be recognised in a timely manner.
- these investments usually have a long-term, illiquid character and are therefore only fungible to a limited extent
- The investment process is technically demanding and may therefore be subject to further risks

***Risks of the property project company***

There is a risk that the investments, debt instruments or other receivables acquired by the ELTIF from qualified portfolio companies or other property companies may lose their value because the company suffers losses due to operational, financial or other difficulties and may not be able to repay the liabilities. This may result in increased market and credit risks for the ELTIF.

***Property and project risks***

Due to the ELTIF's ability to invest directly or indirectly in property projects in Germany, other EEA countries and the OECD using the instruments specified as permissible at B1.7.1, this investment type is subject to increased market and issuer risk, which may have a negative impact on net assets. Investors must be aware of the relevant property market and property project risks and be able to accept the resulting losses if the property project situation deteriorates.

***Real estate market risk***

- Changes in real estate market risk result from a change on the demand or supply side. The real estate market risk is one of the principle risks in the real estate industry, since it has a significant influence on the development of rental income and the value of properties. Other key factors affecting the real estate markets are the location risk, economic and socio-demographic development as well as the political, tax and legal conditions.
- Location risks: The value of a property is frequently determined to a large extent by its surrounding area. The term location risks should be understood here to mean all the aspects of the surrounding area that affect the value. The location risks include the position and topography, transport connections and infrastructure, the economic environment, socio-demography and the image of the location.
- Value development risk is the risk that the value of a property will fall. Since value development is a significant component of the property return, this is a key risk for the financial performance of the investment. The value development is directly linked to the amount of net rental income, as investors usually use the income capitalisation approach based on rental income to determine the acceptable purchase price of buildings. In this respect, changes in the rental value and the management costs have a direct effect on the value of the building. The rental value can decrease as a result of special factors such as vacancy or loss of rent. The value development risk affects the financial situation of the real estate company accordingly.
- Macroeconomic development is the risk of a positive or negative change in the general economic situation on a global, national or regional level. Both the current situation and the future prospects play a role in the assessment of the risk. Changes in economic development affect a large number of risk factors that are relevant to the real estate industry, for example real estate markets, financial markets and management costs. Economic development may be influenced by policies to a limited extent.
- Socio-demographic development is the risk of changes in the population. This is primarily the change in the number of inhabitants, but other characteristics such as the number of households or household size, age distribution, education, employment, children and migration background also play an important role from the point of view of the real estate industry. Socio-demographic development is interlinked with economic development and affects the real estate market in particular.

***Property risks***

- The building fabric risk is a major property risk. Building fabric risk is the risk of physical damage to the building that goes beyond the level of cosmetic repairs, as well as the obsolescence of the building design. It can result directly from large-scale external events (such as natural disasters, wars, terrorism, crime, etc.), but also from internal damage, such as fire or water damage. It also includes the normal ageing and wear and tear of the building fabric. The condition of the building fabric also determines the possible rental income and the management costs.
- When market valuations are carried out on real estate properties, there is a fundamental risk that existing deficiencies in the fabric of the building may only become apparent at a later date and, as a result, the valuation of the real estate investment may have to be corrected. If there is no contractual protection, this can lead to a financial loss for the real estate company.

- Legal risks associated with a property include all legal issues related to the purchase, rental and property management. These include, for example, encumbrances on the property, tenancy issues and property owner liability. The legal risks are influenced by the applicable legal system and also by the quality of the management of the real estate company. Depending on the circumstances, these have an impact on the management costs and the finances of the real estate company as a whole.

#### **Project development risks**

- Subsoil risk (contamination risk) is the risk that extensive renovation may become necessary due to the lack of load-bearing capacity of the subsoil. Other subsoil risks include contamination in the soil, which must first be remedied, or the discovery of archaeological monuments, which can result in a delay or even the prohibition of construction work. Subsoil risks are usually only relevant during the construction phase, but in rare cases damage due to settlement, etc. can occur even after completion.
- Cost risk (construction and development cost risk, cost risk, cost certainty, quality/costs/deadlines, calculation) is the risk of a deviation between the actual and the estimated construction costs, usually in the form of cost increases. Cost risks are downstream risks, as almost all risks associated with building construction also have an impact on costs. These in particular include soil and subsoil risks, technical risks, deadline risks and approval risks. Cost risks in turn have an impact on the project financing, as additional funds may have to be acquired or agreed credit facilities will not be fully utilised. As a result of a low equity ratio, cost risks can involve high potential for damage (leverage effect).
- Schedule risk (schedule risks, time risk) is the risk that there will be delays in the construction process and that the building cannot be used on the agreed date. This may be as a result of ground and subsoil risks, permit risks or technical risks, since the deadline risk is a downstream risk in the same way as the cost risk. In addition, it is possible that the original schedule that was drawn up was flawed, in which case this is an upstream risk. The consequences of deadline delays are usually cost increases due to contractual penalties, an increase in the costs of interim financing or an increase in construction costs.
- Approval risk is the risk that the approval required for construction will not be granted by the responsible authority, will only be granted with a delay or will only be granted subject to conditions. This primarily involves the building permit from the building authority, but other official approvals can also play a role, for example fire protection, monument protection or environmental aspects. The cause of approval risks usually lies in the project concept or in structural aspects. They can, if necessary, be mitigated by a high quality of architectural design, a positive image and a high ecological and social quality of the building. Approval risks are impacted by time delays and cost increases, whether due to additional requirements or as a result of the delay.
- Technical risks (manufacturing process, risks of construction, project conception, development risk) are all risks that have their origin in the technical execution of the building. These are, in particular, planning errors, problems during construction such as construction, construction methods, construction site organization and occupational safety, as well as quality defects. The cause of technical problems can be a subsoil that is not sufficiently stable, and an unusual architectural design or construction method can also contribute. Technical risks affect the deadline and cost risks, and there may also be problems with building permits.
- Project design risk is the risk that difficulties marketing the real estate will arise due to having a building concept that is not in line with the market requirements or expectations. This concerns both the marketing by the project developer at the end of the development phase and the letting by the investor during the utilisation phase. The project design risk is based on the project developer's assessment of the current and future location situation and market situation. It primarily affects the rental value of the property, and indirectly the development of its value. A flexible building concept can mitigate the effects of design deficiencies.
- Financing risks (financial risks, financing risk) relating to the property in the creation process refer to all the risks that arise with the interim financing, through until sale of the property to a long-term investor, if these are directly attributable to the property. In this regard, there is a certain dependency on changes in the capital market, and conversely the progress of the project also has an impact on the financing. Additional costs and schedule delays have an effect here in particular, as additional capital may have to be obtained or interim financing may have to be extended, which increases the financing costs. Financing risks in the project also have an impact on the company's financial position.

#### **Risk of conflict of interests**

Due to the diverse business activities, the organisation and procedures of the ELTIF, the AIFM, the depositary, the asset manager 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.

#### **Valuation risk**

The valuation of the investments does not represent an explicit purchase or sale price. As a result, there may be discrepancies between the valuation price and the price on disposal, which may have a negative impact on the net asset value.

This valuation risk is greater in the case of alternative, non-standardised or illiquid investments if no explicit buy or sell prices are quoted. In general, the valuation models and methods used, as well as the input factors used therein, and the valuation reports or NAV calculations used in the valuation, may exhibit a degree of imprecision or uncertainty that causes the valuation price to deviate from the actual realisable sales price. In particular, depending on the valuation method, assumptions must be made about the future development of investments, which can significantly influence the valuation. The actual results may deviate from the assumptions made, which may change the valuation in favour or against the investors. The information on which the valuation is based may not have the same transparency and quality as that of listed investments or investments otherwise traded on a regulated market. This can also cause the valuation to deviate from the actual realisable sales price.

### **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 due to a payment or delivery that is not as per the agreement.

### **Leverage risk from financing**

Due to the possible use of loans, the ELTIF may have a leverage risk if the permitted limits are used.

The AIFM expects that the ELTIF's total risk resp. leverage calculated according to the commitment method will generally not exceed 150%. The leverage may vary, depending on the market conditions, and in special exceptional cases, it is also possible that the leverage will be higher.

### **B1.10 Costs eligible for reimbursement from the ELTIF**

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

### **B1.11 Performance fee**

In addition, the AIFM is entitled to charge a performance fee pursuant to Appendix B "Fund Overview", based on the increase in value of the unit of the ELTIF or 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 ELTIF or corresponding unit class, provided that the unit price of the ELTIF or corresponding unit class is above the high watermark.

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 AIF / UCITS / 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 ELTIF or corresponding unit class, adjusted for any distributions or capital measures, reaches a new high after deduction of all costs (high watermark). This is an all-time high watermark (all-time high = high watermark principle).

Calculation example with the following performance fee: 9%				
Valuation date	High watermark	NAV before perf. fee	Perf. fee	NAV after perf. fee
Year 1	NAV start	100.00	0.0000	100.00
	NAV 1	100.00	0.6000	102.40
	NAV 2	103.00	1.4000	108.60
	NAV 3	110.00	0.0000	102.00
	NAV 4	110.00	9.6000	96.00
	NAV 5	110.00	0.0000	101.00
	NAV 6	110.00	0.0000	105.00
	NAV 7	110.00	0.2800	111.12
	NAV 8	111.40	0.7200	114.28
	NAV 9	115.00	0.0000	110.00
	NAV 10	115.00	0.0000	112.00
	NAV 11	115.00	1.0000	119.00
Year 2	NAV 12	120.00	0.0000	120.00
	NAV 1	120.00	0.0000	110.00
	NAV 2	120.00	0.0000	105.00
	NAV 3	120.00	0.0000	112.00
	NAV 4	120.00	0.0000	114.00
	NAV 5	120.00	0.0000	116.00
	NAV 6	120.00	0.2000	120.80
	NAV 7	121.00	0.8000	124.20
	NAV 8	125.00	0.0000	115.00
	NAV 9	125.00	0.0000	110.00
	NAV 10	125.00	0.0000	109.00
	NAV 11	125.00	0.0000	108.00
Year 3	NAV 12	125.00	0.0000	107.00
	NAV 1	125.00	103.00	0.0000
	NAV 2	125.00	100.00	0.0000
	NAV 3	125.00	97.00	0.0000
	NAV 4	125.00	95.00	0.0000
	NAV 5	125.00	99.00	0.0000
	NAV 6	125.00	103.00	0.0000
	NAV 7	125.00	105.00	0.0000
	NAV 8	125.00	109.00	0.0000
	NAV 9	125.00	116.00	0.0000
	NAV 10	125.00	123.00	0.0000
	NAV 11	125.00	128.00	0.6000
	NAV 12	128.00	125.00	0.0000

The actual charged performance fee is shown in the annual report of the ELTIF.

23 December 2025

**The AIFM:**

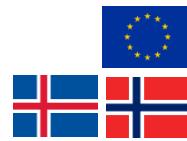
CAIAC Fund Management AG, Bendern

**The depository:**

Kaiser Partner Privatbank AG, Vaduz

## Appendix C: Specific information for individual distribution countries

### **Distribution in the EU and EEA outside Liechtenstein** **Leanval Private Debt Fonds**



**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.

The prerequisite for this is proper notification.

#### **Federal Republic of Germany:**

The ELTIF was notified for distribution to professional investors for the Federal Republic of Germany on 22 March 2019.

The distributor is LeanVal Asset Management AG, Bleichstrasse 52, D-60313 Frankfurt.

Leanval Private Debt Fonds 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 Leanval Private Debt Fund was initially authorised by the FMA as an alternative investment fund (AIF) on 31 August 2018 and approved as an ELTIF on 30 September 2024.

The ELTIF was notified on the 23 December 2024 for distribution to private investors in the Federal Republic of Germany.