

## **Berenberg Aktien Mittelstand**

UCITS Investment Fund under German Law  
Sales Prospectus including the Terms and Conditions of Investment

Custodian: State Street Bank International GmbH, Munich  
Distribution: Joh. Berenberg, Gossler & Co. KG, Hamburg

 **UNIVERSAL  
INVESTMENT**

Administration ▪ Insourcing ▪ Risk Management

**Units in the investment fund Berenberg Aktien Mittelstand may be purchased and sold on the basis of the current Sales Prospectus, the Key Investor Information Document (KIID) and the applicable General Terms and Conditions of Investment in conjunction with the Special Terms and Conditions of Investment. The General Terms and Conditions of Investment and the Special Terms and Conditions of Investment can be found in Parts F and G at the end of this Sales Prospectus.**

**Upon request, the Sales Prospectus shall be provided free of charge to any party interested in acquiring a unit in the Berenberg Aktien Mittelstand investment fund, together with the most recently published annual report, as well as any semi-annual report published thereafter. In addition, the KIID shall be made available free of charge and in good time prior to contract signature.**

**Information or statements contrary to the Sales Prospectus may not be provided. Any purchase or sale of units based on information or statements not contained in this Sales Prospectus shall be undertaken at the exclusive risk of the purchaser. This Sales Prospectus is supplemented by the most recent annual report and any semi-annual report published thereafter.**

## **INVESTMENT RESTRICTIONS FOR U.S. PERSONS**

**Universal-Investment-Gesellschaft mbH and/or Berenberg Aktien Mittelstand have not been and will not be registered pursuant to the latest version of the U.S. Investment Company Act of 1940. The units of the investment fund have not been and will not be registered under the latest version of the United States Securities Act of 1933 or under securities legislation of any federal state of the United States of America (USA). Units in Berenberg Aktien Mittelstand may not be offered or sold within the USA or to a U.S. person or on their behalf. Applicants must, where appropriate, demonstrate that they are not U.S. persons and that they are neither acquiring units on behalf of U.S. persons nor intending to transfer them to U.S. persons. U.S. persons are those who are U.S. nationals or who are established and/or subject to taxation in the USA. U.S. persons may also be partnerships or corporations established in accordance with the laws of the USA or a federal state, territory or dependency thereof.**

## **IMPORTANT LEGAL IMPLICATIONS OF THE CONTRACTUAL RELATIONSHIP**

By acquiring units, investors become co-owners of the assets held by the investment fund, in proportion to the number of their units. They do not have the assets at their disposal. There are no voting rights associated with the units.

All publications and promotional material must be drafted in German or provided with a German translation. Furthermore, Universal-Investment-Gesellschaft mbH shall communicate with its investors entirely in German.

The legal relationship between Universal-Investment-Gesellschaft mbH and the investor as well as the pre-contractual relationships are based on German law. The head office of Universal-Investment-Gesellschaft mbH is the jurisdiction for complaints of the investor against Universal-Investment-Gesellschaft mbH resulting from the contractual relationship. Investors who are consumers (see the following

definition) and live in another EU country can also file a suit before a competent court at their domicile. The enforcement of court judgements is based on the Code of Civil Procedure and, where applicable, the Act on Enforced Auction and Receivership or the Insolvency Code. As Universal-Investment-Gesellschaft mbH is subject to domestic law, domestic judgements must not be recognised before they are enforced.

In order to enforce their rights, investors may take legal action before the ordinary courts or try an alternative dispute resolution procedure if there is one.

Universal-Investment-Gesellschaft mbH is obligated to take part in dispute resolution proceedings before a consumer arbitration board.

In the event of disputes, consumers can call the "Ombudsman for Investment Funds" of BVI Bundesverband Investment und Asset Management e. V. as the responsible consumer arbitration body. Universal-Investment-Gesellschaft mbH will take part in dispute resolution proceedings before this arbitration board.

The contact details of the "ombudsman for investment funds" are:

Office of the BVI ombudsman  
Bundesverband Investment und Asset Management e.V.  
Unter den Linden 42  
10117 Berlin  
Tel.: +49 (0) 30 6449046 - 0  
Fax: +49 (0) 30 6449046 - 29  
E-mail: [info@ombudsstelle-investmentfonds.de](mailto:info@ombudsstelle-investmentfonds.de)  
[www.ombudsstelle-investmentfonds.de](http://www.ombudsstelle-investmentfonds.de)

Consumers are natural persons who invest in the investment fund for a purpose that may neither be attributed to its commercial nor its independent professional activities and who therefore do business for private purposes.

The European Commission has set up a European online dispute resolution platform at [www.ec.europa.eu/consumers/odr](http://www.ec.europa.eu/consumers/odr). Consumers can use it for the out-of-court settlement of disputes arising from online sales contracts or online service contracts. The Company's email address is: [Beschwerdemanagement@universal-investment.com](mailto:Beschwerdemanagement@universal-investment.com). The platform is not a dispute resolution authority itself, but it merely helps the parties to make contact with a competent national arbitration body.

The right to seek redress in court shall remain unaffected by a dispute resolution procedure.

Securities ID No. / ISIN:

Unit class M A: A14XN4 / DE000A14XN42

Unit class R A: A14XN5 / DE000A14XN59

Unit class B A: A2JF7M / DE000A2JF7M7

Launch date:

Unit class M A: 4 December 2015

Unit class R A: 4 December 2015

Unit class B A: 28 May 2018

As at: **01/07/2022**

**NB:**

**The Sales Prospectus will be updated if there are any significant changes.**

## Contents

<b>A.</b>	<b>Brief overview of the partners of Berenberg Aktien Mittelstand</b>	<b>7</b>
1.	Capital management company	7
2.	Custodian	8
3.	Asset management company and distribution	9
4.	Auditor	9
<b>B.</b>	<b>General provisions</b>	<b>10</b>
1.	The investment fund (the Fund)	10
2.	Sales documentation and disclosure of information	10
3.	Terms and Conditions of Investment and amendments thereto	10
4.	Management Company	11
5.	Custodian	12
6.	Asset Management Company	13
7.	Risk information	14
	Fund investment risks	14
	Risks of negative Fund performance (market risk)	18
	Risks of the Fund's limited or increased liquidity in relation to multiple subscriptions or redemptions (liquidity risk)	21
	Counterparty risk including loan and receivables risk	22
	Operational and other risks for the Fund	23
8.	Explanation of the Fund's risk profile	24
9.	Increased volatility	24
10.	Profile of the typical investor	24
11.	Investment objective, investment principles and investment policy	25
	Investment objective	25
	Investment principles and investment policy	25
12.	Investment instruments in detail	28
	Securities	28
	Money market instruments	29
	Bank deposits	31
	Investment limits for transferable securities and money market instruments, including the use of derivatives and bank deposits	32

Other investment instruments and their investment limits	33
Investment limits for tax reasons	34
Investment units	34
Derivatives	35
Futures contracts	36
Option contracts	37
Swaps	37
Swaptions	37
Credit default swaps	37
Total return swaps	37
Securitised financial instruments	38
OTC derivative transactions	38
Collateral strategy	38
Borrowing	39
Leverage	39
Exception: Investments made in the absence of the Asset Management Company	40
13. Valuation	40
General rules for the valuation of assets	40
Specific rules for the valuation of individual assets	40
14. Performance	42
15. Sub-investment funds	44
16. Units	44
Issue and redemption of units	45
Suspension of unit redemption	46
Liquidity management	47
Stock exchanges and markets	48
Fair treatment of investors and unit classes	48
Issue and redemption prices	49
Publication of the issue and redemption prices	50
17. Costs	50
Costs relating to the issue and redemption of units	50
Management fees and other costs	51
18. Remuneration policy	56
19. Calculation and use of income; financial year	56

Income equalisation procedure	56
Appropriation of income	57
Financial year	57
20. Liquidation, transfer and merger of the Fund	57
21. Brief information on tax regulations	59
Units held as personal assets (residents for tax purposes)	60
Units held as operating assets (residents for tax purposes)	62
22. Outsourcing	68
23. Conflicts of interest	68
24. Annual/semi-annual reports, auditor, service providers	70
25. Payments to investors; circulation of reports and other information	71
26. Other investment funds managed by the Company	71
<b>C. Overview of the unit classes</b>	<b>79</b>
<b>D. List of sub-custodians</b>	<b>81</b>
<b>E. Purchaser's right of revocation</b>	<b>112</b>
<b>F. General Terms and Conditions of Investment</b>	<b>113</b>
<b>G. Special Terms and Conditions of Investment</b>	<b>125</b>
<b>H. Additional information for investors in the United Kingdom</b>	<b>132</b>

## A. Brief overview of the partners of Berenberg Aktien Mittelstand

### 1. Capital management company

Name	Universal-Investment-Gesellschaft mbH
Street address	Theodor-Heuss-Allee 70 60486 Frankfurt am Main
Postal address	Postfach 17 05 48 60079 Frankfurt am Main Tel.: +49 (0) 69 7 10 43 - 0 Fax: +49 (069) 7 10 43-700 <a href="https://www.universal-investment.com">https://www.universal-investment.com</a>
Foundation	1968
Legal form	Limited liability company (GmbH)
Trade Register	Frankfurt am Main (HRB 9937)
Subscribed and paid-up capital	EUR 10,400,000.00 (as at: September 2021)
Equity capital	EUR 70,241,950.24 (as at: September 2021)
Managing Directors	Frank Eggloff Mathias Hei Katja Mller Markus Neubauer Michael Reinhard <sup>1</sup> Stefan Rockel Axel Vespermann
Supervisory Board	Prof. Dr Harald Wiedmann, Chairman Lawyer, Berlin Dr Axel Eckhardt Senior Advisor Montagu, Frankfurt am Main Ellen Engelhardt Daniel Fischer Director Montague, Frankfurt am Main Daniel F. Just Chairman of the executive board at Bayerische Ver- sorgungskammer, Munich Janet Zirlewagen

<sup>1</sup> Also Chairman of the Supervisory Board of Universal-Investment-Luxembourg S.A.



## 2. Custodian

Name	State Street Bank International GmbH
Street address	Brienner Straße 59, 80333 Munich
Postal address	Postfach 20 19 16 80019 Munich
Tel.:	+49 (0) 89 55878 100
Internet	<a href="http://www.statestreet.com">http://www.statestreet.com</a>
Legal form	Limited liability company (GmbH)
Trade Register	Munich (HRB 42872)
Liable capital	EUR 2,071,917.00 (as at: June 2021)
Management Board:	Stefan Gmür (Sprecher der Geschäftsführung) Denis Dollaku James Fagan Andreas Niklaus Annette Rosenkranz Simona Stovtchkova Kris Wulteputte

### 3. Asset management company and distribution

Name	Joh. Berenberg, Gossler & Co. KG
Postal address	Neuer Jungfernstieg 20 20354 Hamburg
Tel.:	+49 (0) 40 3 50 60 - 0
Fax:	+49 (0) 40 3 50 60 - 900
Internet	<a href="http://www.berenberg.de">www.berenberg.de</a>
Trade Register	Hamburg (HRA 42659)
Personally liable partner	Dr Hans-Walter Peters (Spokesman) Hendrik Riehmer

### 4. Auditor

KPMG AG Wirtschaftsprüfungsgesellschaft  
The Squire  
Am Flughafen  
60549 Frankfurt am Main

## **B. General provisions**

### **1. The investment fund (the Fund)**

The investment fund Berenberg Aktien Mittelstand (referred to hereinafter as the "Fund") is an undertaking for collective investment which collects capital from a number of investors in order to invest it pursuant to a stipulated investment strategy for the benefit of these investors (referred to hereinafter as the "investment fund"). The Fund is an investment fund within the meaning of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (hereinafter referred to as "UCITS") within the meaning of the German Capital Investment Code (KAGB). It is managed by the capital management company Universal-Investment-Gesellschaft mbH (hereinafter referred to as the "Company"). The Fund was launched on 4 December 2015 for an indefinite period.

The Company invests the capital deposited with it in its own name and for the joint account of investors, but separately from its own assets in the form of an investment fund. Said capital is invested pursuant to the principle of risk diversification in assets permitted under the KAGB. The purpose of the Fund is limited to investing in accordance with a specified investment strategy within the framework of collective asset management, using the funds deposited with it; the UCITS investment fund does not have an operating function or active business management of the assets held. The assets in which the Company may invest investors' funds, and the rules it must follow in doing so, are stated in the KAGB and its associated regulations as well as the Investment Tax Act (hereinafter referred to as "InvStG") and the Terms and Conditions of Investment that govern the legal relationship between the investors and the Company. The Terms and Conditions of Investment include a general and a special part (the "General Terms and Conditions of Investment" and the "Special Terms and Conditions of Investment"). Prior to their application, terms and conditions of investment for a public investment fund must be approved by the Federal Financial Supervisory Authority (referred to hereinafter as "BaFin"). The Fund does not form part of the Company's insolvency assets.

### **2. Sales documentation and disclosure of information**

The Sales Prospectus, the KIID, the Terms and Conditions of Investment and the current annual and semi-annual reports may be obtained free of charge from the Company, the Custodian, the Distributor and on the Company's website (<http://www.universal-investment.com>).

Additional information regarding the investment limits of the risk management policy for this Fund, the risk management methods and the most recent developments regarding risks and returns for the most important asset classes may be obtained from the Company in electronic or written form.

### **3. Terms and Conditions of Investment and amendments thereto**

The Terms and Conditions of Investment can be found after this Sales Prospectus in this document. The Terms and Conditions of Investment may be amended by the Company. Amendments to the Terms and Conditions of Investment must be approved by BaFin. Amendments to the Fund's current investment principles are permitted only on the condition that the Company offers investors either the redemption of their units at no other cost before the changes enter into force, or the exchange of their

units free of charge for units of other investment funds with comparable investment principles, provided that the Company or one of its group companies manages such funds.

The proposed amendments shall be published in the German Federal Gazette (Bundesanzeiger) and on the Company's website (<https://www.universal-investment.com>). If the amendments relate to fees and reimbursements of expenses which may be withdrawn from the Fund, or the Fund's investment principles or essential investor rights, the investors will also be informed by the institutions maintaining the securities account via a medium on which information can be stored, viewed and passed on without any changes for a duration which is appropriate for providing the information, e.g. in paper or electronic form (i.e. "durable medium"). This information will include the key content of the planned amendments, the reasons for their implementation, the rights of investors in connection therewith and an indication of where and how further information can be obtained.

The amendments shall become effective no sooner than on the day following their publication. Amendments to regulations applicable to fees and the reimbursement of expenses shall become effective no sooner than four weeks following their publication, unless an earlier date is determined with BaFin approval. Amendments to the Fund's current investment principles shall also become effective no sooner than four weeks following their publication.

## 4. Management Company

### **Name, legal form and registered office**

The Fund is managed by the capital management company Universal-Investment-Gesellschaft mbH, founded on 4 November 1968 and with its registered office in Frankfurt am Main, Germany. It is a joint venture of German banks and bankers. Its shareholders are Universal-Beteiligungs- und Service-gesellschaft mbH, Frankfurt/Main, Universal Securitisation Solutions S.A., Luxemburg, Universal Securitisation Solutions II S.A., Luxemburg, Berenberg Beteiligungsholding GmbH, Hamburg, and LUI Beteiligungs GmbH, Bielefeld.

Universal-Investment-Gesellschaft mbH is a capital management company within the meaning of the KAGB in the legal form of a limited liability company (GmbH).

The Company has been authorised to manage securities investment funds since 1968. The Company has also been authorised to manage money market investment funds since 30 August 1994, as well as unit investment funds, mixed securities and property investment funds and pension investment funds since 19 October 1998. Following the entry into force of the German Investment Act [Investmentgesetz], the Company has been authorised to: manage directive-compliant investment funds, pension investment funds and special investment funds since 1 January 2004; manage mixed investment funds and funds of funds with additional risks since 9 August 2005; manage other investment funds and carry out the third-party management of external investment corporations and special investment corporations since 29 April 2008; and manage real-estate investment funds, infrastructure investment funds, employee-participation investment funds, investment funds with additional risks and EU investment funds since 18 August 2011. Following the entry into force of the KAGB, the Company has been authorised to manage investment funds pursuant to Directive 2009/65/EC (hereinafter referred to as the "UCITS Directive") since 21 July 2013. The Company is authorised to act as a UCITS and AIF capital management company.

## **Executive Board/Management Board and Supervisory Board**

More detailed information regarding the Management Board, the composition of the Supervisory Board, the subscribed and paid-up capital, and equity capital can be found in Section A "1. Capital management company" of this Sales Prospectus.

## **Capital and additional equity**

The Company has the professional liability risks arising from the management of funds that do not comply with the UCITS Directive, known as alternative investment funds (hereinafter referred to as "AIF") and that are due to the professional negligence of its bodies or employees, covered by: equity amounting to at least 0.01% of the value of the portfolio of all the AIFs managed. This amount will be reviewed and adjusted on an annual basis. This equity forms part of the liable capital stated above.

## **5. Custodian**

The KAGB provides for a separation between the management and custody of investment funds. The Custodian holds the assets in blocked security deposits and/or blocked accounts. In the case of assets that cannot be held in custody, the Custodian assesses whether the Company has acquired ownership of these assets. It monitors whether the Company disposes of the assets in accordance with the provisions of the KAGB and the Terms and Conditions of Investment. The investment in bank deposits with another credit institution and disposals of these bank deposits are only permitted with the approval of the Custodian. The Custodian must grant its approval if the investment/disposal is in accordance with the Terms and Conditions of Investment and the provisions of the KAGB.

The Custodian also has the following specific duties:

- Issue and redeem Fund units,
- Ensure that the provisions of the KAGB and the Terms and Conditions of Investment of the Fund are observed when issuing and redeeming units and calculating the unit value,
- Ensure that it receives for safekeeping, within the customary time periods, the consideration for transactions undertaken for the collective account of investors,
- Ensure that the Fund's income is used in accordance with the provisions of KAGB and the Terms and Conditions of Investment,
- Monitor credit borrowing by the Company on behalf of the Fund and, where appropriate, approve credit borrowing.

## **Company, legal form and registered office of the Custodian**

The Company has appointed State Street Bank International GmbH, which has its registered office in Munich, as Custodian. It is a credit institution under German law. Its principal activities are deposit and custody operations.

### **Sub-custodian**

The Custodian has delegated the following custodian tasks to another company (Sub-custodian):

- The safekeeping of assets held on behalf of the Fund may be carried out by the sub-custodians specified in Section D of this Sales Prospectus.

The Custodian has not made the Company aware of any conflicts of interest that may arise as a result of such.

The Company has received the above information from the Custodian. The Company has checked this information for plausibility. However, it has to rely on the information provided by the Custodian, and cannot verify the accuracy and completeness thereof in detail. The sub-custodians listed in Part D may change at any time. In principle, not all of these sub-custodians are used for the Fund.

### **Liability of the Custodian**

As a rule, the Custodian is responsible for all assets placed either in its custody or, with its consent, in the custody of a third party. If such an asset is lost, the Custodian shall be liable vis-à-vis the Fund and its investors, unless this loss is attributable to events outside the Custodian's control. For damages other than the loss of an asset, the Custodian shall (in principle) only be liable if it has failed to fulfil its obligations under the provisions of the KAGB through negligence, as a minimum.

### **Additional information**

On request, the Company will provide investors with the most up-to-date information on the Custodian and its duties, the sub-custodians and on any possible conflicts of interest in relation to the activities carried out by the Custodian or sub-custodians.

## **6. Asset Management Company**

The Company calls upon the services of an asset management company when implementing its investment strategy, and it has outsourced the portfolio management of the Fund to Joh. Berenberg, Gossler & Co. KG, Hamburg (hereinafter referred to as the "Asset Management Company").

The Asset Management Company has the legal form of a limited partnership [Kommanditgesellschaft] under German law and has been an authorised credit institution since 16/05/1978. It is subject to BaFin supervision. The Asset Management Company's main business is discretionary asset management, investment advice and conducting transferable securities transactions for customers. Details regarding the Asset Management Company can be found in the overview in Part A of this Sales Prospectus.

The Asset Management Company shall (at its sole discretion) make all investment decisions for the Fund, without obtaining prior instructions or information from the Company. Its fund management obligations include, where necessary: purchasing and selling assets; acquiring and offsetting derivative positions as part of the currency hedging of assets held in a foreign currency; borrowing in order to finance margin requirements for currency futures contracts for the purposes of currency hedging and securing such credit/credit lines through Fund assets; managing liquid funds; and implementing capital measures.

The Asset Management Company shall be liable vis-à-vis the Company for the fulfilment of these obligations. However, the Company's prudential obligations, as well as its civil liability vis-à-vis investors of the Fund, remain unaffected by this outsourcing process. This process does not establish legal relations between the Asset Management Company and the investors of the Fund.

The Asset Management Company acts on behalf of the Fund on the basis of a contract entered into with the Company regarding the outsourcing of portfolio management activities. The Asset Management Company may terminate the contract at any time by giving one month's notice. The Company also has ordinary and extraordinary termination rights.

If the Asset Management Company is no longer available to manage the Fund's portfolio, the Company shall terminate management of the Fund subject to a statutory notice period of six months, unless another outsourcing company able to ensure continuation of the investment strategy comes forward. As a result, the Fund can be liquidated after this period and the proceeds paid out to investors (for this process, see Section 20 "Liquidation, transfer and merger of the Fund"). The Company shall not continue to pursue the investment policy described in Section 11 "Investment objective, investment principles and investment policy" until the end of the notice period. Instead, it shall invest the Fund's assets exclusively – provided this is permitted by the investment guidelines – in bank deposits and money market instruments.

## 7. Risk information

**Before deciding to purchase Fund units, investors should carefully read the following risk information as well as the other information in this Sales Prospectus, and take this into account when making an investment decision. The occurrence of one or more of these risks may, individually or together with other circumstances, have an adverse effect on the Fund or the assets held therein, and thereby also negatively affect the unit value.**

**If the investor sells Fund units at a time when the prices of assets in the Fund are lower than when they were acquired, he will not get back the capital he has invested in the Fund, either in whole or in part. The investor may lose the capital invested in the Fund, either in part or in full in individual cases. Capital growth cannot be guaranteed. The investor's risk is limited to the amount invested. Investors are not obliged to provide any funding in addition to the capital invested.**

**In addition to the risks and uncertainties described below or elsewhere in the Sales Prospectus, the Fund's performance may also be affected by various other risks and uncertainties that are currently unknown. The order in which the risks are listed below reflects neither the likelihood nor the magnitude or significance of the occurrence of each individual risk.**

### Fund investment risks

The risks typically associated with investing in a UCITS are described below. These risks may have an adverse effect on the unit value, the capital invested by the investor or the investor's envisaged holding period of investment in the Fund.

**Fluctuation in the Fund's unit value**

The Fund's unit value is calculated by dividing the Fund's value by the number of units in circulation. The Fund's value is the sum of the market values of all the Fund's assets, less the sum of the market values of all the Fund's liabilities. The Fund's unit value therefore depends on the value of the assets held in the Fund and the amount of the Fund's liabilities. If the value of these assets falls, or the value of the liabilities increases, the Fund's unit value shall fall.

**Impact of tax-related issues on individual performance**

The tax treatment of investment income depends on the respective investor's individual circumstances and may be subject to change in the future. For specific questions, particularly regarding individual tax situations, investors should contact their personal tax advisors.

**Taxation risks due to hedging transactions on behalf of key investors**

The possibility cannot be ruled out that capital gains tax on German dividends and on income from domestic equity-equivalent profit participation rights which the investor acquires on underlying investments will not be able to be either fully or partially offset/reimbursed. The capital gains tax is fully offset/reimbursed if (i) the investor holds German equities and German equity-equivalent profit participation rights for 45 days continuously during a period of 45 days prior to and after the due date of the capital gains (a total of 91 days), and (ii) if during these 45 days he continuously bears at least 70% of the risk of these holdings or participation rights falling in value (i.e. "45-day rule"). In addition, for the purposes of offsetting capital gains tax there must not be any obligation to pay the capital gains to another person, whether directly or indirectly (e.g. by means of swaps, securities lending transactions or repurchase transactions). Therefore, rate-hedging transactions or forward transactions which directly or indirectly hedge against risks associated with German equities or German equity-equivalent profit participation rights may be detrimental. Rate-hedging transactions via value and price indices are deemed to be indirect hedging in this context. If the fund is deemed to be an entity which is closely associated with the investor and if it undertakes hedging transactions, this may lead to those transactions being attributed to the investor with the result that the investor therefore does not comply with the 45-day rule.

If capital gains tax is not withheld on corresponding income earned by the investor on underlying investments, hedging transactions by the Fund may lead to such income being attributed to the investor and to the investor having to pay the capital gains tax to the tax office.

**Amendment(s) to the investment policy or Terms and Conditions of Investment**

The Company may amend the Terms and Conditions of Investment subject to BaFin approval. Any such amendment may also affect the rights of investors. The Company may, for example through an amendment to the Terms and Conditions of Investment, amend the Fund's investment policy or increase the costs charged to the Fund. The Company may also change the investment policy within the statutory and contractually permissible range of investments without changing the Terms and Conditions of Investment and their approval by BaFin. This may result in the risk associated with the Fund changing.



**Restriction on the redemption of units**

The Company may restrict the redemption of units for up to 15 consecutive business days if the investors' return requests on a settlement date exceed a predefined threshold above which the return requests can no longer be executed in the interest of all investors due to the Fund's liquidity situation. If the threshold is reached or exceeded, the Company will decide at its reasonable discretion whether to limit redemptions on that settlement date. If it decides to restrict redemptions, it may continue to do so for up to 14 consecutive working days on a daily discretionary basis. If the Company has decided to limit redemptions, it will only redeem units on a pro rata basis at the redemption price applicable on the settlement date. Furthermore, the redemption obligation does not apply. This means that each redemption request will only be executed on a pro rata basis based on a quota determined by the Company. The unexecuted part of the order will also not be executed at a later date, but will expire. There is therefore the risk for the investor that his order for the redemption of units will only be executed on a pro rata basis and that he will have to place the remaining order again.

**Suspension of unit redemption**

The Company may temporarily suspend the redemption of units in the event of extraordinary circumstances which appear to make such suspension necessary in the interests of the investors. Exceptional circumstances in this sense may include economic or political crises, unusually large volumes of redemption requests, the closure of stock exchanges or markets, trade restrictions or other factors that affect the calculation of the unit value. Moreover, BaFin may instruct the Company to suspend the redemption of units if this is deemed necessary in the interests of the investors or the public. During such periods, investors are not permitted to redeem their units. Even during periods when the redemption of units is suspended, the unit value may fall, for example, if the Company is forced to sell assets at less than their market value during this time. The unit value after the resumption of unit redemption may be lower than before the suspension. The suspension of unit redemption may be immediately followed by the liquidation of the Fund, without the resumption of unit redemption, for example, if the Company terminates the management of the Fund in order for it to be liquidated. Investors may then be subject to the risks of not being able to achieve their planned holding period and not having access to substantial portions of the invested capital for an indefinite period or losing the invested capital entirely.

**Liquidation of the Fund**

The Company is entitled to cease managing the Fund. The Company may liquidate the Fund in its entirety once management has been discontinued. After a six-month notice period, the right of disposal over the Fund will pass to the Custodian. This means that the investors incur the risk of being unable to complete their planned holding period. Upon transfer of the Fund to the Custodian, the Fund may become subject to taxes other than German income tax. If the Fund units are removed from the investor's securities account after the liquidation procedure has come to an end, the investor may become subject to income tax.

**Transfer of all the Fund's assets to another open public investment fund (merger)**

The Company may transfer all of the Fund's assets to another UCITS. In this case, investors may either (i) redeem their units, (ii) or retain them, meaning they become investors in the absorbing UCITS, or (iii)

exchange them for units in an open-ended public investment fund with comparable investment principles, provided that the Company (or a company associated therewith) manages such a fund with comparable investment principles. This also applies if the Company transfers all of the assets of another open public investment fund to the Fund. Investors must therefore make a new investment decision prior to any such transfer. Redeeming units may give rise to income taxes. Upon exchanging units for units in a fund with comparable investment principles, the investor may be subject to taxes, for example, if the value of the units obtained exceeds the value of the old ones at the time of acquisition.

### **Transfer of the Fund to another capital management company**

The Company may transfer the management of the Fund to another capital management company. This shall not affect the Fund or the position of the investors. However investors must decide whether they consider the new capital management company to be as suitable as the previous capital management company. If they do not wish to remain invested in the Fund under new management, they must redeem their units. This may give rise to income taxes.

### **Profitability and fulfilment of the investor's investment objectives**

It cannot be guaranteed that investors will achieve their desired investment objectives. The Fund's unit value may fall and lead to losses for the investor. No guarantees are given by the Company or third parties as to any particular minimum payment commitment upon redemption or any particular investment performance of the Fund. Investors may get back an amount lower than the one originally invested. In addition, any issuing surcharge paid upon the acquisition of units may reduce or even wholly offset the performance of an investment, particularly in the case of short investment periods.

### **Inclusion of sustainability risks in the investment process**

As part of the investment process, the relevant financial risks are included in the investment decision and assessed on an ongoing basis. This also takes into account relevant sustainability risks as defined in Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosure requirements in the financial services sector (hereinafter the "Disclosure Regulation"), which may have a material adverse effect on the return of an investment.

Sustainability risk is defined as an environmental, social or governance event or condition that could have a material adverse effect on the value of the investment. Sustainability risks can therefore lead to a material deterioration in the financial profile, liquidity, profitability or reputation of the underlying investment. If sustainability risks are not already taken into account in the investment valuation process, they may have a material adverse effect on the expected/estimated market price and/or liquidity of the investment and therefore on the return of the Fund. Sustainability risks can have a significant impact on all known risk types and are a contributing factor to the materiality of these risk types.

When selecting assets for the investment fund, in addition to the objectives and investment strategies, the influence of the risk indicators, including sustainability risks, is also assessed.

The assessment of risk quantification includes aspects of sustainability risks and relates these to other factors (in particular price and expected return) in the investment decision.

In general, risks (including sustainability risks) are already taken into account in the investment valuation process (price indication) on the basis of the potential material impact of risks on the investment fund's

return. Nevertheless, depending on the asset and due to external factors, negative effects on the investment fund's return may materialise.

## **Risks of negative Fund performance (market risk)**

The risks that are associated with investments in individual assets by the Fund are shown below. These risks may affect the performance of the Fund or the assets held therein and thereby have an adverse effect on the unit value and the investor's capital invested.

### **Risks of changes in value**

The assets in which the Company invests on behalf of the Fund are subject to risks. Losses may thus occur if the market value of the assets decreases in comparison to the cost price, or if spot and futures prices evolve differently.

### **Capital market risk**

The price or market performance of financial products depends, in particular, on that of the capital markets, which in turn is influenced by the general state of the global economy, as well as the economic and political conditions in individual countries. General price performance, particularly on stock markets, can also be affected by irrational factors such as sentiment, opinions and rumours. Fluctuations in market prices and values may also be caused by changes in interest rates, exchange rates or issuer credit ratings.

### **Risk of changes in the share price**

Experience shows that shares are subject to strong price fluctuations and thus also to the risk of price drops. These price fluctuations are particularly affected by the development of profits of issuing companies and developments within the industry, as well as overall macroeconomic developments. Market confidence in the company concerned may also affect price performance. This particularly applies to companies whose shares have only recently been admitted to a stock exchange or another organised market, where even minor changes in forecasts can trigger dramatic price movements. If for a particular share, the percentage of freely tradable shares held by a large number of shareholders (free float) is low, then even minor buy or sell orders for this share may have a substantial impact on the market price and lead to larger price fluctuations.

### **Interest rate risk**

When investing in fixed-income transferable securities, there is the possibility that the market interest rate at the time a transferable security is issued might change. If the market interest rate increases compared to the interest at the time of issue, fixed-income transferable securities will generally decrease in value. In contrast, if the market interest rate falls, the price of fixed-income transferable securities will increase. These changes mean that the current yield of fixed-income transferable securities roughly corresponds to the current market interest rate. However, such fluctuations may vary significantly, depending on the (residual) maturity of fixed-income transferable securities. On the one hand, fixed-income transferable securities with shorter maturities bear lower price risks than those with longer maturities. On the other hand, fixed-income transferable securities with shorter maturities generally have smaller yields than those with longer maturities. Money market instruments tend to bear lower price risks due to their short maturity of no more than 397 days. In addition, the interest rates

of different, interest-related financial instruments denominated in the same currency and with a similar residual maturity, may perform differently.

### **Risk of negative interest on deposits**

The Company invests the Fund's cash with the Custodian or other banks on behalf of the Fund. For these bank deposits an interest rate is partly agreed that corresponds to the European Interbank Offered Rate (Euribor) less a specific margin. If the Euribor falls below the agreed margin, this will lead to negative interest rates on the corresponding account. Depending on the European Central Bank's interest-rate policy, both medium and long-term bank deposits may have a negative interest rate.

### **Risk of changes in the price of convertible bonds and bonds with warrants**

Convertible bonds and bonds with warrants securitise the right to exchange bonds for shares or acquire shares. The performance of the value of convertible bonds or bonds with warrants therefore depends on the price development of the underlying shares. The risks associated with the performance of the underlying shares may therefore also affect the performance of the convertible bond or bond with warrants. Bonds with warrants that give the issuer the right to provide the investor with a number of shares determined in advance (reverse convertibles), instead of repaying a nominal amount, are dependent to an even greater extent on the relevant share price.

### **Risks associated with derivative transactions**

The Company may enter into derivative transactions for the Fund. The purchase and sale of options, as well as the conclusion of futures contracts or swaps, entail the following risks:

- Losses may occur from using derivatives that cannot be predicted and may even exceed the amounts invested for the derivative transaction.
- Changes in the value of the underlying instrument can diminish the value of an option right or futures contract. If the value decreases and the derivative becomes worthless as a result, the Company may be forced to let the purchased rights expire. The Fund can also suffer losses due to changes in the value of the assets underlying a swap.
- The leverage effect of options may result in a greater impact on the value of the Fund's assets than would be the case if the underlying instruments were acquired directly. It may not be possible to determine the risk of loss when concluding the transaction.
- There may be no liquid secondary market for a particular instrument at a given time. A position in derivatives may then, under certain circumstances, be impossible to be neutralised (closed) profitably.
- The purchase of options carries the risk that the option may not be exercised because the prices of the underlying instruments do not progress as expected; as a result, the option premium paid by the Fund is forfeited. The sale of options carries the risk that the Fund will be required to purchase assets at a higher market price than the current one or to deliver them at a lower market price than the current one. In that case, the Fund would suffer a loss amounting to the price difference less the option premium received.
- Futures contracts are associated with the risk that the Company will be required, on behalf of the Fund, to bear the difference between the price upon conclusion and the market price upon maturity

or closing out of the transaction. The Fund would therefore incur losses. The risk of loss cannot be determined when concluding the futures contract.

- A necessary conclusion of an offsetting transaction (close-out) is associated with costs.
- Forecasts made by the Company on the future performance of underlying instruments, interest rates, prices and foreign exchange markets may subsequently prove to be incorrect.
- Assets underlying the derivatives may not be purchased or sold at a favourable time or have to be purchased or sold at an unfavourable time.

With over-the-counter (OTC) transactions, the following risks may occur:

- There may be no organised market, meaning that the Company may find it difficult or impossible to sell financial instruments purchased on the OTC market on behalf of the Fund.
- As a result of the individual agreement, the conclusion of an offsetting transaction (close-out) may be difficult, not possible or associated with significant costs.

### **Risks associated with receiving collateral**

The Company receives collateral for derivative transactions. Derivatives may increase in value. In this case, the collateral provided may become insufficient to cover the full delivery and return claims of the Company vis-à-vis the counterparty.

The Company may invest cash collateral in blocked accounts, high-quality government bonds, or money market funds with a short maturity structure. However, the credit institution where the bank deposits are held may default. Government bonds or money market funds may decrease in value. At the end of the transaction, the full amount of the invested collateral may no longer be available, even though the original amount must be returned by the Company on behalf of the Fund. The Fund would then have to bear the losses incurred from the collateral.

### **Risk associated with securitisation positions without a deductible**

The Fund may only purchase transferable securities that securitise loans (loan securitisation positions) and were issued after 1 January 2011 if the debtor retains at least 5% of the volume of the securitisation as a deductible and complies with other requirements. The Company is therefore obliged to take remedial measures in the interest of the investors if there are securitisations in the Fund's assets that do not comply with these EU standards. Under these remedial measures, the Company may be forced to sell such securitisation positions. As a result of the legal regulations for banks, fund companies and insurance companies, there is the risk that the Company will not be able to sell the securitisation positions, or will only be able to do so at significant price discounts or after an extensive delay. This may result in losses for the Fund.

### **Inflation risk**

Inflation carries a devaluation risk for all assets. This also applies to assets held in the Fund. The inflation rate may be higher than the capital growth of the Fund.

**Currency risk**

The Fund's assets may be invested in currencies other than that of the Fund. The Fund shall receive the income, repayments and proceeds from such investments in the relevant currency. If the value of this currency falls in relation to the Fund currency, the value of such investments, and thereby that of the Fund, shall also fall.

**Concentration risk**

If the investment is concentrated in certain assets or markets, this means that the Fund is heavily dependent on the performance of these assets or markets.

**Risks associated with investing in investment units**

The risks for investment funds whose units are acquired for the Fund ("target funds") are closely linked to the risks associated with the assets held in these target funds and/or the investment strategies pursued by said target funds. Since the managers of the individual target funds act independently of each other, it is possible for several target funds to act according to the same or opposing investment strategies. This may result in existing risks being built up and possible opportunities cancelling each other out. The Company is not normally in a position to control the management of target funds. Their investment decisions do not necessarily have to conform to the assumptions or expectations of the Company. Often, the Company may not be completely up-to-date as to the current composition of the target funds. Should this composition not meet the Company's assumptions or expectations, it may, where applicable, only be able to react with considerable delay by returning target fund units.

Open-ended investment funds, whose units are acquired for the Fund, may also temporarily restrict or suspend the redemption of units. The Company would then be prevented from disposing of the units in the target fund by returning them to the Management Company or Custodian of the target fund against payment of the redemption price.

**Risks resulting from the investment spectrum**

In observance of the investment principles and restrictions laid down by law and the Terms and Conditions of Investment, which provide for a broad framework for the Fund, the actual investment policy can also be geared towards acquiring assets by, for example, focusing on only a few sectors, markets or regions/countries. This concentration on a few specific investment sectors may entail risks (e.g. narrow markets, high volatility within certain economic cycles). The annual report provides information as to the content of the investment policy over the relevant reporting period.

**Risks of the Fund's limited or increased liquidity in relation to multiple subscriptions or redemptions (liquidity risk)**

The risks that may have a negative impact on the Fund's liquidity are shown below. This may lead to the Fund not being able to meet its payment obligations temporarily or permanently and to the Company not being able to meet the redemption requests of investors temporarily or permanently. Investors may not be able to hold their investment for the length of time envisaged and the invested capital or parts thereof may not be available to the investors for an indefinite period. The materialisation of liquidity risks may also cause a decrease in the value of the Fund's assets and thereby a decrease in the

unit value, for example, if the Company were forced to sell assets on behalf of the Fund, at less than their market value, to the extent legally permitted. If the Company is unable to meet the redemption requests of the investors, this may also result in the restriction or suspension of the redemption and, in extreme cases, in the subsequent liquidation of the Fund.

### **Risk associated with investing in assets**

Assets that are neither admitted to a stock exchange nor admitted to an organised market nor included in this market may also be acquired for the Fund. These assets may only be sold on at significant price discounts, with a time delay or not at all. Even assets admitted to a stock exchange may, depending on the market situation, volume, time frame and planned costs, be sold only at high price discounts or not sold at all. Although it is only possible to acquire assets for the Fund that can, in principle, be liquidated at any time, it cannot be ruled out that they can only be sold temporarily or permanently whilst realising losses.

### **Risk from borrowing**

The Company may take out loans on behalf of the Fund. Variable-interest loans may have a negative impact on the Fund's assets in the event of rising interest rates. If the Company has to pay back a loan and may not offset it with follow-up financing or the liquidity of the Fund, it may be forced to sell assets prematurely or at worse conditions than planned.

### **Risks associated with increased volumes of redemptions or subscriptions**

Investor buying and selling orders add liquidity to or remove it from the Fund's assets. These inflows and outflows may result in a net inflow or outflow from the Fund's liquid assets after netting, which may cause the fund manager to buy or sell assets, resulting in transaction costs. This applies in particular if the inflows and outflows exceed or do not reach the limit set for the Fund by the Company. The resulting transaction costs are charged to the Fund's assets and may adversely affect the Fund's performance. For inflows, increased Fund liquidity may adversely affect the Fund's performance if the Company cannot invest the funds under appropriate conditions.

### **Counterparty risk including loan and receivables risk**

The risks which may result for the Fund from a business relationship with another party (so-called counterparty) are shown below. There is the risk that the counterparty may no longer be able to meet its agreed obligations. This may have an adverse impact on the Fund's performance, and thereby on the unit value and the capital invested by the investor.

### **Risk of counterparty default/counterparty risks (not including central counterparties)**

The default of an issuer (referred to hereinafter as the "issuer") or a contracting partner (referred to hereinafter as the "counterparty") against whom the Fund has claims may result in losses for the Fund. Issuer risk refers to the impact of particular developments concerning a given issuer that, in addition to the influence exerted by general trends in capital markets, affect the price of a transferable security. Even when the utmost care is exercised in selecting the transferable securities, it cannot be ruled out that losses may be incurred due to the financial collapse of issuers. The party of a contract entered into on behalf of the Fund may default, either in whole or in part (counterparty risk). This applies to all contracts entered into on behalf of the Fund.

### **Risk associated with central counterparties**

A central counterparty (CCP) acts as an intermediary on behalf of the Fund in certain transactions, particularly for derivative financial instruments. In this case, he acts as the buyer vis-à-vis the seller and vice versa. A CCP hedges itself against the risk that its business partners are unable to provide the agreed services with a range of protective mechanisms which enable it to offset losses from transactions it enters into at all times (e.g. with collateral). Despite such protective mechanisms, it is still possible for a CCP to become insolvent and to default, which could also affect claims of the Company on behalf of the Fund. Losses may occur for the Fund as a result.

### **Operational and other risks for the Fund**

The risks that may occur in the Company or with external third parties as a result of human or system error are shown below. These risks set out below may have an adverse impact on the Fund's performance, and thereby on the unit value and the capital invested by the investor.

#### **Risks associated with criminal acts, grievances or natural disasters**

The Fund may fall victim to fraud or other criminal acts. It may suffer losses due to misunderstandings or mistakes by employees of the Company or external third parties or be damaged by external events such as natural disasters.

#### **Country or transfer risk**

There is the risk that, despite being able to pay, a foreign debtor cannot provide payment in good time or at all or only in a different currency as a result of the inability or unwillingness of its country of domicile to transfer the currency or for other reasons. Thus, for example, payments to which the Company is entitled to on behalf of the Fund may fail to be made or may be made in a currency that is no longer convertible or must take place in another currency due to foreign exchange restrictions. If the debtor pays in another currency, this position is subject to the aforementioned currency risk.

#### **Legal and political risks**

Investments may be made on behalf of the Fund in jurisdictions where German law does not apply or, in the event of legal disputes, where the place of jurisdiction is outside Germany. The resulting rights and obligations of the Company on behalf of the Fund may vary from those in Germany, to the disadvantage of the Fund or investor. Political or legal developments, including changes to the legal framework in these jurisdictions, may be identified by the Company either too late or not at all, or result in restrictions on acquirable assets or those already acquired. Such situations may also be brought about by changes in the German legal framework relating to the Company and/or the management of the Fund.

#### **Changes to the taxation framework, tax risk**

The tax information in this Sales Prospectus is based on the currently known legal position. The brief information on tax regulations is intended for persons subject to unlimited income or corporate tax in Germany. However, no assurance can be given that this tax treatment will not change as a result of legislation, case law or decrees issued by the tax authorities.



**Key person risk**

A very positive investment performance of the Fund during a particular period may also be depend on the suitability of the acting persons and therefore on the right management decisions. The members of the fund management may, however, change. New decision-makers may not be as successful.

**Custody risk**

A risk of loss that may result from insolvency, due diligence violations or the custodian and force majeure is associated with assets being held in custody, especially abroad.

**Risks associated with trading and clearing mechanisms (settlement risk)**

The settlement of transferable security transactions bears the risk that a contractual party delays payment or does not pay as agreed or that the securities are not delivered in good time. This settlement risk also occurs when trading with other assets for the Fund.

**8. Explanation of the Fund's risk profile**

**The factors listed below, which give rise to both opportunities and risks, have a particular influence on the Fund's performance:**

- **Developments on the international equity markets.**
- **Developments on the international futures markets.**
- **Developments on the international foreign exchange markets.**
- **Company-specific developments.**
- **Development of yield differences between government securities and corporate bonds (spread development).**
- **The Fund may concentrate its investments for a time to a greater or lesser degree on particular sectors, countries or market segments. This may also result in opportunities and risks.**

**Further information regarding the risk profile of the Fund can be found in its KIID, which can be downloaded from the Company's website (<http://www.fondsfinder.universal-investment.com>).**

**9. Increased volatility**

**Due to its composition and investment policy, the Fund is subject to increased volatility, i.e. unit prices may be subject to considerable fluctuations even within short periods.**

**10. Profile of the typical investor**

The Fund is intended for investors who are able to assess the risks and value of the investment. Investors must be willing and able to accept substantial fluctuations in the value of the units and the possibility of a significant loss of capital. The Fund is suitable for investors with a long-term investment horizon.

The Company's opinion should not be construed as investment advice; it is given in order to provide investors with an initial indication of whether the Fund is in line with their investment experience, risk appetite and investment horizon.

## **11. Investment objective, investment principles and investment policy**

### **Investment objective**

The Fund's investment objective is to achieve the highest possible increase in value.

### **Investment principles and investment policy**

The Company may acquire the following assets for the Fund:

- Transferable securities pursuant to § 5 of the General Terms and Conditions of Investment,
- Money market instruments pursuant to § 6 of the General Terms and Conditions of Investment,
- Bank deposits pursuant to § 7 of the General Terms and Conditions of Investment,
- Investment units pursuant to § 8 of the General Terms and Conditions of Investment,
- Derivatives pursuant to § 9 of the General Terms and Conditions of Investment,
- Other investment instruments pursuant to § 10 of the General Terms and Conditions of Investment.

The investment policy described below is the one being pursued at the time of this Sales Prospectus being prepared. However, it may change at any time, within the framework defined by the Terms and Conditions of Investment.

The Company acquires and sells the eligible assets based on its assessment of the economic and capital market situation and other stock market prospects.

The Fund is composed of at least 51% of shares of small and medium-sized enterprises in German-speaking countries, which have a market capitalisation of up to EUR 5 billion and an annual turnover not exceeding EUR 3 billion.

The investment decisions for the Fund take into account a wide range of environmental and social characteristics, including, for example:

#### Environment

- Climate change
- Pollution
- Forest clearing
- Environmentally friendly technologies
- Greenhouse gas emissions

#### Social

- Working conditions
- Health and safety
- Fairtrade products

- Employee relations and diversity
- Local communities

#### Corporate governance

- Bribery and corruption
- Compensation structure
- Structure of the supervisory bodies
- Cyber security
- Unfair business practices

Investments are made in stocks that meet the Berenberg sustainability criteria. ESG factors are integrated into investment decisions to ensure efficient risk management and to generate long-term sustainable returns.

ESG risks and opportunities are considered not only in investment decisions, but also throughout the holding period, and applied as decision-making criteria for selling.

ESG analyses are regularly carried out as part of portfolio monitoring:

- Monitoring of each individual stock in relation to various ESG issues.
- Regular critical and constructive dialogue with the company's management team.
- Early identification of issues that could raise ethical questions and potential risks as well as trends and opportunities arising from ESG issues.

The ESG risk and opportunity analysis is based on internal research, discussions with the companies and data from external data providers. Relevant ESG issues are openly discussed and monitored within the investment team and in dialogue with the ESG Office. Based on a bottom-up approach, a fundamental evaluation process applies exclusion criteria and analyses industry-relevant ESG criteria, among other things, to determine a sustainability profile for companies. In addition to ESG compliance, long-term profitability remains the key selection factor.

ESG exclusion criteria are applied to potential investments to ensure compliance with minimum ESG standards. The evaluation is based on data from external data providers, which is automatically made available in our systems. The ESG exclusion process excludes companies associated with certain products or activities, such as controversial weapons or coal mining and coal-fired power generation (for more information, please refer to the 'Berenberg Wealth and Asset Management ESG Exclusion Criteria' / 'Berenberg Wealth and Asset Management Exclusion Policy' publicly available at [www.berenberg.de](http://www.berenberg.de)). The Berenberg ESG exclusion criteria set a minimum standard from an ESG perspective that companies must meet in order to be eligible for investment for the portfolio. In addition, based on the ESG controversy analysis of our external ESG data provider, we identify all companies that are involved in particularly serious ESG controversies. These are generally excluded for investment. In the event of serious ESG controversies, the portfolio management enters into direct engagement with the company, both in the case of existing holdings and in the case of potential new investments, in order to analyse the controversy with the company and make a final investment decision based on this.

Portfolio management regularly engages with companies/issuers on their approach to ESG and sustainability aspects and related issues. Existing and/or potential ESG controversies as well as other ESG-relevant aspects are addressed as part of a structured engagement process. Through this engagement,

portfolio management can determine whether a company/issuer acknowledges existing and/or potential issues and develops strategies to address them as well as identify ESG/sustainability opportunities. For more information on the engagement approach, please refer to the 'Berenberg Wealth and Asset Management Engagement Policy', which is publicly available at [www.berenberg.de](http://www.berenberg.de).

In addition, based on the 'Berenberg Wealth and Asset Management Proxy Voting Policy', recommendations for voting at general meetings of portfolio companies are defined by the portfolio management in cooperation with the Berenberg Wealth and Asset Management ESG Office. The Berenberg Wealth and Asset Management ESG Office passes on these recommendations to the Management Company, which in turn takes these recommendations into account when exercising voting rights.

The Fund invests exclusively in companies that demonstrate good corporate governance practices and adhere to internationally recognised corporate responsibility standards. These include the UN Global Compact Principles and the standards of the International Labour Organisation (ILO). This is ensured both through the application of exclusion criteria as well as through ESG risk management and the dedicated ESG analysis, into which indicators and information on good corporate governance of the analysed issuers are incorporated in each case.

The following is used as the benchmark index for the Fund: 50% MDAX<sup>®</sup> (TR) EUR<sup>2</sup> and 50% SDAX<sup>®</sup> (TR) EUR<sup>3</sup>. The benchmark index for the Fund is determined by the Company and may be changed if necessary. However, the Fund does not aim to replicate the benchmark index but rather aims to achieve absolute performance independently of the benchmark index. The content and performance of the Fund may differ significantly and even completely, positively or negatively, from the benchmark index over a long-term period.

The benchmark index MDAX<sup>®</sup> (TR) EUR and SDAX<sup>®</sup> (TR) EUR are administered by Deutsche Börse AG. Deutsche Börse AG is not on the public register of administrators and reference values of ESMA, the European Securities and Markets Authority, as specified in Regulation (EU) 2016/1011. This register did not exist at the time when this Sales Prospectus was produced.

This Fund promotes environmental and social characteristics within the meaning of Article 8 of the Disclosure Regulation.

Due to the planned investment strategy, the turnover rate in the Fund may vary heavily (and thus, over time, may result in variable transaction costs being charged to the Fund).

The Fund currency is the euro.

**No assurance can be given that the investment policy's objectives will be fulfilled. In particular, there is no guarantee that investors will get back all the assets they have invested in the Fund (see Section 7 "Risk information").**

<sup>2</sup> MDAX<sup>®</sup> is a registered trademark of Deutsche Börse AG.

<sup>3</sup> SDAX<sup>®</sup> is a registered trademark of Deutsche Börse AG.

## 12. Investment instruments in detail

The Company may purchase the assets specified in the "Investment principles and investment policy" section within the investment limits shown in the "Investment limits for securities and money market instruments using derivatives and bank deposits" as well as "Investment units" below. Details on these assets and the investment limits applicable for them are shown below.

### Securities

The Fund may consist entirely of transferable securities pursuant to § 5 of the General Terms and Conditions of Investment.

The Company may acquire transferable securities of domestic and foreign issuers on behalf of the Fund if they

1. are admitted to trading on a stock exchange or admitted to or included in another organised market in a Member State of the European Union ("EU") or another State party to the Agreement on the European Economic Area ("EEA");
2. are exclusively admitted to trading on a stock exchange in a state outside the EU or the EEA, or are admitted to trading or included in another organised market in one of these states, provided that BaFin has approved the choice of this stock exchange or organised market.

Recently issued transferable securities may be acquired if, in accordance with their terms of issue, an application must be made for admission to or inclusion in one of the stock exchanges or organised markets indicated in points 1 and 2 above, and the admission or inclusion is made within one year of issue.

The following shall also be considered "transferable securities" within this sense:

- Units in closed-ended investment funds in a contractual or corporate form that are subject to control by the unitholder (corporate control); in other words, the unitholder must have voting rights relating to important decisions and the right to monitor the investment policy using appropriate mechanisms. The investment fund must also be managed by a legal entity that is subject to the regulations concerning investor protection, unless the investment fund is launched in the form of a company and the activity of the asset manager is not undertaken by another legal entity.
- Financial instruments collateralised by other assets or linked to the performance of other assets. If derivative components are embedded in such financial instruments, other requirements apply so that the Company may acquire these as transferable securities.

Transferable securities may only be acquired under the following conditions:

- The potential loss that the Fund may incur must not exceed the transferable security's purchase price. There must not be any obligation to provide additional funding.
- The lack of liquidity of the transferable security acquired by the Fund must not lead to the Fund becoming unable to fulfil the statutory requirements concerning the redemption of units. This applies whilst taking into account the statutory option to restrict or suspend the redemption of units in specific cases (see the sections entitled "Issue and redemption of units" and "Restriction on unit redemption or Suspension of unit redemption").

- A reliable valuation of the transferable security using exact, reliable and regular prices must be available; these must either be market prices or have been made available by a valuation system independent from the transferable security's issuer.
- Adequate information concerning the transferable security must be available, either in the form of regular, accurate and comprehensive information on the transferable security's market or in the form of any associated securitised portfolio.
- The transferable security is tradable.
- The acquisition of the transferable security must be in accordance with the Fund's investment objectives and investment strategy.
- The risks of the transferable security are adequately addressed by the Fund's risk management.

In addition, transferable securities may be acquired in the following forms:

- Shares to which the Fund is entitled in the event of a capital increase from Company funds.
- Transferable securities acquired through the exercise of subscription rights held by the Fund.

Subscription rights may also be acquired for the Fund as transferable securities within this sense, provided that the transferable securities attributable to these subscription rights are included in the Fund.

## Money market instruments

Up to 49% of the Fund's assets may be invested in money market instruments subject to the provisions in § 6 of the General Terms and Conditions of Investment.

On behalf of the Fund, the Company may invest in money market instruments that are normally traded on the money market, as well as in interest-bearing transferable securities, which have

- a maturity or residual maturity not exceeding 397 days at the time of acquisition for the Fund;
- a maturity or residual maturity exceeding 397 days at the time of acquisition for the Fund, provided that pursuant to their terms of issue, their interest is regularly adjusted to market conditions at least once every 397 days; or
- a risk profile that corresponds to the one of transferable securities that fulfil the criterion for residual maturity or interest adjustment.

Money market instruments may be acquired for the Fund if they are

1. admitted to trading on a stock exchange or admitted to or included in another organised market in an EU Member State or another State party to the EEA Agreement;
2. exclusively admitted to trading on a stock exchange in a third country or another State party to the EEA Agreement, or are admitted or included in another organised market in one of these states, provided that the choice of stock exchange or organised market has been approved by BaFin.
3. issued or guaranteed by the EU, the Federal Republic of Germany, a German federal government fund, a German federal state, another EU Member State or another national, regional or local authority or the central bank of an EU Member State, the European Central Bank or the European Investment Bank, a third country or, if the country is a Federal State, by one of the members making

up the Federal State, or a public international body to which one or more EU Member States belong;

4. issued by an undertaking whose transferable securities are traded on the markets stated in points 1 and 2 above;
5. issued or guaranteed by a credit institution subject to prudential supervision, in accordance with criteria defined by EU law, or a credit institution that is subject to and complies with prudential rules considered by BaFin to be equal to those of EU law;
6. issued by other issuers, and the issuer in question is
  - (a) a company with capital amounts to at least EUR 10 million and which presents and publishes its annual accounts in accordance with the European Directive on annual accounts of companies with limited liability; or
  - (b) an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group; or
  - (c) an entity that issues money market instruments subject to obligations, through the use of a banking liquidity line. These are products where credit claims of banks are securitised (asset-backed securities).

All the aforementioned money market instruments may only be acquired if they are liquid and their value can be precisely determined at any time. Money market instruments are considered liquid if they can be sold within a sufficiently short time at a limited cost. It is important to note that the Company is obliged to redeem units in the Fund at the request of investors and dispose of such money market instruments at short notice accordingly. The money market instruments must in addition be subject to an exact, reliable assessment system which enables the determination of the net asset value of the money market instrument and is based on market data or valuation models (including systems based on amortised acquisition costs). The liquidity criterion is considered to have been met for money market instruments if these are admitted to or included in an organised market within or outside the EEA, provided that BaFin has approved the choice of this market. This does not apply if the Company has evidence which indicates that the money market instruments do not have sufficient liquidity.

For money market instruments not listed on a stock exchange or authorised for trade on a regulated market (see points 3–6 above), the issue or issuer of these instruments must also be subject to deposit and investor protection. For instance, for these money market instruments there must be appropriate information available to enable an appropriate assessment of the credit risks associated with the instruments; the money market instruments must also be freely transferable. The credit risks may be assessed, for example, by means of an analysis of a credit assessment conducted by a rating agency.

These money market instruments are also subject to the following requirements, unless they have been issued or guaranteed by the European Central Bank or the central bank of an EU Member State:

- If they are issued or guaranteed by the following bodies (stated above in point 3):
  - the EU,
  - the German federal government,
  - a German federal government fund,

- a German state,
- another EU Member State,
- another central authority,
- the European Investment Bank,
- a third country or, if this country is a federal state, by one of the members making up the federation,
- a public international body to which one or more Member States belong,

adequate information must be available with regard to the issue or issuance programme or the issuer's legal and financial situation before the money market instrument is issued.

- If they are issued or guaranteed by a credit institution subject to supervision in the EEA (see point 5 above), appropriate information must be available with regard to the issue or issuance programme or the issuer's legal and financial situation before the money market instrument is issued; such information must be updated on a regular

basis and whenever a significant event occurs. In addition, data (e.g. statistics) related to the issue or issuance programme must be available so that the credit risks associated with the investment can be properly assessed.

- If they are issued by a credit institution that is subject to prudential rules outside the EEA, which are considered by BaFin to be equivalent to those for a credit institution within the EEA, one of the following requirements must be met:
  - The credit institution maintains a registered office in a member state of the Organisation for Economic Co-operation and Development (hereinafter referred to as the "OECD") that is also part of the Group of Ten (G10, group of leading industrialised countries).
  - The credit institution has a rating that qualifies as "investment grade", as a minimum. "Investment grade" refers to a rating of "BBB" or "BAA" or higher, as part of the creditworthiness check by a rating agency.
  - A comprehensive analysis of the issuer may be used to demonstrate that the prudential rules applicable to the credit institution are at least as stringent as those under EU law.
- For other money market instruments not listed on a stock exchange or admitted to trading on a regulated market (see points 4 and 6 above as well as the others listed under point 3), appropriate information with regard to the issue or issuance programme, as well as the issuer's legal and financial situation, must be made available before the money market instrument is issued; a qualified third party that is independent of the issuer must update such information on a regular basis and whenever a significant event occurs. In addition, data (e.g. statistics) related to the issue or issuance programme must be available so that the credit risks associated with the investment can be properly assessed.

## Bank deposits

Up to 49% of the Fund's assets may be invested in bank deposits.



The Company may only hold bank deposits with a maximum term of 12 months on behalf of the Fund.

These deposits are to be held in blocked accounts with credit institutions that have their registered office in an EU Member State or another State party to the EEA Agreement. They can also be held with credit institutions that have their registered office in a third country where the prudential rules are considered by BaFin to be equivalent to EU law.

## **Investment limits for transferable securities and money market instruments, including the use of derivatives and bank deposits**

### **General investment limits**

The Company may invest up to 10% of the Fund's assets in transferable securities and money market instruments of a single issuer (debtor). In this event, the total value of the transferable securities and money market instruments of these issuers (debtors) may not exceed 40% of the Fund. In addition, the Company may invest only 5% of the Fund's assets in transferable securities and money market instruments of any single issuer. The issuers of transferable securities and money market instruments must also be taken into account within the limits specified if the transferable securities and money market instruments issued by them are acquired indirectly through other transferable securities included in the Fund that are linked to their performance.

The Company may not invest more than 20% of the Fund's assets in bank deposits at a single credit institution.

### **Investment limit for bonds with special cover funds**

The Company may invest up to 25% of the Fund's assets in mortgage bonds, public-sector bonds or bonds issued by a credit institution with its registered office in an EU Member State or in another State party to the EEA Agreement. This is subject to the condition that the funds received with the bonds is invested so as to cover the liabilities of the bonds over their entire term, and are primarily allocated to the payment of principal and interest should the bond issuer default. If more than 5% of the Fund's assets is invested in such bonds of a single issuer, the total value of these bonds must not exceed 80% of the Fund's assets.

### **Investment limits for public issuers**

The Company may invest up to 35% of the Fund's assets in bonds, borrower's note loans and money market instruments issued by specific national and supranational public issuers. These public issuers include the German federal government, German states, EU Member States and their local authorities, third countries, and supranational public bodies to which one or more Member States belong.

### **Combination of investment limits**

The Company may invest a maximum of 20% of the Fund's assets in a combination of the following:

- securities or money market instruments issued by a single body,
- deposits made with that body, i.e. bank deposits,

- attributable amounts for the counterparty risk of transactions entered into with that body in derivatives.

The individual maximum limits in question shall remain the same.

### **Investment limits using derivatives**

The amounts of transferable securities and money market instruments of an issuer that are taken into account for the limits stated above can be reduced by using counter-market derivatives whose underlying instruments are transferable securities or money market instruments of this same issuer. As a result, transferable securities or money market instruments of a single issuer may be acquired on behalf of the Fund in excess of the aforementioned limits, if the resulting increased issuer risk is once again reduced by hedging transactions.

### **Other investment instruments and their investment limits**

The Company may invest up to 10% of the Fund's assets in the following other investment instruments:

- Transferable securities that are not admitted to trading on a stock exchange or admitted to or included in another organised market, but meet the criteria for transferable securities. By way of derogation from traded or admitted transferable securities, the reliable valuation for these transferable securities must be available in the form of a valuation that is conducted at regular intervals and derived from information from the issuer or a competent financial analysis. Appropriate information related to transferable securities that are not admitted to or included in another organised market must be available in the form of regular and precise information from the Fund, or the associated portfolio must be available, if applicable.
- Money market instruments of issuers that do not meet the aforementioned requirements, if they are liquid and their value can be precisely determined at any time. Money market instruments are considered liquid if they can be sold within a sufficiently short time at a limited cost. It is important to note that the Company is obliged to redeem units in the Fund at the request of investors and dispose of such money market instruments at short notice accordingly. There must also be a precise and reliable valuation system that can determine the net assets value of money market instruments or is based on market data or valuation models, such as systems that extrapolate acquisition costs. The liquidity criterion is considered to have been met for money market instruments if these are admitted to or included in an organised market within or outside the EEA, provided that BaFin has approved the choice of this market.
- New issued of shares if their terms of issue specify:
  - their admission to trading on a stock exchange in an EU Member State or another State party to the EEA Agreement, or their admission to or inclusion in an organised market of an EU Member State or another State party to the EEA Agreement, must be applied for in accordance with their terms of issue, or
  - their admission to trading on a stock exchange or their admission or inclusion on an organised market that is not in an EU Member State or in a State party to the EEA Agreement must be applied for in accordance with their terms of issue, provided this choice of stock exchange or organised market has been approved by BaFin;

provided that the admission or inclusion thereof takes place within one year of their issue.

- Borrower's note loans that can be assigned at least twice after being acquired for the Fund and have been granted by one of the following bodies:
  - a) the German federal government, a German federal government fund, a German state, the EU or an OECD Member State;
  - b) another domestic authority or a regional government or local authority of another EU Member State or another State party to the EEA Agreement, if the claim can be treated according to the regulations on prudential requirements for credit institutions and securities companies in the same way as one against the central government in whose sovereign area the regional government or authority is located,
  - c) other corporations or institutions under public law with their registered offices in Germany, another EU Member State or another state party to the EEA Agreement,
  - d) companies that issue transferable securities that are admitted to trading on an organised market within the EEA or on another regulated market meets the essential requirements of regulated markets within the meaning of the current version of the directive on markets in financial instruments, or
  - e) other debtors, provided one of the bodies referred to in (a)–(c) above has guaranteed the payment of interest and repayment of principal.

## Investment limits for tax reasons

More than 50 % of the value of the actual asset (the amount of the actual asset is defined in relation to the value of the investment fund's assets within the meaning of § 1(2) of the InvStG, excluding liabilities) of the Fund is invested in equity interests within the meaning of § 2(8) of the InvStG that can be acquired for the Fund in accordance with the investment conditions (equity fund within the meaning of § 2(6) of the InvStG). In so doing, the actual equity interest rate of target investment funds within the meaning of the first sentence of § 2(5)(1) of the InvStG that can be acquired for the Fund in accordance with these investment conditions can be taken into account.

## Investment units

The Company may invest up to 10% of the Fund's assets in units of target funds provided that they are open-ended domestic and foreign investment funds.

The Company selects the target fund to be acquired either in accordance with said target fund's terms and conditions of investment or its investment focus, or its most recent annual or semi-annual report. It may acquire all permitted types of units in domestic investment funds and investment corporations with variable capital and units in EU UCITS and open-ended investment funds (which are not EU UCITS) managed by EU management companies or foreign management companies. The Company is not restricted in its selection with regard to the target fund's origin or location.

The target funds may invest a maximum of up to 10% in units of other open-ended investment funds in accordance with their terms and conditions of investment. For AIF units, the following requirements must also be met:

- The target fund must have been approved in accordance with legal provisions that place it under effective public supervision in order to protect investors, and there must be adequate provision for ensuring cooperation between the supervisory authorities.
- The investors' protection level must be equivalent to that of an investor in a domestic UCITS, particularly with regard to the segregation of management and custody of assets, borrowing, lending and the short selling of transferable securities and money market instruments.
- The business operations of the target fund must be the subject of annual and semi-annual reports that permit an assessment to be made of the assets and liabilities, income and transactions arising during the reporting period.
- The target fund must be a public fund for which there is no limit as to the number of units and the investors have a right to redeem said units.

The Company may not acquire on behalf of the Fund more than 25% of the units issued by a target fund.

Target funds may temporarily restrict or suspend the redemption of units within the statutory framework. In this case, the Company may not return the units in the target fund to the management company or custodian or a target fund against payment of the redemption price (refer also to the section entitled "Risk information - Risks associated with investing in investment units"). The Company's website (<https://www.universal-investment.com>) provides information as to whether and to what extent the Fund holds units of target funds that have currently suspended the redemption of units.

## Derivatives

**As part of its investment strategy, the Company may conduct derivative transactions on behalf of the Fund. In addition to using derivative transactions for hedging purposes, they may be used for effective portfolio management and generating additional income, i.e. also for speculative purposes. As a result, the risk of loss for the Fund may increase, at least temporarily.**

Derivatives are instruments whose prices depend on the price fluctuations/expectations of other assets (underlying instrument). The information below applies both to derivatives and to financial instruments with derivative components (hereinafter collectively referred to as 'derivatives').

Using derivatives must not more than double the Fund's market risk (market-risk limit). 'Market risk' is the risk of loss arising from fluctuations in the market value of assets held in the Fund; these are due to changes in variable market prices and/or rates such as interest rates, exchange rates, equity and commodity prices or changes in an issuer's credit rating. The Company must adhere to its market-risk limit at all times. The Company must determine the extent to which the market-risk limit has been reached on a daily basis, in accordance with legal requirements deriving from the Regulation on risk management and assessment when using derivatives, securities lending and repurchase agreements in investment funds under the Capital Investment Code (hereinafter referred to as 'the Derivatives Regulation').

In order to determine the extent to which the market-risk limit has been reached, the Company uses the simple approach as defined in the Derivatives Regulation. It sums up the attributable amounts of all derivatives that increase the investment rate. The market value of the underlying is used as the basis for the attributable amount for derivatives and financial instruments with derivative components. The sum of the attributable amounts for market risk through the use of derivatives and financial instruments with derivative components must not exceed the value of the Fund's assets.

The Company may acquire derivatives on a regular basis only if it is permitted to acquire the underlyings of such derivatives on behalf of the Fund or if the risks that these underlyings represent could also have arisen through assets in investment funds that the Company may acquire on behalf of the Fund. The Company may, on behalf of the Fund, acquire:

- Basic forms of derivatives
- Combinations of such derivatives
- Combinations of such derivatives with other assets that may be acquired for the Fund.

The Company can accurately capture and measure all market risks in the Fund that arise from the use of derivatives.

The Company may, on behalf of the Fund, acquire the following types of derivatives:

- a) Futures contracts on transferable securities, money market instruments, interest rates, exchange rates or currencies and financial indices that are sufficiently diversified to provide an adequate reference basis for the market to which they relate and published appropriately ("qualified financial indices").
- b) Options or warrants on transferable securities, money market instruments, interest rates, exchange rates or currencies and on futures contracts in accordance with (a) above, as well as qualified financial indices if the options or warrants have the following characteristics:
  - exercise is possible either during the entire term or at the end thereof; and
  - the value of the option at the exercise date is linearly dependent on the positive or negative difference between the underlying price and the market price of the underlying, and becomes zero if the difference has the opposite (plus/minus) sign;
- c) interest rate swaps, currency swaps or interest rate-currency swaps;
- d) options on swaps in accordance with (c), provided that they bear the characteristics described in (b) above (swaptions);
- e) single name credit default swaps.

A negligible share of the investment strategy may be based on a "complex strategy". The Company may also invest a negligible share in complex derivatives. A negligible share is assumed if it does not exceed a maximum loss of 1% of the Fund's value.

## **Futures contracts**

Futures contracts are unconditionally binding on both contracting parties; they require them to buy or sell a specific quantity of a certain underlying at a predetermined price and at a specific date (due date)

or within a determined time frame. Within the scope of the investment principles, the Company may enter into futures contracts on behalf of the Fund on all assets the Fund may acquire and that may serve as underlying instruments for derivatives in accordance with the Terms and Conditions of Investment.

## Option contracts

Option contracts grant a third party the right against payment (option premium) to request the delivery or purchase of assets or the payment of a differential amount or to acquire corresponding option rights at a predetermined price (exercise price) during or at the end of a certain period of time. The Company may trade in options on behalf of the Fund in accordance with the investment principles.

## Swaps

Swaps are agreements exchanging the underlying payment flows or risks between the contracting parties. The Company may, on behalf of the Fund and in accordance with the investment principles, enter into

- interest rate swaps
- currency swaps
- interest and currency swaps
- variance swaps
- equity swaps
- credit default swaps.

## Swaptions

Swaptions are options on swaps. A swaption is the right, but not the obligation, to enter into a swap, the conditions of which are clearly specified, at a given time or within a given period. The principles listed in connection with option contracts also apply. On behalf of the Fund, the investment company may only conclude swaptions that are composed of the options and swaps described above.

## Credit default swaps

Credit default swaps are credit derivatives which enable a potential credit default volume to be passed on to third parties. The seller of the risk pays a premium to its counterparty in return for taking on the credit default risk. The company may only enter into simple standardised credit default swaps on behalf of the Fund; these are used to hedge individual credit risks within the Fund. In other respects, the information regarding swaps applies *mutatis mutandis*.

## Total return swaps

The Company is authorised to invest in total return swaps for the Fund. Total return swaps are derivatives in which all returns and fluctuations in value of an underlying asset are exchanged for an agreed fixed interest payment. One counterparty, the collateral buyer, transfers all the credit and market risk

from the underlying asset to the other counterparty, the collateral provider. In exchange, the collateral buyer pays a premium to the collateral provider.

Total return swaps can be used for the Fund in order to hedge against price losses and risks from the underlying asset. All Fund assets deemed permissible under § 197 KAGB can be the object of a total return swap. The Company does not, however, currently intend to invest in total return swaps for the Fund.

## **Securitised financial instruments**

The Company may also acquire the financial instruments described above if they are securitised. In so doing, the transactions involving these financial instruments may be only partially contained in transferable securities (e.g. warrant-linked bonds). The statements regarding opportunities and risks apply mutatis mutandis to such securitised financial instruments, but on condition that the risk of loss for securitised financial instruments is limited to the value of the transferable security.

## **OTC derivative transactions**

The Company may, on behalf of the Fund, enter into derivative transactions that are admitted to trading on a stock exchange or admitted to or included in another organised market, as well as OTC transactions. The Company may enter into derivative transactions neither admitted to trading on a stock exchange nor included in another organised market except only with suitable credit or financial services institutions on the basis of standardised framework agreements. For OTC derivatives, the counterparty risk for a contracting party is limited to 5% of the Fund's assets. If the contracting party is a credit institution with its registered office in an EU Member State, another State which is party to the Agreement on the EEA or a third country with a comparable level of supervision, the counterparty risk may be up to 10% of the value of the Fund. OTC derivatives concluded with a central clearing house of a stock exchange or another organised market as the contracting partner are not included when determining counterparty risk limits if the derivatives are subject to a daily valuation at market prices with a daily margin settlement. However, any claims the Fund may have against an intermediary must be included when determining the limits, even if the derivatives involved are traded on a stock exchange or another organised market.

## **Collateral strategy**

Within the scope of derivative transactions, the Company shall accept collateral on behalf of the Fund. The collateral serves to eliminate or partially reduce the risk of default of the contracting party to these transactions.

### **Permitted types of collateral**

For derivative transactions, the Company accepts the following assets as collateral:

- Bank deposits
- Securities
- Money market instruments

## **Scope of collateral provided**

Derivative transactions must be sufficiently collateralised to ensure that the attributable amount of the relevant counterparty's default risk does not exceed 5% of the Fund's assets. If the counterparty is a credit institution with its registered office in an EU Member State or in another State party to the EEA Agreement or in a third country in which equivalent prudential rules apply, the attributable value of the default risk may be up to 10% of the Fund's assets.

## **Valuation discount strategy (haircut strategy)**

In order to use certain valuation discounts, the Company pursues a haircut strategy on assets accepted as collateral. This covers all assets that are permitted as collateral.

## **Investment of cash collateral**

Cash collateral in the form of bank deposits may be held in blocked accounts with the Custodian of the Fund or, subject to the Custodian's consent, other credit institutions. They may only be reinvested in high-quality government bonds or in money market funds with short maturity structures.

## **Holding securities in custody as collateral**

The Company may receive securities as collateral on behalf of the Fund as part of derivative transactions. If these securities have been transferred as collateral, they must be held in custody with the Custodian. It is not permitted to reuse the securities.

## **Borrowing**

Taking out short-term loans for the joint account of investors shall be admissible for up to 10% of the Fund's assets, provided the terms of the loan are in line with the market and the Custodian agrees to the loan.

## **Leverage**

Leverage denotes any method used by the Company to increase the Fund's investment rate. Such methods include borrowing and the acquisition of derivatives with embedded leveraged financing. The Company may use these methods for the Fund to the extent described in this Sales Prospectus. For the rules on using derivatives, see "Derivatives" under the section entitled "Investment instruments in detail". The borrowing option is explained in the preceding paragraph.

The Company may, using the methods described above, at most double the market risk of the Fund ("Market risk limit", see Section 12 "Investment instruments in detail", subsection "Derivatives"). Short-term borrowings are not taken into account when calculating this limit. It restricts the use of leverage in the Fund.

Leverage is calculated by dividing the Fund's total exposure by the net asset value. The total exposure is calculated by totalling the Fund's net asset value and all nominal amounts of the derivative transactions used in the Fund. However, the leverage may fluctuate depending on market conditions, so the target level may be exceeded despite continual monitoring by the Company. The Company may use



derivatives for a number of purposes, such as hedging or optimising returns. Nonetheless, overall exposure is always calculated the same way, regardless of the purpose for which they are used. For this reason, the total nominal values do not indicate the potential risks involved for the Fund.

## **Exception: Investments made in the absence of the Asset Management Company**

If the Asset Management Company is no longer available to manage the Fund's portfolio (see rights of termination and their impacts under Section 6 "Asset Management Company"), the Company may terminate management of the Fund subject to a legal notice period of six months. The Company shall not continue to pursue the investment policy described in Section 11 "Investment objective, investment principles and investment policy" until the end of the notice period. Instead, it shall invest the Fund's assets exclusively – provided this is permitted by the investment guidelines – in bank deposits and money market instruments.

## **13. Valuation**

### **General rules for the valuation of assets**

#### **Assets admitted to a stock exchange or traded on an organised market**

Assets admitted to trading on a stock exchange or admitted or included in another organised market, as well as subscription rights for the Fund, are valued at their most recently available tradable price, unless the "Specific rules for the valuation of individual assets" specify otherwise.

#### **Assets not listed on a stock exchange or traded on organised markets, or those with no tradable price**

Assets neither admitted to trading on stock exchanges nor admitted to or included in another organised market or for which no tradable price is available, are valued at the current market value deemed appropriate on the basis of a careful assessment using suitable valuation models and taking current market conditions into account, unless the "Specific rules for the valuation of individual assets" specify otherwise.

### **Specific rules for the valuation of individual assets**

#### **Unlisted bonds and borrower's note loans**

Bonds neither admitted to trading on a stock exchange nor admitted to or included in another organised market (e.g. unlisted bonds, commercial papers and certificates of deposit) and borrower's note loans are valued on the basis of prices agreed for comparable bonds and borrower's note loans and, if applicable, the market value of bonds issued by comparable issuers with similar terms and interest rates, at a discount (if necessary) to offset the reduced saleability.

### **Options and futures contracts**

Options belonging to the Fund and the liabilities from those granted to a third party that are admitted to trading on a stock exchange or admitted to or included in another organised market are valued at their last available tradable price which ensures a reliable valuation.

This also applies to claims and liabilities from futures contracts sold on behalf of the Fund. Margins charged to the Fund shall be added to the value of the Fund, taking into consideration the valuation gains and losses determined on the trading day.

### **Bank deposits, fixed-term deposits and units in investment funds**

Bank deposits are, in principle, valued at their par value plus accrued interest.

Fixed-term deposits are valued at the market value, provided they can be terminated at any time and are not refunded at par value plus interest when terminated.

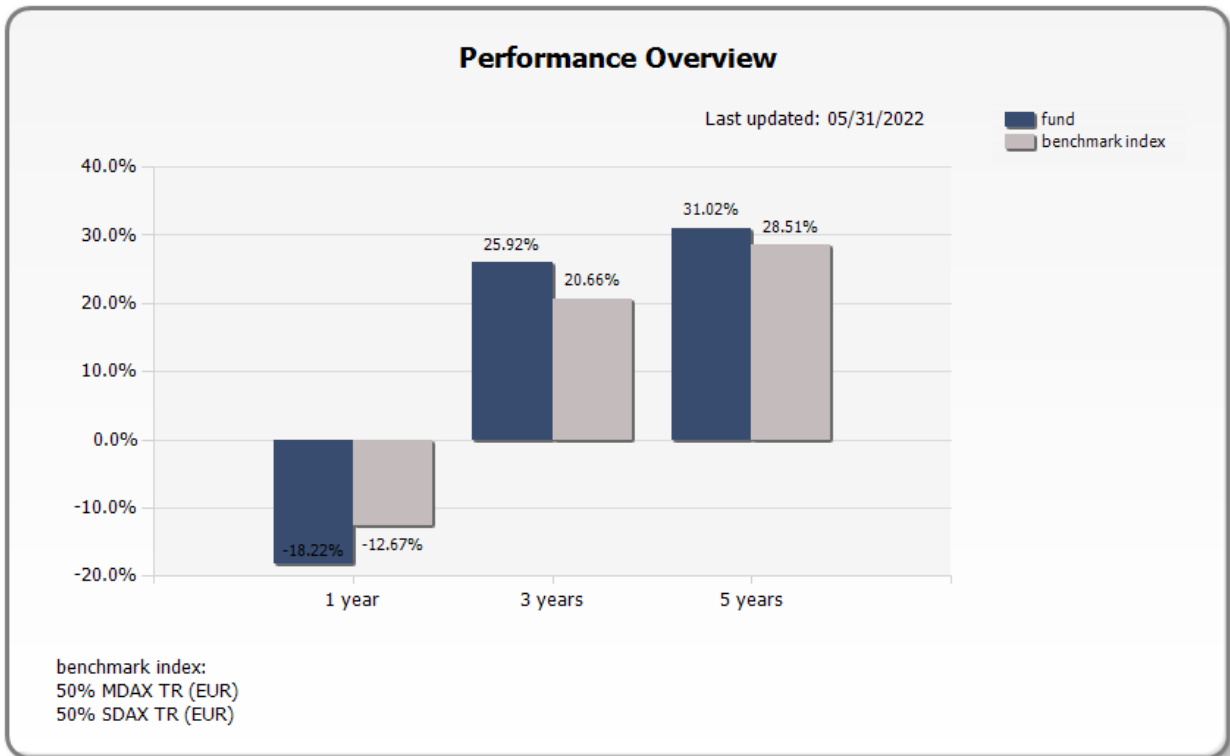
Units in investment funds (target funds) are valued, in principle, at their most recently determined redemption price or the latest available tradable price that ensures a reliable valuation. Should these values be unavailable, units in investment funds are valued at their current market value deemed appropriate on the basis of a careful assessment using suitable valuation models and taking current market conditions into account.

### **Assets denominated in foreign currencies**

Assets denominated in foreign currencies shall be converted (on the same day) into euro at their exchange rate determined on the basis of The WM Company fixing at 17:00 (CET).

## 14. Performance

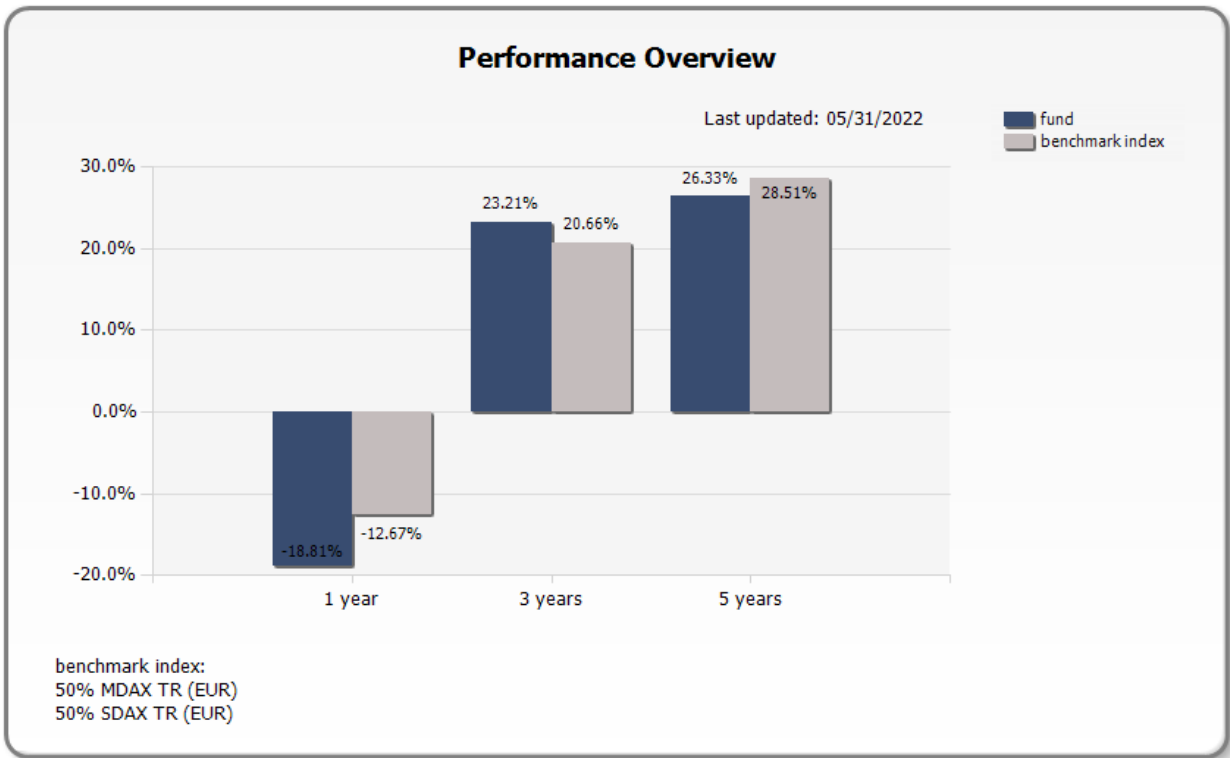
### Unit class M A



As of 1 October 2020, the benchmark for the fund is: 50% MDAX® (TR) EUR and 50% SDAX® TR (EUR).

Performance using the BVI method (excluding issuing surcharges). Past performance is no guarantee of similar results in the future. These are not possible to predict. Current performance details are published in the annual and semi-annual reports and on the Company's website (<https://www.universal-investment.com>).

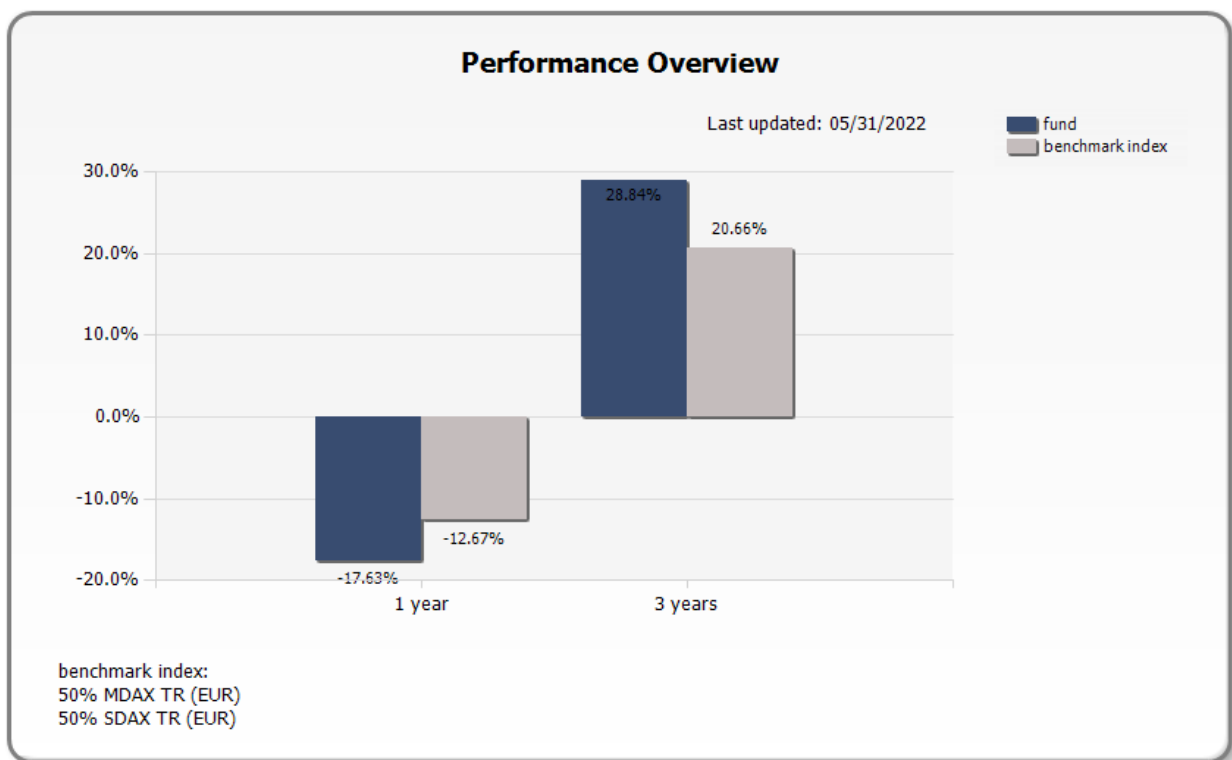
Unit class R A



As of 1 October 2020, the benchmark for the fund is: 50% MDAX® (TR) EUR and 50% SDAX® TR (EUR).

Performance using the BVI method (excluding issuing surcharges). Past performance is no guarantee of similar results in the future. These are not possible to predict. Actual performance figures are published in the annual and semi-annual reports on the company's website <https://www.universal-investment.com>.

## Unit class B A



As of 1 October 2020, the benchmark for the fund is: 50% MDAX® (TR) EUR and 50% SDAX® TR (EUR).

Performance using the BVI method (excluding issuing surcharges). Past performance is no guarantee of similar results in the future. These are not possible to predict. Actual performance figures are published in the annual and semi-annual reports on the company's website <https://www.universal-investment.com>.

As always, historic performance is not indicative of future results.

## 15. Sub-investment funds

The Fund is not a sub-investment fund under an umbrella structure.

## 16. Units

The rights of the investors are securitised in unit certificates or issued as electronic unit certificates. Securitised unit certificates are securitised exclusively in global certificates. These global certificates are held in custody by a central securities depository. Investors are not entitled to the physical delivery of unit certificates. Units may only be purchased if they are held in custody. The unit certificates are made out to the bearer.

## Issue and redemption of units

### Issue of units

In principle, there is no limit to the number of units that may be issued. The units can be acquired from the Custodian, which issues them at the issue price which is equal to their net asset value per unit ("unit value") plus an issuing surcharge. The acquisition may also be conducted via third parties; this may involve additional costs. The Company reserves the right to stop issuing units temporarily or permanently in whole or in part.

**If minimum investment amounts are specified for individual unit classes, these can be found in Section C "Overview of the unit classes".**

### Redemption of units

Investors may request the redemption of their units on each valuation day, irrespective of the minimum investment amount, provided that the Company has not restricted (see "Redemption restriction" section below) or temporarily suspended such (see "Redemption suspension" section below). Redemption orders must be placed with the Custodian or the Company. The Company is required to redeem units at the redemption price valid on the settlement date, which is equal to the unit value calculated on that date, less a redemption fee, if applicable. The redemption may also be carried out via third parties (e.g. the custodian institution), which may involve additional costs.

### Restriction on the redemption of units

The Company may restrict the redemption of units for up to 15 consecutive business days if investors' redemption requests reach at least 10% of the net asset value on a settlement date (threshold). If the threshold is reached or exceeded, the Company will decide at its reasonable discretion whether to limit redemptions on that settlement date. If it decides to restrict redemptions, it may continue to do so for up to 14 consecutive working days on a daily discretionary basis. The decision to limit redemptions may be taken if the redemption requests can no longer be executed in the interest of all investors due to the liquidity situation of the Fund. This may be the case, for example, if the liquidity of the Fund's assets deteriorates as a result of political, economic or other events on the markets and is therefore no longer sufficient to meet redemption requests in full on the settlement date. In this case, limiting redemptions is to be regarded as a less severe means than suspending them completely.

If the Company has decided to limit redemptions, it will only redeem units on a pro rata basis at the redemption price applicable on the settlement date. Furthermore, the redemption obligation does not apply. This means that each redemption order will only be executed on a pro rata basis based on a quota to be determined by the Company. The Company determines the quota in the interest of the investors on the basis of the available liquidity and the total order volume for the settlement date concerned. The amount of liquidity available largely depends on the current market environment. The quota determines the percentage share at which the redemption requests are paid out on the settlement date. The unexecuted portion of the order (residual order) will also not be executed by the Company subsequently, but will expire (pro rata approach with expiry of the residual order).

The Company decides on each trading day whether and on the basis of which quota it will limit redemptions. The Company may restrict redemptions for a maximum of 15 consecutive business days. The possibility to suspend the redemption remains unaffected.

The Company shall publish information on the restriction on the redemption of units, and the lifting thereof, on its website immediately.

The redemption price corresponds to the unit value determined on this day – less a redemption discount, if applicable. The redemption may also be carried out via third parties (e.g. the custodian institution), which may involve additional costs for the investor.

### **Settlement of unit issue and redemption**

The Company observes the principle of treating all investors equally, by ensuring that no investors can gain advantages by buying or selling units at already known unit values. There is therefore a daily cut-off time for accepting orders. Issue and redemption orders received by the Custodian or Company before the cut-off time for orders will be settled no later than the valuation date following receipt of said orders (= settlement date) at their unit value then determined. Orders received by the Custodian or Company after the cut-off time will not be settled until the next valuation date plus one (= settlement date) at their unit value then determined. Details of the cut-off time for this Fund are available from the Custodian. This can change at any time.

Third parties, e.g. the institution maintaining the securities account, may also act as intermediaries with regard to the issue and redemption of units. These may take longer to settle. The Company has no influence with regard to the various settlement procedures of the institutions maintaining the securities accounts.

### **Suspension of unit redemption**

The Company may temporarily suspend the redemption of units should extraordinary circumstances arise which make such suspension appear necessary in the interests of investors. Such extraordinary circumstances include: the unscheduled closing of a stock exchange on which a significant portion of the Fund's transferable securities is traded; assets cannot be disposed of; or the Fund's assets cannot be valued. Moreover, BaFin may instruct the Company to suspend the redemption of units if this is deemed necessary in the interests of the investors or the public.

The Company reserves the right to redeem or exchange units at the respective price valid at the time after promptly disposing of the Fund's assets, provided that the interests of all investors are upheld. A temporary suspension may be followed directly by a liquidation of the investment fund without the redemption of units being resumed (see the "Liquidation, transfer and merger of the Fund" section).

The Company shall notify investors that it is suspending and resuming the redemption of units by publishing notices in the German Federal Gazette and also on the Company's website (<https://www.universal-investment.com>). Investors will also be informed by the agent maintaining their securities account via a durable medium, i.e. in hard copy or in electronic form.

The Company does not allow market timing or other trading strategies aimed at making short-term profits. Should the Company have reason to believe that such short-term strategies are being used for speculative purposes, it reserves the right to reject applications to subscribe/redeem units in the Fund.

### **Exchange of units**

Units cannot be exchanged between individual unit classes. Should the Company liquidate a unit class, it is not obliged to offer investors units in another one (details concerning the liquidation of a unit classes can be found under the "Liquidation, transfer and merger of the Fund" section).

### **Liquidity management**

The Company has laid down written rules and procedures for the Fund which enable it to monitor the Fund's liquidity risks and ensure that the liquidity profile of the Fund's investments covers its underlying liabilities.

Subject to the investment strategy described in Section 11 "Investment objective, investment principles and investment policy", the Fund's liquidity profile is as follows:

- The Fund aims to invest in assets, the whole of which can, in the opinion of the Asset Management Company at the time of this Sales Prospectus going to print, be almost fully liquidated within a week.
- The Company shall monitor liquidity risks that may arise at Fund level, at asset level or as a result of increased redemption orders from investors, in the manner described below:
  - The Company must implement a liquidity management system during the course of its business activities for each fund and ensure that investment strategies, liquidity profiles and redemption principles are consistent.
  - The Company's liquidity management system is available in a reasonably documented form, revised at least once a year and updated if necessary.
  - The implemented liquidity management system ensures, as a general rule, that the liquidity level of a given fund covers its underlying liabilities, with the relative liquidity of its assets being valued, inter alia, on the basis of the duration and price at which assets are disposed of.
  - The liquidity level of each fund is also monitored in terms of its key obligations and liabilities as well as the marginal contribution of each individual asset. To this end, the Company considers (inter alia) the profile of the Fund's investor base, the type of investors, the relative size of investments in the Fund and their redemption terms and conditions. If the Fund's assets are invested in other undertakings for collective investment, the approach to liquidity management followed by the asset managers of said other undertakings for collective investment is monitored and checks are regularly made to see if the redemption terms and conditions have been changed.
  - The Company employs reasonable liquidity measurement precautions and procedures in order to determine the quantitative and qualitative risks of the Fund's individual assets. It does so based on reasonable knowledge and experience with regard to the liquidity of individual assets as well as with regard to the related trading volume, price sensitivity and spread under normal and extraordinary liquidity conditions.



- As part of its liquidity management, the Company ensures that the processes and instruments necessary for managing liquidity risks are implemented. It does so by identifying the normal and extraordinary circumstances under which these instruments and precautionary measures may be used, with all investors being treated equally. The Company has suitable escalation processes for managing existing and potential liquidity problems or other emergency situations within the Fund.
- The Company sets individual liquidity limits, taking into account the nature, scope and complexity of each individual managed fund. These limits, which are continuously monitored, reflect the underlying liabilities and redemption principles; reasonable steps are taken to improve the liquidity situation if they are or may be exceeded. When setting these limits, the Company refers to the liquidity management guidelines, the appropriateness of the liquidity profile of the Fund's assets and the impact of atypical redemption requests. Periodic fluctuations are possible.
- The Company conducts regular stress tests with which it can assess the Fund's liquidity risks. The Company conducts stress tests based on current reliable quantitative or, if this is inadequate, qualitative information available. These may include investment strategies, redemption periods, payment obligations and deadlines within which assets may be disposed of, as well as information regarding general investor behaviour and market developments. The stress tests simulate a situation of a lack of liquidity of assets in the Fund, as well as atypical redemption requests. These are performed with a frequency appropriate for the Fund (at least once a year) and take into consideration the Fund's investment strategy, liquidity profile, investor structure and redemption rules.

Redemption rights under normal and extraordinary circumstances and the restriction or suspension of redemption are set out under "Issue and redemption of units" and "Restriction of unit redemption" or "Suspension of unit redemption" in the "Units" section. The risks involved are explained in the "Risk information" section, subsections "Fund investment risks" ("Restriction of unit redemption" or "Suspension of unit redemption" and "Risks of limited or increased liquidity of the Fund (liquidity risk)").

## **Stock exchanges and markets**

Fund units are not admitted to (official) trading on stock exchanges. The possibility cannot be ruled out that units will be traded on stock exchanges or other markets without the Company's consent.

The market price underlying stock market dealings or trading on other markets is not determined exclusively by the value of the assets held in the Fund, but also by supply and demand. Said market price can therefore differ from the unit price.

## **Fair treatment of investors and unit classes**

The Fund consists of various unit classes. Units with different characteristics shall be issued. Units with the same characteristics form a unit class.

The unit classes may differ in terms of the use of income, the issuing surcharge, the currency of the unit value including use of currency hedging transactions, the management fee, the custodian fee, the fees of the investment consultancy or asset management companies, the fee for managing derivatives transactions and collateral for derivative transactions, the distributor, the minimum investment amount, or a combination of these characteristics. Unit classes shall be listed individually in the Sales Prospectus

and in the annual and semi-annual reports. The characteristics of the unit classes are described in detail in the Sales Prospectus and the annual and semi-annual reports. For details of the ways in which the unit classes of the Fund may differ, see Section 16 "Units", subsections "Issue and redemption of units" and "Issue and redemption prices", Section 17 "Management fees and other costs" and Section 19 "Calculation and use of income; financial year".

**An overview of the unit classes and their individual issue dates can be found in Part C "Overview of the unit classes".**

Due to the different characteristics, the financial results achieved by investors by investing in the Fund may vary depending on the unit class of the units acquired. This applies to both pre-tax and post-tax returns achieved by the investor.

The unit value is calculated separately for each unit class by attributing the costs and fees (including any taxes to be paid out of the Fund's assets) that apply to a given unit class, including any income equalisation, exclusively to that unit class.

Assets may only be acquired for the Fund as a whole, not for individual unit classes or groups of unit classes.

Pursuant to § 4(1) of the Special Terms and Conditions of Investment, other unit classes may be created. The Company may, at its discretion, launch new unit classes in the future. However, the rights of investors who have acquired units in existing unit classes shall not be affected. The costs associated with launching a new unit class may only be charged to the investors of the new unit class.

The Company must treat investors in the Fund in a fair manner. When managing liquidity risks and the redemption of units, it may not put the interests of any particular investor or group of investors ahead of those of any other investor or group of investors.

For details on how the Company ensures the fair treatment of investors, see "Settlement of unit issue and redemption" and "Liquidity management" above.

## **Issue and redemption prices**

To calculate the issue and redemption prices for the units, the Company shall on each valuation date – under the supervision of the Custodian – calculate the value of the assets held by the Fund less its liabilities ("net asset value"). The value of each unit ("unit value") is calculated by dividing the net asset value thus obtained by the number of units issued.

The value of the Fund units will be calculated on all trading days. The Company and Custodian are not required to determine the value on statutory public holidays which are trading days within the scope of the KAGB or on 24 or 31 December of each year. At present, unit prices are not calculated on New Year's Day, Good Friday, Easter Sunday, Easter Monday, May Day, Ascension Day, Whit Sunday, Whit Monday, Corpus Christi, the Day of German Unity, Christmas Eve, Christmas Day, December 26 and New Year holidays.

When units within a class of units are first issued their value shall be calculated on the basis of the value which is determined for the entire Fund pursuant to § 168(1), first sentence KAGB.

The value of a unit class is derived from the total change in the Fund's net value proportionally attributable for that unit class compared with the preceding valuation date and the value of that unit class on the preceding valuation date. The value of a unit class shall be determined every trading day, except on the days stated above. The value of a unit in a unit class is equal to the value of the unit class divided by the number of units issued for said unit class.

The income equalisation shall be calculated for each unit class.

### **Suspension of the calculation of the issue and redemption prices**

The Company may temporarily suspend the calculation of the issue and redemption prices under the same conditions as the redemption of units. These are explained in more detail under "Suspension of unit redemption" in Section 16 "Units".

### **Issuing surcharge**

When determining the issue price, an issuing surcharge is added to the unit value. The issuing surcharge equals 5.50% of the unit value. The Company may charge a reduced issuing surcharge, or not charge one at all, for the Fund or one or more unit classes. This issuing surcharge can reduce or even completely erode performance, particularly in the case of shorter investment periods. The issuing surcharge is essentially a fee for distributing units of the Fund. The Company may pass on the issuing surcharge to any intermediaries as remuneration for distribution services.

**For details of the current issuing surcharge for the individual unit classes, see Section C "Overview of the unit classes".**

### **Redemption fee**

No redemption fee is charged.

### **Publication of the issue and redemption prices**

The issue and redemption prices are published on each trading day on the Company's website (<https://www.universal-investment.com>).

## **17. Costs**

### **Costs relating to the issue and redemption of units**

Units may be issued and redeemed via the Company and the Custodian at the issue price (unit value plus issuing surcharge) or the redemption price (unit value) without any additional costs.

If units are redeemed via third parties, costs may be incurred. If units are sold via third parties, costs higher than the issuing price may also be charged.

## Management fees and other costs

Fees to which the Company is entitled from the Fund:

In return for managing the Fund, the Company receives a fee (payable quarterly) amounting to up to a quarter of 1,90 % p.a. of the Fund's average net asset value during the accounting period, which is calculated by taking the values on each valuation date. The Company may charge a reduced fee, or not charge one at all, for the Fund or one or more unit classes.

The fees to be paid out of the Fund to third parties are as follows:

The Company may engage the services of an advisor company or asset management company to implement its investment strategy. The remuneration of the consultancy firm or asset management company shall be covered by the management fee.

The Company may call upon the services of third parties for the purposes of or when managing derivative transactions and collateral for said transactions. In this case, these third parties jointly receive a fee (payable quarterly) amounting to up to a quarter of 0.10% p.a. of the Fund's average net asset value during the accounting period, which is calculated by taking the values on each valuation date. The Company may charge a reduced fee, or not charge one at all, for the Fund or one or more unit classes. These fees are not covered by the management fee; as a result, the Company charges them to the Fund.

In return for performing its duties, the Custodian receives a fee (payable quarterly) amounting to up to a quarter of 0.0275% p.a. of the Fund's average net asset value during the accounting period, which is calculated by taking the values on each valuation date. The Custodian may charge a reduced fee, or not charge one at all, for the Fund or one or more unit classes.

The amount taken out of the Fund per year in management fees, the investment advisory or asset management company fees, custodian fees, fees paid to third parties for managing derivative transactions and collateral for derivative transactions and for the provision of analysis material or services by the Custodian, can be up to a total of 2.0975% p.a. of the UCITS investment fund's average net asset value during the accounting period, which is calculated by taking the values on each valuation date.

In addition, the Company may receive a performance fee of up to 20 % of the amount by which the performance of the units exceeds the performance of the benchmark index at the end of any accounting period (outperformance over the benchmark index, i.e. positive deviation of the performance of the units from the benchmark performance, hereinafter also referred to as the "positive benchmark deviation") for each unit issued, however, up to a maximum of 4 % of the average net asset value of the UCITS investment fund in the accounting period calculated from the values at the end of each valuation date. Sentence 1 applies if unit classes are formed accordingly for each unit class.

The costs charged to the UCITS investment fund may not be deducted from the performance of the benchmark index before the comparison takes place.

If the unit value performance at the end of an accounting period is below the performance of the benchmark index (underperformance against the benchmark index, i.e. negative deviation of the unit

value performance from the benchmark performance, hereinafter also referred to as “negative benchmark deviation”), the Company receives no performance fee. In accordance with the calculation of the performance fee for positive benchmark deviation, an underperformance amount per unit value is now calculated on the basis of the negative benchmark deviation and carried forward to the next accounting period as a negative balance carried forward (“negative balance carried forward”). There is no limit on the maximum amount for the negative balance carried forward. For the following accounting period, the Company only receives a performance fee if the amount calculated from a positive benchmark deviation exceeds the negative balance carried forward from the previous accounting period at the end of the accounting period. In this case, the fee is calculated from the difference between the two amounts. If the amount calculated from the positive benchmark deviation does not exceed the negative balance carried forward from the previous settlement period, the two amounts are offset. The remaining underperformance amount per unit value is carried forward to the next accounting period as a new “negative balance carried forward”. If a negative benchmark deviation occurs again at the end of the next accounting period, the existing negative balance carried forward is increased by the underperformance amount that is calculated based on this negative benchmark deviation. During the annual calculation of the fee, any underperformance amounts from the previous five accounting periods are taken into consideration. If there are fewer than five previous accounting periods for the UCITS investment fund or unit class, all previous accounting periods are taken into account.

The accounting period begins on October 1 and ends on September 30 of each calendar year. The first accounting period commences with the launch of the UCITS investment fund or the individual unit class and – if the launch does not occur by October 1 – ends on the second September 30 following the launch.

The specified benchmark index is the 50% MDAX<sup>4</sup> (Bloomberg Ticker: MDAX) and 50% SDAX<sup>5</sup> (Bloomberg Ticker: SDYP). In the absence of the benchmark index, the Company shall specify another appropriate index to replace that index.

The unit value performance is calculated using the BVI method<sup>6</sup>.

Based on the outcome of a daily comparison, any calculated performance fee incurred is set aside within the UCITS investment fund per unit issued or any provision that has already been posted is reversed accordingly. Reversals of provisions are allocated to the UCITS investment fund. A performance fee can only be withdrawn if corresponding provisions have been formed.

The performance fee can even be withdrawn if the unit value at the end of the accounting period is below the unit value at the start of the accounting period (“negative performance of the units”).

The Company may charge a reduced performance fee, or not charge one at all, for the UCITS investment fund or one or more unit classes. The Company shall specify the performance fee for each unit class in the Sales Prospectus and the annual and semi-annual reports.

<sup>4</sup> MDAX® ist eine eingetragene Marke der Deutsche Börse AG.

<sup>5</sup> SDAX® ist eine eingetragene Marke der Deutsche Börse AG.

<sup>6</sup> An explanation of the BVI method is published on the website of BVI Bundesverband Investment und Asset Management e.V. ([www.bvi.de](http://www.bvi.de)).

**An overview of the fees currently charged for each unit class can be found in Part C "Overview of the unit classes".**

In addition to the fees due to the Company, the Custodian and the advisor company or asset management company, the following expenses will also be charged to the Fund:

- standard custodian and account fees, including any standard bank costs for the custody of foreign assets abroad;
- costs of printing and dispatching statutory sales documentation intended for investors (annual and semi-annual reports, Sales Prospectus, KIID);
- costs of publishing the annual and semi-annual reports, the issue and redemption prices and, if applicable, the distributions or reinvestments and the liquidation report;
- costs of setting up and using a durable medium, except in the case of information concerning fund mergers and measures in connection with investment limit infringements or calculation errors when ascertaining the unit value;
- costs of auditing the Fund by its auditor;
- costs of publishing the bases for taxation and certifying that the tax information has been drawn up pursuant to German tax regulations;
- costs of enforcing and implementing legal claims by the Company on behalf of the Fund, as well as defending claims raised against the Company at the cost of the Fund;
- fees and costs charged by government bodies with respect of the Fund;
- costs of legal and tax advice in connection with the Fund;
- costs and any charges that may arise in connection with the acquisition and/or use or designation of a benchmark or financial index;
- costs of appointing proxies;
- costs of analysing the Fund's investment performance by third parties;
- costs for the provision of analysis material or services by third parties in relation to one or more financial instruments or other assets or in relation to the issuers or potential issuers of financial instruments or in close connection with a certain industry or a certain market up to 0.07% p.a. of the UCITS investment fund's average net asset value during the accounting period, which is calculated by taking the values on each valuation date;
- taxes incurred in connection with both the fees payable to the Company, Custodian and third parties as well as the aforementioned expenses, including taxes arising in connection with management and custody activities.

In addition to the above-mentioned fees and expenses, costs arising in connection with the acquisition and disposal of assets will be charged to the Fund.

The following explanations in terms of the amounts to be charged to the Fund can be made for the aforementioned expenses:

- The fee for the auditor in return for auditing the Fund is composed of a basic fee and additional fees that depend in particular on the number of the Fund's segments and unit classes as well as the its volume; the maximum amount of this fee is EUR 20,000 plus VAT. The costs may actually be lower or even higher. Therefore, it is only a forecast.

- The costs of publishing the bases for taxation and certifying that the tax information has been drawn up pursuant to German tax regulations amount to EUR 1,500 per financial year of the Fund.
- In cases in which a court or out-of-court settlement was reached or a ruling was made by a court within the framework of class actions, the appointed law firm may receive a fee of up to 5% of the sums obtained for the Fund in this respect. Different conditions may apply or be agreed upon for active participation in a class action as a leading plaintiff, for private suits or other court or administrative proceedings. In these cases, the appointed law firm may receive up to 30 % of the sums collected.
- BaFin may charge fees or costs (borne by the Fund) for approving the Fund's Terms and Conditions of Investment, approving the Custodian, amending the Terms and Conditions of Investment as well as for other administrative acts related to the Fund. The amounts of these fees or costs can be found in the Regulation governing the apportionment of costs pursuant to the Financial Services Supervision Act [FinDAGKostV], as amended. The applicable version of this regulation is available on BaFin's website ([www.bafin.de](http://www.bafin.de)). For marketing the Fund abroad, the Company estimates costs of up to EUR 20,000 for public bodies per financial year of the Fund. The costs during this period may actually be lower or higher. The amount specified is therefore an estimate.
- The fee for appointing a proxy for the holding of General Meetings amounts to EUR 130 per General Meeting. If the General Meeting is held for several investment funds, a pro rata calculation for the Fund is carried out. The number of general meetings to be held by the proxy for the Fund depends on the latest composition of the portfolio in each case. No maximum amount is established or estimated beforehand.
- The amount of the costs incurred in the context of the acquisition and disposal of assets depends on the number of transactions actually conducted. For the period of one financial year of the Fund, the Company assumes a maximum amount of 2% of the average volume of the Fund. The transaction costs during this period may actually be lower or higher. The aforementioned percentage is therefore an estimate.

With regard to the other expenses mentioned above, only those that were actually incurred are charged to the Fund. Since the amount of these expenses depends, inter alia, on the volume of the Fund, the portfolio composition or the number of investors in the Fund, no maximum amount for these expenses is established or estimated beforehand.

The Company normally passes some of its management fee on to intermediaries in consideration for distribution services. This may account for a considerable proportion of said fee. The Custodian and investment advisory or asset management company may use some of the fees they receive to support the distribution activities of intermediaries; said fees are usually based on the level of mediation involved.

The Company, Custodian and investment advisory or asset management company may, at their discretion, come to an agreement with individual investors regarding the partial repayment to these investors of fees received. This applies in particular if institutional investors invest large amounts directly and on a long-term basis.

The Company may use non-cash benefits in connection with transactions conducted on behalf of the Fund (broker research, financial analyses, market and price information systems), which are used when

making investment decisions in the interests of the unitholders. The Company does not receive any refunds from fees and expenses paid from the Fund to the Custodian and third parties. Please also refer to the corresponding annual reports.

### **Details and costs with regard to the acquisition of investment units**

In addition to its fee for managing the Fund, the Company also charges a management fee for units in investment funds (target funds) held in the Fund.

If the Fund invests a considerable proportion of its value in investment units, all management fees are taken into account when calculating the total expense ratio (see below).

Investors should also bear in mind that when acquiring other investment units, the Fund may be charged issuing surcharges and/or redemption fees. In addition to such costs, there are also fees, costs, taxes, commissions and other expenses in connection with investment units in which the Fund invests; these are to be borne directly by investors in the Fund. The Fund may also invest in investment units with a different fee structure (e.g. flat fee, performance fee) or for which additional types of fees may be charged.

If a target fund is directly or indirectly managed by the Company or by another company with which the Company is affiliated through a significant direct or indirect shareholding, the Company or the other company may not charge the Fund any issuing surcharge or redemption fee for the acquisition or redemption of investment units in the target funds.

The issuing surcharges and redemption fees charged to the Fund for the acquisition and redemption of units in other investment funds shall be stated in the annual and semi-annual reports. In addition, the fee that has been charged to the Fund (in the form of a management fee for the units held therein) by a domestic or foreign capital management company or a capital management company associated with the Company by way of a shareholding will be published.

### **Total expense ratio**

Management costs charged to the Fund shall be published in the annual report and shown as a proportion of the Fund's average volume (total expense ratio). This comprises the fee for managing the Fund, the Custodian's fee and expenses which may be additionally charged to the Fund (see above). This does not include any ancillary costs and costs incurred in acquiring and disposing of assets (transaction costs). The total expense ratio is published in the Key Investor Information Document as "current costs".

### **Differing cost statement from distributors**

If the investor is advised by a third party when purchasing units or it mediates the purchase for the investor, said investor will be shown the costs or cost ratios that are not congruent with the cost information in this Sales Prospectus and in the Key Investor Information Document and that may exceed the total expense ratio described here. The main reason for this may be that the third party also takes into account the costs of his own activity (e.g. mediating, consulting or portfolio management). It also



takes into account one-time costs such as issuing surcharges and generally uses other calculation methods or estimates for the costs incurred at fund level that mainly include the transaction costs of the Fund.

Deviations in the cost statement may result from information before the conclusion of the agreement and regular cost information relating to the existing fund investment as part of a long-term customer relationship.

## **18. Remuneration policy**

The Company is subject to the prudential requirements applicable to capital management companies as regards the structuring of its remuneration system. The Company has detailed the characteristics in a remuneration policy that aims to ensure a sustainable remuneration system that avoids misplaced incentives to take excessive risks.

The Company's remuneration system is examined at least once a year by the Company's remuneration committee for its suitability and compliance with all statutory provisions. It includes fixed and variable remuneration elements. Setting ranges for overall remuneration ensures that there is no significant dependence on variable remuneration and that the ratio between variable and fixed remuneration is reasonable.

Specific rules apply to Company executives and employees whose activities have a significant influence on the Company's overall risk profile and on the investment funds managed by it ("risk takers"). For these risk-relevant employees, at least 40% of the variable remuneration must be deferred for a minimum three-year period. During this period, the deferred portion of the remuneration is risk-dependent, i.e. it may be reduced if the employee or the Company makes negative profit contributions. At the end of each year of the waiting period, the deferred remuneration portion becomes proportionally vested and is paid out on the respective payment deadline.

Further details concerning the Company's current remuneration policy are published on the website <http://www.universal-investment.com/de/Verguetungspolitik-D>. This includes a description of the calculation methods for remunerations and payments to specific employee groups, as well as information on the persons responsible for allocation including the members of the remuneration committee. On request, the information shall be made available in hard copy free of charge.

## **19. Calculation and use of income; financial year**

The Fund may generate income from interest, dividends and income on investment units accrued during the financial year and not used to cover costs. Other income may be generated from disposing of assets held on behalf of the Fund.

### **Income equalisation procedure**

The Company uses an income equalisation procedure for the Fund. This means that the pro rata income accrued during the financial year, which the buyer of units must pay as part of the issue price and

which the seller of units receives as part of the redemption price, shall be settled on an ongoing basis. Accrued expenses are taken into account when calculating the income equalisation.

The income equalisation procedure is used to balance out fluctuations in the relationship between income and other assets that are caused by net inflows or outflows of funds due to the sale or redemption of units. Otherwise, every net inflow of liquid funds would reduce the proportion of income in the net asset value of the Fund, whilst every outflow would increase it.

As a result, the income equalisation procedure ensures that the income per unit stated in the annual report for accumulating unit classes is not affected by the number of units in circulation and that the distribution amount per unit for distributing unit classes is not affected by the unpredictable performance of the Fund or the units in circulation. It is thus accepted that investors who, for example, acquire units shortly before the distribution date will get back the part of the issue price attributable to income in the form of a distribution, even though their paid-in capital did not contribute to generating the income.

## **Appropriation of income**

For distributing unit classes, the Company shall in principle distribute to investors the interest, dividends and income accrued by the Fund during the financial year from investment units and not used to cover costs – provided they are attributable to these unit classes – within four months of the financial year end, taking the relevant income equalisation into account. Realised capital gains – taking the relevant income equalisation into account – may also be distributed on a pro rata basis.

Interim distributions are permissible.

If the units are held by the Custodian in a securities account, its branches will credit distributions free of charge. Additional costs may be incurred if the securities account is maintained with another bank or savings bank.

For accumulating unit classes, the income attributable to such unit classes is not distributed. Instead, it is reinvested in the Fund.

**Information concerning the use of income for each unit class can be found in Section C "Overview of unit classes".**

## **Financial year**

The Fund's financial year begins on 1 January and ends on 31 December.

## **20. Liquidation, transfer and merger of the Fund**

### **Conditions for the liquidation of the Fund**

Investors are not entitled to demand that the Fund be liquidated. The Company may terminate its right to manage the Fund subject to at least six months' notice via publication of a notice in the German Federal Gazette, as well as in the annual or semi-annual report. Investors shall also be informed about

the termination by the agent maintaining their securities account via a durable medium, i.e. in hard copy or electronic form. The right of the Company to manage the Fund shall expire on the date on which termination takes effect.

Moreover, the right of the Company to manage the Fund ceases if insolvency proceedings are opened against the Company's assets or following a court order rejecting the opening of insolvency proceedings due to insufficiency of assets.

When the Company loses its authority to manage, the right to dispose of the Fund shall pass to the Custodian, who shall liquidate the Fund and distribute the proceeds to investors or – subject to BaFin approval – transfer the management to another capital management company.

### **Procedure for liquidation of the Fund**

When the right to dispose of the Fund passes to the Custodian, the issue and redemption of units will cease and the Fund will be liquidated.

The proceeds from disposing of the Fund's assets (less the costs still to be borne by the Fund and the costs incurred with the liquidation) shall be distributed to investors, who shall be entitled to the liquidation proceeds in proportion to their number of units held in the Fund.

On the day its management right expires, the Company shall draw up a liquidation report that meets the requirements for an annual report. This liquidation report shall be published in the German Federal Gazette no later than three months after the Fund is liquidated. While the Custodian is liquidating the Fund, it shall draw up reports annually, as well as on the day the liquidation has been completed, which meet the requirements for an annual report. These reports must be published in the German Federal Gazette no later than three months after the relevant date.

### **Fund transfer**

The Company may transfer the right to manage and dispose of the Fund to another management company. The transfer is subject to prior approval by BaFin. The approved transfer will be published in the Bundesanzeiger (Federal Gazette) and also in the Fund's annual report or semi-annual report and in the electronic information media specified in this Sales Prospectus. The date on which the transfer becomes effective is determined by the contractual agreements between the Company and the absorbing capital management company. Transfers shall become effective at the earliest three months after they are published in the German Federal Gazette. Other rights and obligations of the Company with respect to the Fund are then transferred to the absorbing capital management company.

### **Conditions for the merger of the Fund**

All the assets of this Fund may – subject to BaFin approval – be transferred to another investment fund, be it existing or newly created by the merger, that must meet the requirements for a UCITS that was established in Germany or another EU or EEA member state. All of the Fund's assets may be transferred to a domestic investment corporation with variable capital, be it existing or newly created by the merger.

Such transfer shall take effect from the end of the financial year of the Fund (transfer date), unless another transfer date is determined.

### **Rights of investors upon merger of the Fund**

Investors have up to five working days before the planned transfer date to either redeem their units without further costs (except for the costs deducted to cover the liquidation costs) or – if possible – to exchange their units for those in another open-ended public investment fund that is also managed by the Company or a company in the same group and which has a similar investment policy to the Fund.

The Company must inform the investors in the Fund of the reasons for the merger, the potential effects for the investors, their rights in relation to the merger and key procedural aspects before the planned transfer date by permanent data media such as in hard copy or electronic form. Investors shall also receive the KIID for the investment fund to which the Fund's assets will be transferred. Investors must receive the aforementioned information at least 30 days before the deadline for redeeming or exchanging their units expires.

On the transfer date, the net asset values of the Fund and the absorbing investment fund shall be calculated, the exchange ratio determined and the entire exchange process audited by the auditor. The conversion ratio will be based on the ratio of the net asset values of each unit in the Fund and in the absorbing investment fund at the time of transfer. Investors shall receive a number of units in the absorbing investment fund which corresponds to the value of their units in the Fund.

Investors who do not exercise their right of redemption or conversion will become investors in the absorbing investment fund on the transfer date. Where appropriate, the Company may also agree with the management company of the absorbing investment fund that investors of the absorbed fund are paid up to 10% of the value of their units in cash. The Fund will cease to exist upon transfer of all of its assets. If the transfer is made during the current financial year of the Fund, the Company must draw up a report on the transfer date that meets the requirements for an annual report.

The Company shall announce in the German Federal Gazette, and also in the electronic media specified in this Sales Prospectus, when the Fund has been merged with another investment fund managed by the Company and the merger has become effective. If the Fund is to be merged with another investment fund that is not managed by the Company, the company managing the absorbing or newly established investment fund will be responsible for announcing that the merger has become effective.

## **21. Brief information on tax regulations**

Statements concerning tax regulations apply only to investors who are subject to unlimited tax liability in Germany. Investors with unlimited tax liability are hereinafter also referred to as "residents for tax purposes". We recommend that foreign investors consult their tax advisors prior to acquiring units in the Fund which is described in the Sales Prospectus in order to discuss any possible tax implications in their country of residence arising from the acquisition of units. Foreign investors are investors who do not have unlimited tax liability. They are hereinafter referred to as "non-residents for tax purposes".

As a special-purpose fund, the Fund is generally exempt from corporation and trade tax. However, it is partially obligated to pay corporation tax with its domestic investment income and other domestic

income in accordance with the restricted income tax obligation with the exception of profits from the sale of units in stock corporations. The tax rate amounts to 15%. If the taxable income is paid as part of the capital gains tax deduction, the tax rate of 15% already comprises the solidarity surcharge.

However, the investment returns are subject to income tax among private investors as income from capital assets unless it exceeds the currently valid saver lump sum<sup>7</sup> along with other capital income.

Income from capital assets is generally subject to a tax deduction of 25% (plus the solidarity surcharge and church tax). Income from capital assets also includes returns from investment funds (investment returns), i.e. the distributions of the Fund, the advance lump sums and the profits from the sale of units. Under certain circumstances investors may receive a flat-rate share of these investment returns on a tax-free basis (i.e. "partial exemption").

In principle, for private investors, the tax deduction acts as a final payment (flat rate withholding tax), so as a rule income from capital assets does not need to be declared in the income tax return. In principle, when deducting the tax, the institution maintaining the securities account will already have offset losses as well as foreign withholding taxes resulting from the direct investment.

However, the tax deduction does not act as a final payment if the personal tax rate is lower than the 25% withholding tax rate. In this case, income from capital assets may be declared in the income tax return. The tax authorities then apply the lower personal rate of tax and offset the aforementioned tax deduction against the personal tax liability (favourable tax treatment).

If income from capital assets was not subject to tax deduction (e.g. gains from the disposal of fund units were generated in a foreign securities account), said income must be declared in the tax return. As part of the assessment, income from capital assets is also subject to the withholding tax rate of 25% or the personal tax rate, whichever is lower.

If units are held as operating assets, the income is considered taxable as operating income.

## **Units held as personal assets (residents for tax purposes)**

### **Distributions**

Distributions of the Fund are generally taxable.

However, the Fund meets the tax requirements for an equity fund, which means that 30% of the distributions are tax-free.

The taxable distributions are generally subject to the tax deduction of 25% (plus the solidarity surcharge and church tax if applicable).

<sup>7</sup> The saver lump sum has amounted to EUR 801 for a single investment and EUR 1,602 for a collective investment since 2009.

The tax deduction need not be applied if the investor is a resident for tax purposes and presents an exemption order, provided that the taxable income element does not exceed the<sup>8</sup> currently valid saver lump sum amount.

This also applies when providing a certificate for persons that are not expected to be subject to income tax (non-assessment certificate).

If a domestic investor keeps units in a domestic securities account, the institution maintaining the securities account (as the paying agent) will not deduct tax if, before the date set for distribution, it receives an exemption order for a sufficient amount and issued in accordance with the official template or a non-assessment certificate issued by the tax authorities for a maximum period of three years. In this case, the investor will be credited for the full amount of the distribution.

### **Advance lump sums**

The advance lump sum is the amount which the distributions of the Fund exceed the basic income for this calendar year by within a calendar year. The basic income is calculated by multiplying the redemption price of the unit at the beginning of a calendar year by 70% of the basic interest rate, which is derived from the potential long-term return from public bonds. The basic income is limited to the surplus arising between the first and last redemption price fixed in the calendar year plus the distributions within the calendar year. The advance lump sum is reduced by one twelfth for each full month that precedes the month of the acquisition in the year the units are acquired. The advance lump sum is deemed to have been accrued on the first working day of the following calendar year.

Advance lump sums are generally taxable.

However, the Fund meets the tax requirements for an equity fund, which means that 30% of the pre-determined tax bases are tax-free.

The taxable advance lump sums are generally subject to the tax deduction of 25% (plus the solidarity surcharge and church tax, where applicable).

The tax deduction need not be applied if the investor is a resident for tax purposes and presents an exemption order, provided that the taxable income element does not exceed the<sup>9</sup> currently valid saver lump sum amount.

This also applies when providing a certificate for persons that are not expected to be subject to income tax (non-assessment certificate).

If a domestic investor keeps units in a domestic securities account, the institution maintaining the securities account (as the paying agent) will not deduct tax if, before the time of accrual, it receives an exemption order for a sufficient amount and issued in accordance with the official template or a non-assessment certificate issued by the tax authorities for a maximum period of three years. No tax is levied in this case. Otherwise, the investor in the domestic depositary institution must provide the

<sup>8</sup> The saver lump sum has amounted to EUR 801 for a single investment and EUR 1,602 for a collective investment since 2009.

<sup>9</sup> The saver lump sum has amounted to EUR 801 for an single investment and EUR 1,602 for a collective investment since 2009.

amount of the tax to be paid. The institution maintaining the securities account may recover the amount of tax payable from an account which is held with it and which is registered in the name of the investor, without the investor's consent. Provided that the investor does not object to this prior to receipt of the advance lump sum, the institution maintaining the securities account may also recover the amount of the tax that has to be deducted from an account held in the name of the investor insofar as an overdraft facility agreed with the investor for this account has not been used. If the investor does not fulfil its obligation to provide to the domestic institution maintaining the securities account the amount of the tax that has to be paid, said institution must notify this fact to its responsible tax office. The investor must specify the advance lump sum in this case in its income tax return.

### **Capital gains at investor level**

If units are sold in the Fund, the capital gain will be subject to the withholding tax rate of 25%.

However, the Fund meets the taxation-related requirements for an equity fund, so 30% of capital gains are tax-free.

If the units are held in a domestic securities account, the institution maintaining the securities account shall apply the tax deduction taking into account any partial exemptions. The 25% tax deduction (plus solidarity surcharge and church tax, if applicable) can be avoided by presenting a sufficient exemption order or non-assessment certificate. If such units are sold by a private investor at a loss, the loss – reduced due to a partial exemption, as applicable – may be offset against other positive income from capital assets. If the units are held in a domestic securities account, and positive income has been obtained from capital assets with the same agent maintaining the securities account over the same calendar year, then the agent maintaining the securities account will offset the losses.

In determining the capital gain, the profit must be reduced by the advance lump sums recognised during the period of ownership.

### **Units held as operating assets (residents for tax purposes)**

#### **Refund of the Fund's corporation tax**

Any corporation tax incurred at fund level may be refunded to the Fund for forwarding to an investor if the investor is a domestic corporation or association of individuals or assets which is solely and directly used for charitable, benevolent or religious purposes according to the Articles of Association or the foundation transaction or other constitution and according to its actual form of management, or if it is a foundation under public law which is used solely and directly for charitable purposes or benevolent purposes, or if it is a legal person under public law which is solely and directly used for religious purposes; this does not apply if the units are held in a commercial business. The same applies to similar foreign investors with a head office and company management in a foreign country which provides administrative and recovery assistance.

The precondition for this is that such an investor submits a corresponding request and the corporation tax incurred applies on a proportional basis to his period of ownership. In addition, the investor must have been the legal and beneficial owner of the units for at least three months before the inflow of the Fund's income which is subject to corporation tax, without there being an obligation to transfer the units to another person. In terms of the corporation tax incurred by the Fund on German dividends

and income from German equity-equivalent profit participation rights, the refund also essentially requires German shares and German equity-equivalent profit participation rights to have been held by the Fund as a beneficial owner continuously for a period of 45 days within the 45 days before and after the due date of the capital gains, and for there to have continuously been minimum value change risks of 70% during those 45 days (i.e. "45-day rule").

Proof of tax exemption and proof of the investment unit inventory issued by the institution maintaining the securities account must be enclosed with the application. The proof of the investment unit inventory is an official certificate of the scope of units held by the investor throughout the calendar year and the date and scope of the purchase and sale of units during the calendar year.

Any corporation tax incurred at fund level may also be refunded to the Fund for forwarding to an investor if the Fund units are held in pension policies or basic pension policies which have been certified in accordance with the Act on the Certification of Pension Plans (Altersvorsorgeverträge-Zertifizierungsgesetz). The precondition for this is that within a month after the end of the Fund's financial year the provider of a pension policy or a basic pension policy informs the Fund of when units have been purchased or sold, and of the amounts of those transactions. In addition, the aforementioned 45-day rule must be observed.

The Fund and/or company is not under any obligation to have the corresponding corporation tax refunded to it for forwarding to the investor.

It would be wise to get advice from a tax consultant due to the significant complexity of the regulation.

## **Distributions**

Distributions of the Fund are generally subject to income, corporation and trade tax.

However, the Fund meets the tax requirements for an equity fund, which means that 60% of the distributions are tax-free for income tax purposes and 30% for trade tax purposes if the units are held by natural persons as business assets. For taxable corporations, 80% of the distributions are generally tax-free for corporation tax purposes and 40% for trade tax purposes. For corporations which are life or health insurance companies or pension funds and for which the units are to be allocated to investments or which are credit institutions and for which the units are to be allocated to the trading portfolio within the meaning of § 340e(3) of the German Commercial Code [Handelsgesetzbuch – HGB] or are to be reported as current assets at the time of addition to operating assets, 30% of the distributions are tax-free for the purposes of corporation tax and 15% for the purposes of trade tax.

The distributions are generally subject to the tax deduction of 25% (plus the solidarity surcharge).

Since the Fund meets the tax requirements for an equity fund, the partial exemption of 30% is taken into account for tax deduction.

## **Advance lump sums**

The advance lump sum is the amount which the distributions of the Fund exceed the basic income for this calendar year by within a calendar year. The basic income is calculated by multiplying the redemption price of the unit at the beginning of a calendar year by 70% of the basic interest rate, which is



derived from the potential long-term return from public bonds. The basic income is limited to the surplus arising between the first and last redemption price fixed in the calendar year plus the distributions within the calendar year. The advance lump sum is reduced by one twelfth for each full month that precedes the month of the acquisition in the year the units are acquired. The advance lump sum is deemed to have been accrued on the first working day of the following calendar year.

Advance lump sums are generally subject to income, corporation and trade tax.

However, the Fund meets the tax requirements for an equity fund, which means that 60% of the advance lump sums are tax-free for income tax purposes and 30% for trade tax purposes if the units are held by natural persons as business assets. For taxable corporations, 80% of the advance lump sums are generally tax-free for corporation tax purposes and 40% for trade tax purposes. For corporations which are life or health insurance companies or pension funds and for which the units are to be allocated to investments or which are credit institutions and for which the units are to be allocated to the trading portfolio within the meaning of § 340e(3) of the German Commercial Code [Handelsgesetzbuch – HGB] or are to be reported as current assets at the time of addition to operating assets, or were acquired with the aim of generating proprietary trading income in the short term, 30% of the advance lump sums are tax-free for the purposes of corporation tax and 15% for the purposes of trade tax.

The advance lump sums are generally subject to the tax deduction of 25% (plus the solidarity surcharge).

Since the Fund meets the tax requirements for an equity fund, the partial exemption of 30% is taken into account for tax deduction.

### **Capital gains at investor level**

Profits from the sale of units are generally subject to income or corporation tax and trade tax. When calculating the capital gain, the profit must be reduced by the advance lump sums employed during the ownership period.

However, the Fund meets the tax requirements for an equity fund, which means that 60% of the capital gains are tax-free for income tax purposes and 30% for trade tax purposes, if the units are held by natural persons as business assets. For taxable corporations, 80% of the capital gains are generally tax-free for corporation tax purposes and 40% for trade tax purposes. For corporations which are life or health insurance companies or pension funds and for which the units are to be allocated to investments or which are credit institutions and for which the units are to be allocated to the trading portfolio within the meaning of § 340e(3) of the German Commercial Code [Handelsgesetzbuch – HGB] or are to be reported as current assets at the time of addition to operating assets, or were acquired with the aim of generating proprietary trading income in the short term, 30% of the disposal gains are tax-free for the purposes of corporation tax and 15% for the purposes of trade tax. If there is a loss on the sale, the loss in the amount of the partial exemption to be applied at investor level cannot be deducted.

The profit resulting from the fictitious sale must be separately ascertained for units which should be assigned to an investor's business assets.

The profits from the sale of units are generally not subject to a capital gains tax deduction.

## Negative taxable income

It is not possible to attribute the Fund's negative taxable income to the investor.

## Settlement taxation

During the liquidation of the Fund, distributions of a calendar year shall be deemed to be a tax-free repayment of capital to the extent that the last redemption price fixed in that calendar year is lower than the amortised cost.

## Summary overview for the taxation of the usual business investor groups

	Distributions	Advance lump sums	Capital gains
<b>Domestic investors</b>			
Sole proprietorships	<u>Capital gains tax:</u> 25% (the 30% partial exemption for equity funds and/or 15% for balanced funds is taken into account)		<u>Capital gains tax:</u> Not applicable
	<u>Material taxation:</u> Income tax and trade tax taking into account any partial exemptions (equity funds 60% for income tax / 30% for trade tax; balanced funds 30% for income tax / 15% for trade tax)		
Corporations subject to standard taxation [Regelbesteuerung] (typically industrial companies; banks, unless units are part of the trading portfolio; property insurance companies)	<u>Capital gains tax:</u> Not applicable for banks, otherwise 25% (the 30% partial exemption for equity funds and/or 15% for balanced funds is taken into account)		<u>Capital gains tax:</u> Not applicable
	<u>Material taxation:</u> Corporation tax and trade tax taking into account any partial exemptions (equity funds 80 % for corporation tax / 40 % for trade tax; balanced funds 40% for corporation tax / 20 % for trade tax)		
Life and health insurance companies and pension funds in which the fund units are attributable to the capital investments	<u>Capital gains tax:</u> Not applicable		
	<u>Material taxation:</u> Corporation tax and trade tax, provided that a provision for contribution refunds is not established in terms of the commercial balance sheet which must also be recognised for tax purposes, taking account of any partial exemptions (equity funds 30% for corporation tax / 15% for trade tax; balanced funds 15% for corporation tax / 7.5% for trade tax)		
Banks which hold units of the Fund in the trading portfolio	<u>Capital gains tax:</u> Not applicable		
	<u>Material taxation:</u> Corporation tax and trade tax taking into account any partial exemptions (equity funds 30% for corporation tax / 15 % for trade tax; balanced funds 15 % for corporation tax / 7.5 % for trade tax)		
Tax-exempt charitable, benevolent or church investors (in particular churches and charitable foundations)	<u>Capital gains tax:</u> Not applicable		
	<u>Material taxation:</u> Tax-exempt – in addition any corporation tax that has been incurred at fund level can be refunded on request		
Other tax-exempt investors (in particular pension funds, death benefit funds and provident funds, provided they meet the conditions of corporation tax law)	<u>Capital gains tax:</u> Not applicable		
	<u>Material taxation:</u> Tax-free		

Subject to being held in a domestic custody account. An additional deduction in the form of a solidarity surcharge will be levied on the capital gains tax, income tax and corporation tax. It may be necessary

to submit certificates to the institution maintaining the securities account on time in order to avoid the deduction of capital gains tax.

### **Non-residents for tax purposes**

If a non-resident for tax purposes holds fund units in a securities account with a domestic institution that maintains securities accounts, no withholding tax will be deducted from distributions, advance lump sums and profits from the sale of units if he provides proof of his non-resident status. Should the institution maintaining the securities account not be informed about of the investor's status as a non-resident or if such evidence is not provided in a timely manner, the foreign investor must apply for reimbursement of the deducted tax pursuant to the German Fiscal Code<sup>10</sup> [Abgabenordnung — AO]. The competent tax authority is responsible for the institution maintaining the securities account.

### **Solidarity surcharge**

A solidarity surcharge of 5.5% shall be levied on the tax deduction to be paid on distributions, advance lump sums and profits from the sale of units.

### **Church tax**

If income tax is already being collected by means of tax withheld by a domestic institution maintaining a custody account (withholding agent), church tax applicable to this income will be collected as a regular surcharge to the tax deduction, calculated using the rate of church tax for the religious group to which the person subject to church tax belongs. The deductibility of church tax as an extraordinary expense is taken into account during the tax deduction.

### **Foreign withholding tax**

Withholding tax on the Fund's foreign income is, in some cases, levied in the country of origin. This withholding tax may not be used to reduce taxes for the investors.

### **Implications of the merger of investment funds**

Mergers of a domestic investment fund with another domestic investment fund which are subject to the same partial exemption rate do not result in the disclosure of hidden reserves either at investor level or at the level of the investment funds concerned; in other words, this process is tax-neutral. If the investors in the transferring investment fund receive a cash payment as stipulated in the merger plan<sup>11</sup>, this shall be treated in the same manner as a distribution.

If the applicable partial exemption rate for the transferring investment fund differs from that of the absorbing investment fund, then investment units in the transferring investment fund are deemed to be sold and those in the absorbing investment fund are deemed to be purchased. The profit arising

<sup>10</sup> § 37(2) AO.

<sup>11</sup> Sec. 190(2), point 2 KAGB.

from the fictitious sale is deemed to have accrued only when the investment unit in the absorbing investment fund is actually sold.

### **Automatic exchange of information on tax matters**

The importance of the automatic exchange of information in relation to combating cross-border tax fraud and cross-border tax evasion has increased significantly at international level over the last few years. The OECD has therefore published a global standard for the automatic exchange of information regarding financial accounts in relation to tax matters (Common Reporting Standard, referred to hereinafter as "CRS"). At the end of 2014 the CRS was incorporated by means of Council Directive 2014/107/EU dated 9 December 2014 into Directive 2011/16/EU relating to the obligation to undertake the automatic exchanging of taxation information. The participating countries (all EU Member States and a number of third countries) now employ the CRS. Germany has transposed the CRS into German law in the form of the Financial Accounts Information Exchange Act (Finanzkonten-Informationsaustauschgesetz) dated 21 December 2015.

The CRS obliges reporting financial institutions (principally credit institutions) to obtain specific information on their customers. If the customers (natural persons or legal entities) are reportable persons resident in other participating countries (this does not include, e.g., listed stock corporations or financial institutions), their accounts and securities accounts will be classified as reportable accounts. The reporting financial institutions will then send specific information for each reportable account to their home tax authority. This authority then sends the information to the Client's home tax authority.

The information to be conveyed is essentially the personal details of the reportable client (name; address; tax identification number; date of birth and place of birth (for natural persons); country of residence) and information on the accounts and securities accounts (e.g. account number, account balance or account value; total gross amount of income such as interest, dividends or distributions from investment funds); total gross proceeds from the sale or redemption of financial assets (including fund units)).

Reportable investors who hold an account and/or securities account with a credit institution that is resident in a participating country are specifically affected as a result. German credit institutions will therefore report information on investors who are resident in other participating countries to the Federal Central Tax Office who forward the information to the relevant tax authorities of the investors' countries of residence. Credit institutions in other participating countries will report information on investors to their home tax authority who forward the information to the Federal Central Tax Office. It is ultimately conceivable that credit institutions resident in other participating countries will report information on investors that are in turn resident in other participating countries to their home tax authority who forward the information to the tax authorities of the investors' countries of residence.

### **General notes**

The tax-related information is based on the current understanding of the legal situation. It is intended for persons in Germany who are subject to unrestricted income or corporation tax. There is no guarantee, however, that the tax assessment will not change as a result of legislation, court rulings or decrees issued by the financial authorities.

## 22. Outsourcing

The Company has assigned the following tasks to other companies:

- The operation of the IT systems (information technology and EDP) was outsourced to Universal-IT Services-GmbH, Frankfurt/Main.
- The provision of IT licences was outsourced to Universal-Beteiligungs- und Servicegesellschaft mbH, Frankfurt/Main.
- Parts of the internal audit function were outsourced to PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt/Main.
- Portfolio management

The portfolio management of the Fund has been outsourced to Joh. Berenberg, Gossler & Co. KG.

The following conflicts of interest may arise from this outsourcing of the portfolio management:

- Joh. Berenberg, Gossler & Co. KG is a business associated with the Company.

## 23. Conflicts of interest

The following conflicts of interest may arise whilst managing the Fund.

The interests of investors may conflict with:

- the interests of the Company, other companies in the same group as the Company, the Company's management and/or staff, external companies and persons to whom the Company is contractually bound, and other third parties  
and
- the interests of the investment funds managed by the Company and insourcing mandates, investors and clients of the Company  
or
- the interests of investors and clients of the Company amongst themselves  
or
- the interests of investors and of the investment funds managed by the Company  
or
- the interests of the various investment funds managed by the Company.

Circumstances and relationships that may give rise to conflicts of interest include in particular:

- Incentive systems for managing directors or employees of the Company, other companies in the same group as the Company or external companies that are contracted to provide services to enable collective portfolio management

- Personal transactions, involving assets held in the Fund managed by the Company, of managing directors or employees of the Company or managing directors or employees of companies that the Company has contracted to provide services to enable collective portfolio management
- Transactions between the Company and the investment funds or individual portfolios managed by the Company and/or transactions between investment funds and/or individual portfolios managed by the Company
- Combining a number of orders (block trades)
- Frequent trading
- Setting the cut-off time
- IPO allocations
- Delegating one or more functions to another company
- Exercising voting rights in respect of the shares held in the Fund
- Duties of the Custodian
- The interests of investors who wish to recover their investments and investors who wish to continue investing in the Fund
- Defining objectives when managing investments, investing in illiquid assets and the redemption principles of the Fund.

The Company may receive non-cash benefits in connection with transactions conducted on behalf of the Fund (broker research, financial analyses, market and price information systems), which are used when making investment decisions in the interests of investors.

The Company does not receive any refunds from fees and expenses paid from the Fund to the Custodian and third parties.

The Company pays intermediaries, such as credit institutions, recurring – generally annual – brokerage fees (trail fees).

The Company may charge a fee for its brokerage services, if investment assets brokered by the Company, which may in particular include those managed by the Company, are acquired in the Fund.

The Company takes the following organisational measures to address, detect, prevent, control, monitor and disclose conflicts of interest:

- Setting up a remuneration system that does not provide any incentive to put personal interests over those of the investment funds managed by the Company or investors or clients
- Investment advisor and asset management partners are contractually bound to avoid conflicts of interest
- Rules on personal transactions, that are continuously monitored by the Compliance department, and a blacklist which prohibits personal transactions involving certain assets to deal with potential conflicts of interest
- Rules on disclosing and dealing with accepting and granting donations

- Continuous monitoring of the transaction frequency within investment funds managed by the Company, in order to prevent said investment funds from being redeployed to the detriment of investors
- Implementing measures to prevent boosting fund performance near cut-off dates (window dressing) in investment funds managed by the Company
- Not engaging in transactions on its own account with investment funds managed by the Company or individual portfolios, and conducting transactions between different investment funds managed by the Company merely to achieve better trading results, without adversely affecting any of the investment funds involved
- Multiple orders (block trades) are combined on the basis of a uniform allocation principle
- Investors shall be notified when closely affiliated companies or persons (particularly shareholders) are appointed to act as, for example, asset managers, advisors, brokers or custodians.
- Taking internal measures to monitor the adverse market impact on the Fund as a result of major individual investments
- Prohibiting managing directors and employees of the Company from engaging in frequent trading by establishing rules on personal transactions and monitoring the investment funds managed by the Company
- Agreeing cut-off times with custodians to counteract speculation against the investment funds managed by the Company
- Standardised internal allocation principles for IPO allocations
- Delegating one or more functions to other companies so as to broaden the range of services provided by the Company
- Voting rights within the Fund's portfolio are exercised on the basis of recommendations of a neutral external investment advisory company in accordance with the analysis guidelines of BVI Bundesverband Investment und Asset Management e.V.
- The Fund's Custodian acts independently of the Company and is contractually bound to act exclusively in the interests of investors
- The interests of investors who wish to recover their investments and those who wish to keep investing in the Fund are taken into account during internal liquidity management
- The same applies with regard to conflicts between defining objectives when managing investments, investing in illiquid assets and the redemption principles of the Fund.

## **24. Annual/semi-annual reports, auditor, service providers**

The annual and semi-annual reports are available from the Company, the Custodian and the Distributor.

The task of auditing the Fund and the annual reports has been entrusted to KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt/Main. The auditor audits the annual reports of the Fund. When conducting its audits, the auditor shall also verify whether the Fund has complied with the provisions under the KAGB and the Terms and Conditions of Investment. The auditor shall summarise its findings in a special note, the full text of which shall be included in the annual report. The auditor shall submit its audit report for the Fund to BaFin upon request.

Undertakings to which the Company has outsourced duties are listed under Section 22 "Outsourcing". The Company has also appointed the following service providers:

- Distributors: Joh. Berenberg, Gossler & Co. KG. has been appointed to market the Fund. Appointing the Distributor does not of itself establish legal relationships between the Distributor and investors in the Fund. However, legal relationships between the Distributor and the investor may be created if the investor uses the Distributor's services when acquiring units in the Fund.
- Legal advisors: the Company calls upon the services of the following law firms to provide legal advice with regard to class actions and private suits: Diaz Reus Rolff & Targ LLP, DRRT Limited, Motley Rice LLC and Sturman LLC. These firms are involved primarily in representing the Company and/or Fund in class actions in the USA and in private suits. Appointing law firms does not establish legal relationships between said firms and investors in the Fund.
- Exercising of voting rights: As from 1 October 2020 the Company uses the support of external service providers to exercise the voting rights resulting from the shares belonging to the Fund. The Company has appointed IVOX Glass Lewis GmbH, Karlsruhe and Glass, Lewis & Co., LLC, San Francisco, for this task. IVOX Glass Lewis GmbH provides the company with recommendations for voting behaviour based on analyses of the general meeting documents, taking into account the Company's voting rights guidelines. It exercises the voting rights and is obligated to report on voting behaviour. The functions of the Viewpoint platform operated by Glass, Lewis & Co. LLC are used for voting management and reporting. This does not affect the Company's prudential obligations or its civil liability to investors in the Fund. Appointing the two service providers does not establish legal relationships between these two providers and investors in the Fund.

## 25. Payments to investors; circulation of reports and other information

The appointment of the Custodian ensures that investors receive the dividends due to them and that units can be redeemed. The information for investors mentioned in this Sales Prospectus is available from the Company. These documents can also be obtained from the Custodian and Distributor. They are also available on the Company's website (<https://www.universal-investment.com>).

## 26. Other investment funds managed by the Company

The Company also manages the public investment funds listed below, to which this Sales Prospectus does not relate:

### Investmentvermögen nach der OGAW-Richtlinie<sup>12</sup>

7orca Vega Income  
 7orca Vega Return  
 Absolute Return Multi Premium Fonds  
 AF Value Invest UI  
 AG Ostalb Global Fonds  
 AHF Global Select  
 Aktien Europa – UI  
 Aktien Global – UI  
 Aktien USA – UI

<sup>12</sup> As of: 15.06.2022



Aktien Opportunity UI  
 Aktien Südeuropa Nachhaltigkeit UI  
 ALL-IN-ONE  
 All Stars 10x10  
 Alturis Volatility  
 AM Fortune Fund Defensive  
 AM Fortune Fund Offensive  
 Ametrin Stratgiefonds  
 Analect Fund Bond UI  
 Antecedo Defensive Growth  
 Antecedo Enhanced Yield  
 Antecedo Independent Invest  
 Antecedo Low Duration Plus  
 Apo Dänische Pfandbriefe UI  
 apo VV Defensiv – Privat  
 apo VV Renten – Privat  
 Aquantum Active Range  
 ART AI EURO Balanced  
 ART AI Europe - Market Neutral  
 ART AI US Balanced  
 ART Alpha Opportunities UI  
 ART Global Macro  
 ART Metzler FX Protected Carry  
 ART Top 50 Convertibles UI  
 ART Top 50 Smart ESG Convertibles UI  
 ART Transformer Equities  
 ASSETS Special Opportunities UI  
 ATHENA UI  
 AURETAS strategy balanced (D)  
 AURETAS strategy defensive (D)  
 AURETAS strategy growth (D)  
 AvH Emerging Markets Fonds UI  
 B.A.U.M. Fair Future Fonds  
 Bachelier UI  
 Bankhaus Seeliger VV Ausgewogen  
 Bankhaus Seeliger VV Dynamisch  
 Bellevue Option Premium  
 Belvoir Global Allocation II Universal  
 Berenberg Aktien Global Plus  
 Berenberg Aktien Mittelstand  
 Berenberg EM Bonds  
 Berenberg Euro Bonds  
 Berenberg Euro Enhanced Liquidity  
 Berenberg Global Bonds  
 Berenberg Multi Asset Balanced  
 Berenberg Multi Asset Defensive  
 Berenberg Systematic Multi Asset  
 Bethmann Aktien Nachhaltigkeit  
 Bethmann Megatrends  
 Bethmann Nachhaltigkeit Ausgewogen  
 Bethmann Nachhaltigkeit Defensiv Ausgewogen  
 Bethmann Rentenfonds  
 Bethmann SGB Nachhaltigkeit  
 Bethmann Stiftungsfonds  
 Bethmann Stiftungsfonds 2  
 BFS Nachhaltigkeitsfonds Aktien I  
 BFS Nachhaltigkeitsfonds Aktien II  
 BFS Nachhaltigkeitsfonds Ertrag  
 BFS Nachhaltigkeitsfonds Green Bonds  
 BKC Aktienfonds  
 BKC Emerging Markets Renten

BKC Treuhand Portfolio  
 BKP Classic Fonds  
 BKP Dachfonds  
 Böhke & Compagnie Vermögensverwaltungsfonds  
 Börsebius Bosses Follower Fund  
 Börsebius TopMix  
 Börsebius TopSelect  
 BW-RENTA-UNIVERSAL-FONDS  
 Capitulum Rentenstrategie optimiert Universal  
 Capitulum Sustainable Local Currency Bond Fonds UI  
 Capitulum Weltzins Invest Universal  
 Castell Concept P-22  
 Castell Digital Opportunities  
 Castell Global Equity Select  
 Castell Global ESG Growth Opportunities  
 Castell Global ESG Income Opportunities  
 Castell Global ESG Opportunities  
 Castell Global Fixed Income Select  
 Castell Global Industries Select  
 China Digital Leaders  
 CHOM CAPITAL Active Return Europe UI  
 CHOM CAPITAL PURE Sustainability - Small Cap Europe UI  
 CoIQ Global Equity - Evolutionary Collective Intelligence  
 COLLEGIUM Portfolio I  
 Commerzbank Flexible Allocation Euroland  
 Commerzbank Flexible Allocation USA  
 Commerzbank Market Neutral Europe  
 Commerzbank Market Neutral Short-Bias Europe  
 CONCEPT Aurelia Global  
 CONVERTIBLE GLOBAL DIVERSIFIED UI  
 CONVEX Conservative Sustainable Convertibles  
 Debeka-Aktien-Asien-ESG  
 Debeka-Aktien-Europa-ESG  
 Debeka-Aktien-Global-ESG  
 Debeka-Aktien-Nordamerika-ESG  
 Degussa Aktien Universal-Fonds  
 Degussa Bank Nachhaltigkeitsfonds Akzentuiert  
 DEGUSSA BANK-UNIVERSAL-RENTENFONDS  
 Degussa Renten Universal-Fonds  
 Deutsche Postbank Europafonds Aktien  
 Deutsche Postbank Europafonds Plus  
 Deutsche Postbank Europafonds Renten  
 Deutsche Postbank Global Player  
 di exclusive Linus global  
 Discountstrategie  
 Dividendenkonzept Plus UI  
 DUI Wertefinder  
 Earth Exploration Fund UI  
 Earth Gold Fund UI  
 Earth Sustainable Resources Fund  
 EB - Dividendenstrategie Klima Global  
 EB - Sustainable Balanced Defensive Invest  
 EB - Sustainable Corporate Bond Invest UI  
 EB - Sustainable Euro Bond Fund  
 EB - Sustainable Large Cap Equities Euroland Fund  
 EB - Sustainable Emerging Markets Corporate Bond Fund  
 EB - Sustainable Multi Asset Invest  
 EB - Sustainable Small/Mid Cap Equities Euroland Fund  
 EM Digital Leaders  
 Elite Plus UI  
 EMCORE COP

EMCORE COPO  
 Ethius Global Impact  
 EuropaInvest Dynamic Plus  
 Evergreen PDI Yang  
 Evergreen PDI Yin  
 f3x euroflex  
 FairZinsGlobal  
 FIAG-UNIVERSAL-DACHFONDS  
 FIDUKA Dynamic UI  
 FIDUKA-UNIVERSAL-FONDS I  
 FIMAX Aktien Global UI  
 FIMAX Vermögensverwaltungsfonds UI  
 finccam Roll Premium  
 finccam Volatility Premium  
 Finiens Futura 1 UI  
 Finreon SGKB Carbon Focus  
 FIVV-MIC-Mandat-China  
 FIVV-MIC-Mandat-Defensiv  
 FIVV-MIC-Mandat-Offensiv  
 FIVV-MIC-Mandat-Rendite  
 FIVV-MIC-Mandat-Rohstoffe  
 FIVV-MIC-Mandat-Wachstum  
 FO Vermögensverwalterfonds  
 Fonds für Stiftungen Invesco  
 Fondspicker Global UI  
 Fundatis Diversified Selection  
 FV Fremdwährungsanleihen Fonds  
 FVM Classic UI  
 FVM Offensiv  
 FVM Stiftungsfonds  
 Galilei Global Bond Opportunities UI  
 GAP Portfolio UI  
 GENEON Nachhaltige Aktien  
 GF Global UI  
 Global Absolute Return  
 GLS Bank Aktienfonds  
 GLS Bank Klimafonds  
 Goyer & Göppel Smart Select Universal  
 Goyer & Göppel Zins-Invest alpha Universal  
 GR Dynamik  
 GR Noah  
 Gridl Global Macro UI  
 GSP Aktiv Portfolio UI  
 H&H Stiftungsfonds  
 HannoverscheBasisInvest  
 HannoverscheMaxInvest  
 HannoverscheMediumInvest  
 HanseMercur Strategie ausgewogen  
 HanseMercur Strategie ausgewogen Nachhaltigkeit  
 HanseMercur Strategie chancenreich  
 HanseMercur Strategie sicherheitsbewusst  
 Hansen & Heinrich Universal Fonds  
 HaRa-Invest UI  
 Heidelberger Vermögen - Ausgewogen  
 Heidelberger Vermögen – Konservativ  
 HeLa UI  
 HMT Aktien Bessere Welt  
 HMT Aktien Value Protect ESG  
 HMT Corporates RiskControl ESG  
 HMT Euro Aktien Protect ESG  
 HMT Euro Aktien Protect 90

HMT Euro Aktien Protect 95  
 HMT Euro Aktien Seasonal  
 HMT Euro Aktien Solvency  
 HMT Euro Aktien VolControl  
 HMT Euro Seasonal LongShort  
 HMT Global Aktien Infrastruktur  
 HMT Global Antizyklus  
 HMT Global Multi Asset Income  
 HMT HanseMercur Aktien Invest  
 HMT Global Wertsicherung 90  
 HMT Wertsicherung 94 ESG  
 HP&P Euro Select UI Fonds  
 HP&P Global Equity  
 HP&P Stiftungsfonds  
 HVB Select Alpha  
 HWG-FONDS  
 HQT Megatrends  
 JRS-INTERNATIONAL-UNIVERSAL-FONDS  
 Julius Baer Germany - Focus Fund Balanced  
 Julius Baer Germany - Focus Fund Growth  
 Julius Baer Germany - Focus Fund Income  
 KirAC Stiftungsfonds Omega  
 Kirchröder Vermögensbildungsfonds 1 UI  
 L&H Multi Strategie UI  
 LAIC – Balanced Digital Selection  
 LAIC - Defensive Digital Selection  
 LAIC – Digital Institutional Europe  
 LAIC – Dynamic Digital Selection  
 LAIC – Sustainable Digital Selection AC  
 LAIC – Sustainable Digital Selection EM  
 LAM Sustainable Euro High Yield Corporate Bonds  
 LAM-AKTIE NACHHALTIGKEIT INTERNATIONAL  
 LAM-EURO-CORPORATE HYBRIDE  
 LAM-SUSTAINABLE-EURO-CORPORATES  
 LAM-SUSTAINABLE-EURO-RENTEN  
 LAM-SUSTAINABLE-EURO-SMALL CAPS  
 LAM-RENTEN GLOBAL  
 LAM-RENTEN NACHHALTIGKEIT  
 LAM-STIFTERFONDS-UNIVERSAL  
 Lampe Ausgewogen  
 Lampe Dividende Europa Aktiv  
 Lampe Dynamik  
 Lampe Rendite  
 Lampe Rendite Spezial  
 Lampe Select Europe  
 Lampe Select Renten  
 Lampe Solid  
 Lampe Wachstum  
 LBBW Pro-Fund Credit I  
 Leonardo UI  
 LIGA Globale Aktien Nachhaltig  
 LIGA Stiftungsfonds  
 Lloyd Fonds - ASSETS Defensive Opportunities  
 Lloyd Fonds - European Emerging Champions  
 Lloyd Fonds - European Hidden Champions  
 Lloyd Fonds - Global Multi Asset Selection  
 Lloyd Fonds - Green Dividend World  
 Lloyd Fonds - Special Yield Opportunities  
 Lloyd Fonds - WHC Global Discovery  
 Maneris Select UI  
 Markus Alt Rentenstrategie Nr. 1

MC 1 Universal  
 Mehrwertphasen Balance UI  
 Meisterwert Perspektive  
 MellowFund Bond Select  
 MellowFund Global Equity  
 Merck Finck Stiftungsfonds Balanced UI  
 Merck Finck Stiftungsfonds Dynamic UI  
 Merck Finck Stiftungsfonds UI  
 MFC Opportunities One  
 MFI Rendite Plus UI  
 morgen Aktien Global UI  
 Multi Asset Global Vision  
 Multi Asset Value Invest  
 MYRA European Equity Fund  
 nordIX Basis UI  
 nordIX Treasury plus  
 Nuri Invest All-Rounder  
 nx-25 Indexfonds  
 Oberbanscheidt Dividendenfonds  
 Oberbanscheidt Global Flexibel UI  
 OLB Invest Balance  
 OLB Invest Dynamik  
 Opportunistic Deep Value Fund UI  
 OVID Asia Pacific Infrastructure Equity UI  
 OVID Infrastructure HY Income UI  
 P & S Renditefonds  
 Pardus Global UI  
 Pax ESG Mover Aktien  
 Pax ESG Multi Asset  
 Pax Nachhaltig Ertrag Fonds  
 Platform Fund  
 Prisma Aktiv UI  
 Prisma Asianavigator UI  
 Private Alpha AI Global Opportunity Fund  
 ProfitlichSchmidlin Fonds UI  
 PSM Growth UI  
 PSM Investmentgrade Bond  
 PSM Value Strategy UI  
 quantumX Global UI  
 R + P UNIVERSAL-FONDS  
 R+P Rendite Plus UI  
 RB-L UI  
 RBV – VV UI  
 Renten Global Opportunities  
 RSI International UI  
 RW Portfolio Strategie UI  
 S4A EU Pure Equity  
 S4A Multi Asset Defensive  
 S4A Pure Equity Germany  
 S4A Systematic Absolute Return  
 S4A US Long  
 Sarasin-FairInvest-Bond-Universal-Fonds  
 Sarasin-FairInvest-Universal-Fonds  
 SCS Aktien Welt  
 SDG Evolution Bonds  
 SDG Evolution Flexibel  
 SEB Aktienfonds  
 SEB EuroCompanies  
 SEB Europafonds  
 SEB Total Return Bond Fund  
 SEB Zinsglobal

Selection Rendite Plus  
 sentix Fonds Aktien Deutschland  
 sentix Risk Return -A-  
 sentix Risk Return -M-  
 Serafin Multi-Asset Risk Focus  
 SIGAVEST Vermögensverwaltungsfonds UI  
 SK Selektion  
 SK Spezial  
 Smart & Fair-Fonds  
 Spiekermann & CO Strategie I  
 Stadtparkasse Düsseldorf EuroRenten Plus  
 Stadtparkasse Düsseldorf NRW-Fonds  
 Stadtparkasse Düsseldorf TOP-Chance  
 Stadtparkasse Düsseldorf TOP-Return  
 Stadtparkasse Düsseldorf TOP-Substanz  
 StarCapital Premium Bondvalue UI  
 Stiftungsfonds ESG Global  
 Stiftungsfonds Spiekermann & CO  
 Strategie H&H  
 SWuK Renten Flexibel UI  
 Sydbank Vermögensverwaltung Ausgewogen  
 Sydbank Vermögensverwaltung Dynamisch  
 Sydbank Vermögensverwaltung Klassisch  
 TAM Fortune Rendite  
 TAMAC Green Champions  
 The Digital Leaders Fund  
 TimmInvest Europa Plus Fonds  
 Tinzenhorn Fonds  
 TOGA UI  
 Tomorrow Better Future Stocks  
 Trend Kairos Global  
 Tungsten Multi Premium  
 Tungsten PARITON UI  
 Tungsten ZENTURIO UI  
 UI Alsterstrategie I  
 UI-BEDA Defensiv  
 UI-BEDA Offensiv  
 UM Strategy Fnd  
 UNIKAT Premium Select Fonds  
 Universal-Shareconcept-BC  
 Universal-Strategiefonds  
 Value Partnership  
 Veermaster Flexible Navigation Fund UI  
 Velten Strategie Deutschland  
 Vermögensmanagement - Fonds Universal  
 Vermögensmandat Strategie Ertrag  
 Vermögensmandat Strategie Stabil  
 Vermögensmandat Strategie Wachstum  
 Voba Pforzheim Premium A Fonds UI  
 VR Bank Kitzingen eG Euro Control nachhaltig  
 Wachstum Defensiv  
 WACHSTUM GLOBAL  
 Währungsfonds UI  
 WAVE Total Return ESG  
 WM AKTIEN GLOBAL UI-FONDS  
 World Market Fund  
 WoWiVermögen  
 WWK-Rent  
 Zindstein Werte-Sammler  
 ZSBalance  
 ZSDefensiv

ZSDynamic

## **Alternative Investmentfonds (AIF)**

- **Gemischte Sondervermögen**

AktivBalance  
AktivBasis  
AktivChance  
Berenberg Sustainable Stiftung  
BERIAN-UNIVERSAL-FONDS  
D&J Alpha UI  
D&J Beta UI  
Deutsche Postbank Best Invest Wachstum  
MasterFonds-VV Ausgewogen  
MasterFonds-VV Ertrag  
MasterFonds-VV Wachstum  
Multi Asset Comfort  
NILUS-UNIVERSAL-FONDS  
Pfau-StrategieDepot UI  
Stiftungsfonds Westfalen  
Thesi-Universal-Fonds  
Voba Pforzheim Premium R Fonds UI  
ZinsPlus Fonds UI

- **Sonstige Sondervermögen**

Conveo Capital-UI  
Dynamic Opportunities-UI  
Eventus-UI  
HaRa UI  
Kapital Plus-UI  
Optomoni-UI  
Pollux I-UI  
pro aurum ValueFlex

- **Altersvorsorge-Sondervermögen**

SEB GenerationPlus

Hinzu kommen zurzeit 504 Spezial-AIF.

## C. Overview of the unit classes

### Initial issue date

Unit class M A	04/12/2015
Unit class R A	04/12/2015
Unit class B A	28/05/2018

### Initial issue prices

Unit class M A	EUR 100
Unit class R A	EUR 100, plus issuing surcharge
Unit class B A	EUR 100

### Issuing surcharge

Unit class M A	0.00%
Unit class R A	5.50%
Unit class B A	0.00%

### Purchase Restriction

Unit class M A	None
Unit class R A	None
Unit class B A	Unit class B is reserved for the clients of the portfolio manager, Joh. Berenberg, Co. KG, and can only be drawn by them.

### Minimum investment amount

Unit class M A	EUR 500,000 <sup>13</sup>
Unit class R A	None
Unit class B A	None

### Management fee

Unit class M A	currently 0.925%
Unit class R A	currently 1.675%
Unit class B A	currently 0.095%

### Custodian fee

Unit class M A	0.0275%
Unit class R A	0.0275%
Unit class B A	0.0275%

<sup>13</sup> The Management Company may allow lower minimum investment amounts at its own discretion.



**Performance fee**

Unit class M A	20% of the return generated by the Fund during the accounting period in excess of the reference value (50% MDAX® & 50% SDAX®)
Unit class R A	20% of the return generated by the Fund during the accounting period in excess of the reference value (50% MDAX® & 50% SDAX®)
Unit class B A	20% of the return generated by the Fund during the accounting period in excess of the reference value (50% MDAX® & 50% SDAX®)

**Currency**

Unit class M A	EUR
Unit class R A	EUR
Unit class B A	EUR

**Appropriation of income**

Unit class M A	Accumulating
Unit class R A	Accumulating
Unit class B A	Accumulating

**Securities ID No. / ISIN:**

Unit class M A	A14XN4 / DE000A14XN42
Unit class R A	A14XN5 / DE000A14XN59
Unit class B A	A2JF7M / DE000A2JF7M7

## D. List of sub-custodians

As of: March 31, 2022

Market	Subcustodian	Depository
Albania	<p><b>Raiffeisen Bank sh.a.</b></p> <p>Tish Dajja Kompleksi Kika 2 Tirana, Albania</p> <p>LEI: 529900XTU9H3KES1B287</p>	<p><b>Bank of Albania</b></p> <p>Sheshi "Skënderbej", No. 1 Tirana, Albania</p>
Argentina	<p><b>Citibank, N.A.</b></p> <p>Bartolome Mitre 530 1036 Buenos Aires, Argentina</p> <p>LEI: E57ODZWZ7FF32TWEFA76</p>	<p><b>Caja de Valores S.A.</b> 25 de Mayo 362 – C1002ABH Buenos Aires, Argentina</p>
Australia	<p><b>The Hongkong and Shanghai Banking Corporation Limited</b></p> <p>HSBC Securities Services Level 3, 10 Smith St., Parramatta, NSW 2150, Australia</p> <p>LEI: 2HI3YI5320L3RW6NJ957</p>	<p><b>Austraclear Limited</b></p> <p>Ground Floor 20 Bridge Street Sydney NSW 2000, Australia</p>
Austria	<ul style="list-style-type: none"> <li>• <b>UniCredit Bank Austria AG</b></li> <li>• Global Securities Services Austria Rothschildplatz 1 A-1020 Vienna, Austria</li> <li>• LEI: D1HEB8VEU6D9M8ZUXG17</li> </ul>	<ul style="list-style-type: none"> <li>• <b>OeKB Central Securities Depository GmbH</b></li> <li>• Strauchgasse 3 1011 Vienna, Austria</li> </ul>
Bahrain	<p><b>HSBC Bank Middle East Limited</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited)</p> <p>1<sup>st</sup> Floor, Bldg. #2505 Road # 2832, Al Seef 428 Kingdom of Bahrain</p> <p>LEI: 549300F99IL9YJDWH369</p>	<p><b>Bahrain Clear Company</b></p> <p>Bahrain Financial Harbour Harbour Gate (4th Floor) Manama, Kingdom of Bahrain</p>

Market	Subcustodian	Depository
Bangladesh	<b>Standard Chartered Bank</b>  Silver Tower, Level 7 52 South Gulshan Commercial Area Gulshan 1, Dhaka 1212, Bangladesh  LEI: RILFO74KP1CM8P6PCT96	<b>Bangladesh Bank</b>  Motijheel, Dhaka-1000 Bangladesh
		<b>Central Depository Bangladesh Limited</b>  DSE Tower (Level-5) House #46, Road #21 Nikunja-2Dhaka, Bangladesh
Belgium	<b>BNP Paribas Securities Services, S.C.A.</b> (operating through its Paris branch with support from its Brussels branch)  9, rue du Débarcadère 93500 Pantin, France  LEI: 549300WCGB70D06XZS54	<b>Euroclear Belgium</b>  Boulevard du Roi Albert II, 1 1210 Brussels, Belgium
		<b>National Bank of Belgium</b>  Boulevard de Berlaimont 14 B-1000 Brussels, Belgium
Benin	<b>via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast</b>  23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire  LEI: 54930016MQBB2NO5NB47	<b>Dépositaire Central – Banque de Règlement</b>  18 Rue Joseph Anoma 01 BP 3802 Abidjan 01 Ivory Coast
		<b>Banque Centrale des Etats d'Afrique de l'Ouest</b>  Avenue Abdoulaye FADIGA 3108 Dakar, Senegal
Bermuda	<b>HSBC Bank Bermuda Limited</b>  6 Front Street Hamilton, HM06, Bermuda  LEI: 0W1U67PTV5WY3WYWWD79	<b>Bermuda Securities Depository</b>  3/F Washington Mall Church Street Hamilton, HMFx Bermuda

Market	Subcustodian	Depository
Federation of Bosnia and Herzegovina	<p>UniCredit Bank d.d.</p> <p>Zelenih beretki 24 71 000 Sarajevo Federation of Bosnia and Herzegovina</p> <p>LEI: 549300RGT0JMDJZKVG34</p>	<p>Registar vrijednosnih papira u Federaciji Bosne i Hercegovine, d.d.</p> <p>Maršala Tita 62/II 71 Sarajevo Federation of Bosnia and Herzegovina</p>
Botswana	<p>Standard Chartered Bank Botswana Limited</p> <p>4th Floor, Standard Chartered House Queens Road The Mall Gaborone, Botswana</p> <p>LEI: 5493007VY27WWF8FF542</p>	<p>Bank of Botswana</p> <p>17938, Khama Crescent Gaborone, Botswana</p> <p>Central Securities Depository Company of Botswana Ltd.</p> <p>4th Floor</p> <p>Fairscape Precinct (BDC building) Plot 70667, Fairgrounds Office Park Gaborone, Botswana</p>
Brazil	<p>Citibank, N.A.</p> <p>AV Paulista 1111 São Paulo, SP 01311-920 Brazil</p> <p>LEI: E57ODZWZ7FF32TWEFA76</p>	<p>Brasil, Bolsa, Balcão S.A. (B3) Rua XV de Novembro, 275 São Paulo/SP - 01013-001, Brazil</p> <p>Sistema Especial de Liquidação e de Custódia (SELIC)</p> <p>Departamento de Operações de Mercado Aberto – BACEN Av.</p> <p>Av. Pres. Vargas 730 - 40 andar Rio de Janeiro - RJ 20071-001 Brazil</p>
Bulgaria	<p>Citibank Europe plc, Bulgaria Branch</p> <p>Serdika Offices, 10th floor 48 Sitnyakovo Blvd. 1505 Sofia, Bulgaria</p>	<p>Bulgarian National Bank</p> <p>1, Knyaz Alexander I Sq. 1000 Sofia, Bulgaria</p>

Market	Subcustodian	Depository
	<p>LEI: N1FBEDJ5J41VKZLO2475</p> <p><b>UniCredit Bulbank AD</b></p> <p>7 Sveta Nedelya Square 1000 Sofia, Bulgaria</p> <p>LEI: 549300Z7V2WOFIMUEK50</p>	<p><b>Central Depository AD</b></p> <p>6 Tri Ushi Street, 4th floor 1000 Sofia, Bulgaria</p>
Burkina Faso	<p>via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast</p> <p>23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire</p> <p>LEI: 54930016MQBB2NO5NB47</p>	<p><b>Dépositaire Central – Banque de Règlement</b></p> <p>18 Rue Joseph Anoma 01 BP 3802 Abidjan 01 Ivory Coast</p>
		<p><b>Banque Centrale des Etats d'Afrique de l'Ouest</b></p> <p>Avenue Abdoulaye FADIGA 3108 Dakar, Senegal</p>
Canada	<p><b>State Street Trust Company Canada</b></p> <p>30 Adelaide Street East, Suite 800 Toronto, ON Canada M5C 3G6</p> <p>LEI: 549300L71XG2CTQ2V827</p>	<p><b>The Canadian Depository for Securities Limited</b></p> <p>85 Richmond Street West Toronto, Ontario M5H 2C9, Canada</p>
Chile	<p><b>Banco de Chile</b></p> <p>Ahumada 251 Santiago, Chile</p> <p>LEI: 8B4EZF8IHJC44TT2K84</p>	<p><b>Depósito Central de Valores S.A.</b></p> <p>Huérfanos N° 770, Piso 17 Santiago, Chile</p>

Market	Subcustodian	Depository
<p>People's Republic of China</p>	<p><b>HSBC Bank (China) Company Limited</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited)</p> <p>33<sup>rd</sup> Floor, HSBC Building, Shanghai IFC 8 Century Avenue Pudong, Shanghai, People's Republic of People's Republic of China (200120)</p> <p>LEI: 2CZOJRADNIXBLT55G526</p>	<p><b>China Securities Depository and Clearing Corporation Limited, Shanghai Branch</b></p> <p>3<sup>rd</sup> Floor, China Insurance Building 166 East Lujiazui Road New Pudong District Shanghai 200120 People's Republic of China</p>
	<p><b>China Construction Bank Corporation</b></p> <p>No.1 Naoshikou Street Chang An Xing Rong Plaza Beijing 100032-33, People's Republic of China</p> <p>LEI: 5493001KQW6DM7KEDR62</p>	<p><b>China Securities Depository and Clearing Corporation Limited, Shenzhen Branch</b></p> <p>22-28/F, Shenzhen Stock Exchange Building 2012 Shennan Blvd, Futian District Shenzhen People's Republic of China</p>
		<p><b>China Central Depository and Clearing Co., Ltd.</b></p> <p>No.10, Finance Street Xicheng District Beijing 100033 People's Republic of China</p>
		<p><b>Shanghai Clearing House</b></p> <p>2 East Beijing Road Shanghai 200002 People's Republic of China</p>
<p>China Connect</p>	<p><b>Citibank N.A.</b></p> <p>39/F., Champion Tower 3 Garden Road Central, Hong Kong</p> <p>LEI: E57ODZWZ7FF32TWFA76</p>	<p>See depositories listed under People's Republic of China and Hong Kong.</p>

Market	Subcustodian	Depository
	<p><b>The Hongkong and Shanghai Banking Corporation Limited</b></p> <p>Level 30, HSBC Main Building 1 Queen's Road Central, Hong Kong</p> <p>LEI: 2HI3YI5320L3RW6NJ957</p> <hr/> <p><b>Standard Chartered Bank (Hong Kong) Limited</b></p> <p>15<sup>th</sup> Floor Standard Chartered Tower 388 Kwun Tong Road Kwun Tong, Hong Kong</p> <p>LEI: X5AV1MBDXGRP5UGMX13</p>	
Colombia	<p><b>Cititrust Colombia S.A. Sociedad Fiduciaria</b></p> <p>Carrera 9A, No. 99-02 Bogotá DC, Colombia</p> <p>LEI: SSER7O0CV66FF0PRYK94</p>	<p><b>Depósito Central de Valores</b></p> <p>Carrera 7 No. 14-78 Second Floor Bogotá, Colombia</p> <hr/> <p><b>Depósito Centralizado de Valores de Colombia S.A. (DECEVAL)</b></p> <p>Calle 24A # 59 - 42 Torre 3 Oficina 501 Bogotá, Colombia</p>
Costa Rica	<p><b>Banco BCT S.A.</b></p> <p>160 Calle Central Edificio BCT San José, Costa Rica</p> <p>LEI: 25490061PVFNGN0YMO97</p>	<p><b>Interclear Central de Valores S.A.</b></p> <p>Parque Empresarial Forum Autopista Próspero Fernández Edificio Bolsa Nacional de Valores Santa Ana, Costa Rica</p>

Market	Subcustodian	Depository
Croatia	<b>Privredna Banka Zagreb d.d.</b>  Custody Department Radnička cesta 50 10000 Zagreb, Croatia  LEI: 549300ZHFZ4CSK7VS460	<b>Središnje klirinško depozitarno društvo d.d.</b>  Heinzelova 62/a 10000 Zagreb, Croatia
	<b>Zagrebacka Banka d.d.</b>  Savska 60 10000 Zagreb, Croatia  LEI: PRNXTNXHBI0TSY1V8P17	
Cyprus	<b>BNP Paribas Securities Services, S.C.A., Greece</b> (operating through its Athens branch)  2 Lampsakou Str. 115 28 Athens, Greece  LEI: 549300WCGB70D06XZS54	<b>Central Depository and Central Registry</b>  Kambou Street, 2nd floor Strovolos, PO Box 25427 1309 Nicosia, Cyprus
Czech Republic	<b>Československá obchodní banka, a.s.</b>  Radlická 333/150 150 57 Prague 5, Czech Republic  LEI: Q5BP2UEQ48R75BOTCB92	<b>Centrální depozitář cenných papírů, a.s.</b>  Rybná 14 110 05 Prague 1, Czech Republic
	<b>UniCredit Bank Czech Republic and Slovakia, a.s.</b>  BB Centrum – FILADELFIE Želetavská 1525/1 140 92 Praha 4 - Michle, Czech Republic  LEI: KR6LSKV3BTSJRD41IF75	
Denmark	<b>Skandinaviska Enskilda Banken AB (publ), Sweden</b> (operating through its Copenhagen branch)  Bernstorffsgade 50 1577 Copenhagen, Denmark  LEI: F3JS33DEI6XQ4ZBPTN86	<b>VP Securities A/S</b>  Nicolai Eigtveds Gade 8 1402 Copenhagen K, Denmark



Market	Subcustodian	Depository
Egypt	<b>Citibank, N.A.</b>  Boomerang Building – Plot 48 – AlSalam Axis Street First District – 5th Settlement  <b>11835</b> Cairo, Egypt  LEI: E57ODZWZ7FF32TWEFA76	<b>Misr for Central Clearing, Depository and Registry S.A.E.</b>  70 El Gamhouria Street Cairo, Egypt
		<b>Central Bank of Egypt</b>  54 Elgomhoreya Street <b>11511</b> Cairo, Egypt
Estonia	<b>AS SEB Pank</b>  Tornimäe 2 <b>15010</b> Tallinn, Estonia  LEI: 549300ND1MQ8SNNYMJ22	<b>Nasdaq CSD SE</b>  Tartu mnt 2 <b>10145</b> Tallinn, Estonia
Eswatini	<b>Standard Bank Eswatini Limited</b>  Standard House, Swazi Plaza Mbabane, Eswatini <b>H101</b>  LEI: 2549000IV408A4RRND84	<b>Central Bank of Eswatini</b>  Umntsholi Building Mahlokohla Street Mbabane, Eswatini <b>H100</b>
Finland	<b>Skandinaviska Enskilda Banken AB (publ), Sweden</b> (operating through its Helsinki branch)  Securities Services Box 630 <b>SF-00101</b> Helsinki, Finland  LEI: F3JS33DEI6XQ4ZBPTN86	<b>Euroclear Finland Ltd.</b>  Urho Kekkosen katu 5C <b>00100</b> Helsinki, Finland
France	<b>BNP Paribas Securities Services, S.C.A.</b>  9, rue du Débarcadère <b>93500</b> Pantin, France  LEI: 549300WCGB70D06XZS54	<b>Euroclear France</b>  66 Rue de la Victoire <b>F-75009</b> Paris France

Market	Subcustodian	Depository
Republic of Georgia	<b>JSC Bank of Georgia</b> 29a Gagarini Str. Tbilisi 0160, Georgia LEI: 549300RPLD8RXL49Z691	<b>Georgian Central Securities Depository</b> 74a Chavchavadze Avenue Tbilisi 0162, Georgia
		<b>National Bank of Georgia</b> Sanapiro Street N2, 0114 Tbilisi 0105, Georgia
Germany	<b>State Street Bank International GmbH</b> Brienner Strasse 59 80333 Munich, Germany LEI: ZMHGNT7ZPKZ3UFZ8EO46	<b>Clearstream Banking AG, Frankfurt</b> Neue Boersenstrasse 1 D-60485 Frankfurt am Main, Germany
	<b>Deutsche Bank AG</b> Alfred-Herrhausen-Allee 16-24 D-65760 Eschborn, Germany LEI: 7LTFWZYICNSX8D621K86	
Ghana	<b>Standard Chartered Bank Ghana Plc</b> P. O. Box 768 1st Floor High Street Building Accra, Ghana LEI: 549300WFGKTC3MGDCX95	<b>Central Securities Depository (Ghana) Limited</b> Fourth Floor Cedi House PMB CT 465 Cantonments, Accra, Ghana
Greece	<b>BNP Paribas Securities Services, S.C.A.</b> 2 Lampsakou Str. 115 28 Athens, Greece LEI: 549300WCGB70D06XZS54	<b>Bank of Greece, System for Monitoring Transactions in Securities in Book-Entry Form</b> 21E. Venizelou Avenue 102 50 Athens, Greece

Market	Subcustodian	Depository
		<b>Hellenic Central Securities Depository</b>  110 Athinon Ave. <b>104 42</b> Athens, Greece
Guinea-Bissau	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast  23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire  LEI: 54930016MQBB2NO5NB47	<b>Dépositaire Central – Banque de Règlement</b>  18 Rue Joseph Anoma 01 BP 3802 Abidjan 01 Ivory Coast
		<b>Banque Centrale des Etats d'Afrique de l'Ouest</b>  Avenue Abdoulaye FADIGA <b>3108</b> Dakar, Senegal
Hong Kong	<b>The Hongkong and Shanghai Banking Corporation Limited</b>  Level 30, HSBC Main Building 1 Queen's Road Central, Hong Kong  LEI: 2HI3YI5320L3RW6NJ957	<b>Central Moneymarkets Unit</b>  55th floor, Two International Finance Center 8 Finance Street, Central Hong Kong
		<b>Hong Kong Securities Clearing Company Limited</b>  12 <sup>th</sup> floor, One International Finance Center 1 Harbor View Street, Central Hong Kong
Hungary	<b>Citibank Europe plc Magyarországi Fióktelepe</b>  7 Szabadság tér, Bank Center Budapest, H-1051 Hungary  LEI: N1FBEDJ5J41VKZLO2475	<b>KELER Központi Értéktár Zrt.</b>  R70 Office Complex Floors IV-V Rákóczi út 70-72 <b>1074</b> Budapest, Hungary

Market	Subcustodian	Depository
	<b>UniCredit Bank Hungary Zrt.</b>  6th Floor Szabadság tér 5-6 H-1054 Budapest, Hungary  LEI: Y28RT6GGYJ696PMW8T44	
Iceland	<b>Landsbankinn hf.</b>  Austurstræti 11 155 Reykjavik, Iceland  LEI: 549300TLZPT6JELDWM92	<b>Nasdaq CSD SE, útibú á Íslandi</b>  Laugavegur 182 105 Reykjavik, Iceland
India	<b>Deutsche Bank AG</b>  Block B1, 4th Floor, Nirlon Knowledge Park Off Western Express Highway (E) Goregaon Mumbai 400 063, India  LEI: 7LTFWZYICNSX8D621K86	<b>Central Depository Services (India) Limited</b>  Phiroze Jeejeebhoy Towers 28 floor Dalal Street Mumbai 400 023, India
	<b>Citibank, N.A.</b>  FIFC, 11th Floor C-54/55, G Block, Bandra Kurla Complex, Bandra (East),  Mumbai 400 098, India  LEI: E57ODZWZ7FF32TWEFA76	<b>National Securities Depository Limited</b>  Trade World 4th floor Kamala City, Senapati Bapat Marg Lower Parel Mumbai 400 013, India

Market	Subcustodian	Depository
	<p><b>The Hongkong and Shanghai Banking Corporation Limited</b></p> <p>11F, Building 3, NESCO - IT Park, NESCO Complex, Western Express Highway Goregaon (East), Mumbai <b>400 063</b>, India LEI: 2HI3YI5320L3RW6NJ957</p>	<p><b>Reserve Bank of India</b></p> <p>Central Office Building, 18th Floor Shahid Bhagat Singh Road Mumbai <b>400 001</b>, India</p>
Indonesia	<p><b>Standard Chartered Bank</b></p> <p>Menara Standard Chartered 5th floor Jl. Prof. Dr. Satrio No. 164, Jakarta <b>12930</b>, Indonesia LEI: RILFO74KP1CM8P6PCT96</p> <p><b>Deutsche Bank AG</b></p> <p>Deutsche Bank Building, 5th floor Jl. Imam Bonjol, No. 80 Jakarta <b>10310</b>, Indonesia LEI: 7LTFWZYICNSX8D621K86</p>	<p><b>Bank Indonesia</b></p> <p>JL MH Thamrin 2 Jakarta <b>10110</b>, Indonesia</p> <p><b>PT Kustodian Sentral Efek Indonesia</b></p> <p>5th Floor, Jakarta Stock Exchange Building Tower 1 Jln. Jenderal Sudirman Kav. 52-53 Jakarta <b>12190</b>, Indonesia</p>

Market	Subcustodian	Depository
Israel	<b>Bank Hapoalim B.M.</b>  50 Rothschild Boulevard Tel Aviv, Israel <b>61000</b>  LEI: B6ARUI4946ST4S7WOU88	<b>Tel Aviv Stock Exchange Clearing House Ltd. (TASE Clearing House)</b>  2 Ahuzat Bayit St.  Tel Aviv <b>6525216</b> Israel
Italy	<b>Intesa Sanpaolo S.p.A.</b>  Financial Institutions – Transactions Services  Piazza della Scala, 6  <b>20121</b> Milan, Italy  LEI: 2W8N8UU78PMDQKZENC08	<b>Monte Titoli S.p.A.</b>  Piazza degli Affari 6 <b>20123</b> Milan, Italy
Ivory Coast	<b>Standard Chartered Bank Côte d’Ivoire S.A.</b>  23, Bld de la République 17 BP 1141 Abidjan <b>17</b> Côte d’Ivoire  LEI: 54930016MQBB2NO5NB47	<b>Dépositaire Central – Banque de Règlement</b>  18 Rue Joseph Anoma 01 BP 3802 Abidjan <b>01</b> Ivory Coast  <b>Banque Centrale des Etats d’Afrique de l’Ouest</b>  Avenue Abdoulaye FADIGA <b>3108</b> Dakar, Senegal
Japan	<b>Mizuho Bank, Limited</b>  Shinagawa Intercity Tower A 2-15-1, Konan, Minato-ku Tokyo <b>108-6009</b> , Japan  LEI: RB0PEZSDGCO3JS6CEU02	<b>Bank of Japan – Financial Network System</b>  2-1-1 Hongoku-cho Nihombashi Chuo-ku Tokyo <b>103-8660</b> , Japan

Market	Subcustodian	Depository
	<p><b>The Hongkong and Shanghai Banking Corporation Limited</b></p> <p>HSBC Building 11-1 Nihonbashi 3-chome, Chuo-ku Tokyo <b>1030027</b>, Japan</p> <p>LEI: 2HI3YI5320L3RW6NJ957</p>	<p><b>Japan Securities Depository Center (JASDEC) Incorporated</b></p> <p>5<sup>th</sup> Floor Daini Shoken Kaikan Bld. 2-1-1 Nihombashi Kayaba-Cho Chuo-ku Tokyo <b>103-0025</b> Japan</p>
<p><b>Jordan</b></p>	<p><b>Standard Chartered Bank</b> Shmeissani Branch Al-Thaqafa Street, Building # 2 P.O. Box 926190 Amman <b>11110</b>, Jordan</p> <p>LEI: RILFO74KP1CM8P6PCT96</p>	<p><b>Central Bank of Jordan</b></p> <p>Al-Salt Street P.O. Box (37) Amman <b>11118</b>, Jordan</p> <p><b>Securities Depository Center</b></p> <p>Capital Market Building Al - Mansour Bin Abi Amer Street PO Box 212465 Amman <b>11121</b>, Jordan</p>
<p><b>Kazakhstan</b></p>	<p><b>JSC Citibank Kazakhstan</b></p> <p>Park Palace, Building A, 41 Kazibek Bi street, Almaty <b>A25T0A1</b>, Kazakhstan</p> <p>LEI: 95XXGORQK31JZP82OG22</p>	<p><b>Central Securities Depository</b></p> <p>28, microdistrict Samal-1 Almaty, <b>050051</b>, Kazakhstan</p>
<p><b>Kenya</b></p>	<p><b>Standard Chartered Bank Kenya Limited</b></p> <p>Custody Services Standard Chartered @ Chiromo, Level 5 48 Westlands Road</p>	<p><b>Central Bank of Kenya</b></p> <p>Haile Selassie Avenue P.O. Box 60000 <b>00200</b> Nairobi, Kenya</p>

Market	Subcustodian	Depository
	<p>P.O. Box 40984 – 00100 GPO Nairobi, Kenya</p> <p>LEI: 549300RBHWW5EJIRG629</p>	<p><b>Central Depository and Settlement Corporation Limited</b></p> <p>10th Floor Nation Centre, Kimathi St. P.O. Box 3464 <b>00100 GPO</b> Nairobi, Kenya</p>
<p><b>Republic of Korea</b></p>	<p><b>The Hongkong and Shanghai Banking Corporation Limited</b></p> <p>8F</p> <p>HSBC Building #37 Chilpae-ro Jung-gu, Seoul <b>04511</b>, Korea</p> <p>LEI: 2HI3YI5320L3RW6NJ957</p> <p><b>Deutsche Bank AG</b></p> <p>12F, Centropolis Tower A, 26, Ujeongguk-ro, Jongno-gu, <b>03161</b> Seoul, Korea LEI: 7LTFWZYICNSX8D621K86</p>	<p><b>Korea Securities Depository</b></p> <p>BIFC, 40. Munhyeongeumyung-ro, Nam-gu, Busan <b>48400</b>, Korea</p>
<p><b>Kuwait</b></p>	<p><b>HSBC Bank Middle East Limited</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited)</p> <p>Kuwait City, Sharq Area Abdulaziz Al Sager Street Al Hamra Tower, 37F P. O. Box 1683, Safat <b>13017</b>, Kuwait</p> <p>LEI: 549300F99IL9YJDWH369</p>	<p><b>Kuwait Clearing Company KSC</b></p> <p>Kuwait Stock Exchange Building, Mubarak Al Kabeer St</p> <p>P.O. Box 22077 Safat, <b>13081</b> Kuwait</p>



Market	Subcustodian	Depository
Latvia	<p><b>AS SEB banka</b></p> <p>Unicentrs, Valdlauči  <b>LV-1076</b> Kekavas pag., Rigas raj., Latvia</p> <p>LEI: 549300YW95G1VBBGGV07</p>	<p><b>Nasdaq CSD SE</b></p> <p>Valnu iela 1  <b>Riga LV 1050</b>, Latvia</p>
Lithuania	<p><b>AB SEB bankas</b></p> <p>Konstitucijos Ave. 24  <b>LT 08105</b> Vilnius, Lithuania</p> <p>LEI: 549300SBPFE9JX7N8J82</p>	<p><b>Nasdaq CSD SE</b></p> <p>Konstitucijos avenue 29  <b>08105</b> Vilnius, Lithuania</p>
Malawi	<p><b>Standard Bank PLC</b></p> <p>Kaomba Centre  Cnr. Victoria Avenue &amp; Sir Glyn Jones Road  Blantyre, Malawi</p> <p>LEI: 2549004FJV2K9P9UCU04</p>	<p><b>Reserve Bank of Malawi</b></p> <p>Convention Drive City Centre  Lilongwe 3, Malawi</p>
Malaysia	<p><b>Standard Chartered Bank Malaysia Berhad</b></p> <p>Menara Standard Chartered  30 Jalan Sultan Ismail  <b>50250</b> Kuala Lumpur, Malaysia</p> <p>LEI: 549300JTJBG2QBI8KD48</p>	<p><b>Bank Negara Malaysia</b></p> <p>Jalan Dato' Onn  Kuala Lumpur <b>50480</b>, Malaysia</p> <p><b>Bursa Malaysia Depository Sdn. Bhd</b></p> <p>10<sup>th</sup> Floor, Exchange Square  Bukit Kewangan  Kuala Lumpur <b>50200</b>, Malaysia</p>

Market	Subcustodian	Depository
Mali	<p>via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast</p> <p>23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire</p> <p>LEI: 54930016MQBB2NO5NB47</p>	<p>Dépositaire Central – Banque de Règlement</p> <p>18 Rue Joseph Anoma 01 BP 3802 Abidjan 01 Ivory Coast</p> <p>Banque Centrale des Etats d'Afrique de l'Ouest</p> <p>Avenue Abdoulaye FADIGA 3108 Dakar, Senegal</p>
Mauritius	<p>The Hongkong and Shanghai Banking Corporation Limited</p> <p>6F HSBC Centre 18 CyberCity Ebene, Mauritius</p> <p>LEI: 2HI3YI5320L3RW6NJ957</p>	<p>Bank of Mauritius</p> <p>Sir William Newton Street P.O. Box 29 Port Louis, Mauritius</p> <p>Central Depository and Settlement Co. Limited</p> <p>4<sup>th</sup> Floor One Cathedral Square Bld. 16 Jules Koenig Street Port Louis, Mauritius</p>
Mexico	<p>Banco Nacional de México, S.A.</p> <p>3er piso, Torre Norte Act. Roberto Medellín No. 800 Col. Santa Fe Mexico, DF 01219</p> <p>LEI: 2SFFM4FUIE05S37WFU55</p>	<p>S.D. Indeval, S.A. de C.V.</p> <p>Paseo de la Reforma 255 Floors 2-3 Cuauhtemoc Mexico, DF 06500</p>

Market	Subcustodian	Depository
Morocco	<p><b>Citibank Maghreb S.A.</b></p> <p>Zénith                      Millénium                      Immeuble1 Sidi                      Maârouf                      –                      B.P.                      40 Casablanca <b>20190</b>, Morocco</p> <p>LEI: 5493003FVWLMBFTISI11</p>	<p><b>Maroclear</b></p> <p>Route d'El Jadida 18 Cité Laïa <b>20 200</b> Casablanca, Morocco</p>
Namibia	<p><b>Standard Bank Namibia Limited</b></p> <p>Standard                      Bank                      Center Cnr. Werner List St. and Post St. Mall 2nd                      Floor Windhoek, Namibia</p> <p>LEI: 254900K6TJFDYKSQWV49</p>	<p><b>Bank of Namibia</b></p> <p>71 Robert Mugabe Avenue Windhoek, Namibia</p>
Netherlands	<p><b>BNP Paribas Securities Services, S.C.A.</b></p> <p>(operating through its Paris branch with support from its Amsterdam branch)</p> <p>9,                      rue                      du                      Débarcadère <b>93500</b> Pantin, France</p> <p>LEI: 549300WCGB70D06XZS54</p>	<p><b>Euroclear Nederland</b></p> <p>Herengracht                      436-438 <b>1017</b> BZ Amsterdam, Nether- lands</p>
New Zealand	<p><b>The Hongkong and Shanghai Banking Corporation Lim- ited</b></p> <p>Level 21, HSBC Tower 188                      Quay                      St. Auckland <b>1010</b>, New Zealand</p> <p>LEI: 2HI3YI5320L3RW6NJ957</p>	<p><b>New Zealand Central Securities Depository Limited</b></p> <p>c/o Reserve Bank of New Zealand 2                      The                      Terrace P.O.                      Box                      2498 Wellington, New Zealand</p>

Market	Subcustodian	Depository
Niger	<p>via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast</p> <p>23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire</p> <p>LEI: 54930016MQBB2NO5NB47</p>	<p>Dépositaire Central – Banque de Règlement</p> <p>18 Rue Joseph Anoma 01 BP 3802 Abidjan 01 Ivory Coast</p> <p><b>Banque Centrale des Etats d'Afrique de l'Ouest</b></p> <p>Avenue Abdoulaye FADIGA 3108 Dakar, Senegal</p>
Nigeria	<p><b>Stanbic IBTC Bank Plc.</b></p> <p>Plot 1712 Idejo St Victoria Island, Lagos 101007, Nigeria</p> <p>LEI: 549300NIVXF92ZIOVW61</p>	<p><b>Central Bank of Nigeria</b></p> <p>Plot 33, Abubakar Tafawa Balewa Way Central Business District Cadastral Zone Abuja, Federal Capital Territory, Nigeria</p> <p><b>Central Securities Clearing System Limited</b></p> <p>2/4 Customs Street, Stock Exchange House, (14<sup>th</sup> Floor) P.O. Box 3168 Marina, Lagos, Nigeria</p> <p><b>FMDQ Depository Ltd</b></p> <p>35 Idowu Taylor St Victoria Island 106104, Lagos, Nigeria</p>

Market	Subcustodian	Depository
Norway	<p><b>Skandinaviska Enskilda Banken AB (publ), Sweden</b> (operating through its Oslo branch)</p> <p>P.O. Box 1843 Vika Filipstad Brygge 1 <b>N-0123</b> Oslo, Norway</p> <p>LEI: F3JS33DEI6XQ4ZBPTN86</p>	<p><b>Verdipapirsentralen ASA</b></p> <p>Fred. Olsens gate 1 <b>0152</b> Oslo, Norway</p>
Oman	<p><b>HSBC Bank Oman S.A.O.G.</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited)</p> <p>2<sup>nd</sup> Floor Al Khuwair PO Box 1727 PC 111 Seeb, Oman</p> <p>LEI: 213800YRPSOSH9OA2V29</p>	<p><b>Muscat Clearing &amp; Depository Company S.A.O.G.</b></p> <p>P.O. Box 952 Ruwi, Oman</p>
Pakistan	<p><b>Deutsche Bank AG</b></p> <p>Avari Plaza 242 &amp; 243 Fatima Jinnah Road Karachi – <b>75530</b>, Pakistan</p> <p>LEI: 7LTFWZYICNSX8D621K86</p> <p><b>Citibank, N.A.</b></p> <p>15<sup>th</sup> Floor, The Harbour Front Dolmen City Block 4, Scheme 5 Clifton Karachi - <b>75500</b>, Pakistan</p> <p>LEI: E57ODZWZ7FF32TWEFA76</p>	<p><b>Central Depository Company of Pakistan Limited</b></p> <p>CDC House, 99-B, Shakra-e-Faisal Karach <b>74400</b>, Pakistan</p> <p><b>State Bank of Pakistan</b></p> <p>Central Directorate I.I. Chundrigar Road Karachi <b>74000</b>, Pakistan</p>

Market	Subcustodian	Depository
Panama	<p><b>Citibank, N.A.</b></p> <p>Boulevard Punta Pacifica Torre de las Americas Apartado Panama City, Panama <b>0834-00555</b></p> <p>LEI: E57ODZWZ7FF32TWEFA76</p>	<p><b>Central Latinoamericana de Valores, S.A. (LatinClear)</b></p> <p>Federico Boyd Avenue and 49th Street Bolsa de Valores de Panamá Building Lower Level Panama City, Panama</p>
Peru	<p><b>Citibank del Perú, S.A.</b></p> <p>Canaval y Moreyra 480 3<sup>rd</sup> Floor, San Isidro, Lima <b>27</b>, Peru</p> <p>LEI: MYTK5NHHP1G8TVFGT193</p>	<p><b>CAVALI S.A. Institución de Compensación y Liquidación de Valores</b></p> <p>Avenida Santo Toribio 143 Oficina 501 San Isidro, Lima <b>27</b>, Peru</p>
Philippines	<p><b>Standard Chartered Bank</b></p> <p>8th Floor, Skyplaza Building  6788 Ayala Avenue  Makati City, Philippines</p> <p>LEI: RILFO74KP1CM8P6PCT96</p>	<p><b>Philippine Depository &amp; Trust Corporation</b></p> <p>Ground Floor Makati Stock Exchange Building 6766 Ayala Avenue Makati City <b>1226</b>, Philippines</p> <p><b>National Registry of Scripless Securities (nROSS) of the Bureau of the Treasury</b></p> <p>Bureau of Treasury Ayuntamiento Building  Cabildo Street Corner A. Soriano Avenue Intramuros  Manila <b>1002</b>, Philippines</p>

Market	Subcustodian	Depository
Poland	<ul style="list-style-type: none"> <li>• Bank Handlowy w Warszawie S.A.</li> <li>• ul. Senatorska 16 00-293 Warsaw, Poland</li> <li>• LEI: XLEZHWWOI4HFQDGL4793</li> </ul>	<ul style="list-style-type: none"> <li>• Rejestr Papierów Wartościowych</li> <li>• Swietokrzyska 11-21 Warsaw 00950, Poland</li> <li>•</li> </ul> <p>Krajowy Depozyt Papierów Wartościowych, S.A.</p> <p>4 Książęca Street 00-498 Warsaw, Poland</p>
Portugal	<p>Citibank Europe plc, Dublin, Ireland</p> <ul style="list-style-type: none"> <li>• 1 North Wall Quay</li> </ul> <p>Dublin 1, Ireland</p> <p>LEI: N1FBEDJ5J41VKZLO2475</p>	<p>INTERBOLSA - Sociedad Gestora de Sistemas de Liquidación e de Sistemas Centralizados de Valores Mobiliários, S.A.</p> <p>Avenida de Boavista #3433 4100 – 138 Porto, Portugal</p>
Qatar	<p>HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)</p> <p>2 FI Ali Bin Ali Tower Building Airport 150 Doha, Qatar Road</p> <p>LEI: 549300F99IL9YJDWH369</p>	<p>Qatar Central Securities Depository</p> <p>Al-Emadi Building</p> <p>C Ring Road</p> <p>Doha, Qatar</p>
Romania	<p>Citibank Europe plc, Dublin – Romania Branch</p> <p>8, Ianacu de Hunedoara Boulevard 712042, Bucharest Sector 1, Romania</p> <p>LEI: N1FBEDJ5J41VKZLO2475</p>	<p>National Bank of Romania</p> <p>25 Lipskani Street Bucharest 3, 030031 Romania</p> <p>S.C. Depozitarul Central S.A.</p> <p>34-36 Carol I Boulevard Floors 3, 8 and 9 020922, Bucharest 2, Romania</p>

Market	Subcustodian	Depository
Russia	<p><b>AO Citibank</b></p> <p>8-10 Gasheka Street, Building 1  <b>125047</b> Moscow, Russia</p> <p>LEI: CHSQDSVI1UI96Y2SW097</p>	<p><b>National Settlement Depository</b></p> <p>Building 8, 1/13 Sredny Kislovsky  Pereulok  Moscow <b>125009</b>, Russia</p>
Saudi Arabia	<p><b>HSBC Saudi Arabia</b>  (as delegate of The Hongkong and Shanghai Banking Corporation Limited)</p> <p>HSBC Head Office  7267 Olaya - Al Murooj  Riyadh <b>12283-2255</b> Kingdom of Saudi Arabia</p> <p>LEI: 558600MV09XWUB38H245</p> <p><b>Saudi British Bank</b>  (as delegate of The Hongkong and Shanghai Banking Corporation Limited)  Prince Abdulaziz Bin Mossaad Bin Jalawi Street  (Dabaab)  Riyadh <b>11413</b> Kingdom of Saudi Arabia</p> <p>LEI: 558600TQS0WENZUC5190</p>	<p><b>Securities Depository Center Company</b></p> <p>6897 King Fahd Road  Al Ulaya, Unit Number: 11,  Riyadh <b>12211 - 3388</b>, Saudi Arabia</p>
Senegal	<p>via <b>Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast</b></p> <p>23, Bld de la République  17 BP 1141 Abidjan <b>17</b> Côte d'Ivoire</p> <p>LEI: 54930016MQBB2NO5NB47</p>	<p><b>Dépositaire Central – Banque de Règlement</b></p> <p>18 Rue Joseph Anoma 01 BP  3802  Abidjan <b>01</b> Ivory Coast</p> <p><b>Banque Centrale des Etats d'Afrique de l'Ouest</b></p> <p>Avenue Abdoulaye FADIGA  <b>3108</b> Dakar, Senegal</p>



Market	Subcustodian	Depository
Serbia	<p>UniCredit Bank Serbia JSC</p> <p>Jurija Gagarina 12 11070 Belgrade, Serbia</p> <p>LEI: 5299000100THU00TYK59</p>	<p>Central Securities Depository and Clearinghouse</p> <p>Trg Republike 5 11000 Belgrade, Serbia</p>
Singapore	<p>Citibank N.A.</p> <p>3 Changi Business Park Crescent #07-00, Singapore 486026</p> <p>LEI: E57ODZWZ7FF32TWEFA76</p>	<p>Monetary Authority of Singapore</p> <p>Financial Sector Promotion 10 Shenton Way MAS Building Singapore 079117</p> <p>The Central Depository (Pte.) Limited</p> <p>9 North Buona Vista Drive #01-19/20 The Metropolis Singapore 138588</p>
Slovak Republic	<p>UniCredit Bank Czech Republic and Slovakia, a.s.</p> <p>Šancová 1/A 813 33 Bratislava, Slovak Republic</p> <p>LEI: KR6LSKV3BTSJRD41IF75</p>	<p>Centrálny depozitár cenných papierov SR, a.s.</p> <p>ul. 29 augusta 1/A 814 80 Bratislava, Slovak Republic</p>
Slovenia	<ul style="list-style-type: none"> <li>• UniCredit Banka Slovenija d.d.</li> <li>• Ameriška ulica 2 SI-1000 Ljubljana, Slovenia</li> <li>• LEI: 54930002UN9JLME31F08</li> </ul>	<ul style="list-style-type: none"> <li>• KDD – Centralna klirinško depotna družba d.d.</li> <li>• Tivolska cesta 48 1000 Ljubljana, Slovenia</li> </ul>

Market	Subcustodian	Depository
South Africa	<p><b>FirstRand Bank Limited</b></p> <p>Mezzanine Floor 3 First Place Bank City Corner Simmonds &amp; Jeppe Sts. Johannesburg 2001 Republic of South Africa</p> <p>LEI: ZAYQDKTCATIXF9OQY690</p>	<p><b>Strate (Pty) Ltd.</b></p> <p>One Exchange Square 2 Gwen LaneSandton 2196 Republic of South Africa</p>
	<ul style="list-style-type: none"> <li>• <b>Standard Chartered Bank</b></li> <li>• 115 West Street, 2nd Floor Sandton, Johannesburg 2196 Republic of South Africa</li> <li>• LEI: RILFO74KP1CM8P6PCT96</li> </ul>	
Spain	<p><b>Citibank Europe plc, Dublin, Ireland</b></p> <ul style="list-style-type: none"> <li>• 1 North Wall Quay</li> </ul> <p>Dublin 1, Ireland</p> <p>LEI: N1FBEDJ5J41VKZLO2475</p>	<p><b>IBERCLEAR</b></p> <p>Plaza de la Lealtad, 1 28014 Madrid, Spain</p>
Sri Lanka	<p><b>The Hongkong and Shanghai Banking Corporation Limited</b></p> <p>24, Sir Baron Jayatilake Mawatha Colombo 01, Sri Lanka</p> <p>LEI: 2HI3YI5320L3RW6NJ957</p>	<p><b>Central Bank of Sri Lanka</b></p> <p>P.O. Box 590 30, Janadhipathi Mawatha Colombo 01, Sri Lanka</p> <p><b>Central Depository System (Pvt) Limited</b></p> <p>04-01 West Block World Trade Centre Echelon Square Colombo 01, Sri Lanka</p>

Market	Subcustodian	Depository
Republic of Srpska	<p><b>UniCredit Bank d.d.</b></p> <p>Zelenih beretki 24 71 000 Sarajevo Federation of Bosnia and Herzegovina</p> <p>LEI: 549300RGT0JMDJZKVG34</p>	<p><b>Central Registry of Securities in the Republic of Srpska JSC</b></p> <p>Bana Milosavljevića 6 78 Banja Luka, Republic of Srpska</p>
Sweden	<p><b>Skandinaviska Enskilda Banken AB (publ)</b></p> <p>A S12 SE-106 40 Stockholm, Sweden</p> <p>LEI: F3JS33DEI6XQ4ZBPTN86</p>	<p><b>Euroclear Sweden AB</b></p> <p>Klarabergsviadukten 63 111 64 Stockholm, Sweden</p>
Switzerland	<p><b>Credit Suisse (Switzerland) Limited</b></p> <p>Uetlibergstrasse 231 8070 Zurich, Switzerland</p> <p>LEI: 549300CWR0W0BCS9Q144</p>	<p><b>SIX SIS AG</b></p> <p>Pfingstweidstrasse 110 CH-8005 Zurich, Switzerland</p>
	<p><b>UBS Switzerland AG</b></p> <p>Max-Högger-Strasse 80-82 CH-8048 Zurich-Alstetten, Switzerland</p> <p>LEI: 549300WOIFUSNYH0FL22</p>	
Taiwan - R.O.C.	<p><b>Standard Chartered Bank (Taiwan) Limited</b></p> <p>MF, No.179 Liaoning St. Zhongshan District, Taipei 10487, Taiwan, Republic of China</p> <p>LEI: 549300QJEO1B92LSHZ06</p>	<p><b>Central Bank of the Republic of China (Taiwan)</b></p> <p>2, Roosevelt Road, Section 1 Taipei, 10066 Taiwan, Republic of China</p> <p><b>Taiwan Depository and Clearing Corporation</b></p> <p>11F, 363 Fushin N. Rd Taipei, Taiwan, Republic of China</p>

Market	Subcustodian	Depository
Tanzania	<p><b>Standard Chartered Bank (Tanzania) Limited</b></p> <p>1 Floor, International House Corner Shaaban Robert St and Garden Ave PO Box 9011 Dar es Salaam, Tanzania</p> <p>LEI: 549300RLNUU3GJS6MK84</p>	<p><b>CSD &amp; Registry Company Limited</b></p> <p>14th floor Golden Jubilee towers Ohio Street Dar es Salaam, Tanzania</p>
Thailand	<p><b>Standard Chartered Bank (Thai) Public Company Limited</b></p> <p>Sathorn Nakorn Tower 14<sup>th</sup> Floor, Zone B 90 North Sathorn Road Silom, Bangkok 10500, Thailand</p> <p>LEI: 54930001LQYQC7G1IM57</p>	<p><b>Thailand Securities Depository Company Limited</b></p> <p>93 Ratchadaphisek Road, Din- daeng, Bangkok, 10400 Thai- land</p>
Togo	<p>via <b>Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast</b></p> <p>23, Bld de la République 17 BP 1141 Abidjan 17 Côte d'Ivoire</p> <p>LEI: 54930016MQBB2NO5NB47</p>	<p><b>Dépositaire Central – Banque de Règlement</b></p> <p>18 Rue Joseph Anoma 01 BP 3802 Abidjan 01 Ivory Coast</p> <p><b>Banque Centrale des Etats d'Afrique de l'Ouest</b></p> <p>Avenue Abdoulaye FADIGA 3108 Dakar, Senegal</p>
Tunisia	<p><b>Union Internationale de Banques</b></p> <p>65 Avenue Bourguiba 1000 Tunis, Tunisia</p> <p>LEI: 549300WKCW12LEPUMV07</p>	<p><b>Tunisie Clearing</b></p> <p>Les Jardins du Lac II  1053 Les Berges du Lac  Tunis Tunisia</p>

Market	Subcustodian	Depository
Turkey	<p><b>Citibank, A.Ş.</b></p> <p>Tekfen Tower Eski Buyukdere Caddesi 209 Kat 3 Levent <b>34394</b> Istanbul, Turkey</p> <p>LEI: CWZ8NZDH5SKY12Q4US31</p>	<p><b>Central Bank of Turkey</b></p> <p>Anafartalar Mah. Istiklal Cad. No: 10 <b>06050</b> Ulus Altındağ Ankara Turkey</p> <p><b>Central Registry Agency</b></p> <p>Resitpasa Mahallesi Tuncay Artun Caddesi Emirgan, Sarıyer <b>34467</b> Istanbul, Turkey</p>
Uganda	<p><b>Standard Chartered Bank Uganda Limited</b></p> <p>5 Speke Road P.O. Box 7111 Kampala, Uganda</p> <p>LEI: 549300W7CNYGJ68XGD27</p>	<p><b>Bank of Uganda</b></p> <p>P.O. Box 7120</p> <p>Plot 37/45 Kampala Road Kampala, Uganda</p> <p><b>Securities Central Depository</b></p> <p>Plot 1, Pilkington Road Worker's House, 2nd floor North Wing P.O. Box 23552 Kampala, Uganda</p>

Market	Subcustodian	Depository
Ukraine	<p>JSC Citibank</p> <p>16-g Dilova St. 17/8, Nyzhniy Val Str. Kyiv 03150, Ukraine</p> <p>LEI: 549300E0ROTI7ACBZH02</p>	<p>National Depository of Ukraine</p> <p>Kyiv, Ukraine, 04071</p> <p>National Bank of Ukraine</p> <p>9 Instytutska St. Kyiv, Ukraine, 01601</p>
United Arab Emirates Dubai Financial Market	<p>First Abu Dhabi Bank P.J.S.C.</p> <p>FAB Khalifa Business Park, Building 1 - Al Qurm District, 6316 P.O. Box Abu Dhabi, United Arab Emirates</p> <p>LEI: 2138002Y3WMK6RZS8H90</p>	<p>Dubai Central Securities Depository LLC</p> <p>World Trade Centre (Rashid Tower) Sheikh Zayed Road P.O. Box 9700 Dubai, United Arab Emirates</p>
United Arab Emirates Dubai International Financial Center	<p>First Abu Dhabi Bank P.J.S.C.</p> <p>FAB Khalifa Business Park, Building 1 - Al Qurm District, 6316 P.O. Box Abu Dhabi, United Arab Emirates</p> <p>LEI: 2138002Y3WMK6RZS8H90</p>	<p>Central Securities Depository, owned and operated by NASDAQ Dubai Limited</p> <p>Level 7, The Exchange Building Gate District Dubai International Financial Centre P.O. Box 53536 Dubai, United Arab Emirates</p>
United Arab Emirates Abu Dhabi	<p>First Abu Dhabi Bank P.J.S.C.</p> <p>FAB Khalifa Business Park, Building 1 - Al Qurm District, 6316 P.O. Box Abu Dhabi, United Arab Emirates</p> <p>LEI: 2138002Y3WMK6RZS8H90</p>	<p>Clearing, Settlement, Depository and Registry department of the Abu Dhabi Securities Exchange</p> <p>Al Ghaith Tower Hamdan Bin Mohammed Street Abu Dhabi, United Arab Emirates</p>

Market	Subcustodian	Depository
United Kingdom	<p><b>State Street Bank and Trust Company, United Kingdom branch</b></p> <p>Quartermile 3 10 Nightingale Way Edinburgh EH3 9EG, Scotland</p> <p>LEI: 213800YAZLPV26WFM449</p>	<p><b>Euroclear UK &amp; International Limited</b></p> <p>33 Cannon St London EC4M 5SB, England</p>
United States	<p><b>State Street Bank and Trust Company</b></p> <p>One Lincoln Street Boston, MA 02111 United States</p> <p>LEI: 571474TGEMMWANRLN572</p>	<p><b>Depository Trust &amp; Clearing Corporation</b></p> <p>55 Water Street New York, NY 10041 United States</p> <p><b>Federal Reserve Bank</b></p> <p>20<sup>th</sup> Street and Constitution Avenue, NW Washington, DC 20551 United States</p>
Uruguay	<p><b>Banco Itaú Uruguay S.A.</b></p> <p>Zabala 1463 11000 Montevideo, Uruguay</p> <p>LEI: 549300HU8OQS1VTVXN55</p>	<p><b>Banco Central del Uruguay</b></p> <p>Diagonal Fabini 777 Montevideo, Uruguay</p>
Vietnam	<p><b>HSBC Bank (Vietnam) Limited</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited)</p> <p>Floor 2, The Metropolitan, 235 Dong Khoi, District 1, Ho Chi Minh City, Vietnam</p> <p>LEI: 213800H95OG9OVRT4Y78</p>	<p><b>Vietnam Securities Depository</b></p> <p>15 Doan Tran Nghiep Street Le Dai Hanh Ward, Hai Ba Trung District Ha Noi, Vietnam</p>

Market	Subcustodian	Depository
Zambia	<p><b>Standard Chartered Bank Zambia Plc.</b></p> <p>Standard Chartered House Stand No. 4642 corner of Mwaimwena Road and Addis Ababa Drive, 4<sup>th</sup> floor <b>10101</b>, Lusaka, Zambia</p> <p>LEI: 549300247QDZHDI30A83</p>	<p><b>Bank of Zambia</b></p> <p>Bank Square Cairo Road P.O. Box 30080 Lusaka <b>10101</b>, Zambia</p> <p><b>LuSE Central Shares Depository Limited</b></p> <p>Farmers House 3<sup>rd</sup> Floor Central Park P.O. Box 34523 Lusaka <b>10101</b>, Zambia</p>
Zimbabwe	<p><b>Stanbic Bank Zimbabwe Limited</b> (as delegate of Standard Bank of South Africa Limited)</p> <p>3<sup>rd</sup> Floor Stanbic Centre 59 Samora Machel Avenue Harare, Zimbabwe</p> <p>LEI: 5493001KJTIIGC8Y1R12</p>	<p><b>Chengetedzai Depository Company Limited</b></p> <p>No. 1 Armagh Avenue, Eastlea Harare, Zimbabwe</p> <p><b>Reserve Bank of Zimbabwe</b></p> <p>80 Samora Machel Avenue Harare, Zimbabwe</p> <p><b>Victoria Falls Stock Exchange Central Securities Depository</b></p> <p>44 Ridgeway, North Highlands, Harare, Zimbabwe</p>

Transnational Depositories	<p><b>Euroclear Bank S.A./N.V.</b></p> <p>1 Boulevard du Roi Albert <b>B-1210</b> Brussels, Belgium LEI: 5493000Z46BRLZ8Y6F65</p>
	<p><b>Clearstream Banking, S.A.</b></p> <p>42 Avenue J.F. Kennedy <b>L-1855</b> Luxembourg LEI: 5493000L514RA0SXJJ44</p>



## **E. Purchaser's right of revocation**

### **Right of revocation**

Should units in open-ended investment funds be purchased on the basis of oral negotiations outside the normal place of business of the party that sold or arranged the sale of the units, the purchaser will have two weeks in which to revoke his intention to buy in writing, such as by post, fax or e-mail, etc., without having to give a reasons. This right of revocation also applies if the party which sold the units or arranged their sale does not have established business premises.

The revocation period shall only begin when the carbon copy of the application to conclude the contract has been handed over to the buyer or if the buyer has been sent a purchase invoice (containing instructions regarding the right of revocation) that meets the requirements of Article 246(3), sentences 2 and 3 of the Introductory Act to the BGB [Einführungsgesetz zum Bürgerlichen Gesetzbuch]. The timely dispatch of the revocation shall be deemed sufficient for compliance with the deadline. Should there be any dispute as to when the revocation period began, the seller bears the burden of proof. Notice of revocation must be given in writing, stating the name of the person making the declaration as well as his signature; no justification is required.

Notice of revocation must be sent to

Universal-Investment-Gesellschaft mbH  
Theodor-Heuss-Allee 70  
60486 Frankfurt am Main

Fax: +49 (069) 7 10 43-700  
E-mail: [info@universal-investment.com](mailto:info@universal-investment.com)

The right of revocation shall not apply if the seller can prove either that the buyer is not a consumer within the meaning of § 13 BGB, or that the seller visited the buyer for the purpose of the negotiations which led to the purchase of the units on the basis of an appointment made in advance, in accordance with § 55(1) of the German Industrial Code [Gewerbeordnung].

### **Revocation implications**

If the offer has been effectively revoked and the buyer has already made payments, the Company shall reimburse said party, against a retransfer of the units acquired, the costs paid plus an amount equal to the value of the units paid for on the day after the notice of revocation was received. If need be, the reimbursement shall be made in instalments. The right of revocation cannot be waived.

Should the investor sell the units, the statements above apply mutatis mutandis.

## **F. General Terms and Conditions of Investment**

### **GENERAL TERMS AND CONDITIONS OF INVESTMENT**

**governing the legal relationship between the investors**

**and**

**UNIVERSAL-INVESTMENT-GESELLSCHAFT MBH,**

**Frankfurt/Main,**

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

**for the investment funds managed**

**pursuant to the UCITS Directive, only in conjunction**

**with the Special Terms and Conditions of Investment set up for the respective**

**investment.**

#### **§ 1 General provisions**

- (1) The Company is a UCITS capital management company and is subject to the provisions of the KAGB.
- (2) The Company invests the capital deposited with it in its own name and for the collective account of the investors, but separately from its own assets in the form of a UCITS investment fund. It invests this capital, pursuant to the principle of risk diversification, in assets permitted under the KAGB. It issues global certificates in respect of the rights of the investors resulting therefrom.
- (3) The purpose of the UCITS investment fund is limited to investing in accordance with a specified investment strategy within the framework of collective asset management, using the funds deposited with it; the UCITS investment fund does not have an operating function or active business management of the assets held.
- (4) The legal relationship between the Company and the investor is governed by the General Terms and Conditions of Investment and Special Terms and Conditions of Investment of the UCITS investment fund and the KAGB.

#### **§ 2 Custodian**

- (1) The Company shall appoint a credit institution as the Custodian of the UCITS investment fund; it shall act independently of the Company and exclusively in the interest of investors.
- (2) The duties and obligations of the Custodian are governed by the Custodian Agreement entered into with the Company, the KAGB, and the Terms and Conditions of Investment.
- (3) The Custodian may outsource custodian duties to another company ("sub-custodian") in accordance with § 73 KAGB. Further information can be found in the Sales Prospectus.

- (4) The Custodian shall be liable to the UCITS investment fund or to the investors for the loss of a financial instrument as defined in § 72(1)(1) KAGB held by the Custodian or a sub-custodian to whom custody of financial instruments was outsourced pursuant to § 73(1) KAGB. The Custodian shall not be liable if it can prove that the loss is attributable to external events, the consequences of which were unavoidable despite all appropriate countermeasures. Further claims resulting from the provisions of civil law on the basis of agreements or tort remain unaffected. The Custodian is also liable to the UCITS or the investors for all other losses suffered by them as a result of the Custodian's negligent or intentional failure to properly fulfil its obligations pursuant to the provisions of the KAGB. The liability of the Custodian shall not be affected by any transfer of custodian duties referred to in the first sentence of (3) above.

### § 3 Fund management

- (1) The Company shall acquire and manage the assets in its own name for the joint account of the investors with the due skill, honesty, care and diligence. It shall act independently of the Custodian and solely in the interests of investors when carrying out its duties.
- (2) The Company is authorised to acquire and resell assets with the money deposited by investors, and to invest the proceeds elsewhere; it is also authorised to perform all other legal acts resulting from the management of the assets.
- (3) The Company may neither lend money nor enter into obligations resulting from a contract of surety or a guarantee agreement for the joint account of investors; it may not sell assets referred to in §§ 193, 194 and 196 KAGB that do not belong to the UCITS investment fund at the time of the transaction. § 197 KAGB remains unaffected.

### § 4 Investment principles

The UCITS investment fund shall directly or indirectly invest in accordance with the principle of risk diversification. The Company shall only acquire assets for the UCITS investment fund that are expected to generate income and/or growth. It stipulates the assets that can be acquired on behalf of the UCITS investment fund in the Special Terms and Conditions of Investment.

### § 5 Transferable securities

Provided the Special Terms and Conditions of Investment do not contain any additional restrictions, the Company may – subject to § 198 KAGB – only acquire any transferable securities on behalf of the UCITS investment fund if:

1. they are admitted to trading on a stock exchange or admitted to or included in another organised market in a Member State of the European Union or another State party to the Agreement on the European Economic Area;
2. they are exclusively admitted to trading on a stock exchange in a state outside the EU or EEA, or are admitted to or included in another organised market in one of these states, provided this choice of stock exchange or organised market has been approved by BaFin<sup>14</sup>;
3. their admission to trading on a stock exchange in an EU Member State or in another State that is party to the EEA Agreement, or their admission to or inclusion on an organised market in an EU Member State or in another State that is party to the EEA Agreement, must be

<sup>14</sup> The "List of Admitted Stock Exchanges and Other Organised Markets pursuant to § 193(1), (2) and (4) KAGB" is published on the website of the Federal Financial Supervisory Authority (<http://www.bafin.de>).

applied for in accordance with their terms of issue, provided that these transferable securities are admitted or included within one year of being issued;

4. their admission to trading on a stock exchange or their admission or inclusion on an organised market that is not in an EU Member State or in a State party to the EEA Agreement must be applied for in accordance with their terms of issue, provided these transferable securities are admitted or included within one year of being issued;
5. they are shares to which the UCITS investment fund is entitled in the event of a capital increase from company funds;
6. they are acquired by exercising subscription rights held by the UCITS investment fund;
7. they are units in closed-end funds that meet the criteria specified in § 193(1)(7) KAGB,
8. they are financial instruments that meet the criteria specified in § 193(1)(8) KAGB.

The purchase of transferable securities pursuant to the first sentence (1 to 4) above shall only be allowed if the conditions of § 193(1) second sentence KAGB have also been met. Subscription rights arising from underlying securities that can be acquired according to this § 5 may also be acquired.

## § 6 Money market instruments

- (1) Unless additional restrictions are imposed by the Special Terms and Conditions of Investment, the Company may – subject to § 198 KAGB – acquire, on behalf of the UCITS investment fund, instruments which are normally traded on the money market, as well as interest-bearing transferable securities, which at the time of acquisition for the UCITS investment fund, have a residual maturity not exceeding 397 days, the interest rate of which is, according to the terms of issue, regularly adjusted to market conditions over their entire term (or at least once every 397 days) or the risk profile of which is similar to the risk profile of such transferable securities (money market instruments).

Money market instruments may only be acquired for the UCITS investment fund if they are

1. admitted to trading on a stock exchange in an EU Member State or another State party to the EEA Agreement or are admitted to or included in another organised market in any of these states;
2. exclusively admitted to trading on a stock exchange in a state outside the EU or EEA, or are admitted to or included in another organised market in one of these states, provided this choice of stock exchange or organised market has been approved by BaFin<sup>15</sup>;
3. issued or guaranteed by the EU, the German federal government, a German federal government fund, a German federal state, another EU Member State or another central, regional or local authority or central bank of an EU Member State, the European Central Bank or European Investment Bank, a third country or, if this country is a federation, by one of the members making up the federation, or by a public international body to which one or more EU Member States belong;
4. issued by an undertaking whose transferable securities are traded on the markets stated in points 1 and 2 above;
5. issued or guaranteed by a credit institution that is subject to prudential supervision in accordance with the criteria defined by EU law, or by a credit institution which is subject to and complies with prudential rules that are considered by BaFin to be at least as stringent as those laid down by EU law; or

<sup>15</sup> The “List of Admitted Stock Exchanges and Other Organised Markets pursuant to § 193(1), (2) and (4) KAGB” is published on the website of the Federal Financial Supervisory Authority (<http://www.bafin.de>).

6. issued by other issuers which meet the requirements of § 194(1)(6) KAGB.
- (2) Money market instruments within the meaning of (1) may only be acquired if they meet the relevant requirements of § 194(2) and (3) KAGB.

## § 7 Bank deposits

The Company may, on behalf of the UCITS investment fund, hold bank deposits with a maximum term of 12 months. The deposits to be kept in blocked accounts may be held with a credit institution with its registered office in an EU Member State or a State party to the EEA Agreement; deposits may also be held by a credit institution with its registered office in a third country, whose prudential rules considered by BaFin to be at least as stringent as those laid down by EU law. Unless otherwise specified in the Special Terms and Conditions of Investment, bank deposits may also be denominated in a foreign currency.

## § 8 Investment units

- (1) Unless otherwise specified in the Special Terms and Conditions of Investment, the Company may acquire units in investment funds pursuant to Directive 2009/65/EC on behalf of the UCITS investment fund. Units in other domestic investment funds and investment corporations with variable capital and units in open-end EU AIFs and foreign open-end AIFs may be acquired if they meet the requirements of § 196(1)(2) KAGB.
- (2) The Company may only acquire units in domestic investment funds and investment corporations with variable capital, in EU UCITS, or in EU and foreign open-end AIFs, if the Terms and Conditions of Investment or the Articles of Association of the capital management company, the investment corporation with variable capital, the EU investment fund, the EU management company, the foreign AIF or the foreign AIF management company stipulate that no more than 10% in total of the value of their assets may be invested in units in other domestic investment funds, investment corporations with variable capital, open-end EU investment funds or foreign open-end AIFs.

## § 9 Derivatives

- (1) In managing the UCITS investment fund, the Company may use derivatives as per § 197(1)(1) KAGB and financial instruments with derivative components as per § 197(1)(2) KAGB, unless the Special Terms and Conditions of Investment stipulate otherwise. In order to ascertain the degree of market risk, the limit of which is established in accordance with § 197(2) KAGB, for the use of derivatives and financial instruments with derivative components, the Company may – depending on the type and scope of the derivatives and financial instruments with derivative components used – use either the simple or qualified approach within the meaning of the Regulation on risk management and risk measurement in the use of derivatives, securities lending and repurchase agreements in investment funds pursuant to the Capital Investment Code (DerivateV), enacted in accordance with § 197(3) KAGB; for further details, please refer to the Sales Prospectus.
- (2) If the Company uses the simple approach, it may regularly use only basic forms of derivatives, financial instruments with derivative components, or combinations of such derivatives, financial instruments with derivative components and underlying instruments that are permissible according to § 197(1)(1) KAGB. Only a negligible share of complex derivatives comprising underlying instruments which are permissible according to § 197(1)(1) KAGB may be used. The attributable amount to be calculated for the UCITS investment fund in accordance

with the provisions of § 16 DerivateV may not exceed the investment fund's value at any time.

Basic forms of derivatives are:

1. futures contracts on underlying instruments as per § 197(1) KAGB, except investment units as per § 196 KAGB;
  2. options or warrants on underlying instruments as defined in § 197(1) KAGB, except investment units as defined in § 196 KAGB, and on futures contracts according to point 1. if they have the following characteristics:
    - a) exercise is possible either throughout the entire term or at the end of the term; and
    - b) the value of the option on the exercise date is linearly dependent on the positive or negative difference between the strike price and the market price of the underlying asset, and it becomes zero if the difference has the opposite (positive/negative) sign;
  3. interest rate swaps, currency swaps or interest rate-currency swaps;
  4. options on swaps in accordance with point 3., provided that they have the characteristics described in point 2. under a) and b) (swaptions);
  5. single name credit default swaps.
- (3) If the Company uses the qualified approach, it may invest in any financial instruments with derivative components or in derivatives that are derived from an underlying instrument that is permissible according to § 197(1)(1) KAGB, provided that it maintains an appropriate risk management system. The potential VaR for the market risk attributable to the UCITS investment fund may never exceed double the potential VaR of the relevant benchmark assets pursuant to § 9 DerivateV. Alternatively, the VaR may never exceed 20% of the value of the UCITS investment fund.
- (4) Under no circumstances may the Company deviate from the investment principles and limits that are specified in the Terms and Conditions of Investment or in the Sales Prospectus in relation to such transactions.
- (5) The Company will use derivatives and financial instruments with derivative components for hedging purposes, efficient portfolio management and in order to generate additional income, if and to the extent it considers this to be in the interests of investors.
- (6) When calculating the market-risk limit for the use of derivatives and financial instruments with derivative components, the Company may at any time switch from the simple to the qualified approach pursuant to § 6 (3) DerivateV. Switching does not require BaFin approval; however, the Company must promptly notify BaFin of the switch and publish it in the subsequent semi-annual or annual report.
- (7) When using derivatives and financial instruments with derivative components, the Company shall comply with the DerivateV.

## § 10 Other investment instruments

Unless specified otherwise in the Special Terms and Conditions of Investment, the Company may invest, on behalf of the UCITS investment fund, up to 10% of that fund's assets in "Other Investment Instruments" pursuant to § 198 KAGB.

## § 11 Issuer limits and investment limits

- (1) In its management activities, the Company shall comply with the investment limits and restrictions specified in the KAGB, DerivateV and the Terms and Conditions of Investment.
- (2) Up to 5% of the UCITS investment fund's assets may be invested in transferable securities and money market instruments (including transferable securities and money market instruments of a single issuer that are purchased under agreements to resell). However, up to 10% of the UCITS investment fund's assets may be invested in these transferable securities and money market instruments if this is stipulated in the Special Terms and Conditions of Investment and if the total value of the transferable securities and money market instruments of these issuers does not exceed 40% of the value of the UCITS investment fund. The issuers of transferable securities and money market instruments must also be taken into account within the limits specified in sentence 1 if the transferable securities and money market instruments issued by them are acquired indirectly through other transferable securities included in the UCITS fund that are linked to their performance.
- (3) The Company may invest up to 35 % of the value of the UCITS investment fund in bonds, borrower's note loans and money market instruments which have been issued or guaranteed by the Federal Republic of Germany, a German state, the EU, an EU Member State or its local authorities, another State which is party to the EEA Agreement, a third country, or an international organisation to which at least one EU Member State belongs.
- (4) The Company may in each case invest up to 25% of the UCITS investment fund's assets in mortgage bonds, public-sector bonds and bonds issued by credit institutions which have their registered office in an EU Member State or another State that is party to the EEA Agreement. This is subject to the following: said credit institutions are subject by law to special public supervision designed to protect the holders of such bonds; funds acquired through the issue of the bonds are invested (in accordance with the law) in assets that sufficiently cover the liabilities arising from these bonds throughout their term, and said assets are primarily to be used to repay the principal and pay interest should the issuer default. If the Company invests more than 5% of the value of the UCITS investment fund in bonds of a single issuer in accordance with the previous sentence, the total value of those bonds must not exceed 80% of the UCITS investment fund's value.
- (5) The limit in (3) above may be exceeded for transferable securities and money market instruments of a single issuer in accordance with § 206(2) KAGB, if permitted by the Special Terms and Conditions of Investment with regard to the issuers named therein. In such cases, the transferable securities and money market instruments held on behalf of the UCITS investment fund must originate from at least six different issues, and no single issue may exceed 30% of the UCITS investment fund's assets.
- (6) The Company may not invest more than 20% of the UCITS investment fund's value in bank deposits as per § 195 KAGB at a single credit institution.
- (7) The Company must ensure that a combination of
  1. transferable securities or money market instruments issued by a single institution,
  2. deposits made with that institution and
  3. amounts to be applied for the counterparty risk for transactions entered into with this institution

does not exceed 20% of the value of the UCITS investment fund. The previous sentence applies to those issuers and guarantors stated in (3) and (4) above, with the stipulation that the Company must ensure that a combination of the assets and attributable amounts stated

in the first sentence does not exceed 35% of the value of the UCITS investment fund. In both cases, the respective individual maximum limits remain unaffected.

- (8) The bonds, borrower's note loans and money market instruments referred to in (3) and (4) above are not taken into account when applying the 40% limit referred to in (2) above. Notwithstanding the provisions of (7), the limits referred to in (2)–(4) and (6)–(7) of this section may not be accumulated.
- (9) The Company may only invest up to 20% of the value of the UCITS investment fund in units of any one investment fund as per § 196(1) KAGB. The Company may only invest up to 30% of the value of the UCITS investment fund in units of investment funds in accordance with § 196(1)(2) KAGB. The Company may, on behalf of the UCITS investment fund, not acquire more than 25% of the units issued by another open-end domestic, EU or foreign investment fund that are invested (in accordance with the principle of risk diversification) in assets within the meaning of §§ 192–198 KAGB.

## § 12 Mergers

- (1) Pursuant to §§ 181–191 KAGB, the Company may
  - 1. transfer all assets and liabilities of this UCITS investment fund to another existing or newly formed investment fund, or to an EU UCITS or a UCITS investment corporation with variable capital;
  - 2. absorb all assets and liabilities of another open-end retail fund into this UCITS investment fund.
- (2) Any merger is subject to approval by the relevant competent supervisory authority. Details of the procedure can be found in §§ 182–191 KAGB.
- (3) The UCITS investment fund may only be merged with a retail fund that is not a UCITS if the absorbing or newly formed investment fund will continue to be a UCITS. EU UCITS may also be merged with the UCITS investment fund in accordance with Article 2(1)(p)(iii) of Directive 2009/65/EC.

## § 13 Transferable securities lending

- (1) The Company may, on behalf of the UCITS investment fund, grant a transferable securities loan, which can be called at any time, to a securities borrower in return for market-rate compensation after the transfer of sufficient collateral in accordance with § 200(2) KAGB. The market value of the securities to be transferred, together with the market value of the securities already transferred as a securities loan on behalf of the UCITS investment fund to the same securities borrower, including companies in the same group within the meaning of § 290 of the German Commercial Code [Handelsgesetzbuch – HGB], may not exceed 10% of the value of the UCITS investment fund.
- (2) Should the securities borrower's collateral for the transferred securities be provided in the form of credit, said credit must be kept in blocked accounts pursuant to § 200(2)(3)(1) KAGB. Alternatively, the Company may exercise the option to invest this credit (in its currency) in the following assets:
  - 1. in high-quality bonds issued by the Federal Republic of Germany, a German state, the EU, an EU Member State or its local authorities, a State party to the EEA Agreement or a third country,



2. in money market funds with a short maturity structure corresponding to the guidelines issued by BaFin on the basis of § 4(2) KAGB, or
3. by way of a reverse repurchase agreement with a credit institution that guarantees the repayment of the accrued credit at any time.

The UCITS investment fund shall be entitled to the income from investing the collateral.

- (3) The Company may also use a system organised by a central securities depository for the brokerage and settlement of transferable securities loans that deviates from the requirements pursuant to § 200(1)(3) of the KAGB if the right of termination at any time pursuant to paragraph (1) is not deviated from.
- (4) Unless otherwise specified in the Special Terms and Conditions of Investment, the Company may also provide transferable securities loans in connection with money market instruments and investment units, provided that the UCITS investment fund is permitted to acquire such assets. The provisions of (1)–(3) shall apply mutatis mutandis.

#### **§ 14 Repurchase agreements**

- (1) The Company may, on behalf of the UCITS investment fund and in return for a fee, enter into callable securities repurchase agreements, within the meaning of § 340b(2) HGB, with credit institutions or financial services institutions on the basis of standardised framework agreements.
- (2) The repurchase agreements must involve transferable securities that may be acquired for the UCITS investment fund in accordance with the Terms and Conditions of Investment.
- (3) Repurchase agreements shall be limited to a term of 12 months.
- (4) Unless otherwise specified in the Special Terms and Conditions of Investment, the Company may also enter into repurchase agreements in connection with money market instruments and investment units, provided that the UCITS investment fund is permitted to acquire such assets. The provisions of (1)–(3) shall apply mutatis mutandis.

#### **§ 15 Borrowing**

The Company may take out short-term loans amounting to up to 10% of the UCITS investment fund's assets for the joint account of the investors, provided that the terms of the loan are in line with the market and the Custodian agrees to the loan.

#### **§ 16 Units**

- (1) The units in the UCITS investment fund are bearer instruments and are represented by unit certificates or issued in the form of electronic unit certificates.
- (2) Securitised unit certificates are securitised in a global certificate; the issue of individual certificates is excluded. With the acquisition of a unit in the UCITS investment fund, the investor acquires a co-ownership share in the global certificate. This is transferable unless otherwise stated in the Special Terms and Conditions of Investment.
- (3) Units may have different characteristics, particularly with regard to the appropriation of income, the issue surcharge, redemption fees, the currency of the unit value, the management

fee, the minimum investment amount, or a combination of these characteristics (unit classes). For details, please refer to the Special Terms and Conditions of Investment.

### **§ 17 Issue and redemption of units, restriction and suspension of redemption**

- (1) In principle, there is no limit to the number of units that may be issued. The Company reserves the right to suspend or permanently discontinue the issue of units.
- (2) Units may be acquired from the Company or Custodian or via a third party. The Special Terms and Conditions of Investment may stipulate that units can only be acquired and held by specific investors.
- (3) The investors may require the Company to redeem the units. The Special Terms and Conditions of Investment may stipulate periods for the return of units. The Company shall be obliged to redeem the units at the relevant applicable redemption price on behalf of the UCITS investment fund. The place of redemption is the Custodian.
- (4) Unless otherwise stipulated in the Special Terms and Conditions of Investment, the Company reserves the right, however, to restrict the redemption of units for up to 15 business days if the investors' redemption requests reach at least 10% of the net asset value of the UCITS investment fund (threshold value), as from which point the redemption requests can no longer be executed in the interest of all investors due to the liquidity situation of the assets of the UCITS investment fund. In this case, the Company will only comply with the return request for each investor on a pro rata basis; otherwise, the redemption obligation does not apply. This means that each redemption order will only be executed on a pro rata basis. The unexecuted portion of the order (residual order) will also not be executed by the Company subsequently, but will expire (pro rata approach with expiry of the residual order). Further details on the redemption restriction procedure can be found in the Sales Prospectus. The Company must publish the restriction on the redemption of units, and the lifting thereof, on its website immediately.
- (5) The Company may, however, suspend the redemption of units pursuant to § 98(2) KAGB if extraordinary circumstances arise which make such a suspension appear necessary in the interests of investors.
- (6) The Company shall inform the investors of any suspension pursuant to (5) above and the resumption of redemption via publication of a notice in the German Federal Gazette, as well as a financial or daily newspaper with sufficient circulation or in the electronic media stated in the Sales Prospectus. Following the publication of a notice in the German Federal Gazette, investors must be immediately informed by means of a durable medium of the suspension and resumption of unit redemption.

### **§ 18 Issue and redemption prices**

- (1) Unless otherwise stipulated in the Special Terms and Conditions of Investment, the market values of the assets held by the UCITS investment fund less loans and other liabilities (net asset value) shall be determined and divided by the number of units in circulation (unit value) for the purpose of calculating the issue and redemption prices of units. Should different unit classes be introduced for the UCITS investment fund pursuant to § 16(2), the unit value and issue and redemption price shall be calculated separately for each unit class. Assets shall be valued pursuant to §§ 168 and 169 KAGB and the Capital Investment Accounting and Valuation Ordinance [Kapitalanlage-Rechnungslegungs- und Bewertungsverordnung – KARBV].

- (2) The issue price equals the value of a unit in the UCITS investment fund, plus (if applicable) an issuing surcharge to be specified in the Special Terms and Conditions of Investment pursuant to § 165(2)(8) KAGB. The redemption price will be equal to the value of a unit in the UCITS investment fund, minus (if applicable) a redemption fee to be specified in the Special Terms and Conditions of Investment pursuant to § 165(2)(8) KAGB.
- (3) The settlement date for unit purchases and redemption orders shall be no later than the valuation date following receipt of the purchase/redemption order, unless otherwise specified in the Special Terms and Conditions of Investment.
- (4) The issue and redemption prices shall be determined on each trading day. Unless otherwise stipulated in the Special Terms and Conditions of Investment, the Company and Custodian may refrain from calculating the value on statutory public holidays which are stock exchange trading days as well as on 24 and 31 December of each year; this is explained in more detail in the Sales Prospectus.

## **§ 19 Costs**

The expenses and fees due to the Company, the Custodian and third parties which may be charged to the UCITS investment fund are stated in the Special Terms and Conditions of Investment. In the case of fees within the meaning of the previous sentence, the Special Terms and Conditions of Investment shall also specify how and in what amount they are to be paid, and how they are to be calculated.

## **§ 20 Accounting**

- (1) No later than four months after the end of the UCITS investment fund's financial year, the Company shall issue an annual report, including a profit and loss account pursuant to § 101(1), (2) and (4) KAGB.
- (2) No later than two months after the middle of the financial year, the Company shall issue a semi-annual report pursuant to § 103 KAGB.
- (3) If, during the financial year, the right to manage the UCITS investment fund is transferred to another capital management company or if the UCITS investment fund is merged with another UCITS investment fund, a UCITS investment corporation with variable capital or an EU UCITS investment fund, the Company shall draw up, on the transfer date, an interim report that meets the requirements of an annual report as per (1) above.
- (4) Should the UCITS investment fund be liquidated, the Custodian shall draw up a liquidation report both annually and on the date on which the liquidation is completed; this report must meet the requirements of an annual report as stated in (1) above.
- (5) These reports shall be available from the Company, the Custodian and other agents stated in the Sales Prospectus and the KIID; they shall also be published in the German Federal Gazette.

## **§ 21 Termination and liquidation of the UCITS investment fund**

- (1) The Company may cease managing the UCITS investment fund subject with at least six months' notice via publication of a notice in the German Federal Gazette, as well as in the annual or semi-annual report. Investors shall be immediately notified via durable medium of any termination notified pursuant to sentence 1.

- (2) The right of the Company to manage the UCITS investment fund shall expire on the date on which termination takes effect. In this case, the UCITS investment fund and/or the right to dispose of it shall be transferred to the Custodian, which shall liquidate it and distribute the proceeds to investors. In return for the performance of its liquidation duties, the Custodian shall be entitled to a fee as well as to the reimbursement of its expenses incurred as a necessary part of the liquidation. With BaFin approval, the Custodian may refrain from the liquidation and distribution, and appoint another capital management company to manage the UCITS investment fund in accordance with the current Terms and Conditions of Investment.
- (3) On the day its management right expires pursuant to § 99 KAGB, the Company shall draw up a liquidation report that meets the requirements for an annual report pursuant to § 20(1) above.

## **§ 22 Change of Capital Management Company and Custodian**

- (1) The Company may transfer the right to manage and to dispose of the UCITS investment fund to another capital management company. Transfers are subject to prior approval by BaFin.
- (2) The approved transfer will be published in the Bundesanzeiger (Federal Gazette) and also in the annual report or semi-annual report and in the electronic information media specified in the Sales Prospectus. The transfer will take effect at the earliest three months after being notified in the German Federal Gazette.
- (3) The Company may change the Custodian for the UCITS investment fund. Any such change is subject to approval by BaFin.

## **§ 23 Amendments to the Terms and Conditions of Investment**

- (1) The Company may amend the Terms and Conditions of Investment.
- (2) Amendments thereto are subject to prior approval by BaFin.
- (3) All planned amendments shall be published in the German Federal Gazette, as well as in a financial or daily newspaper with sufficient circulation, or in the electronic media stated in the Sales Prospectus. Any publication pursuant to the previous sentence shall state the planned amendments and their date of entry into force. In the event of changes in costs that are detrimental to investors within the meaning of § 162(2)(11) KAGB or changes to material investor rights that are detrimental to investors, as well as in the event of changes to the investment principles of the UCITS investment fund within the meaning of § 163(3) KAGB, the investors must be notified of the essential content of the planned changes to the Terms and Conditions of Investment, and of the background to them, in a comprehensible manner via a permanent data carrier in accordance with § 163(4) KAGB at the same time as the notification is provided pursuant to sentence 1. In the event of changes to the previous investment principles, investors must be additionally informed of their rights in accordance with § 163(3) KAGB.
- (4) The amendments shall come into force at the earliest on the day following their notification in the German Federal Gazette or, in the event of changes to costs or investment principles, no earlier than four weeks after the corresponding notification.

## **§ 24 Place of performance**

The place of performance is the Company's registered office.

## **§ 25 Dispute settlement proceedings**

The Company has undertaken to participate in dispute settlement proceedings held before a consumer arbitration board. In the event of disputes, consumers can contact the Investment Funds Ombudsman of BVI Bundesverband Investment und Asset Management e.V., which is the responsible consumer arbitration body. The Company will take part in dispute settlement proceedings before this arbitration board.

The contact details are: Büro der Ombudsstelle des BVI Bundesverband Investment und Asset Management e.V., Unter den Linden 42, 10117 Berlin, [www.ombudsstelle-investmentfonds.de](http://www.ombudsstelle-investmentfonds.de).

The European Commission has set up a European online dispute resolution platform at [www.ec.europa.eu/consumers/odr](http://www.ec.europa.eu/consumers/odr). Consumers can use it for the out-of-court settlement of disputes arising from online sales contracts or online service contracts. The Company's email address is: [Beschwerdemanagement@universal-investment.com](mailto:Beschwerdemanagement@universal-investment.com).

## **G. Special Terms and Conditions of Investment**

### **SPECIAL TERMS AND CONDITIONS OF INVESTMENT**

**governing the legal relationship between the investors**

**and**

**UNIVERSAL-INVESTMENT-GESELLSCHAFT MBH,**

**Frankfurt/Main,**

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

**for the**

**investment fund managed by the Company pursuant to the UCITS Directive,**

**Berenberg Aktien Mittelstand,**

**applicable only in conjunction with the**

**General Terms and Conditions of Investment**

**drawn up by the Company for this investment.**

#### **§ 1 Assets**

The Company may acquire the following assets for the UCITS investment fund:

1. Transferable securities pursuant to § 5 of the General Terms and Conditions of Investment,
2. Money market instruments pursuant to § 6 of the General Terms and Conditions of Investment,
3. Bank deposits pursuant to § 7 of the General Terms and Conditions of Investment,
4. Investment units pursuant to § 8 of the General Terms and Conditions of Investment,
5. Derivatives pursuant to § 9 of the General Terms and Conditions of Investment,
6. Other investment instruments pursuant to § 10 of the General Terms and Conditions of Investment.

#### **§ 1a Securities lending and repurchase transactions**

Securities lending and repurchase transactions pursuant to §§ 13 and 14 of the General Terms and Conditions of Investment are not concluded.

#### **§ 2 Investment limits**

- (1) The UCITS investment fund may consist entirely of transferable securities within the meaning of § 1.1.

- (2) The UCITS investment fund comprises at least 51% of shares of small and medium-sized enterprises in German-speaking countries, which have a market capitalisation of up to EUR 5 billion and an annual turnover not exceeding EUR 3 billion.
- (3) In addition to the investment limit stipulated in Paragraph 2 above, it is also the case that more than 50% of the value of the actual asset (the amount of the actual asset is defined in relation to the value of the investment fund's assets within the meaning of § 1(2) of the InvStG, excluding liabilities) of the Fund is invested in equity interests within the meaning of § 2(8) of the InvStG that can be acquired for the Fund in accordance with the investment conditions (equity fund within the meaning of § 2(6) of the InvStG). In so doing, the actual equity interest rate of target investment funds within the meaning of the first sentence of § 2(5)(1) of the InvStG that can be acquired for the Fund in accordance with these investment conditions can be taken into account.
- (4) Up to 49% of the value of the UCITS investment fund may be invested in money market instruments, subject to § 6 of the General Terms and Conditions of Investment.
- (5) Transferable securities and money market instruments of a single issuer may be acquired up to an amount of between 5% and 10% of the value of the UCITS investment fund if the total value of the transferable securities and money market instruments of this issuer that are held does not exceed 40% of the value of the UCITS investment fund.
- (6) Up to 49 % of the value of the UCITS investment fund may be held in bank deposits as specified in § 7(1) of the General Terms and Conditions of Investment.
- (7) Up to 10 % of the UCITS investment fund's assets may be held in investment fund units as specified in § 8 of the General Terms and Conditions of Investment. The Company shall select the investment units to be acquired either in accordance with the Terms and Conditions of Investment or the investment focus of said units, or the units' most recent annual or semi-annual report. It may acquire all permitted types of units in domestic investment funds and investment corporations with variable capital and units in EU UCITS and open-ended investment funds (which are not EU UCITS) managed by EU management companies or foreign management companies. The share of the UCITS investment fund that may be held in units of the relevant type may not be more than the investment limit stated in the first sentence of this paragraph. The limits stated in § 11(9) of the General Terms and Conditions of Investment remain unaffected. Units in feeder funds as per § 1(19), point 11 KAGB are not acquired for the UCITS investment fund.

### § 3 Investment Committee

The Company can be advised by an investment committee in respect of the UCITS investment fund.

## UNIT CLASSES

### § 4 Unit classes

- (1) For the UCITS investment fund, unit classes may be formed in accordance with § 16(2) of the General Terms and Conditions of Investment. Such unit classes differ in terms of the use of income, the issuing surcharge, the currency of the unit value including the use of currency hedging transactions, the management fee, the Custodian fee, the fee for the investment consultancy firm or asset management company, the fee for managing derivative transactions and collateral for said transactions, the Distributor, the minimum investment amount

or a combination of these characteristics. Unit classes may be created at any time at the Company's discretion.

- (2) Existing unit classes shall be listed individually in the Sales Prospectus and in the annual and semi-annual reports. The characteristics of the unit classes (use of income, the issuing surcharge, the currency of the unit value, the management fee, the Custodian fee, the fee for the investment consultancy firm or asset management company, the fee for managing derivative transactions and collateral for said transactions, the Distributor, the minimum investment amount or a combination of these characteristics) are described in detail in the Sales Prospectus and the annual and semi-annual reports.
- (3) Currency hedging transactions may be concluded exclusively in favour of an individual currency unit class. For foreign currency unit classes that are currency hedged in favour of the currency in which those unit classes are denominated (reference currency), the Company may also – notwithstanding the provisions of § 9 of the General Terms and Conditions of Investment – use derivatives (within the meaning of § 197(1) KAGB) on exchange rates or currencies so as to avoid losses in unit value resulting from foreign exchange losses relating to assets of the UCITS investment fund that are not denominated in the reference currency for that unit class.
- (4) Unit values are calculated for each unit class separately by taking the costs of creating new unit classes, distributions (including any taxes payable from the Fund's assets), the fees stated in (1) above and the results of currency hedging transactions related to a certain class of units, including any income equalisation, attributed exclusively to that unit class.

## **UNITS, ISSUE PRICE, REDEMPTION PRICE, UNIT REDEMPTION AND COSTS**

### **§ 5 Units**

Investors are fractional co-owners of the UCITS investment fund's respective assets in proportion to their number of units.

### **§ 6 Issue and redemption prices**

- (1) The issuing surcharge equals 5.50 % of the unit value. The Company may charge a reduced issuing surcharge, or not charge one at all, for the UCITS investment fund or one or more unit classes. The Company shall specify the issuing surcharge for each unit class in the Sales Prospectus and the annual and semi-annual reports.
- (2) Redemptions shall be performed at the unit value. No redemption fee is charged.

### **§ 7 Costs**

- (1) Fees to which the Company is entitled from the UCITS investment fund:

In return for managing the UCITS investment fund, the Company receives a fee (payable quarterly) amounting to up to a quarter of 1,90 % p.a. of the UCITS investment fund's average net asset value during the accounting period, which is calculated by taking the values on each valuation date. The Company may charge a reduced fee, or not charge one at all, for the UCITS investment fund or one or more unit classes. The Company shall specify the management fee for each unit class in the Sales Prospectus and the annual and semi-annual reports.



- (2) The fees to be paid out of the UCITS investment fund to third parties are as follows:
- a) The Company may call upon the services of an advisor company or asset management company when implementing its investment strategy. The remuneration of the advisor company or asset management company will be covered by the management fee stated in paragraph 1.
  - b) The Company may call upon the services of third parties for the purposes of or when managing derivative transactions and collateral for said transactions. In this case, these third parties jointly receive a fee (payable quarterly) amounting to up to a quarter of 0.10% p.a. of the UCITS investment fund's average net asset value during the accounting period, which is calculated by taking the values on each valuation date. The Company may charge a reduced fee, or not charge one at all, for the UCITS investment fund or one or more unit classes. These fees are not covered by the management fee; as a result, the Company charges them to the UCITS investment fund. The Company shall specify the fees paid to third parties for each unit class in the Sales Prospectus and the annual and semi-annual reports.
- (3) In return for performing its duties, the Custodian receives a fee payable quarterly amounting to 0.0275 % p.a. of the UCITS investment fund's average net asset value during the accounting period, which is calculated by taking the values on each valuation date. The Custodian may charge a reduced fee, or not charge one at all, for the UCITS investment fund or one or more unit classes. The Company shall specify the custodian fee for each unit class in the Sales Prospectus and the annual and semi-annual reports.
- (4) The amount that may be taken out of the UCITS investment fund each year in the form of fees in accordance with points 1, 2 and 3 above and for reimbursement of expenses under point 5(m) can amount to a total of 2.0975 % p.a. of the UCITS investment fund's average net asset value during the accounting period, which is calculated by taking the values on each valuation date.
- (5) In addition, the Company may receive a performance fee of up to 20 % of the amount by which the performance of the units exceeds the performance of the benchmark index at the end of any accounting period (outperformance over the benchmark index, i.e. positive deviation of the performance of the units from the benchmark performance, hereinafter also referred to as the "positive benchmark deviation") for each unit issued, however, up to a maximum of 4 % of the average net asset value of the UCITS investment fund in the accounting period calculated from the values at the end of each valuation date. Sentence 1 applies if unit classes are formed accordingly for each unit class.

The costs charged to the UCITS investment fund may not be deducted from the performance of the benchmark index before the comparison takes place.

If the unit value performance at the end of an accounting period is below the performance of the benchmark index (underperformance against the benchmark index, i.e. negative deviation of the unit value performance from the benchmark performance, hereinafter also referred to as "negative benchmark deviation"), the Company receives no performance fee. In accordance with the calculation of the performance fee for positive benchmark deviation, an underperformance amount per unit value is now calculated on the basis of the negative benchmark deviation and carried forward to the next accounting period as a negative balance carried forward ("negative balance carried forward"). There is no limit on the maximum amount for the negative balance carried forward. For the following accounting period, the Company only receives a performance fee if the amount calculated from a positive benchmark deviation exceeds the negative balance carried forward from the previous accounting period at the end of the accounting period. In this case, the fee is calculated from the difference between the two amounts. If the amount calculated from the positive benchmark

deviation does not exceed the negative balance carried forward from the previous settlement period, the two amounts are offset. The remaining underperformance amount per unit value is carried forward to the next accounting period as a new "negative balance carried forward". If a negative benchmark deviation occurs again at the end of the next accounting period, the existing negative balance carried forward is increased by the underperformance amount that is calculated based on this negative benchmark deviation. During the annual calculation of the fee, any underperformance amounts from the previous five accounting periods are taken into consideration. If there are fewer than five previous accounting periods for the UCITS investment fund or unit class, all previous accounting periods are taken into account.

The accounting period begins on October 1 and ends on September 30 of each calendar year. The first accounting period commences with the launch of the UCITS investment fund or the individual unit class and – if the launch does not occur by October 1 – ends on the second September 30 following the launch.

The specified benchmark index is the 50% MDAX<sup>16</sup> (Bloomberg Ticker: MDAX) and 50% SDAX<sup>17</sup> (Bloomberg Ticker: SDYP). In the absence of the benchmark index, the Company shall specify another appropriate index to replace that index.

The unit value performance is calculated using the BVI method<sup>18</sup>.

Based on the outcome of a daily comparison, any calculated performance fee incurred is set aside within the UCITS investment fund per unit issued or any provision that has already been posted is reversed accordingly. Reversals of provisions are allocated to the UCITS investment fund. A performance fee can only be withdrawn if corresponding provisions have been formed.

The performance fee can even be withdrawn if the unit value at the end of the accounting period is below the unit value at the start of the accounting period ("negative performance of the units").

The Company may charge a reduced performance fee, or not charge one at all, for the UCITS investment fund or one or more unit classes. The Company shall specify the performance fee for each unit class in the Sales Prospectus and the annual and semi-annual reports.

- (6) In addition to the aforementioned fees, the following expenses are charged to the UCITS investment fund:
- a) standard custodian and account fees, including any standard bank costs for the custody of foreign assets abroad;
  - b) costs of printing and dispatching statutory sales documentation intended for investors (annual and semi-annual reports, Sales Prospectus, KIID);
  - c) costs of publishing the annual and semi-annual reports, the issue and redemption prices and, if applicable, the distributions or reinvestments and the liquidation report;
  - d) costs of setting up and using a durable medium, except in the case of information concerning fund mergers and measures in connection with investment limit infringements or calculation errors when ascertaining the unit value;

<sup>16</sup> MDAX® ist eine eingetragene Marke der Deutsche Börse AG.

<sup>17</sup> SDAX® ist eine eingetragene Marke der Deutsche Börse AG.

<sup>18</sup> An explanation of the BVI method is published on the website of BVI Bundesverband Investment und Asset Management e.V. ([www.bvi.de](http://www.bvi.de)).

- e) costs of auditing the UCITS investment fund by its auditor;
  - f) costs of publishing the bases for taxation and certifying that the tax information has been drawn up pursuant to German tax regulations;
  - g) costs incurred by the Company for asserting and enforcing legal claims on behalf of the UCITS investment fund, as well as for defending claims raised against the Company at the cost of the UCITS investment fund;
  - h) fees and costs charged by public authorities in relation to the UCITS investment fund;
  - i) costs of legal and tax advice with regard to the UCITS investment fund;
  - j) costs and any charges that may arise in connection with the acquisition and/or use or designation of a benchmark or financial index;
  - k) costs of appointing proxies;
  - l) costs of third parties analysing the performance of the UCITS investment fund;
  - m) costs for the provision of analysis material or services by third parties in relation to one or more financial instruments or other assets or in relation to the issuers or potential issuers of financial instruments or in close connection with a certain industry or a certain market up to 0.07% p.a. of the UCITS investment fund's average net asset value during the accounting period, which is calculated by taking the values on each valuation date;
  - n) taxes incurred in connection with both the fees payable to the Company, Custodian and third parties as well as the aforementioned expenses, including taxes arising in connection with management and custody activities.
- (7) In addition to the above-mentioned fees and expenses, costs incurred in connection with the acquisition and disposal of assets shall be charged to the UCITS investment fund.
- (8) The Company must specify in the annual and semi-annual reports the amount of issuing surcharges and redemption fees charged to the UCITS investment fund during the reporting period for the acquisition and redemption of units and shares within the meaning of § 196 KAGB. Concerning the acquisition of units that are managed directly or indirectly by the Company itself or by another company with which the Company is affiliated through a significant direct or indirect shareholding, the Company or the other company may not charge any issuing surcharge or redemption fee for the acquisition or redemption of units. The Company must specify in the annual and semi-annual reports the fee charged to the UCITS investment fund by the Company itself, another management company, an investment corporation or other company with which the Company is affiliated through a significant direct or indirect shareholding, in return for managing the units or shares held in the UCITS investment fund.

## USE OF INCOME AND FINANCIAL YEAR

### § 8 Income reinvestment

For accumulating unit classes, the Company shall reinvest on a pro rata basis the interest, dividends and other income that, during the financial year, have accrued on behalf of the UCITS investment fund and have not been used to cover costs – taking the relevant income equalisation into account – as well as the realised capital gains in the UCITS investment fund.

**§ 9 Distribution**

- (1) For distributing unit classes, the Company shall – while taking the relevant income equalisation into account – distribute the pro rata interest, dividends and income which, during the financial year, are allocated to the respective unit class, have accrued on behalf of the UCITS investment fund and have not been used to cover costs. Realised capital gains – taking the relevant income equalisation into account – may also be distributed on a pro rata basis.
- (2) Distributable pro rata income pursuant to (1) above may be carried over for distribution in subsequent financial years, provided that the total income carried over does not exceed 15% of the value of the UCITS investment fund as at the financial year end. Income from short financial years may be carried over in full.
- (3) Income may be reinvested in the UCITS investment fund on a pro rata basis, either in whole or in part, in the interest of preserving assets.
- (4) Distributions are made annually, within four months after the end of the financial year. Interim distributions may be provided for individual unit classes.

**§ 10 Financial year**

The financial year of the UCITS investment fund begins on 1 January and ends on 31 December.

## H. Additional information for investors in the United Kingdom

This collective investment scheme is recognised under section 264 of the Financial Services and Markets Act 2000 (the FSMA) and this Prospectus is available to the general public in the United Kingdom. Potential investors in the United Kingdom are advised that most, if not all, of the protections provided by the United Kingdom regulatory system generally and for UK authorised funds do not apply to recognised funds such as this collective investment scheme. In particular, investors should note that holdings of units in the fund will not be covered by the provisions of the Financial Services Compensation Scheme.

Facilities are maintained at the office Facilities Agent at:

Zeidler Legal Services (UK) Limited  
The Print Rooms 164 – 180 Union Street  
London SE1 0LH  
United Kingdom

- a) where information in English can be obtained about the most recently published sale and purchase prices of units;
- b) where an investor in the fund may redeem or arrange for the redemption of units and from which payment of the price on redemption may be obtained; and
- c) at which any person who has a complaint to make about the operation of the collective investment scheme can submit his complaint for transmission to the Management Company.

Copies of the following documents in English are available for inspection at the office of Zeidler Legal Services (UK) Limited, set forth above, during usual business day from the date on which the Fund becomes recognized under Section 264 of the Financial Services and Markets Act 2000:

- d) The most recent Prospectus including the scheme rules and instruments
- e) The most recent key investor information document(s); and
- f) The most recently prepared and published annual reports and half-yearly reports.

The documents listed above are obtainable free of charge.

Where applicable, we would obtain "Reporting Fund" status from HM Revenue & Customs in the United Kingdom under the Offshore Funds (Tax) Regulations 2009 ("the Regulations"). The Regulations require us to inform investors of the amount of income per share earned by the fund during the most recent annual period (referred to as "reportable income"). UK Investors may need this information when preparing their income tax returns and can obtain the report from our web site [www.universal-investment.com](http://www.universal-investment.com). Please contact your accountant/tax adviser for advice on how to report these amounts to HM Revenue & Customs. If you have any queries, please do not hesitate to contact your usual Universal representative.

