

1. Basic Provisions

The NOVIS Entrepreneurial Insurance Fund is created and managed by the insurance company NOVIS Insurance Company, NOVIS Versicherungsgesellschaft, NOVIS Compagnia di Assicurazioni, NOVIS Poistovňa a.s. based in Námestie Ludovíta Štúra 2, 811 02 Bratislava, Company Registration Number: 47 251 301, registered in the Business Register of the Bratislava I County Court in Bratislava, Section: Sa, Entry No.: 5851/B (hereinafter referred to as “Insurance Company“ or “Insurer”).

The full title of the Fund is: NOVIS Entrepreneurial Insurance Fund (hereinafter referred to as the “Fund”).

The Fund was created in 2013 for an unlimited period of time.

2. The Orientation and Goals of the Investment Policy of the Insurance Fund

The Fund is an Insurance Company's internal fund. The Fund is a non-guaranteed fund, which means that investment risks are fully borne by the policyholder and the Insurer does not provide either capital or yield guarantees.

The Insurance Company will in the future support promising companies from the means of the Fund in the form of participating in their share capital or in the form of equity financing. Policyholders would benefit directly from the growth of value of the companies in question, and so they can invest their financial means in way that is similar to private equity investors. At the moment the Insurer invests in ETFs (Exchange Traded Funds) replicating index of listed private equity companies or in funds supporting investments in less developed parts of the world. In relation to the fact that investments in private equity have a high potential for appreciation at a relatively high risk, the Fund value can decrease more significantly than the value of other NOVIS Insurance Funds.

The Fund can invest in:

- ETFs replicating index of listed private equity companies or in funds supporting investments in less developed parts of the world, in the share capital of selected companies, or in equity financing instruments through which the Fund revenues will be gained directly from the paid dividends or from participation in the profit and interest of the individual forms of financing. Fund investments can be denominated in EUR, USD, CHF or in a local currency of the countries of the European Economic Area.
- Bank deposits – representing balances in current and deposit accounts in banks and foreign bank branches based in the countries of the European Economic Area with a maturity of up to one year. These can be denominated in EUR, USD, CHF or in a local currency of the countries of the European Economic Area.

Under usual market conditions, the Insurance Company observes the following limits for asset allocation when managing the Fund:

- Investment proportion in the ETFs, funds and instruments described above of up to 100 % of the Fund value
- Proportion of bank deposits up to 20 % of the Fund value

The property of the Fund can be used to pay for the costs related to the implemented purchase or sale transactions of the corresponding assets.

3. Rules for the valuation of Fund Assets

The Insurance Company does the valuation of the underlying Fund assets with professional diligence. The value of the underlying assets is divided by units. Each fund unit has a constant value of one currency unit.

Monthly performance of the Fund is calculated as the weighted average of the monthly performance (in %) of individual underlying assets, whereas the used weight corresponds to the relative share of the market value of respective underlying asset on total volume of all underlying assets within the Fund.

Monthly performance (in %) of respective underlying asset is calculated as percentage change of the market price of the asset at the end of the respective month in comparison with the market price at the end of the previous month, whereas the market price is taken from the official statement provided by depository of securities.

Calculation of the Fund performance is realized within 5 working days following the end of the month. If the end-of-month market price of specific underlying asset is not available at the moment of calculating the monthly performance of such asset (the monthly securities statement is not available), the monthly performance of the asset is calculated as weighted average of monthly performances for previous 3 months, whereas the used weights correspond to the market value of the asset held by the Insurer.

The Insurance Company updates and publishes the return development of the Fund as well as the share of the underlying assets within the Fund once a month on its website www.novis.eu.

The Insurance Company will correct any errors in the valuation of assets or in the calculation of the return development of the Fund without any delay and will publish the corrected values on its website. The balance of the client's insurance account will be adjusted accordingly, however in case such adjustment would not be in favor of the client, Insurance Company may decide not to adjust the balance of the client's insurance account. In case such adjustment would not be in favor of the client and value development of the insurance account was previously reported to the client, the policyholder will be informed about such adjustment in the forthcoming Annual Letter.

4. Changes to the Statute

The Insurance Company is authorized to change the rules and regulations related to the Fund unilaterally if there is any change in the generally binding legal regulations.

The change to the Statute shall be carried out by means of an issuance of the new wording of the statute which will be published by the Insurance Company on its web page www.novis.eu. The change is effective as of the date stated in the new wording of the Statute.

The Insurance Company informs the Policyholder about the change of the Statute without any undue delay but at the latest as part of the letter containing required information for the Policyholder (Annual Letter).

5. Final Provisions

The Fund Statute as follows is effective as of December 1st, 2018.