

1. Basic Provisions

The NOVIS World Brands 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 Ľudovíta 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 World Brands Insurance Fund (hereinafter referred to as the “Fund”).

The Fund was created in 2016 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 invests the assets of this Insurance Fund mainly into shares of the investment fund called Wealth Fund introduced by Mahrberg Wealth AG. The Wealth Fund is a Luxembourg investment fund with several sub funds. The goal of investment policy of this Insurance Fund is to earn investment return above return that can be achieved by investing in an equity index. The Insurance Fund has long term tendency to grow, but may experience a fall (depreciation in value) during a short or medium term period.

The Fund can invest in:

- One or all sub-funds of the umbrella “Wealth Fund”. The sub-funds invest in securities and money market instruments that are approved or traded on regulated markets either in or outside of European Union and include shares, debentures, open ended investment funds subject to EU Directive (UCITS) and derivative equivalents.
- 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:

- Up to 100 % of the Insurance Fund assets can be invested in the Wealth Fund and its sub-funds. Equities can represent 100 % of the Wealth Fund assets
- Proportion of bank deposits up to 20 % of the Fund value

The property of the Insurance 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.