

# **BP Family Office Fund**

## **Trust Agreement**

**and**

## **Prospectus**

AIF (Alternative Investment Fund) under the laws of Liechtenstein  
in the legal form of a collective trusteeship

for qualified / professional investors

**As of: 10 October 2019**

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

**(single fund)**

**AIFM:**



**FUND MANAGEMENT AG**

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

## Information for investors / sales restriction

---

This Prospectus does not constitute an offer or a solicitation to a person to subscribe for units in the AIF in any legal system where any such offer or solicitation would be unlawful, or where the person who makes any such offer or solicitation is not deemed to be qualified to do so, or solicitation is made vis-a-vis a person in relation to whom any such offer or solicitation would be unlawful.

The acquisition of units in the AIF is performed on the basis of the constitutive documents, consisting of the Prospectus and the Trust Agreement, as well as the latest annual report. Only information contained in the constitutive documents is valid. Upon acquisition of the units, the constitutive documents are regarded as having been acknowledged and accepted by the investor.

Any information not contained in the constitutive documents or in the documents that are accessible to the public are deemed to be unauthorised and are not to be relied upon. Prospective investors must inform themselves independently about possible tax consequences, the legal requirements and any foreign exchange restrictions or control requirements applicable in the countries of their citizenship, residence or domicile and which are relevant to the subscription, holding, conversion, redemption or disposal of units. Further tax considerations and, above all, risks are explained in the constitutive documents.

The AIF is not licensed for distribution in all countries of the world. Annex B "Specific Information for Individual Distribution Countries" contains information regarding distribution in various countries. The provisions that apply in the relevant country will apply to the issuance, conversion and redemption of units.

The sale of fund units to US citizens is not permitted (this applies to persons who are nationals of the United States of America, or who have their place of residence and/or are liable to pay tax there, or who have partnerships or corporations established according to the laws of the United States of America or the laws of a state, territory or possession of the United States). The units have not been and will not be registered under the United States Securities Act of 1933, as amended (within the meaning of the "Act of 1933") or under the securities laws of any state or territorial entity of the United States of America or its territories, possessions or other areas that are subject to its jurisdiction, including the Commonwealth of Puerto Rico (the "United States"). Should the personal circumstances of the investor change after establishing the business relationship with the AIF in such a way that he or she qualifies as a US citizen within the meaning of the above definition, the investor is obliged to immediately sell the units and fully inform the AIFM. Alternatively, the AIFM may unilaterally conduct a forced redemption of the units and pay the investor for his/her units on the basis of the correspondingly relevant NAV.

The units may not be offered, sold or otherwise transferred in the United States nor to or for the account of U.S. persons (within the meaning of the Act of 1933). Subsequent transfers of units within the United States or to US persons are also prohibited.

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

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

Subject to compliance with the requirements of the constitutive documents, investors are entitled to arrange the repurchase and redemption of their units and to obtain the information provided by the AIFM for the AIF. The investors also have the right to send their complaints to the AIFM for proper processing at any time.

**Attention is drawn to the fact that the AIF has a notice period of 3 months to the valuation date.**

**Qualified investors according to Liechtenstein law may be seen as private investors according to MIFID II.**

## Overview of contents

---

Overview of the AIFM's organisational structure .....	5
Overview of the AIF .....	5
Part 1 Prospectus .....	6
1 Sales documentation .....	6
2 The Trust Agreement .....	6
3 General information on the AIF .....	6
4 Further information on the AIF .....	6
5 Organisation .....	7
6 General investment principles and restrictions .....	8
7 Investments .....	8
8 Risk warning notice .....	8
9 Investment in the AIF .....	15
10 Appropriation of income (distribution policy) .....	16
11 Tax regulations .....	17
12 Costs and fees .....	18
13 Information to investors .....	18
14 Duration, liquidation and structural measures of the AIF .....	18
15 Governing law, place of jurisdiction and authoritative language .....	19
16 Specific Information for Individual Distribution Countries .....	19
Part II Trust Agreement of the BP Family Office Fund .....	20
Preamble .....	20
I. General provisions .....	20
Art. 1 The AIF .....	20
Art. 2 The AIFM .....	20
Art. 3 Delegation of tasks .....	20
Art. 4 Depositary .....	20
Art. 5 Prime broker .....	20
Art. 6 Auditor .....	21
II. Distribution .....	21
Art. 7 Distribution information/sales restrictions .....	21
Art. 8 Qualified / professional investors .....	21
III. Structural measures .....	22
Art. 9 General .....	22
Art. 10 Merger .....	22
Art. 11 Information, approval and investor rights .....	23
Art. 12 Merger costs .....	23
Art. 13 Transforming a master or feeder AIF into an AIF and vice versa .....	23
IV. Liquidation of the AIF and its unit classes .....	23
Art. 14 In general .....	23
Art. 15 Resolution for liquidation .....	23
Art. 16 Reasons for liquidation .....	24
Art. 17 Liquidation costs .....	24
Art. 18 Liquidation and bankruptcy of the AIFM or the Depositary .....	24
Art. 19 Termination of the Depositary agreement .....	24

V.	Creation of sub-funds and unit classes .....	24
Art. 20	Creation of sub-funds.....	24
Art. 21	Unit classes.....	24
VI.	General investment principles and restrictions.....	25
Art. 22	Investment policy.....	25
Art. 23	Permitted investments.....	25
Art. 24	Use of derivatives, techniques and instruments.....	25
Art. 25	Investment limits .....	25
VII.	Valuation and unit transactions .....	26
Art. 26	Calculation of the net asset value per unit .....	26
Art. 27	Issuance of units .....	27
Art. 28	Redemption of units .....	28
Art. 29	Conversion of units .....	29
Art. 30	Suspension of the calculation of the net asset value and the issuance, redemption and conversion of units 29	
Art. 31	Late trading and market timing.....	30
Art. 32	Prevention of money laundering and the financing of terrorism .....	30
VIII.	Costs and fees .....	30
Art. 33	Ongoing fees.....	30
Art. 34	Costs incurred by the investor.....	32
IX.	Final provisions .....	32
Art. 35	Appropriation of income (distribution policy) .....	32
Art. 36	Allowances.....	33
Art. 37	Information for investors.....	33
Art. 38	Reports .....	33
Art. 39	Financial year.....	33
Art. 40	Amendments to the Trust Agreement .....	33
Art. 41	Limitation.....	34
Art. 42	Governing law, place of jurisdiction and authoritative language.....	34
Art. 43	General .....	34
Art. 44	Effective date .....	34
Annex A:	Fund overview.....	35
Annex B	"Specific Information for Individual Distribution Countries" .....	41

## Overview of the AIFM's organisational structure

---

<b>AIF Manager:</b>	CAIAC Fund Management AG Haus Atzig, Industriestrasse 2, FL-9487 Barenden
<b>Commercial register number:</b>	FL-0002.227.513-0
<b>AIFM's board of directors:</b>	Dr Roland Müller Dr Dietmar Loretz Gerhard Lehner
<b>AIFM's executive board:</b>	Thomas Jahn Raimond Schuster
<b>AIFM's auditor:</b>	Grant Thornton AG Bahnhofstrasse 15, FL-9494 Schaan

## Overview of the AIF

---

<b>Name of the AIF:</b>	BP Family Office Fund
<b>Legal form:</b>	Collective trusteeship
<b>Permitted investors:</b>	Qualified / professional investors
<b>Commercial register number:</b>	FL-0002.500.038-9
<b>Country of establishment:</b>	Principality of Liechtenstein
<b>Date of authorisation:</b>	01 February 2018
<b>Registration commercial register<sup>1</sup>:</b>	11 June 2015
<b>Term of the AIF:</b>	Unlimited
<b>Financial year:</b>	The AIF's financial year commences on 1 January and ends on 31 December
<b>AIF's accounting currency:</b>	EUR
<b>Auditor of the AIF:</b>	Grant Thornton AG Bahnhofstrasse 15, FL-9494 Schaan
<b>Depositary:</b>	Banque Havilland (Liechtenstein) AG Austrasse 61, FL-9490 Vaduz
<b>Management of the unit register:</b>	CAIAC Fund Management AG Haus Atzig, Industriestrasse 2, FL-9487 Barenden
<b>Portfolio Manager of the AIF:</b>	Mahrberg Wealth AG Haus Atzig, Industriestrasse 2, FL-9487 Barenden
<b>Risk management:</b>	The AIFM has not delegated the risk management.
<b>Distributors:</b>	The AIFM has not delegated the distribution.
<b>Competent supervisory authority:</b>	Financial Market Authority of Liechtenstein (FMA)

<sup>1</sup> The investment company BP Family Office Fund was established as an investment company for qualified investors pursuant to art. 23 of the law governing investment companies of 19 May 2005 (IUG) in conjunction with art. 28 and 29 of the regulations on investment companies (IUV). The Financial Market Authority of Liechtenstein issued the attestation on 08 June 2015 pursuant to art. 28 par. 3 IUV. The fund was registered in the commercial register on 11 June 2015 under the registration number FL-0002.500.038-9. By resolution of 11 August 2017, the management company has decided that the BP Family Office Fund will be converted into an AIF for qualified / professional investors. The Financial Market Authority of Liechtenstein has approved by letter of 01 February 2018 the conversion of the BP Family Office Fund into an AIF for qualified / professional investors, the amendment of the constituent documents, as well as the authorization by 01 February 2018.

## Part 1 Prospectus

---

The issuance and redemption of the AIF's units are made on the basis of the currently applicable distribution Prospectus, the Trust Agreement, and Annex A "Fund overview". This Trust Agreement is supplemented by the most recent annual report in each respective case.

The issuing of information or statements that deviate from the currently valid Prospectus and/or Trust Agreement is not permissible. Any issuance or redemption of units based on information or statements which are not included in the Prospectus and/or Trust Agreement is at the sole risk of the buyer or seller. The AIFM will not be liable for the issuing of information or statements that deviate from the current Prospectus or Trust Agreement.

The Prospectus and Trust Agreement are represented here in one document. The prevailing constituent document of the Fund is the Trust Agreement including Annex A "Fund overview".

### 1 Sales documentation

---

The Prospectus, the Trust Agreement and Annex A "Fund overview", as well as the most recent annual reports are available, free of charge, electronically or on permanent data media from the AIFM, the Depositary, the paying agents and any and all authorised distributors in Liechtenstein and abroad as well as on the Liechtenstein Investment Fund Association's website (Liechtensteinischer Anlagefondsverband, "LAFV") at [www.lafv.li](http://www.lafv.li). Further information regarding the AIF is also available on the internet at [www.caiac.li](http://www.caiac.li) and from the CAIAC Fund Management AG, during normal business hours.

### 2 The Trust Agreement

---

The Trust Agreement comprises a general part as well as Annex A "Fund overview". The Prospectus, the Trust Agreement and all relevant annexes have been printed in full. Only the Prospectus and the Trust Agreement, including the special investment policy provisions in Annex A "Fund overview", are subject to the substantive legal audit of the Financial Market Authority Liechtenstein. The Prospectus, the Trust Agreement and the aforementioned annexes may be amended or supplemented by the AIFM at any time, either in whole or in part, subject to the FMA's prior approval if necessary.

Any and all amendments to the Trust Agreement and the Annexes will be published in the AIF's publication medium and, thereafter, will be legally binding for all investors.

The AIF's publication medium is the Liechtenstein Investment Fund Association's website (Liechtensteinischer Anlagefondsverband, "LAFV") [www.lafv.li](http://www.lafv.li).

### 3 General information on the AIF

---

The investment company BP Family Office Fund was established as an investment company for qualified investors pursuant to art. 23 of the law governing investment companies of 19 May 2005 (IUG) in conjunction with art. 28 and 29 of the regulations on investment companies (IUV). The Financial Market Authority of Liechtenstein issued the attestation on 08 June 2015 pursuant to art. 28 par. 3 IUV. The fund was registered in the commercial register on 11 June 2015 under the registration number FL-0002.500.038-9. By resolution of 11 August 2017, the management company has decided that the BP Family Office Fund will be converted into an AIF for qualified / professional investors. The Financial Market Authority of Liechtenstein has approved by letter of 01 February 2018 the conversion of the BP Family Office Fund into an AIF for qualified / professional investors, the amendment of the constituent documents, as well as the authorization by 01 February 2018.

The assets in which the AIF is entitled to invest and the provisions to be observed can be ascertained from the constitutive documents and the AIFMG/AIFMV. Unless otherwise specified in the constitutive documents, the legal relationships between the investors and the AIF are governed by the AIFMG/AIFMV and, if no provisions are contained therein, by the provisions of the Law on Persons and Companies (Personen- und Gesellschaftsrechts, "PGR") relating to trusteeships.

### 4 Further information on the AIF

---

The investors participate in the AIF's assets based on the number of units they have acquired.

By subscribing to or acquiring units, investors recognise the constitutive documents. Investors, heirs or other beneficiaries may not request either the splitting or the dissolution of the AIF. There are no provisions for a meeting of investors and/or rights of consent. Details pertaining to the AIF are described in Annex A "Fund overview". Each individual unit of the AIF embodies the same right, unless different unit classes exist or the AIFM decides to create different unit classes.

In relation to third parties, the AIF's assets will only be liable with regard to obligations entered into by the AIF.

#### 4.1 Term of the AIF

See: Annex A "Fund overview".

#### 4.2 Past performance of the AIF

The past performance of the AIF or of the unit classes is shown on the website of the Liechtenstein Investment Fund Association (Liechtensteinischer Anlagefondsverband "LAFV") at [www.lafv.li](http://www.lafv.li) and does not constitute a guarantee of current or future performance. The value of a unit may increase or decrease at any time.

### 5 Organisation

---

#### 5.1 Country of domicile/competent supervisory authority

The country of domicile is the Principality of Liechtenstein and the competent supervisory authority is the Financial Market Authority Liechtenstein (FMA); <http://www.fma-li.li>

#### 5.2 Legal relationships

The legal relationships between the investors and the AIF are governed by the constitutive documents and the law of 19 December 2012 on Alternative Investment Fund Managers (AIFMG) and the regulation of 22 March 2016 on Alternative Investment Fund Managers (AIFMV) and, to the extent that no provision has been made therein, by the provisions of the Law on Persons and Companies (Personen- und Gesellschaftsrecht, "PGR") relating to trusteeships. Due to the various business activities of the AIFM, the Depositary and their commissioned parties which do not act exclusively for the AIF, and the companies associated with them, conflicts of interest may arise.

When managing the AIF, the parties involved are required to take appropriate organisational and personnel measures to avoid as far as possible the risk of damage to investors' interests resulting from conflicts of interests. If this is not possible, the parties involved shall use their best endeavours to resolve the conflict with the appropriate expertise or deal with the situation fairly and lawfully.

#### 5.3 Alternative Investment Fund Managers (AIFM)

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

CAIAC Fund Management AG was incorporated, for an indefinite time, on 15 May 2007 in the form of a limited company (Aktiengesellschaft) with its registered office and head office in Barend, Principality of Liechtenstein. The FMA Financial Market Authority Liechtenstein granted CAIAC Fund Management AG permission to commence business activities on 10 May 2007, and the authorisation as an AIFM on 15 November 2013 pursuant to the law on Alternative Investment Fund Managers (AIFMG). CAIAC Fund Management AG also holds a license as a Management Company pursuant to the IUG and UCITSG.

The share capital is CHF 1 000 000 (in words: one million Swiss Francs) and has been fully paid in to 100%.

The corporate objective is the management and distribution of funds under the laws of Liechtenstein.

The AIFM is endowed with rights to the greatest possible extent to perform any and all administrative and management related actions in its name on the behalf of the investors.

The AIFM always acts in the interests of the AIF, the investors and market integrity. In doing so, equal treatment of investors is of prime importance. Preferential treatment of individual investors is expressly prohibited.

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

The unit register is managed by the AIFM.

The tasks of the AIFM also include the execution of applications resp. orders for subscription, redemption of units and the management of the unit register.

When performing its activities, the AIFM must comply with the relevant provisions, in particular with the AIFMG/AIFMV laws. This is associated, in particular, with the implementation of an internal risk management system for recognising the risks associated with its activities at an early stage and for preventing their occurrence.

The Liechtenstein Investment Fund Association's website (Liechtensteinischer Anlagefondsverband, "LAFV") at [www.lafv.li](http://www.lafv.li) provides an overview of all the funds managed by the AIFM.

#### 5.4 Portfolio management

The portfolio management is delegated to Mahrberg Wealth AG, Haus Atzig, Industriestrasse 2, FL-9487 Barend.

The task of the Portfolio Manager is the independent daily implementation of the investment policy and the management of the AIF's daily operations and other related services under the supervision, control and responsibility of the AIFM. These duties are fulfilled in compliance with the principles of the investment policy and the AIF's investment restrictions, as described in Annex A "Fund overview", as well as the legal investment restrictions.

At their own risk and cost, the Portfolio Manager has the right to seek advice of third-party advisers, particularly investment advisers.

Further information and details about portfolio management, if available, are provided in the Fund-specific Annex A "Fund overview".

## **5.5 Depositary**

The AIFMG provides for a separation of management and custody of fund assets. The AIFM has appointed the Banque Havilland (Liechtenstein) AG as the Depositary for the custody of the AIF's assets.

With the acquisition of 52.5% of the share capital of the former Banque Pasche (Liechtenstein) SA, Banque Havilland S.A., headquartered in Luxembourg, became the majority shareholder. On 1 October 2014, Banque Pasche (Liechtenstein) SA was renamed into Banque Havilland (Liechtenstein) AG. The main activities of Banque Havilland (Liechtenstein) AG are private banking, asset management, asset structuring and custodial services for investment funds. As of 31 December 2018, the equity of Banque Havilland (Liechtenstein) AG amounted to CHF 42.6 million.

The Depositary may delegate its custodian duties to one or more authorised representatives (hereinafter referred to as "sub-custodian").

## **6 General investment principles and restrictions**

---

The assets of the AIF are invested in accordance with the AIFMG law and the Trust Agreement, and pursuant to the investment principles described in Annex A "Fund overview" and investment restrictions.

### **6.1 Investment policy**

The AIF's investment policy is described in Annex A "Fund overview".

### **6.2 Currency of account/reference currency**

The AIF currency of account and the reference currency for each unit class are set out in Annex A "Fund overview".

The currency of account is the currency in which the AIF's books are kept. The reference currency is the currency in which the performance and the net asset value of each unit class is calculated, if this differs from the currency of account.

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

The profile of a typical AIF investor is described in Annex A "Fund overview".

## **7 Investments**

---

The assets of the AIF are invested in one or more of the eligible investments as described below and in Annex A "Fund overview".

The eligible investments, the ineligible investments, the specific investment limits, the use of derivatives, the techniques and the specific rules governing borrowing are described in the Trust Agreement and below in Annex A "Fund overview".

## **8 Risk warning notice**

---

### **8.1 Specific fund-related risks**

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

The specific fund-related risks of the AIF can be found in Annex A "Fund overview".

### **8.2 General risks**

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

All investments in the AIF entail risks. These risks may involve or be associated with, among others, counterparty/contractant risk, market risk, liquidity risk, operational risks (including risks arising from trading, settlement and valuation processes; legal/documentation risks; reputational risks).

Each of these risks may occur in conjunction with other risks. While some of these risks are briefly discussed in this section, it should, however, be noted that an exhaustive list of any and all potential risks is not possible.



Potential investors should be aware of the risks associated with an investment in units and should only make an investment decision once they have obtained comprehensive advice from legal, tax and financial advisers with regard to the suitability of an investment in units of this AIF, taking into consideration their financial and tax situations as well as any other circumstances, the information in this Prospectus and the investment policy of the AIF.

### **Counterparty/contractant risk**

A counterparty/contractant risk is described as the risk of a professional market participant/contractant defaulting or not completely fulfilling their obligations - due to bankruptcy or liquidity problems. There is consequently a risk that the financial instruments granted to this party - including OTC options and futures, structured products, exotic options - are not paid back in full or are paid back only in part in accordance with the contract and result in at least partial or total loss of the assets.

The risk in this case includes classic credit and issuer risks in addition to risks arising from the execution of financial transactions ("Operational risks") or from derivative positions (OTC counterparties). According to international standards, this risk is also designated as the risk of loss for an investment fund arising from the fact that the counterparty in a transaction may not be able to fulfil their obligations before final settlement of the cashflow associated with the transaction.

### **Leverage risk from financing**

Leverage from financing is a method by which the investment level of the Fund is increased by borrowing funds (or similar). These changes in the value of an asset have a greater effect on equity than under complete self-financing.

### **Leverage risk from derivative transactions**

Leverage from derivatives is a method by which the investment level of the Fund is increased by using derivatives (or similar). These changes in the value of an asset and techniques/instruments have a greater effect on equity than a derivative-free portfolio.

As a rule, the use of derivative financial instruments for investment purposes leads to greater opportunities and higher risks, while the use of these for hedging purposes has a effect on the risk profile.

Derivatives can relate to several underlying assets, including for example securities, currencies, interest rates, exchange rates, commodities, precious metals and goods of other assets as well as the indices based on them. In addition, the use of these investment strategies may be limited by legal restrictions and market conditions. If necessary, derivatives can be used in various forms and combined with other assets and investments in which one or more derivatives are embedded.

In the valuation of instruments, the following risks are particularly significant: market risk, private equity risk/performance risk, counterparty/contractant risk, liquidity risk and the risk of a change in further/other framework conditions. In particular, it should be noted that:

- derivatives may be incorrectly assessed or - due to other valuation methods - have non-uniform valuations;
- the correlation between changes in the value of the hedged asset may not fully correspond with that of the hedging derivative, so that complete risk protection is unsuccessful;
- the absence of a liquid secondary market may result in an uneconomical neutralisation (closure) of a derivative;
- it may be difficult or impossible to neutralise (close) or sell OTC derivative transactions due to the fact that the markets are particularly illiquid and may experience large price fluctuations;
- assets underlying derivatives have to/may be acquired or sold at an unfavourable point in time.

### **Hedge fund risk**

Hedge fund risks often result from the use of complex tools and techniques, which are therefore associated with higher risks in the following categories:

Counterparty/contractant risk (if no regulatory supervision), concentration risk (no principle of risk diversification), market risk (potential lack of investment restrictions), country/transfer risk (potentially held in offshore financial markets), leverage risk from financing (potential lack of investment restrictions), leverage risk from derivative transactions (potential lack of investment restrictions).

### **High yield risk (high-yield bond risk)**

High-yield bonds which are either not rated by a recognised rating agency or do not have a so-called "Investment grade" are considered to be high-yield investments and consequently have a speculative character ("Speculative grade"). The following risks are present to a varying extent, in particular due to these characteristics:

Credit/issuer risk, market risk, interest rate risk, private equity risk/performance risk and liquidity risk.

### **Real estate risks**

Direct and indirect investments in real estate are subject to specific risks, which can be exemplified as follows:

#### Project development risks

*Subsoil risk* (polluted site risk) is the risk that extensive renovation work will be required due to the lack of load-bearing capacity of the subsoil. Further subsoil risks are contamination of the ground which must first be cleaned up, or the discovery of archaeological monuments, which can lead to a delay to or even a prohibition of the building

activities. Generally subsoil risks are relevant only in the construction phase; however, in rare cases damage can be incurred once the building has been completed through subsidence, etc.

*Cost risk* (construction and development costs risk, cost risk, cost security, quality/costs/deadlines, calculation) is the risk of the difference in the actual costs from the estimated building costs, mostly in the form of price increases. Cost risks are a downstream risk, since almost all the risks in connection with the construction have an impact on the costs. In particular these are ground and subsoil risks, technical risks, deadline risks and permit risks. Cost risks also have an impact on the financing of the project since extra funds might possibly have to be secured and/or agreed credit lines cannot be exhausted. Due to a reduction in the equity share cost risks can harbour greater damage potential (leverage effect).

*Deadline risk* (schedule-related risks, time risk) is the risk that there will be delays to the construction schedule and that it will not be possible to use the building at the agreed date. This may be as a result of ground and subsoil risks, permit risks or technical risks, since the deadline risk is a downstream risk in the same way as the cost risk. In addition, it is possible that the original schedule that was drawn up was flawed, in which case this is an upstream risk. The consequences of delays to the schedule are mainly cost increases due to contractual penalties, an increase in the cost of interim financing or an increase in building costs.

*Permit risk* is the risk that a permit that is required for the building is not issued by the competent authorities, is delayed or is only issued subject to certain conditions. This primarily concerns building permits issued by the building authorities, but it is possible that further permits will be required from the authorities, such as fire prevention permits, preservation orders or permits regarding environmental aspects. Permit risks are generally due to the project design or to the technical aspects. They can possibly be minimised by a high quality of architectural design, a positive image and the high ecological and social quality of the building. Permit risks cause delays and increased costs, either as a result of additional conditions or as a result of the delay.

*Technical risks* (manufacturing process, risks associated with construction work, technical risks, conceptual design of the project, development risk) are an amalgamation of all the risks that result from the technical design. In particular these are planning mistakes, problems while carrying out the construction such as design, building procedures, the organisation of the building site, health and safety and quality defects. The reason for technical problems can be an insufficient load-bearing capacity in the subsoil; in addition an unusual architectural design or construction type can contribute to this. Technical risks have an impact on the deadline and cost risks; in some cases this can also lead to problems with the building permit.

*Project design risk* is the risk that the building design is not right for the market and that this leads to difficulties in marketing it and/or that marketing is easy due to a good building design. This concerns both the marketing by the project developer at the end of the construction phase as well as finding tenants by the investor in the utilisation phase. The project design risk lies in the assessment of the current and future location and market position by the project developer. It has an effect primarily on the rental value of the building and indirectly on its price development. A flexible building concept can lessen the effects of a poor design.

*Financing risks* (financial risks, financing risks) for the property being built are all the risks that are incurred from the interim financing until the sale of the property to a long-term investor and that are directly related to the building. This includes a certain dependency on changes in the capital market, although the course of the project also has an impact on the financing. In particular, additional costs and delays have an effect here since additional capital might have to be raised and/or the interim finance might have to be extended, which leads to an increase in the financing costs. Financing risks in the project then also have an impact in the financial situation of the company.

#### Location and market risks

*Macroeconomic development* is the risk of a positive or negative change in general economic conditions at a global, national or regional level. This includes all industry sectors. The assessment of the risk takes into account both the current situation and future prospects. A change in the economic development affects a large number of risk factors that are relevant to the property industry, such as property markets, financial markets or operating costs (via the general price level). In the medium term, socio-demographic development is also affected, which in turn leads to a change in the (regional) economic situation. The economic development can also be affected to a limited extent by policy measures.

*Socio-demographic development* is the risk of changes to the population. This refers primarily to a change in the size of the population, but other characteristics such as the number of households and the household size, age distribution, education, employment, children and migration background also play an important role from the perspective of the property industry. Some of these indicators are directly related to economic development (e. g. employment), and others are influenced by it in the medium term. Furthermore, policy measures attempt to exert an influence via various control instruments. Socio-demographic aspects interact with economic development and affect the property market in particular.

*Political, fiscal and legal framework conditions* describe the framework for activity by economic entities as defined by the state. In the first instance, these concern fundamental aspects such as the political order, the tax burden, issues such as bureaucracy and administration, as well as the organisation of the legal system. In addition to this, changes to the above may result in risks, for example, as a result of additional requirements. Furthermore, this category includes regulatory instruments and incentive measures that are of particular relevance for the property industry, such as tax regulations for property companies, subsidies or building codes. The influence on other risk factors is consequently varied, for example, on economic and socio-demographic development or on property markets.

Major loss events refer to all events that adversely affect the property and occur only sporadically and randomly. These are primarily natural disasters such as flooding, storms or hail damage, as well as accidents and disasters, crime, civil unrest or military conflicts – which is especially relevant in the case of investment abroad. It also includes the risk of accidental destruction of the asset. The risk of major loss events must be examined in each case on an

individual basis, after which a decision is to be made about suitable countermeasures, such as structural measures. The risk mainly affects the risk to the building fabric.

Property market risk *relates to the risk of changes in the relevant sub-market of the property sector*. Differentiating criteria in this context include the region, the type of use, whether the property is for purchase or for rent, new construction or existing stock, and other factors. Changes result from a change in demand or supply, which can affect the area or the quality of the areas. The property market risk is one of the key risks in the property industry, as changes in rental income and the value of the properties are significantly influenced by this. The principal impact factors affecting the property markets are economic and socio-demographic development, political, fiscal and legal framework conditions and location.

*Location risks:* The value of a property is materially affected by its surroundings in the normal course of events. The term location risks includes all value-influencing characteristics of the surrounding environment, with the economic, socio-demographic, political and legal framework conditions being given separate consideration due to their high importance. Location-related factors are differentiated in terms of being either hard or soft location factors, with there being a smooth transition between these. These include the location and topography, public transport connections and infrastructure, use of the surroundings, socio-demographics and the image of a location. Many of these location factors are influenced by policy measures, especially those at a local level. Location risks influence the demand side of the property market in particular.

*Social risks include risks that have their origin in the social structure of the residents at the location.* The negative aspect can be described with the term "social hotspots". The social risks include high unemployment, low educational level, segregation risks, drug addiction, violence and (petty) crime. In terms of the positive aspect, a stable social fabric can also contribute to a stabilising of the neighbourhood. The result is an impact on the operating costs (e.g. due to rectifying vandalism) and on the rental income (e.g. because of rent arrears).

### Property risks

*Land and subsoil risk* is the risk that there will be delays or cost increases due to the characteristics of the soil at the construction site chosen, or that it turns out to be impossible to erect the projected building there. The reasons for this could be the load-bearing capacity of the subsoil, thus more substantial foundations are required. Further subsoil risks are contamination of the ground which must first be cleaned up, or the discovery of archaeological monuments, which can lead to a delay to or even a prohibition of the building activities. Generally subsoil risks are relevant only in the construction phase, however, in rare cases damage can be incurred once the building has been completed through subsidence, etc.

*Building fabric risk* is the risk of physical damage to buildings which goes beyond the scope of cosmetic repairs, as well as obsolescence of the building concept. This can be caused by direct impact of external sources, such as a result of major loss events, but also internal property damage, such as fire or water damage. It also includes normal ageing and wear of the building fabric. This can be slowed by maintenance and repair or accelerated by environmental influences. The construction also has an influence in this regard. The risk of obsolescence can be reduced through a flexible primary structure. The condition of the building fabric is also a decisive factor in terms of the possible rental income - including, if applicable, rent reductions – and the management costs.

*Environmental risks* of a property in the usage phase include in particular negative effects on users that arise from the building, as well as negative effects on the environment. For example, the air might be polluted by building materials, for example by asbestos fibres or fumes from paints and adhesives, or the climate may not ensure sufficient comfort. Negative effects on the environment include environmental damage caused by unforeseen events, such as soil and water contamination due to the leakage of fuel oil, as well as emissions relating to standard building usage, for example from the heating system. Environmental risks can be prevented through careful planning and regular servicing and maintenance.

*Rental value risk* (rental income potential, current rent levels, achievable rent, rental income) is the risk relating to the rent potentially achievable in the market for a corresponding property. It defines the maximum actual rental income – this may be reduced by special factors such as vacancy or loss of rent. Furthermore, the quality of the property management has an influence on whether rent can be realised at the level of the rental value. The rental value is determined by the relationship between supply and demand in the relevant sub-market defined by geography and property type. The rental value is a key risk, as it indirectly affects the value of the property. In addition, the cash flow of the property company depends on the level of the rental income.

*Management cost risks* are risks relating to changes in apportionable and non-apportionable management costs. Apportionable management costs must be borne by the tenant. However, as these are usually included in the total cost for the use, high operating costs reduce the rental value of the property. Non-apportionable management costs are essentially the costs of ongoing maintenance and administration. Management costs have an impact on the net rental income and value growth. They can be minimised by an appropriate construction, in particular high-quality construction and low energy consumption.

*Performance risk* is the risk that the value of a property may change - both positively and negatively. As value growth is an essential component of the property return, this is a key risk for the economic success of the investment. Value growth is directly related to the level of the net rental income, as investors usually determine the acceptable purchase price of properties on this basis, using the gross rental method. In this respect, changes in the rental value and management costs have a direct effect on the value of the building. The value growth risk thus correspondingly affects the financial situation of the company.

*Legal risks* associated with a property include all legal issues related to acquisition, development, leasing and property management. These include, for example, liens on the property, tenancy issues and property owner liability. The legal risks are influenced by the applicable legislation and by the company's management quality. Their impact is mainly financial, depending on the circumstances, on the management costs (that cannot be passed on), the value of the property or the finances of the company as a whole.

### **Conflict of interest risk**

The various business activities of the AIFM, the Depositary and the parties they have commissioned may result in conflicts of interest, as the parties may not act exclusively for the Fund.

The parties involved are required to take appropriate organisational and personnel measures to avoid as far as possible the risk of damage to investors' interests resulting from conflicts of interests.

If this is not possible, the parties involved shall use their best endeavours to resolve the conflict or deal with the situation at law or in equity with the necessary expertise and - to the extent appropriate and necessary - disclose the conflict of interest.

### **Concentration risk**

If there is a concentration of investments in individual assets ("Focused investment") or specific markets, sectors, regions/countries, investment classes/themes, the Fund is particularly dependent on the development of this focused investment or these high-focus categories, including political influences.

In the case of a focused investment, characteristic risk diversification ("Diversification effect") can be omitted by the Fund and the performance of the Fund may differ significantly from the performance of the underlying markets.

When investing in so-called target funds, these target funds may include similar assets. The fund managers, who often act independently of each other and are not bound by instructions, may also follow comparable investment strategies. For these reasons, the risk diversification may be reduced and a concentration risk (strongly correlated risks) may arise that is often impossible to recognise in a timely manner.

### **Credit/issuer risk**

Deteriorating solvency or even the bankruptcy of an issuer may result in partial, at the very least, or total loss of assets. A credit/issuer risk refers to the individual development of the respective issuer which, along with general capital market trends, has an influence on the price of the security.

The risk may have a significant negative impact over time despite a careful selection of the securities, and may consequently lead to a partial or total loss.

### **Country/transfer risk**

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

### **Liquidity risk**

According to international standards, this risk is also designated as the risk that a holding in the portfolio cannot be sold, liquidated or closed within a sufficiently short time and with limited costs, and that this negatively affects the ability to fulfil redemption requests of investors or other payment obligations.

#### Narrowness of the market and illiquid assets

Particularly in the case of assets in narrow markets and illiquid assets, it is conceivable that even ordinary purchase and sell orders may lead to significant changes in value. If an asset is illiquid, it may be impossible to make an intended sale or it may only with a significant discount, a so-called illiquidity premium. In the opposite case of an envisaged purchase, an existing illiquidity may lead to a significantly increased purchase price.

#### Risks due to increased returns

In addition, purchase or sell orders affect the liquidity of the AIF, as the outflows may exceed the inflows and netting can lead to a substantial net outflow of the AIF's liquid funds. It is therefore conceivable that, despite appropriate risk management and compliance instruments, the liquidity cannot be provided in a timely manner in order to satisfy the redemption requests.

### **Market risk**

The price or market performance of financial investments depends, in particular, on the development of capital markets, which in turn are affected by the overall global economic situation and the general economic and political environments in the respective countries, as well as factors such as sentiment, opinions and rumours. According to international standards, this risk is also designated as the risk of loss for an investment fund arising from fluctuations in the market value of holdings in the investment portfolio that can be attributed to market variables such as interest rates, exchange rates, equities and commodities prices or the creditworthiness of an issuer.

### **Operational risks**

(including risks arising from trading, settlement and assessment processes; legal and documentation risks; reputational risks)

Operational risk is the risk of loss due to inaccurate or inadequate processes (for example incorrectly defined recipients of reports and lists, a lack of coordination with the booking responsibilities, the inadequate segregation of duties or lack of a two-man rule, insufficient emergency planning, etc.), human error (for example errors made during the entry of orders, incorrect advice given to clients, internal fraud, the failure to carry out planned checks, etc.), technical failure (for example defective hardware, incorrectly programmed software, broken door locks, etc.), external events (for example the delivery of incorrectly printed annual reports, external criminal acts, floods, etc.). According to international standards, this risk is also designated as the risk of loss for an investment fund arising



from unsatisfactory internal processes as well as human or system errors within AIFM or from external events; this includes legal, documentation and reputational risks, as well as risks arising from the trading, accounting and assessment processes employed by the investment fund.

### **Private equity risk/performance risk**

Private equity risk results from assets issued by companies which, with the exception of indirect investments by listed private equity companies, are not listed or traded on a stock exchange.

The companies can issue different types of financial investments with equity, hybrid capital or debt characteristics. For instance, the financing may include the following investment phase:

- Introduction of business ideas or product innovations of "young" companies or as part of financing growth during later development ("Venture capital")
- Acquisitions with debt use and the possible participation of management ("Management buy-out")
- Special situations, such as: Restructuring, corporate crises or IPOs ("Distressed/Special situations")
- Private equity investments have different and possibly greater risks than those of listed companies, such as:
- the standards relating to accounting, drawing up balance sheets, auditing and supervision are below the standards for listed investments
- the companies have only a short history and limited market experience or offer innovative products which have not been established on the market
- the companies are undergoing a crisis or are in a restructuring phase and in a difficult financial situation, with uncertain plans and an inadequate level of organisation
- asset-changing facts, such as a significantly different asset/financial/earnings situation which may not be recognised in a timely manner
- these investments usually have a long-term, illiquid nature and are therefore only fungible to a limited extent
- the investment process is technically demanding and may therefore be subject to additional risks
- investments in private equity funds may also involve these specific risks
- additional costs may be incurred with a potentially significant impact on the value of the investment

### **Legal and political risks**

Investments in foreign legal systems with inapplicable domestic law or legal disputes with a foreign place of jurisdiction can lead to both increased legal risk and disadvantages for the Fund and investors.

Inefficient/inadequately functioning legal systems may, for example, lead to the following risks:

- difficult or impossible enforceability of legal claims for breach of law, contract or in the case of ownership disputes
- lack of control of sovereign acts on the part of government agencies
- contradictions or conflicts between and within the various laws, regulations, decrees, regulations and decisions
- inexperience of the judiciary and the courts in these areas
- lack of legal certainty, quickly changing regulatory framework conditions, political interference and corruption in the judicial administration.

### **Risk associated with commodities/commodity (futures) markets**

Direct and indirect investments in commodities/ commodities (futures) markets are exposed to general market risks.

Furthermore, the performance of commodities and goods also depends on the supply situation of the goods, projected funding/extraction, production and expected consumption and can therefore be highly volatile. Market prices can also be influenced politically (legal and political risks) or there may be increased shortcomings in regulatory supervision and the market infrastructure, currency or transfer restrictions, moratoria, civil unrest and embargoes in certain geographic regions (emerging markets risk). These markets could consequently be illiquid or have limited transferability (country/transfer risks).

### **Emerging markets risk**

Investments in developing or emerging countries may include specific economic and legal risks that may expose the Fund to increased volatility or depreciation.

These include, for example: capital markets with a comparatively low market capitalisation and therefore increased volatility, inadequacies in regulatory supervision, the market infrastructure, unit holder protection, as well as corruption, foreign exchange and transfer restrictions, moratoria, civil unrest, embargoes (export/import restrictions), comparatively non-transparent/incompatible accounting practices, direct ("Nationalisation") or indirect expropriation ("Taxes similar to expropriation"), increased inflation/deflation, currency devaluations, military conflicts and other restrictions by the government.

Further thematically related explanations can be found under the heading "Legal and political risks".

## Currency risk

If the Fund holds assets in foreign currencies, it is exposed to currency risk. Falling exchange rates may lead to a depreciation of the foreign currency investments.

In addition to direct currency risks, investors also face indirect currency risks. Internationally active are affected, to differing extents, by exchange rate developments, which can have an indirect impact on the performance of investments.

In the case of (partial) hedging transactions, it cannot be excluded that exchange rate changes may, however, result in rate losses which may negatively affect the development of the Fund.

## Interest rate risk

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

## 8.3 Other risks

### Inflation risk (purchasing power risk)

Devaluation or inflation can reduce the purchasing power of the assets. The real value of the invested capital decreases when the inflation rate is higher than the capital gains and/or returns of the investments, while different currencies can be affected to a varying extent.

### Economic risk

In this regard, there is the risk of price losses resulting from the economic performance not being taken into account to a sufficient degree, or not accurately, when making the investment decision, resulting in securities investments being undertaken at the wrong time or securities being held during an unfavourable phase of the economic cycle.

### Termination notice period / termination date

A termination is a unilateral declaration of intent which becomes valid on receipt, the intention of which is to end a contractual relationship. The termination notice period defines the period of time between the receipt of the declaration of termination by the counterparty and the resulting termination of the contract or payment of the monetary equivalent to the investor.

These provisions aim to protect the Fund and its investors from early redemptions, in particular if the investments of the Fund primarily have a long term and restricted liquidity and if it is possible that there would be an inadequate deduction for liquidity in the event of a quick sale.

The period of notice can be increased or reduced if required for the liquidity of the Fund.

### Risk of changes to the investment spectrum and investment policy

A change to the investment policy and the permissible investment spectrum may result in substantial changes to the risks associated with the Fund.

### Risk of changes to the Trust Agreement, including winding up of the Fund

The Fund document can be changed with approval by the FMA at any time. Furthermore, the Fund can be fully or partially liquidated or merged with another fund.

For the investor, this entails the risk that the investor may not achieve the planned retention period. Particularly if the investment period is very short, under some circumstances, the costs of a Fund can significantly reduce or eliminate the gains from the investments.

### Risk of changes to the risk/investor profile

The investor must be aware that the risk/investor profile of the Fund may change at any time.

### Risk of changes to additional/other framework conditions

Additional/other framework conditions may also change, which could have a negative effect on the asset values and consequently on the investors.

### Risk of time-limited permission for non-compliance with investment restrictions after payment under subscription

It may not be necessary to comply with the defined investment authorisations and restrictions for a certain period after payment under subscription of the Fund as the portfolio is still under construction ("Exemption from compliance with investment restrictions").

The risk is that non-compliance with investment restrictions may result in a potentially higher risk potential.

### Risk of high indirect cost burdens

Individual design structures may require increased economic expenses which are usually incurred at the level of indirect investments and are charged to the individual investments.

### Key individual risk (manager risk)

The success and performance of the Fund investment may also depend on the decisions and individuals involved. Changes to individuals acting on behalf of the Fund may result in a new decision-maker who is less successful.

## **Tax risk**

The purchase, holding or sale of investments of the Fund may be subject to tax provisions outside the country of domicile of the Fund (tax deducted at source or withholding tax).

## **Behavioural finance**

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

## **8.4 Use of financial techniques**

Taking the investment authorisations/limitations into consideration, direct or indirect financial techniques for efficient portfolio management can be used.

# **9 Investment in the AIF**

---

## **9.1 Selling restrictions**

The AIF is not licensed for distribution in all countries of the world. Annex B "Specific Information for Individual Distribution Countries" contains information regarding distribution in various countries. The provisions that apply in the relevant country will apply to the issuance, conversion and redemption of units.

The acquisition of units in the AIF is performed on the basis of the Prospectus, the Trust Agreement and the latest annual report. Only information contained in the Prospectus and in the Trust Agreement in particular, including Annex A and Annex B, is valid. With the acquisition of units, the aforementioned constitutive documents are deemed to have been approved by the investor.

Any information not contained in this Prospectus and Trust Agreement or in the documents that are accessible to the public are deemed to be unauthorised and are not to be relied upon. Potential investors should inform themselves of the possible tax consequences, the legal requirements and any possible currency restrictions or exchange control laws that apply in the countries of their citizenship, residence or domicile and which may be relevant to the subscription, holding, conversion, redemption or disposal of units. Further tax considerations are explained in the Prospectus.

The sale of fund units to US citizens is not permitted (this applies to persons who are nationals of the United States of America, or who have their place of residence and/or are liable to pay tax there, or who have partnerships or corporations established according to the laws of the United States of America or the laws of a state, territory or possession of the United States). The units have not been and will not be registered under the United States Securities Act of 1933, as amended (within the meaning of the "Act of 1933") or under the securities laws of any state or territorial entity of the United States of America or its territories, possessions or other areas that are subject to its jurisdiction, including the Commonwealth of Puerto Rico (the "United States"). Should the personal circumstances of the investor change after establishing the business relationship with the AIF in such a way that he or she qualifies as a US citizen within the meaning of the above definition, the investor is obliged to immediately sell the units and fully inform the AIGM.

The units may not be offered, sold or otherwise transferred in the United States nor to or for the account of U.S. persons (within the meaning of the Act of 1933). Later transfers of units within the United States or to U.S. persons are also not permissible.

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

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

More information concerning the distribution of the units of the AIF is available in Annex B "Specific Information for Individual Distribution Countries". Annex B is not approved by the FMA and may therefore be amended at any time. The FMA will then be notified of the changes.

## **9.2 General information on the units/unit classes**

The units will only be kept in book-entry form.

Pursuant to art. 21 of the AIF's Trust Agreement, unit classes may be formed in the future that differ from the existing unit classes in terms of the appropriation of income, the front-end load, the reference currency and the use of currency hedging transactions, the management fee and the minimum investment amount, or any combination of these attributes. The rights of investors who have purchased units belonging to existing unit classes will, however, not be affected by this.

The unit classes that have been issued in connection with the AIF, and in connection with the fees incurred in connection with the AIF units are specified in Annex A "Fund overview". Furthermore, certain other fees, remunerations and costs will be paid from the AIF's assets (see sections on tax regulations and costs and fees).

### 9.3 Calculation of the net asset value per unit

The net asset value ("NAV") per unit of a unit class is calculated by the AIFM or its agent/representative on a specific valuation date, and at the end of the accounting year.

The NAV of a unit in a unit class is expressed in the currency of account of the Fund or, if different, in the reference currency of the respective unit class, and is derived from the unit of the particular unit class in the Fund assets, reduced by any debt obligations of the same Fund that are attributable to the relevant unit class, divided by the number of units in the respective unit class in circulation. The NAV is rounded to two decimal places in the respective currency when units are issued and redeemed.

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

The AIFM is entitled by resolution to calculate a special NAV in deviation from the standard valuation interval, therefore to allow in special cases the contemporary issue and redemption of unit. Further information see Annex A "Fund overview".

Further information (e.g. valuation principles for calculating the net asset value) and details are available in art. 26 of the Trust Agreement.

### 9.4 Issuance and redemption of units

AIF units are issued or redeemed **under consideration of a notice period of 3 months to the valuation date** at the net asset value per unit of the relevant unit class, plus any issue surcharge or redemption charge due and in addition to any taxes and levies

Further information and details are available in art. 27 and art. 28 of the Trust Agreement.

### 9.5 Conversion of units

Conversion of units of one unit class into units of another unit class can take place if different unit classes are offered. A conversion fee may be levied for conversions within an AIF. If a conversion of units is not possible for certain unit classes, this will be stated for the unit class in question in Annex A "Fund overview".

Further information and details are available in art. 29 of the trust agreement.

### 9.6 Suspension of the calculation of the net asset value and of the issuance and redemption of units

The AIFM can temporarily suspend the calculation of the net asset value and/or the issuing, redemption and conversion of AIF units if this is justified in the interests of the investors. Further information and details can be found under Art. 30 of the Trust Agreement.

## 10 Appropriation of income (distribution policy)

---

The earnings of an AIF are derived from the net income together with any price gains realised.

The AIFM may then distribute the earnings generated in an AIF or unit class among the investors of the AIF or this unit class or reinvest the earnings in the AIF or in the relevant unit class (accumulation).

Further information on the appropriation of income is available in Annex A "Fund overview".

#### Accumulating:

##### Unit class EUR THES, USD THES, CHF THES, GBP THES & GSBP USD THES (accumulating)

The earnings generated by the unit classes EUR THES, USD THES, CHF THES, GBP THES and GSBP USD THES will be reinvested according to Annex A "Fund overview", i.e. accumulated. Realized capital gains on the sale of assets are retained for reinvestment.

#### Distributing:

##### Unit class EUR AUS, USD AUS, CHF AUS & GBP AUS (distributing)

The earnings generated by the unit classes EUR AUS, USD AUS, CHF AUS and GBP AUS is distributed annually in accordance with Annex A "Fund overview". The size of the dividends distributed is defined by resolution of the AIFM. If distributions are paid out, this will be done within four months of the end of the financial year.

The percentage of the net assets to be assigned to the respective unit class is determined by the relationship between the unit class units issued and the totality of the AIF units issued and is adjusted in conjunction with the dividends distributed, as follows:

Each time dividends are distributed in relation to the unit class units EUR AUS, USD AUS, CHF AUS and GBP AUS, the net asset value of the units of the respective unit class is reduced by the sum of the dividends distributed (which results in a reduction of the percentage of the AIF value to be attributed to the DIST units), while the net asset value of the units of the unit classes EUR THES, USD THES, CHF THES, GBP THES and GSPB USD THES remains unchanged (which results in an increase in the percentage of the AIF assets to be attributed to the THES units).



## 11 Tax regulations

---

### Fund assets

All Liechtenstein-based AIFs with the legal form of a (contractual) investment fund or collective trusteeship are fully taxable in Liechtenstein and are subject to income tax. However, income from managed assets constitutes tax-free income in Liechtenstein.

### Issue levy and securities transfer tax

The creation (issue) of unit in such an AIF is not subject to any issue levy or securities transfer tax. The transfer of title of the investor units against payment is subject to securities transfer tax if one of the parties or an intermediary is a domestic securities trader.

The redemption of investor units is exempt from the securities transfer tax. The contractual investment fund/collective trusteeship is deemed to be an investor that is exempt from the securities transfer tax.

### Withholding tax

The AIF with the legal form of a contractual investment fund or collective trusteeship is not subject to withholding tax in the Principality of Liechtenstein, i.e. it is exempt from coupon tax or capital gains tax in particular.

Foreign income and capital gains generated by the AIF in the legal form of a contractual investment fund or collective trusteeship of the AIF may be subject to withholding tax in the applicable country of investment. Double taxation treaties may apply.

Both income and capital gains, whether distributed or accumulated, may be subject in part or in whole to a so-called paying agent tax and reporting obligations, depending on who actually directly or indirectly holds the units in the AIF.

The AIF has the following tax status, in particular:

#### Tax agreement AT – FL:

Liechtenstein and Austria signed an agreement on collaboration in the field of taxation (Abkommen über die Zusammenarbeit in dem Bereich der Steuern) on 29 January 2013. It entered into force after ratification as at 1 January 2014.

It applies to any and all natural persons who are based in Austria (i.e. who have a residence in Austria) and who possess an account or deposit account with a Liechtenstein bank or are entitled to use assets of a transparent asset structure (e.g. transparent foundation, trust or establishment). In addition, it also applies to natural and legal persons who make donations to a non-transparent asset structure (e.g. non-transparent foundation, trust or institution) and natural persons who receive financial support from a non-transparent asset structure.

#### Automatic exchange of information (AIA)

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

#### Foreign Account Tax Compliance Act (FATCA)

The Fund may be classified as either a reporting Liechtenstein financial institution (FFI) or a non-reporting Liechtenstein financial institution and may be required to disclose personal information about specific US persons and/or non-participating financial institutions (FFI) to the local tax authorities in order to comply with regulations applicable under FATCA.

#### Stamp duty:

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

### Natural persons with tax domicile in Liechtenstein

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

### Persons with tax domicile outside Liechtenstein

The taxation of investors domiciled outside the Principality of Liechtenstein and any other tax implications of the holding, purchasing or selling of investor units, are based on the tax laws of their relevant countries of domicile.

### Disclaimer

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

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

## 12 Costs and fees

---

Investors and/or the AIF bear various costs and fees incurred in connection with the acquisition and holding of fund units and the management of the AIF.

Further information pertaining to the various costs and fees is available in the Trust Agreement and Annex A "Fund overview".

## 13 Information to investors

---

The publication medium of the AIF is the Liechtenstein Investment Fund Association's website (Liechtensteinischer Anlagefondsverband, "LAFV") ([www.lafv.li](http://www.lafv.li)).

Any and all notices to investors, including any amendments to the Trust Agreement and to Annex A "Fund overview", are published on the Liechtenstein Investment Fund Association's website ([www.lafv.li](http://www.lafv.li)), as the publication medium of the AIF, as well as other published media and data carriers specified in the Prospectus.

The net asset value, as well as the issue price and the redemption price of the units of the AIF or unit class, are published on the LAFV Liechtenstein Investment Fund Association website ([www.lafv.li](http://www.lafv.li)), as the publication medium of the AIF, and other named media and durable data carriers (letter, fax, email or similar).

Regular information to investors

The AIFM will provide regular information pursuant to art. 106 AIFMG during the application period. This information will be made available to investors at the AIFM's registered office free of charge. If this information or parts of this information form the content of periodic reporting, this information will remain unmodified on the LAFV website, as the publication medium, and can be retrieved at any time.

The annual report, audited by an auditor will be made available free of charge to investors at the AIFM's registered office and at the Depositary.

## 14 Duration, liquidation and structural measures of the AIF

---

### 14.1 Duration

The AIF has been created for an indefinite period.

### 14.2 Liquidation

Liquidation of the AIF is mandatory in the cases prescribed by law. In addition, the AIFM has the right to liquidate the AIF or individual unit classes.

A resolution regarding the liquidation of the AIF or a unit class will be published on the LAFV website ([www.lafv.li](http://www.lafv.li)), as the publication medium of the AIF, and other named media and durable data carriers (letter, fax, email or similar). As from the day of such a liquidation resolution, no further units will be issued, converted or redeemed.

In the event of the AIF's dissolution, the liquidator may liquidate the AIF's assets immediately. The liquidator is entitled to instruct the Depositary to distribute the net liquidation revenue to investors after deducting the liquidation costs. The liquidation of the AIF shall be carried out according to the provisions of the Law on Persons and Companies (Personen- und Gesellschaftsrecht).

### 14.3 Structural measures

Pursuant to the AIFMG or AIFMV, the AIFM may, at any time and at its sole discretion, pass resolutions on a structural measure with respect to the AIF, with the approval of the FMA Liechtenstein. In particular, a structural measure is a merger or conversion. A merger may occur independent of the other AIF's legal form and irrespective of whether or not the other AIF has its registered office in Liechtenstein.

In addition, further structural measures pursuant to the AIFMG or AIFMV are also permissible. Unless otherwise provided hereinafter, the statutory provisions according to the AIFMG or AIFMV and the associated provisions will apply.

Pursuant to art. 85 AIFMG, the merger does not require the approval of investors. The investor is not granted the right of consent.

Further information concerning liquidation, merger and structural measures is available in art. 9 of the Trust Agreement.

It is also possible for the AIF to be converted into an umbrella construction with partial funds.

## **15 Governing law, place of jurisdiction and authoritative language**

---

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

However, with regard to the claims of investors from these countries, the AIFM and/or the Depositary may submit to the place of jurisdiction of countries in which units are offered and sold. Contrary and mandatory statutory places of jurisdiction may apply.

The legally binding language for the Prospectus, the Trust Agreement, Annex A "Fund overview" and any other annexes is German.

This Prospectus enters into force on 10 October 2019.

## **16 Specific Information for Individual Distribution Countries**

---

Pursuant to the applicable law in the Principality of Liechtenstein, the constitutive documents are submitted to the FMA as part of the approval process. During this process, the FMA only recognises information relating to the implementation of the provisions of the AIFMG/AIFMV. For this reason, Annex B "Specific Information for Individual Distribution Countries" (if available), which is based on foreign law, is not part of the FMA's remit.

## Part II Trust Agreement of the BP Family Office Fund

---

### Preamble

The Trust Agreement and Annex A "Fund overview" together form an integral and single document.

If a matter is not set forth in this Trust Agreement, the legal relationships between the investors and the AIFM are governed by the law of 19 December 2012 on Alternative Investment Fund Managers (AIFMG) and the regulation of 22 March 2016 on Alternative Investment Fund Managers (AIFMV) and, to the extent that no provision has been made therein, by the provisions of the law on Persons and Companies (Personen- und Gesellschaftsrecht, "PGR") concerning the trusteeship.

### I. General provisions

---

#### Art. 1 The AIF

The investment company BP Family Office Fund was established as an investment company for qualified investors pursuant to art. 23 of the law governing investment companies of 19 May 2005 (IUG) in conjunction with art. 28 and 29 of the regulations on investment companies (IUV). The Financial Market Authority of Liechtenstein issued the attestation on 08 June 2015 pursuant to art. 28 par. 3 IUV. The fund was registered in the commercial register on 11 June 2015 under the registration number FL-0002.500.038-9. By resolution of 11 August 2017, the management company has decided that the BP Family Office Fund will be converted into an AIF for qualified / professional investors. The Financial Market Authority of Liechtenstein has approved by letter of 01 February 2018 the conversion of the BP Family Office Fund into an AIF for qualified / professional investors, the amendment of the constituent documents, as well as the authorization by 01 February 2018.

According to its investment policy, the AIF may invest in securities and other assets. The AIF's investment policy is defined as part of its investment objectives (see Annex A). The net assets of the AIF or each unit class and the net asset values of the AIF's units or the unit classes are expressed in the relevant reference currency.

The respective rights and obligations of the owners of the units (hereinafter referred to as "investors"), the AIFM and the Depositary are set forth in the Trust Agreement at hand.

With the purchase of units (the "units") of the AIF, each investor acknowledges the Trust Agreement, which defines the contractual relationship between the investors, the AIFM and the Depositary, this Prospectus and any amendments to this document that have been effected in the prescribed manner. With the publication of amendments to the Prospectus, the annual report or other documents on the website of the Liechtenstein Investment Fund Association, these amendments are binding for investors.

#### Art. 2 The AIFM

Die CAIAC Fund Management AG, Haus Atzig, Industriestrasse 2, FL-9487 Bendern is the "AIFM".

The AIFM manages the AIF on behalf and in the sole interest of the investors and pursuant to the provisions of the Trust Agreement and Annex A "Fund overview".

The AIFM is entitled to administer the assets in its own name in accordance with statutory provisions and the Trust Agreement, and to exercise any and all rights thereunder.

#### Art. 3 Delegation of tasks

In compliance with the provisions of the AIFMG and AIFMV, the AIFM may delegate some of its tasks to third parties for the purpose of the efficient performance of its business. The specifics of any such delegation will be set forth in an agreement concluded between the AIFM and the agent/representative. Further information on the delegation of tasks, if available, can be found in the Prospectus under "Overview of the AIF".

#### Art. 4 Depositary

For the assets of the AIF, the AIFM has mandated a bank or a securities firm with its registered office or branch in the Principality of Liechtenstein or another approved body as defined in the AIFMG as Depositary, pursuant to the banking laws in Liechtenstein. The role of the Depositary is governed by the AIFMG, the Depositary agreement and the Trust Agreement.

Further information on the Depositary can be found in the Prospectus under "Overview of the AIF".

#### Art. 5 Prime broker

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

Further information on the prime broker, if available, can be found in the Prospectus under "Overview of the AIF".

## Art. 6 Auditor

The AIF and AIFM must have their business activities and annual reports audited each year by an independent auditor recognised by the FMA, who is named in the section "Overview of the AIF".

## II. Distribution

### Art. 7 Distribution information/sales restrictions

The AIFM provides investors with the latest version of the necessary information, pursuant to the AIFMG, prior to their acquisition of AIF units, on the Liechtenstein Investment Fund Association's website [www.lafv.li](http://www.lafv.li). Furthermore, the said information may be obtained for a fee from the AIFM and the Depositary. The units may be acquired on the basis of the constitutive documents, the latest annual report, if these have already been published. Only information contained in the constitutive documents is valid. With the acquisition of units, these documents are deemed to have been approved by the investor.

AIF units may be purchased from the Depositary and from any other bank with registered offices, at home or abroad, that is governed by the Directive 2015/849/EU, or an equivalent regulation and is subject to adequate supervision.

The AIF's units are not licensed for distribution in all countries of the world. The provisions that apply in the relevant country apply to the issuance, redemption and conversion of units.

### Art. 8 Qualified / professional investors

The AIF may only be subscribed by one or more professional / qualified investors or investors who fulfill both criteria.

The AIF cannot be subscribed by private investors unless it includes the qualified investors listed below.

#### A. Qualified investors are:

In order for qualified investors to acquire a unit in the AIF, the qualified investor or a person with whom the qualified investor has concluded a written asset management agreement pursuant to AIFMV art. 62 para 1b item 3 must sign a subscription certificate. The signatory to the subscription certificate confirms that one of the requirements according to art. 62 para. 1b has been fulfilled at the time of signing.

**Qualified investors in accordance with Liechtenstein law can be considered as private investors to MiFID II.**

#### Inclusion as a qualified investor:

1. **Professional investors pursuant to art. 4. para. 1 item. 31 AIFMG (Alternative Investment Fund Manager Act)**
2. **Private investors that fulfil at least one of the following requirements (see art. 62 AIFMV):**
  - 2.1 Provision of a minimum investment of EUR 100,000 or the equivalent value in another currency, if the private investor holds, either directly or indirectly, financial investments valued at EUR 1 million or the equivalent value in another currency at the time of signing;
  - 2.2 Provision of a minimum investment of EUR 100,000 or the equivalent value in another currency, if:
    - a) the investor states, in writing in a document that is separate from the contract on the investment commitment, that he/she is aware of the risks associated with the proposed commitment or investment;
    - b) the AIFM provides the expertise, the experience and knowledge of the investor evaluated without going on the assumption that the investor has the market knowledge and experience of a professional client;
    - c) the AIFM is convinced to a sufficient degree that the investor is able to make his or her own investment decisions and understand the risks involved taking into consideration the type of envisaged obligation or investment, and that such an obligation is appropriate for the particular investor;
    - d) the AIFM confirms in writing that it has carried out the evaluation mentioned in sub-letter b) and that the requirements mentioned under sub-letter c) have been met.
  - 2.3 Conclusion of a written asset management contract with persons with a registered office at home or abroad who:
    - a) are authorised to manage assets according to EEA law; or
    - b) are authorised to manage assets in third countries by the national supervisory authority or belong to a self-regulatory organisation acknowledged by one of the national supervisory authorities regarding its asset management activities and are subject to one of the money laundering regulations equivalent to EEA law. The FMA promulgates a list of countries with equivalent regulations.

#### B. Professional investors

**For AIF for professional investors in terms of Directive 2015/65/EU (MiFID II), the following applies:**

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

### Categories of clients considered to be professional clients

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

1. Legal entities that are required to be authorised or be under supervision to be able to operate in the financial markets. The list below should be understood as including any and all authorised legal entities carrying out the characteristic activities of the legal entities mentioned:
  - legal entities authorised by a member state under a directive,
  - legal entities authorised or regulated by a member state without reference to a directive,
  - and legal entities authorised or regulated by a non-member state.
    - a) credit institutions
    - b) Investment firms
    - c) Other authorised or regulated financial institutions
    - d) Insurance companies
    - e) Undertakings for collective investment and their management companies
    - f) Pension funds and their management companies
    - g) Commodity traders and commodity derivatives traders
    - h) local investors
    - i) other institutional investors.
2. Large companies that fulfil two of the following requirements at a company level:
  - balance sheet total: EUR 20 000 000,
  - net turnover: EUR 40 000 000,
  - own funds: EUR 2 000 000.
3. National and regional governments, public bodies that manage public debt, central banks, international and supranational institutions such as the World Bank, the IMF, the ECB, the EIB and other similar international organisations.
4. Other institutional investors whose main activity is to invest in financial instruments, including entities working with the securitisation of assets or other financing transactions.

The legal entities mentioned above are considered to be professional clients. They must, however, be allowed to request non-professional treatment, with investment firms agreeing to provide a higher level of protection. If the client of an investment firm is a company referred to above, the investment firm must inform it prior to any provision of services that, on the basis of the information available to the firm, the client is deemed to be a professional client, and will be treated as such unless the firm and the client agree otherwise. The firm must also inform the client that it can request a variation of the terms of the agreement in order to secure a higher degree of protection.

It is the responsibility of the client considered to be a professional client to ask for a higher level of protection if it deems it is unable to properly assess or manage the risks involved.

This higher level of protection will be provided if a client that is considered to be a professional client enters into a written agreement with the investment firm to the effect that it will not be treated as a professional client in terms of the applicable conduct of business regime. Such an agreement should specify whether this applies to one or more particular services or transactions, or to one or more types of product or transaction.

5. Clients that may be treated as professional clients according to Directive 2014/65/EU (MiFID II) upon request.

## III. Structural measures

### Art. 9 General

Provided that no other regulations are defined below, structural measures are subject to the legal provisions of art. 76 ff AIFMG and the related regulatory provisions. In particular, it is possible to merge the AIF with UCITS according to the provisions of the UCITS law.

It is also possible to split or consolidate the AIF.

### Art. 10 Merger

In terms of art. 78 AIFMG, the AIFM may, at any time and at its sole discretion, but subject to the approval of the relevant supervisory authority, resolve on the merger of the AIF with one or more other AIF, regardless of their legal form and irrespective of whether or not such other AIF has its registered office in Liechtenstein. It is possible to add further unit classes to the AIF and convert it into a segmented AIF with sub-funds.



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

If applicable, the investor information is published at least 45 days before the last period for an application for redemption or conversion of units, or at least 45 days before the date of the merger. Investors will also receive the key investor information for the AIF that remains or which is newly formed by the merger.

Up until the scheduled transfer date, investors have the possibility to either redeem their units without the redemption discount or to convert their units into units from other AIFs. These new units are also managed by the AIFM and have an investment policy similar to that of the AIF to be merged.

Pursuant to art. 85 AIFMG, the merger does not require the approval of investors. The investor is not granted the right of consent.

On the transfer date, the value of the AIF receiving the special asset fund and that of the AIF transferring the special assets are calculated, the conversion ratio is determined and the whole process is audited by the auditor or the Depositary. The exchange ratio is calculated in accordance with the ratio of the net asset values of the transferred and recipient special assets as of the takeover date. The investor receives the number of units of the new special assets that corresponds to the value of the units held in the transferred special assets. It is also possible for the investors in the transferred special assets to be paid out up to 10% of the value of their units in cash.

The AIFM makes an announcement in the AIF's publication medium, i.e. the LAFV's Liechtenstein Investment Fund Association website [www.lafv.li](http://www.lafv.li), if the AIF has absorbed another AIF and the merger has taken effect. If the AIF ceases to exist due to a merger, the AIFM will accept the notification, which is managed by the receiving or newly established AIF.

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

#### **Art. 11 Information, approval and investor rights**

Information concerning mergers is provided on the Liechtenstein Investment Fund Association's website LAFV ([www.lafv.li](http://www.lafv.li)), as the AIF's publication medium. Publication is only carried out via durable data carriers (letter, fax, email or similar) regarding renunciation or forfeiture pursuant to art. 43 AIFMV.

The investors will be informed, appropriately and accurately, about the proposed merger. The investor information must be such that investors are able to make an informed assessment of the implications of such plans for their investments and the exercising of their rights according to art. 84 and 85 AIFMG.

In the event of a merger, investors may request the following, without incurring any further costs than those retained by the AIF to cover the costs of the liquidation:

- a) the resale of their units;
- b) the redemption of their units; or
- c) the conversion of their units into those of another AIF pursuing a similar investment policy

The right of conversion exists only insofar as the AIF that pursues a similar investment policy is managed by the AIFM or a company closely affiliated with the AIFM. If applicable, a settlement of fractions will be carried out for the investors.

This right will arise upon the conveyance of the investor information and expire at the time of the merger.

#### **Art. 12 Merger costs**

The legal, advisory and administrative costs associated with the preparation and execution of the merger will neither be charged to an AIF involved in the merger nor to the investors.

This applies similarly to structural measures according to art. 90 AIFMG.

In the case of AIFs sold exclusively to professional investors, any legal, advisory and administrative costs associated with the preparation and execution of structural measures, in terms of art. 90 AIFMG, may be charged against the relevant fund assets. In this case, the investor information must also state the expected costs, both in total and as an approximation per unit, provided that the investor information is not completely omitted.

#### **Art. 13 Transforming a master or feeder AIF into an AIF and vice versa**

The transformation of a feeder or master AIF into an AIF and vice versa is handled as a change of the constituent documents.

### **IV. Liquidation of the AIF and its unit classes**

---

#### **Art. 14 In general**

The provisions for the AIF's liquidation also apply to any unit classes (if applicable). Investors will be informed of the resolution as described in the previous section "Structural measures".

#### **Art. 15 Resolution for liquidation**

Liquidation of the AIF is mandatory in the cases prescribed by law. In addition, the AIFM has the right to liquidate the AIF or an individual unit class.

The resolution regarding the liquidation of the AIF or a unit class will be published at least 30 days prior to the effective date of the liquidation on the LAFV website ([www.lafv.li](http://www.lafv.li)), as the publication medium of the AIF, as well as other media named in the Fund documents and durable data carriers (letter, fax, email or similar). The FMA will be sent a copy of the investor notification. As from the day of such a liquidation resolution, no further units will be issued, converted or redeemed.

In the event of the AIF's liquidation, the liquidator will immediately start liquidating the AIF's assets in the best interests of the investors. The liquidator is entitled to instruct the Depositary to distribute the net liquidation revenue to investors after deducting the liquidation costs. Moreover, the AIF's liquidation is carried out according to the provisions of the law on Persons and Companies (Personen- und Gesellschaftsrechts, "PGR").

If the AIFM liquidates a unit class without liquidating an AIF, all the units of that class will be redeemed at their net asset value. The AIFM will publish this redemption and the Depositary will pay out the redemption price to the former investors.

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

#### **Art. 16 Reasons for liquidation**

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

#### **Art. 17 Liquidation costs**

The liquidation costs will be born by the AIF's assets.

#### **Art. 18 Liquidation and bankruptcy of the AIFM or the Depositary**

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

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

The Depositary and AIF may declare an offsetting of outstanding liabilities in the event of bankruptcy unless legal provisions state otherwise.

#### **Art. 19 Termination of the Depositary agreement**

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

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

#### **Art. 20 Creation of sub-funds**

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

#### **Art. 21 Unit classes**

The AIFM may create several unit classes for any AIF.

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

The unit classes that have been issued in connection with the AIF, and in connection with the fees incurred in connection with the AIF units are specified in Annex A "Fund overview".

#### **Side pockets:**

Subject to FMA approval, the AIFM is entitled to separate illiquid assets and place them in their own segments (side pockets) This occurs if a significant proportion of the Fund's assets (more than 10%) cannot be properly evaluated in the long term or turn out to be unsellable. Unit holders will receive units in the side pocket according to their share in the original AIF. The trading of units must be suspended at the time of side pocket creation. After creation of the side pockets, this segment is placed in liquidation, the proceeds of which will be distributed to unit holders, as soon as the parts contained therein can be valued and sold again. No units will be issued or redeemed in the side pockets that are created until liquidation has been completed.



## VI. General investment principles and restrictions

The AIF's assets are invested in terms of the AIFMG rules, according to the investment principles described below and within the scope of the investment restrictions.

### Art. 22 Investment policy

The specific fund-related investment policy for the AIF is described in Annex A "Fund overview".

The following general investment principles and restrictions apply to the AIF, provided no deviations or additions are specified in Annex A "Fund overview" for the AIF.

### Art. 23 Permitted investments

Possible restrictions are defined in Annex A "Fund overview".

### Art. 24 Use of derivatives, techniques and instruments

The use of derivatives, borrowing, securities lending and repurchase agreements are governed by the laws of the AIFMG on the basis of the chosen fund type. Further information in this regard can be found in Annex A "Fund overview".

#### **Derivative financial instruments (including futures contracts, options, futures, swaps, swaptions, credit default swaps, OTC derivative transactions)**

The AIFM may enter into derivative transactions for the purpose of hedging, efficient portfolio management, the generation of additional income and as part of the investment strategy. As a result, the Fund's risk of loss may increase at least temporarily. Such transactions may not diverge from the Fund's investment objectives and limits. This also applies when a security or money market instrument is embedded in a derivative financial instrument.

Derivative financial instruments are instruments whose value is derived from a base value in the form of a different financial instrument or a reference rate (financial index, interest rate, exchange rate or currency, etc.), and which constitute futures or option transactions subject to contractual regulations. Index-based derivative financial instruments are regarded as a unit. The individual index components are not considered.

#### **Investments in units of other funds**

As part of its investment policy, the AIF may invest its assets in other funds. The AIF may invest in units of other funds that are managed by the same AIFM or a company affiliated with it.

The investors should take note that at the level of indirect investments, further indirect costs and charges are incurred and remunerations and professional fees are offset - these expenses are, however, debited directly to the individual indirect investments.

### Art. 25 Investment limits

The AIF investment limits are governed by the AIFMG's laws, on the basis of the chosen fund type. Possible restrictions are defined in Annex A "Fund overview".

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

The investment limits must be achieved within the period defined in Annex A "Fund overview".

#### **B. Procedure for deviations from the investment limits:**

If the above-mentioned limits are exceeded, the AIFM must strive, first and foremost, to normalise the situation through its sales, taking into consideration the best interests of the investor.

#### **C. Liquidity management:**

The following liquidity profile is derived for the Fund by taking into account the investment strategy set out in the special part of the Prospectus in the "Investment Objective and Investment Policy" section:

The liquidity profile of a fund is determined by its structure in terms of assets and obligations contained in the fund as well as in terms of the fund's investor structure. The fund's liquidity profile is thus derived from the information as a whole. With regard to the fund's assets and obligations, the fund's liquidity profile is based on the liquidity assessment of the individual investment instruments and their share in the portfolio. For this, various factors such as stock exchange turnover, ratings or instrument type and, if applicable, a qualitative assessment are considered for each investment instrument.

The company has established redemption principles, which are explained in the "Redemption of units" section.

The company monitors the liquidity risks at the fund level in a multi-stage process. For this, liquidity information is generated for both the underlying investment instruments in the fund and for the fund inflows and outflows. In addition to regular monitoring of the liquidity situation on the basis of key indicators, scenario-based simulations are also carried out. These investigate how different assumptions concerning the asset liquidity in the fund affect the ability to use simulated fund outflows. An overall assessment of the fund's liquidity risk is then performed on the basis of both quantitative and qualitative factors.

The company reviews these principles on a regular basis and updates these accordingly.

The company defines appropriate limits for liquidity and illiquidity for the fund. Temporary fluctuations are possible. The company takes precautions against liquidity and has implemented a liquidity monitoring process to evaluate the quantitative and qualitative risks of positions and envisaged investments that have significant implications for the liquidity profile of the fund's asset portfolio.

These processes involve implementing the available and permanently updated knowledge and experience on the part of the company regarding the liquidity of assets in which the fund has invested or intends to invest, and including, if applicable, the trading volume and the price sensitivity of individual assets and the spreads of individual assets under normal and exceptional liquidity conditions as the case may be.

The company regularly conducts stress tests in accordance with legal requirements, currently at least once a year, and uses such tests to evaluate the fund's liquidity risks. The company conducts the stress tests on the basis of reliable and current quantitative or, if this is not appropriate, qualitative information. The investment strategy, redemption deadlines, payment obligations and deadlines within which assets may be sold and, if applicable, information regarding general investor behaviour and market performance, are included here.

The stress tests simulate the lack of asset liquidity in the fund and atypical redemption requests, if applicable.

They cover market risks and their implications, including the impact of margin calls, collateral requirements or credit lines. They take account of evaluation sensitivity under stress conditions. They are conducted in a frequency appropriate to the type of fund while taking into account the investment strategy, the liquidity profile, the investor type and the redemption principles.

## VII. Valuation and unit transactions

### Art. 26 Calculation of the net asset value per unit

The net asset value ("NAV") per unit of the AIF/a unit class is calculated by the AIFM or its agent/representative for a specific valuation date, and at the end of the accounting year.

The large number of public holidays between 22 December and 7 January of each year may lead to distortions in the valuation prices of the Fund's target investments. This is due to the lack of liquidity (low trading volumes) and different opening times of international stock exchange trading centres. It cannot be estimated at the outset whether there will be sufficient price quality to be able to process the Fund's unit transactions in a fair manner. The understandable and comprehensible communication of the cut-off time for unit transactions to investors poses another challenge, as the corresponding NAV (Net Asset Value, net asset value per unit) is only calculated several days later and thus the issuance and redemption of units may only be processed with a time lag.

In the case of funds with daily or weekly NAV valuation intervals, between 22 December and 7 January of each year, the AIFM therefore has the option to control the issuance and redemption of units and the calculation of the net asset value by derogation from the usually applicable valuation days. With this, the AIFM may resolve to postpone or cancel individual valuation days. Furthermore, the AIFM can decide that unit dealing is permissible at the net asset price on 31 December (annual closing price).

The AIFM informs the investors about the modalities of the unit trade and the net asset value on the respective previous workday and the respective change of the financial year in the Fund's publication or by sending information directly no later than on 30 November of each year.

The NAV of a unit in a unit class of the AIF is expressed in the AIF's currency of account or, if different, in the reference currency of the respective unit class, and is derived from the unit of the particular unit class in the assets of the relevant AIF, reduced by any debt obligations of the same AIF that are attributable to the relevant unit class, divided by the number of units in the respective unit class in circulation. When units are issued and redeemed, the NAV is rounded to two decimal places as follows:

- to 0.01 EUR
- to 0.01 USD
- to 0.01 CHF
- to 0.01 GBP

The assets are valued in accordance with the following principles:

1. Securities, money market instruments and other assets listed on a stock exchange are valued at the latest available price. In the case of listings on several stock exchanges, the latest available price on the stock exchange which acts or is defined as the corresponding principal market is authoritative.
2. Securities and money market instruments which are not listed on a stock exchange, but which are traded on a regulated market which is open to the public, are valued at the latest available price.
3. Securities and money market instruments with a residual maturity of less than 397 days can be depreciated or credited in linear terms by the difference between the cost price (acquisition price) and the redemption price (price on maturity). A valuation at the current market price may be waived if the redemption price is known and fixed.
4. Investments/ assets which are not covered by paragraphs 1-3 are valued at the current market value as specified by the AIFM and/or an independent third party led or supervised by them in good faith and according to generally accepted valuation methods and procedures which can be verified by auditors. This includes, for example and as a rule, property, holding companies/special purpose vehicles and other assets as well as commodities and (precious) metals.

5. OTC derivatives are valued on the basis of a verifiable valuation on a daily basis which is to be determined by the AIFM in good faith and in accordance with generally accepted valuation methods which can be verified by auditors.
6. Units in other funds are valued at the latest determined and obtainable redemption price. If the redemption of units has been suspended or no right of redemption exists for close-ended funds or no redemption prices have been determined, these units as well as any other assets will be valued at the relevant market value, as determined by the AIFM in good faith and in accordance with generally accepted valuation methods which can be verified by auditors.
7. Cash is valued at its nominal value plus interest accrued.
8. The market value of securities and other investments denominated in a currency other than that of the relevant fund currency will be converted to the relevant fund currency using the most recent mean rate of exchange.
9. Acquired intangible assets are stated at cost. Internally generated intangible assets can also be capitalised if recognised capitalisation requirements are fulfilled. The assessments are made in good faith by the AIFM, whereby a scheduled and unscheduled amortisation of intangible assets is possible. The cost of establishing the AIF may be capitalised and depreciated over a reasonable useful life.

The valuation of all assets is based on the respective prices/valuations on each valuation date or the latest available appraisal value.

The AIFM is entitled to use other appropriate valuation methods and principles for the fund assets if the aforementioned valuation criteria appear to be impossible or inappropriate due to special circumstances. In the event of a huge number of redemption requests, the AIFM may value the units of the relevant fund assets on the basis of the prices at which the necessary sale of securities is expected to be made. In this case, the same calculation method will be applied to any issue or redemption applications that were submitted at the same time.

The AIFM is entitled by resolution to calculate a special NAV in deviation from the standard valuation interval, therefore to allow in special cases the contemporary issue and redemption of unit. Further information see Annex A "Fund overview".

#### **Art. 27 Issuance of units**

Units are issued on each valuation date (issue date) at the net asset value per unit of the relevant unit class of the relevant fund. The paying agent fee as well as any issue surcharge and taxes are calculated and deducted from the subscription amount noted on the subscription certificate (gross subscription amount). The resulting net subscription amount is then calculated on the NAV of the corresponding valuation day. The size of the respective paying agent fee and the maximum issue surcharge are specified in Annex A "Fund overview".

The units are not securitised.

The AIFM must receive the subscription applications by no later than the cut-off time.

If a subscription application is received after the cut-off time, it will be scheduled for the following valuation day. For applications submitted to distributors at home or abroad, earlier cut-off times may apply to ensure the timely forwarding of any such applications to the AIFM in Liechtenstein. The applicable cut-off times may be obtained from the relevant distributors.

Information concerning the issue date, the cut-off time as well as the size of the possible maximum issue surcharge due is available in Annex A "Fund overview".

Payment of the subscription amount must have been received by the subscription account on the valuation date (value date T+0). The transfer to the account of the AIF at the depositary takes place 2 days after the value date (T + 2).

In general, a subscription order can only be considered if the designated subscription form has been completed in full and the additionally required documents and records specified on the subscription form have been included in their entirety. In addition, the specified amount of money must be received in the subscription account of the AIF. The AIFM is entitled to request additional information and/or documentation at any time before considering a subscription order.

As a result of the due diligence audit required by law, the process for approving the subscription order may take several working days. Liability claims by the investor on the basis of interim changes in exchange rates during the period of the required due diligence audit cannot be accepted.

If a subscription is not considered due to missing documents and/or information, these can be provided subsequently within two weeks. Money already received for rejected subscription applications will be returned by transfer to its origin minus any transfer fees.

If less money is paid in than the amount indicated on the subscription form, the effective subscription amount will be reduced to the amount of money received. If more money is paid in than the amount indicated on the subscription form, the difference minus any transfer fees will be transferred back to its origin.

Unit holders are allocated a personal unit register account number upon initial subscription. This unit register account number is to be used in all correspondence with the AIFM or other relevant parties, and in the reference field for transfers. If an investor has been assigned multiple unit register account numbers, all such personal unit register account numbers should be stated when making requests.

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

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

If payment is made in a currency other than the reference currency, the equivalent value from the conversion of the payment currency into the reference currency, minus any fees, will be applied to the acquisition of units.

The minimum investment amount that is held by an investor in any given unit class is defined in Annex A "Fund overview".

Contributions in kind are subject to the AIFM's approval.

The Depositary and/or AIFM may, at any time, reject a subscription application or temporarily limit, suspend or ultimately discontinue the issuance of units, particularly if this appears to be necessary in the best interests of the investors, in the public interest or for the purpose of protecting the AIF or the AIFM or the investors. In such cases, the Depositary will refund, without undue delay and without any interest, any payments received for subscription applications not yet actioned, if necessary by resorting to the assistance of the paying agents.

The issuance of fund units may be discontinued for cases of art. 30 of this Trust Agreement.

#### **Art. 28 Redemption of units**

Units are redeemed on each redemption day at the net asset value for each unit of the relevant AIF unit class, as determined for the valuation day, minus any redemption charge, any paying agent fee and any applicable taxes and levies.

#### **Attention is drawn to the fact that the AIF has a notice period of 3 months to the valuation date.**

The AIFM must receive the redemption applications by no later than the cut-off time.

If a redemption request is received after this deadline, it shall be valid for the next valuation day. For applications submitted to distributors at home or abroad, earlier cut-off times may apply to ensure the timely forwarding of any such applications to the AIFM in Liechtenstein. The applicable cut-off times may be obtained from the relevant distributors.

Information concerning the valuation date, the valuation interval as well as the size of the possible maximum redemption charge due is provided in Annex A "Fund overview".

As the relevant asset must contain an appropriate amount of liquid assets, the paying out of units is carried out within five bank business days of the respective calculation date. This does not apply if, for legal reasons such as currency or transfer restrictions or for other reasons outside the Depositary's control, the transfer of the redemption amount within this period proves to be impossible.

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

The depositary and/or the AIFM may at any time independently effect the redemption of units if these are held by investors who are not entitled to acquire or possess these units.

If, at the request of the investor, payment should be made in a currency other than the one in which the relevant units were issued, the amount to be paid will be calculated on the basis of the proceeds of the conversion transaction from the currency of account into the payment currency, minus any fees and charges.

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

If the execution of the redemption application results in the holdings of the relevant investor falling under the minimum investment threshold of the corresponding unit class specified in Annex A "Fund overview", the AIFM may, without further notification to the investor, treat this redemption application as an application for the redemption of any and all units held by the corresponding investors in this unit class or as an application for the conversion of the remaining units into units of another unit class in the same AIF, with the same reference currency, whose requirements the investor meets.

The AIFM and/or Depositary may unilaterally repurchase units against the will of the investor for payment of the redemption price if this appears to be necessary in the best interests of or for the protection of the investors, the AIF or the AIFM, in particular if:

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

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

The redemption of Fund units may be discontinued for cases of art. 30 of this Trust Agreement.

## Art. 29 Conversion of units

Conversion of units of one class into units of another class can take place if different unit classes are offered. A conversion fee may be levied for conversions within an AIF. If a conversion of units is not possible for certain unit classes, this will be stated for the unit class in question in Annex A "Fund Overview".

The conversion of units into another unit class is only possible if the investor meets the requirements for the direct acquisition of units of the respective fund or unit class.

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

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

A = Number of units of the new fund that is the target of the conversion

B = Number of units in the fund from which the existing units are to be converted

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

D = Currency exchange rate between the relevant funds. If both funds are valued in the same currency of account, this coefficient is 1.

E = Net asset value of the fund's units or any unit class that is the target of the conversion, plus taxes, fees or other levies

In some countries, levies, taxes and stamp duties may be incurred when changing unit classes (if unit classes exist).

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

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

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

The conversion of fund units may be discontinued for cases under art. 30 of this trust agreement.

## Art. 30 Suspension of the calculation of the net asset value and the issuance, redemption and conversion of units

The AIFM may temporarily suspend the calculation of the net asset value and/or the issuing, redemption and conversion of units of an AIF, if this is justified in the interests of the investors, in particular:

1. if a market forming the basis for the calculation of a significant part of the AIF assets is closed or if trade in any such market is restricted or suspended
2. in the event of political, economic or other emergencies, or
3. if transactions become inexecutable for the AIF as a result of restrictions on the transfer of assets.

The AIFM may also decide to completely or temporarily suspend the issue of units of an AIF if new investments could impact achieving the investment goal. The issuing of units of an AIF will be temporarily discontinued, in particular, if calculation of the net asset value per unit is discontinued. If the issuing of units of an AIF is discontinued, investors will be informed of the reasons for and the time of discontinuation immediately by notification in the publication organ as well as in the media set out in the Trust Agreement, or via permanent data carrier (letter, fax, e-mail or comparable).

In addition, the AIFM is entitled, subject to ensuring the interests of the investors, not to carry out significant redemptions, i.e. to temporarily suspend redemption, until such time as corresponding assets of the AIF can be sold without delay and while ensuring the interests of the investors.

As long as redemption of the units is suspended, no new units will be issued. Units whose redemption is temporarily restricted cannot be converted. The temporary suspension of the redemption of units of one fund shall not result in the temporary discontinuation of the redemption of other funds not affected by the corresponding events.

The AIFM shall ensure that the AIF assets have sufficient liquidity to enable redemption resp. conversion of units immediately upon application by investors under normal circumstances.

The AIFM is entitled, but not obligated, to suspend calculation of the net asset value (suspension of the AIF) if the statutorily prescribed minimum net assets are not achieved, or if insufficient net assets are available in relation to the costs of the AIF. Subscriptions and redemptions and swapping whose settlement has not been possible due to the suspension, will be noted for the next officially published NAV and carried out with it.

The AIFM shall inform the FMA immediately – and investors in a suitable manner – of the suspension of redemption, conversion and payout of the units. Applications for subscription and redemption will be settled after resuming the calculation of the net asset value. Investors may revoke their application for subscription, redemption and conversion up to the time of resuming unit trading.



### **Art. 31 Late trading and market timing**

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

#### **Late trading**

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

#### **Market timing**

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

### **Art. 32 Prevention of money laundering and the financing of terrorism**

The AIFM will ensure that the national distributors are obligated vis-a-vis the AIFM to observe the current provisions of the Liechtenstein Duty of Care law (Sorgfaltspflichtgesetz) and the associated Duty of Care regulation (Sorgfaltspflichtverordnung), as well as the FMA directives. If foreign distributors are consulted, the above applies accordingly.

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

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

## **VIII. Costs and fees**

---

### **Art. 33 Ongoing fees**

#### **Costs and fees to be borne by the AIF**

##### **A. Asset-related fees (variable)**

##### **Risk management and administration fee:**

The AIFM charges annual remuneration as per Annex A "Fund overview" for the risk management and the administration. This is calculated on the basis of the average Fund assets accrued pro-rata-temporis within the NAV calculation and paid out quarterly. Minimum fees can be accrued pro rata temporis within the NAV calculation and paid out quarterly. The level of the risk management and administration fee for the AIF/unit class is shown in the annual report.

##### **Fee for administration of the unit register**

The AIFM charges annual remuneration as per Annex A "Fund overview" for the administration of the unit register. This is calculated on the basis of the average Fund assets accrued pro-rata-temporis within the NAV calculation and paid out quarterly. Minimum fees can be accrued pro rata temporis within the NAV calculation and paid out quarterly. The level of the fee for administration of the unit register for the AIF/unit class is shown in the annual report.

##### **Custody fee (custodian fee, depositary fee):**

The Depositary receives remuneration as shown in Annex A "Fund overview" for the performance of its duties under the agreement as the Depositary. This is calculated on the basis of the average Fund assets accrued pro-rata-temporis within the NAV calculation and paid out quarterly. Minimum fees can be accrued pro rata temporis within the NAV calculation and paid out quarterly. The level of the custody fee for the AIF/unit class is shown in the annual report.

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

If a portfolio manager has been appointed by contract, he can receive remuneration as per Annex A "Fund overview" from the respective Fund assets. This is calculated on the basis of the average Fund assets accrued pro-rata-temporis within the NAV calculation and paid out quarterly. This remuneration is charged in addition to the management remuneration. Minimum fees can be accrued pro rata temporis within the NAV calculation and paid out quarterly. The level of the portfolio management fee for the AIF/unit class is shown in the annual report. In addition, the Portfolio Manager may receive performance-related remuneration ("performance fee") from the respective Fund assets. The level of the portfolio management fee for the AIF/unit class is shown in the annual report. Any performance fee is also shown in the annual report.

### **Distribution fee (distributor fee):**

If a distributor has been appointed by contract, he can receive remuneration from the Fund's assets. The maximum level, the calculation and payment for the AIF are shown in Annex A "Fund overview". This is calculated on the basis of the average Fund assets accrued pro-rata-temporis within the NAV calculation and paid out quarterly. Minimum fees can be accrued pro rata temporis within the NAV calculation and paid out quarterly. The level of the distributor fee for the AIF/unit class is shown in the annual report.

### **B. Non-asset-related fees (fixed)**

#### **Ordinary expenses**

In addition, the AIFM, the portfolio management and the Depositary are entitled to compensation for the following expenses incurred in the exercising of their functions:

- costs for the preparation, printing and forwarding of annual reports or any other publications required by law;
- costs for the publication of fund notifications to investors in the publication media and, if applicable, any newspapers or electronic media specified by the AIFM, including price publications;
- Costs for legal advice incurred by the AIFM or the depositary when they act in the interests of the investor or the AIF;
- fees and costs for permits and for the supervision of a fund in Liechtenstein or abroad;
- any and all taxes levied on assets of a fund, and income and expenses charged to this fund;
- any fees incurred in connection with any listing of a fund and with the distribution at home and abroad (e.g. advisory, legal and translation costs);
- fees, costs and professional fees in connection with the determination and publication of tax factors for the EU/EEA countries and/or any and all countries where distribution licences and/or private placements exist, in accordance with the actual expenses incurred at market-driven rates;
- fees for paying agents, intermediaries and other representatives with similar functions at home or abroad;
- an appropriate share of the costs of printed material and advertising incurred in direct connection with the offering, promote and selling of units;
- professional fees for auditors and tax advisers, provided that these expenses are incurred in the interests of the investors.
- Costs for expert reports or assessments commissioned by the AIFM pursuant to Art. 26 of the trust agreement;
- fees for fund accounts and subscription accounts at home and abroad.

The applicable expenditure amount of the AIF/unit class is defined in the annual reports.

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

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

#### **Transaction costs**

In addition, the AIF will bear any and all ancillary costs arising from the asset management for the sale and purchase of investments (broker commissions in line with the market, commissions, levies) as well as any and all taxes imposed on the assets of the AIF and its earnings and expenses (e.g. taxes on foreign earnings). Furthermore, the AIF will bear any external costs, i.e. third-party fees incurred through the sale and purchase of investments. These costs are set off against the cost price and sales value of the relevant investments. In addition, any currency hedging costs are also charged to each respective unit class.

Any consideration included in a fixed flat-rate fee may not be additionally charged as an individual expense. Any remuneration paid to appointed third parties is also included in the fees pursuant to art. 33 of the Trust Agreement.

#### **Costs for currency hedging of unit classes**

Any costs for currency hedging of unit classes may be allocated to the AIF or the corresponding unit class.

#### **Formation costs**

The costs for the AIF's formation and the initial offering of units will be charged, over a maximum period of five years, against the fund assets. Formation costs are allocated pro rata among the respective unit classes. Costs incurred in connection with the creation of further unit classes will be charged against each respective unit class to which they have been assigned, over a maximum period of five years.

#### **Liquidation expenses**

In the event of liquidation of the AIF/of unit classes, the AIFM can charge its own liquidation costs and those of third parties against the fund assets as liquidation fees.

### **Extraordinary disposition costs**

In addition, the AIFM may charge costs for extraordinary dispositions to the relevant fund assets.

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

### **Fees dependant on the investment success (performance fee)**

The AIFM may also levy a performance fee, as calculated in application of the "high watermark" principle. If a performance fee is levied, it will be shown in detail in Annex A "Fund overview".

The performance fee is a percentage of the difference between the net asset value per unit before calculation of the performance fee and the last high watermark achieved by the fund, multiplied by the number of units at the start of the current valuation period, and will be charged to the fund as cost.

A performance fee shall only apply if, on the valuation date, the net asset value per unit before calculation of any performance fee is higher than the previous high watermark.

This performance fee will be paid out as a rule quarterly retroactively.

The new, higher value after deduction of the performance fee will then apply instead of the previous high watermark value for the next valuation period. Otherwise, the high watermark shall remain unaltered. Once achieved, a high watermark will remain applicable even after the end of a financial year of the fund.

## **Art. 34 Costs incurred by the investor**

### **Issue surcharge**

To cover the costs incurred by the placement of units, the AIFM may charge an issue surcharge on the new asset value of newly issued units in favour of the AIF, the AIFM, the Depositary and/or the distributors at home or abroad according to Annex A "Fund overview".

### **Redemption charge**

For the payment of redeemed units, the AIFM charges a redemption charge on the new asset value of redeemed units in favour of the AIF, the AIFM, the Depositary and/or the distributors at home or abroad according to Annex A "Fund overview".

### **Conversion fee**

A conversion fee may be levied for the switch from one unit class to another unit class. Information about the amount of any conversion fee is provided in Annex A "Fund Overview".

### **Paying agent fee**

For the placement of units or the redemption of redeemed units, the AIFM, as the manager of the unit register, charges a paying agent fee according to Annex A "Fund overview".

### **Taxes**

Tax-related notes are listed in the Prospectus.

## **IX. Final provisions**

### **Art. 35 Appropriation of income (distribution policy)**

The realised earnings of an AIF are derived from the net income together with any price gains realised.

The AIFM may then distribute the earnings realised in an AIF or unit class among the investors of the AIF or this unit class or reinvest the realised earnings in the AIF or in the relevant unit class (accumulation).

Further information on the appropriation of income is available in Annex A "Fund overview".

#### **Accumulating:**

##### **Unit class EUR THES, USD THES, CHF THES, GBP THES & GSBP USD THES (accumulating)**

The earnings generated by the unit classes EUR THES, USD THES, CHF THES, GBP THES and GSBP USD THES will be reinvested according to Annex A "Fund overview", i.e. accumulated. Realized capital gains on the sale of assets are retained for reinvestment.

#### **Distributing:**

##### **Unit class EUR AUS, USD AUS, CHF AUS & GBP AUS (distributing)**

The earnings generated by the unit classes EUR AUS, USD AUS, CHF AUS and GBP AUS is distributed annually in accordance with Annex A "Fund overview". The size of the dividends distributed is defined by resolution of the AIFM. If distributions are paid out, this will be done within four months of the end of the financial year.



The percentage of the net assets to be assigned to the respective unit class is determined by the relationship between the unit class units issued and the totality of the AIF units issued and is adjusted in conjunction with the dividends distributed, as follows:

Each time dividends are distributed in relation to the unit class units EUR AUS, USD AUS, CHF AUS and GBP AUS, the net asset value of the units of the respective unit class is reduced by the sum of the dividends distributed (which results in a reduction of the percentage of the AIF value to be attributed to the DIST units), while the net asset value of the units of the unit classes EUR THES, USD THES, CHF THES, GBP THES and GSPB USD THES remains unchanged (which results in an increase in the percentage of the AIF assets to be attributed to the THES units).

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

#### **Art. 36 Allowances**

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

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

#### **Art. 37 Information for investors**

The publication medium of the AIF is the website of the Liechtenstein Investment Fund Association's website ([www.lafv.li](http://www.lafv.li)) as well as other media defined in the Fund documents.

Any and all notices to investors, including any amendments to the Trust Agreement and to Annex A "Fund overview", are published on the Liechtenstein Investment Fund Association's website ([www.lafv.li](http://www.lafv.li)), as the publication medium of the AIF, and in other media and data carriers specified in the Fund documents.

On each valuation day, the net asset value as well as the issue price and the redemption price of the AIF units will be published on the LAFV Liechtenstein Investment Fund Association website ([www.lafv.li](http://www.lafv.li)), as the publication medium of the AIF, and other media and durable data carriers (letter, fax, email or similar) defined in the Fund documents.

In the case of an AIF for qualified and / or professional investors, the preparation of fundamental investor information and the semi-annual report are waived.

The annual report, audited by an auditor, will be made available free of charge to investors at the AIFM's registered office and at the Depositary.

#### **Art. 38 Reports**

The AIFM will prepare an audited annual report for each AIF in accordance with the statutory provisions in the Principality of Liechtenstein.

#### **Art. 39 Financial year**

The financial year of the AIF is defined in Annex A "Fund overview".

#### **Art. 40 Amendments to the Trust Agreement**

Subject to the FMA's approval, the Trust Agreement may, at any time, be amended or supplemented by the AIFM in whole or in part.

The AIFM must notify the FMA in writing of significant amendments at least one month prior to implementing the amendment or immediately following the occurrence of an unplanned amendment.

#### **Art. 41 Limitation**

Any claims on the part of investors in relation to the AIFM, the liquidator, the trustee or the Depositary will be statute-barred five years after occurrence of the damage, no later however than one year after redemption of the unit or after becoming aware of the damage.

#### **Art. 42 Governing law, place of jurisdiction and authoritative language**

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

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

The enforceability of a foreign judgement in the Principality of Liechtenstein (country of domicile of the AIF) may require a separate procedure, e.g. what are known as "dismissal of objection proceedings", in the Principality of Liechtenstein. The enforceability abroad of a judgement of a court in the Principality of Liechtenstein may require confirmation by a court in the country of enforcement or the court of execution.

The legally binding language for this Trust Agreement is German.

#### **Art. 43 General**

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

#### **Art. 44 Effective date**

This Trust Agreement enters into force on 10 October 2019.

#### **The AIFM:**

Bendern, 10 October 2019

#### **The Depositary**

Vaduz, 10 October 2019

---

CAIAC Fund Management AG

---

Banque Havilland (Liechtenstein) AG

## Annex A: Fund overview

The Trust Agreement and Annex A "Fund overview" together form an integral and single document.

**Fund name:** BP Family Office Fund  
**Fund type according to investor group:** AIF for qualified / professional investors

### A. Fund overview

#### Master data and information concerning the AIF and its unit classes

##### Basic information

Unit classes <sup>2</sup>	Class EUR THES	Class EUR AUS	Class USD THES	Class USD AUS	Class CHF THES	Class CHF AUS	Class GBP THES	Class GBP AUS	Class GSBP USD THES
Valor	28782452	28782463	28782480	28782485	28786494	28786496	28786502	28786503	32701259
ISIN	LI0287824523	LI0287824630	LI0287824804	LI0287824853	LI0287864941	LI0287864966	LI0287865021	LI0287865039	LI0327012592
Created	indefinite duration								
Listing	no								
Currency of account of unit class	EUR	EUR	USD	USD	CHF	CHF	GBP	GPB	USD
Currency of account AIF <sup>3</sup>	EUR								
Minimum investment <sup>4 5</sup>	EUR 100'000.- or equivalent value								
Initial issue price	EUR 100.-	EUR 100.-	USD 100.-	USD 100.-	CHF 100.-	CHF 100.-	GBP 100.-	GBP 100.-	USD 100.-
Valuation day <sup>6</sup>	end of quarter								
Valuation interval	quarterly								
Cut-off time for unit transaction issuance	valuation day, 4 p.m. (CET)								
Cut-off time for unit transaction redemption	notice period of 3 months <sup>7</sup> to the valuation day, 4 p.m. (CET)								
End of accounting year	31 December								
Distribution policy	accumulating	distributing	accumulating	distributing	accumulating	distributing	accumulating	distributing	accumulating

<sup>2</sup> The currency risks of the unit classes may be hedged completely or partially.

<sup>3</sup> The accounting currency is the currency in which the performance and the net asset value of the Fund are calculated.

<sup>4</sup> The detailed subscription requirements are described in art. 8 of the Trust Agreement.

<sup>5</sup> To suffice Art. 62 AIFMV. If it is ensured that the conditions of Art. 62 AIFMV are fulfilled, even lower minimum investments can be accepted.

<sup>6</sup> By resolution of the AIFM a special NAV may be calculated at any time (see fig. 8.3 & article 26).

<sup>7</sup> By resolution of the AIFM the notice period may be waived completely or partly at any time.

### Disclosure of the fees, types of fees for the account of the investor

Unit classes	Class EUR THES	Class EUR AUS	Class USD THES	Class USD AUS	Class CHF THES	Class CHF AUS	Class GBP THES	Class GBP AUS	Class GSBP USD THES
Maximum issue surcharge	up to 10% in favour of distribution								
Maximum redemption charge	none								
Maximum paying agent fee	Flat EUR 70.-	Flat EUR 70.-	Flat USD 70.-	Flat USD 70.-	Flat CHF 70.-	Flat CHF 70.-	Flat GBP 70.-	Flat GBP 70.-	Flat USD 70.-
Maximum conversion fee	none								

### Disclosure of the ongoing fees, types of fees for the account of the AIF <sup>8 9 10</sup>

Maximum administration fee	0.15% p.a. or minimum CHF 25'000.- p.a. for each currency unit class CHF 2'500.- p.a. for each unit class CHF 1'000.- p.a.
Maximum fee for administration of the units register	0.04% p.a.
Maximum risk management fee	0.25% p.a.
Maximum portfolio management fee	1.50% p.a.
Maximum custody fee	0.125% p.a. up to AuM EUR 25 Mio. 0.10% p.a. from AuM EUR 25 Mio. or minimum CHF 15'000.- p.a.
Performance Fee Hurdle Rate High Watermark	up to 10% None Yes

<sup>8</sup> Plus taxes and other costs: transaction costs and expenditures incurred by the AIFM and the Depositary in the exercising of their functions.

<sup>9</sup> The actually charged fees are shown in the annual report. Details can be found in the Prospectus and the trust agreement. Payments will be made quarterly.

<sup>10</sup> The above-mentioned expenses positions will be calculated cumulatively and are exclusive in each case of the other specified expense positions. For details, see art. 33 Costs and fees to be borne by the AIF.

## B. Delegation of tasks by the AIFM

### a) Administration

The AIFM has not transferred the administration of the AIF.

### b) Management of the unit register

The unit register is managed by CAIAC Fund Management AG.

### c) Portfolio management

The AIFM has delegated the investment decisions to Mahrberg Wealth AG, Haus Atzig, Industriestrasse 2, FL-9487 Benden.

### d) Risk management

The AIFM has not delegated the risk management.

### e) Distributors

The AIFM has not delegated the distribution.

## C. Depositary

The Depositary function for this AIF is carried out by Banque Havilland (Liechtenstein) AG, Austrasse 61, FL-9490 Vaduz.

## D. Investment principles of the AIF

The following provisions govern the specific fund-related investment principles of the BP Family Office Fund.

### a) Investment objective and investment policy

The investment goal is the earning of a positive return and long-term capital growth.

Among other things, the fund invests in funds, commodities, currencies / foreign exchange, derivative and securities. In addition, other permitted assets mentioned in lit. b (chart) may be acquired.

Financial derivatives may be used for hedging purposes, for efficient portfolio management and also for investment purposes.

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

### b) Investment authorisations and restrictions

A. The Fund is entitled to acquire ("YES"), the following assets or is not able to acquire them ("NO") and make investments/use techniques ("YES") or is not authorised to do so ("NO") (in %):	
1. Securities, money market instruments, forms of participation and other (hybrid) financial instruments which:	
a) are traded on a stock exchange or other regulated markets of an EU/EEA member or non-member state which is recognised and open to the public and which are considered to have correct procedures in place	YES
b) are not traded on a stock exchange or another regulated market. This includes, for example: holding companies/special purpose vehicles ("private equity") and so-called "managed accounts"	YES
2. Deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve months	YES
3. Derivative financial instruments which:	
a) are traded on a stock exchange or on another regulated market that is open to the public	YES
b) are not traded on a stock exchange or another regulated market (OTC derivative transactions) if the counterparty/contractant is subject to Liechtenstein supervision or equivalent supervision and the OTC derivatives can be transparently valued and closed (neutralised)	YES
4. Units or shares in domestic and foreign investment funds and other investment instruments of collective capital investment - regardless of their legal form These include: ETFs, hedge funds, CTAs, private equity funds, FX funds, umbrella funds, open-ended/closed-ended funds	YES
5. Commodities, thereof	YES
6. Real Estate	YES
7. Precious metals, including	
a) Gold	YES
b) Silver	YES
c) Other/further precious metals	YES

8. Other (asset) values, including intangibles	NO
9. Short sales (including any required securities borrowing)	NO
10. Securities lending	NO
11. Securities borrowing	NO
12. Repurchase agreements	NO
<b>B. The following investment restrictions have been defined for the Fund:</b>	
1. ("...") Further investment restrictions may impose by the AIFM at any time. <sup>11</sup>	NONE
<b>C. The following assets and investments/techniques are excluded for the Fund:</b>	
1. ("...") Further investment restrictions may impose by the AIFM at any time. <sup>11</sup>	NONE
<b>D. Borrowing (in %):</b>	
1. The Fund can raise loans not exceeding ("...") of the net assets from the Depositary or third parties for investment purposes: (Leverage risk from financing)	80%
2. In exceptional circumstances and with the depositary's express approval, the fund may take out loans for the redemption of units up to an amount not exceeding ("...") of its net assets. <sup>12</sup> (Leverage risk from financing)	20%
<b>E. Pledges:</b>	
The Fund may pledge the property and rights belonging to the assets. <sup>13</sup>	NO
<b>F. Risk limits (in %):</b>	
1. Leverage according to the gross method (leverage risk from derivatives and financing)	300%
2. Leverage according to the commitment method (leverage risk from derivatives)	100%
In the event of breaches of the investment restrictions, the interests of the investor are to be taken into consideration to normalise the situation.	

The principle of transparency does not apply for the investment limits. <sup>14</sup>

### c) Use of special purpose vehicles

The AIFM may open and operate special purpose vehicles for the AIF.

The requirements of the constituent documents must be complied, and the special purpose entities must be controlled by the AIFM.

### E. Currency of account/reference currency

The AIF's currency of account and the reference currency per unit class are defined in lit. A of this Annex "Fund overview".

The currency of account is the currency in which the AIF's books are kept. The reference currency is the currency in which the performance and the net asset value of each unit class is calculated. Investments are made in the currencies that are most suitable for the AIF's performance.

### F. Profile of a typical investor

The Fund is suitable for speculative investors who are able to accept a very high level of risk, including complete loss of the capital invested.

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

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

<sup>11</sup> If and insofar as they lead to a modification of the investment principles shown here, they will be implemented by amendment of the constitutive documents in accordance with the respective applicable provisions and disclosed accordingly.

<sup>12</sup> The AIF is not entitled to be granted the maximum permitted credit line by the depositary. The decision as to whether, how and to what extent credit is granted rests with the depositary, in accordance with the credit and risk policy. This policy may change under certain circumstances during the term of the AIF.

<sup>13</sup> Pledges for permissible borrowing, short selling and derivative transactions as well as for hedging permissible securities trading transactions are usually always possible.

<sup>14</sup> See article 10 section 3 AIFMV

**No statement can be made about actual losses or gains through the disclosure of an assessment of the risk profile of an AIF.**

**It should be noted that both the weighting of individual risk factors and the characteristics for each risk factor may change over the course of time due to new market conditions. The investor must therefore be aware that the affiliation to an identified risk class may change. In particular, this may be the case if it can be demonstrated in a sustainable manner that the individual risk factors should be weighted or evaluated differently due to new market conditions.**

## **G. Valuation**

The valuation principles are laid out in art. 26 of the Trust Agreement.

## **H. Risks and risk profile of the AIF (for detailed information, see the Prospectus and Trust Agreement)**

### **a) Specific fund-related risks**

- Counterparty/contractant risk
- Leverage risk from financing
- Leverage risk from derivative transactions
- Hedge fund risk
- High yield risk
- Real estate risk
- Concentration risk
- Credit/issuer risk
- Country/transfer risk
- Liquidity risk (narrowness of the market and illiquid assets)
- Market risk
- Operational risks (including risks arising from trading, settlement and valuation processes; legal and documentation risks; reputational risks)
- Private equity risk/performance risk
- Legal and political risks
- Risk associated with commodities, precious metals and commodity (term) risk
- Emerging markets risk
- Currency risk
- Interest rate risk

### **b) General risks**

In addition to the specific fund-related risks, the investments of the respective fund may also be subject to general risks. An illustrative but not exhaustive list is provided in the risk warning notice in the Prospectus.

### **c) Risk management methods:**

For risk measurement the commitment approach approach is used.

## **I. Costs eligible for reimbursement from the AIF**

An overview of costs to be reimbursed from the AIF is provided in the "Master data and information concerning the AIF and its unit classes" table from lit. A of this Annex A "Fund overview".

## **J. Performance fee**

The performance fee is a percentage of the difference between the net asset value per unit before calculation of the performance fee and the last high watermark achieved by the fund, multiplied by the number of units at the start of the current valuation period, and will be charged to the fund as cost.

A performance fee shall only apply if, on the valuation date, the net asset value per unit before calculation of any performance fee is higher than the previous high watermark.

The new, higher value after deduction of the performance fee will then apply instead of the previous high watermark value for the next valuation period. Otherwise, the high watermark shall remain unaltered. Once achieved, a high watermark will remain applicable even after the end of a financial year of the fund.

**The AIFM:**

Bendern, 10 October 2019

**The Depositary**

Vaduz, 10 October 2019

---

  
CAIAC Fund Management AG

---

  
Banque Havilland (Liechtenstein) AG



## **Annex B "Specific Information for Individual Distribution Countries"**

---

The BP Family Office Fund is currently only approved for sale and distribution in Liechtenstein and may not be publicly offered and/or sold and distributed abroad.