



CB Property Investors Sub-Fund

STATUTE OF THE INVESTMENT FUND'S SUB-FUND

Valid as of 1 January 2022

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1 LIST OF TERMS AND ABBREVIATIONS

Unless otherwise indicated by the Statute, the following terms and abbreviations have the following meaning:

Administrator – Winstor investiční společnost a.s., located at Plzeňská 345/5, 150 00 Prague 5, Company Registration No. 083 15 868, a company entered in the Commercial Register at the Municipal Court in Prague, Section B, File 24543.

Shareholder – each shareholder of the Fund, who owns the Fund's founders shares.

Auditor – BDO Audit s.r.o., located at V parku 2316/12, Chodov, 148 00 Prague 4, Company Registration No. 453 14 381, a company entered in the Commercial Register at the Municipal Court in Prague, Section C, File 7279.

CNB – the Czech National Bank.

Valuation Date – the last day of the Relevant Period, at which the current value of the investment shares is determined retrospectively for the whole Decisive Period.

Depository – Československá obchodní banka, a.s., located at Radlická 333/150, 150 57 Prague 5, Company Registration No. 000 01 350, a company entered in the Commercial Register at the Municipal Court in Prague, file no. BXXXVI 46.

Financial derivatives – Any investment instrument as defined in Section 3(1)(d) to (f) ZPKT. [check legal definition / reference is correct]

Fund – CB SICAV a.s., as defined in Article 2.1 hereof.

Fund Capital – the value of the Sub-Fund's assets, which is part of the Sub-Fund's equity decreased by debts that are included in the Sub-Fund's equity.

Internet website – the Sub-Fund's www website available at <https://www.winstor.cz/>.

Investment Company – Winstor investiční společnost a.s., located at Plzeňská 345/5, 150 00 Prague 5, Company Registration No. 083 15 868, a company entered in the Commercial Register at the Municipal Court in Prague, Section B, File 24543.

Investment Committee – the Investment Committee of the Fund and Sub-Fund, as defined in Article 9 hereof.

Investor – Each shareholder of the Sub-Fund, who owns the investment shares issued by the Sub-Fund.

Qualified Investor – A qualified investor as defined in Section 272 of the Investment Companies and Investment Funds Act.

Sub-Fund's Assets – Sub-Fund's property.

Key Information Document Regulation – Regulation (EU) No. 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products.

Government Decree – Government Decree No. 243/2013 Sb., concerning investing in investment funds and methods of management thereof.

Real Estate Company – refers to a joint-stock company, a limited-liability company or an equivalent legal entity established under the law of a foreign country, which deals primarily with the acquisition or development

of real estates, administration of real estates, and transfer of the title to real estates for payment, for profit-making purposes.

Manager – Winstor investiční společnost a.s., located at Plzeňská 345/5, 150 00 Prague 5, Company Registration No. 083 15 868, a company entered in the Commercial Register at the Municipal Court In Prague, Section B, File 24543.

Expert Adviser – Crowdberry s.r.o., located at Jindřišská 939/20, Nové Město, 110 00 Prague 1, Company Registration No. 057 84 972, a company entered in the Commercial Register at the Municipal Court in Prague, Section C, File 270755.

Decisive Period – Calendar quarter. The Decisive Period begins on a day following the day, for which the last current value of the investment shares was determined, and ends on the last day of a calendar quarter. Exceptionally, the Decisive Period may be shorter than a calendar quarter, especially in cases when the Fund participates in transformation pursuant to applicable legal regulations, or in case of extraordinary determination of the current value of the investment shares.

Sub-Fund – The CB Property Investors Sub-Fund as part of the Fund's equity with separated books and assets pursuant to Section 165 of the Investment Companies and Investment Funds Act.

List of Investors – the List of Investors kept by the Administrator.

Subscription Contract – "Contract for the Issuance and Buyback of Investment Shares" made between the Investor and the Fund or any other equivalent contract regulating the Investor's property contribution to the Fund and mutual rights and obligations.

Articles – The latest articles of the Fund stored in the Collection of Instruments maintained by the competent Commercial Register.

Statute – This statute of the Sub-Fund, which contains information about the Sub-Fund's investing activities and other information required by investors for accurate and correct assessment of investments.

Sub-Fund's Account – A bank account of the Fund opened and maintained by the Depository for the purposes of collecting money from Investors in the Sub-Fund.

Regulation – Regulation No. 58/2006 Sb., on the method of keeping separate records of investment instruments and records associated with the separate records of investment instruments.

AML Act – Act No. 253/2008 Sb., on some measures against legitimisation of proceeds of crime and financing of terrorism, as amended.

ICIFA – Act No. 240/2013 Sb., the Investment Companies and Investment Funds Act, as amended.

BCA – Act No. 90/2012 Sb., the Business Corporations Act, as amended.

CMUA – Act No. 256/2004 Sb., the Capital Market Undertakings Act, as amended.

2 INFORMATION ABOUT THE FUND AND SUB-FUND

2.1 INFORMATION ABOUT THE FUND

2.1.1 TRADE NAME AND REGISTERED OFFICE

CB SICAV a.s., located at Jindřišská 939/20, Nové Město, 110 00 Prague 1, Company Registration No. 095 88 167, a company entered in the Commercial Register at the Municipal Court in Prague, Section B, File no. 25739.

2.1.2 ABBREVIATED NAME

CB SICAV

2.1.3 ENTRY IN THE REGISTER OF INVESTMENT FUNDS WITH LEGAL PERSONALITY

The Fund has been entered in the register of investment funds with legal personality maintained by CNB pursuant to Section 597 (a) of ICIFA.

2.2 INFORMATION ABOUT SUB-FUND

2.2.1 NAME OF THE SUB-FUND

CB Property Investors Sub-Fund

2.2.2 ABBREVIATED NAME

CB PI

2.2.3 FORMATION OF THE SUB-FUND

24 November 2020, i.e. on the date of the entry of the Sub-Fund in the CNB Register pursuant to Section 597 of ICIFA.

2.2.4 TIME FOR WHICH THE SUB-FUND HAS BEEN FORMED OR ESTABLISHED

The Sub-Fund has been established for an indefinite period of time.

2.2.5 INTEGRATION OF THE SUB-FUND

The Sub-Fund is a sub-fund of the fund of Qualified Investors, which, pursuant to Section 95(1) of ICIFA, collects money or items valuable in money from several Qualified Investors by issuing participating securities, and invests the collected money or items valuable in money on the basis of a determined investment strategy to the benefit of those Qualified Investors, and administers such assets.

2.3 INFORMATION ABOUT THE PRINCIPAL SUPPORTER OF THE FUND

The Fund has no principal supporter.

2.4 INFORMATION ABOUT REMOTE ACCESS

Information published in the manner enabling remote access is published via the Internet site.

3 INFORMATION ABOUT THE SUB-FUND'S AUDITOR

The Sub-Fund's Auditor is BDO Audit s.r.o., located at V parku 2316/12, Chodov, 148 00 Prague 4, Company Registration No. 453 14 381, a company entered in the Commercial Register at the Municipal Court in Prague, Section C, File 7279.

The Auditor's activities with respect to the Sub-Fund include:

- a) auditing the financial statement of the Sub-Fund pursuant to Section 187 of ICIFA; and
- b) statement whether the Sub-Fund's annual report is in accord with its financial statement pursuant to Section 292 of ICIFA.

4 INFORMATION ABOUT THE MANAGER AND ADMINISTRATOR

4.1 INFORMATION ABOUT THE MANAGER AND ADMINISTRATOR

The Fund's Manager and Administrator is Winstor investiční společnost a.s., located at Plzeňská 345/5, 150 00 Prague 5, Company Registration No. 083 15 868, a company entered in the Commercial Register at the Municipal Court in Prague, Section B, File 24543.

The Investment Company was founded on the basis of Decision of the Czech National Bank No. 2019/068651/CNB/570, 2018/00275/CNB/571, which came into force on 20 June 2019.

The Investment Company has been entered in the register of investment companies maintained by CNB pursuant to Section 596(a) of ICIFA.

The Investment Company is entitled to exceed the decisive limit.

4.2 AUTHORISED REPRESENTATIVE

The Investment Company is an authorised representative of the Fund in accordance with Section 9(1, 2) of ICIFA.

4.3 ACTIVITIES OF THE INVESTMENT COMPANY WITH RESPECT TO THE SUB-FUND

The Investment Company carries out the following activities with respect to the Sub-Fund:

a) Management of the Sub-Fund, especially:

- i. Administration of the Sub-Fund's assets, including investing on account of the Sub-Fund;
- ii. Management of investment-related risks;

b) Administration of the Sub-Fund, especially:

- i. Keeping the Sub-Fund's books;
- ii. Contracting legal services;
- iii. Compliance and internal audit;
- iv. Handling of complaints and claims of the Sub-Fund's investors;
- v. Valuation of the Sub-Fund's assets and debts;
- vi. Calculation of the current value of the Sub-Fund's investment shares;
- vii. Ensuring the meeting of obligations related to taxes, charges or other similar payments;
- viii. Keeping the register of owners of investment shares issued by the Sub-Fund;
- ix. Distribution and payout of yield on the Sub-Fund's assets;
- x. Ensuring the issuance, exchange and buyback of the investment shares issued with the Sub-Fund;
- xi. Drafting and updating the Sub-Fund's annual report;
- xii. Drafting and updating documents providing key information about the Sub-Fund or an equivalent document according to the law of a foreign country, and making any amendments thereto;
- xiii. Drafting the Sub-Fund's promotional communication;
- xiv. Publishing, disclosing and providing data and documents to the Investors and other persons;
- xv. Disclosing data and providing documents especially to CNB or a supervisory authority of another member state;
- xvi. Performance of other activities connected with the management of values included in the Sub-Fund's assets;
- xvii. Distribution and payout of payments connected with the cancellation of the Sub-Fund;
- xviii. Keeping records of the issuance and payback of the shares issued by the Sub-Fund;

- xix. Offering investment in the Sub-Fund.

The Investment Company carries out these activities on its own in full, or it may entrust another person with them. Details of entrusting some activities are regulated in Article 5 of the Statute.

4.4 INFORMATION ABOUT THE EXPERT ADVISOR

Crowdberry s.r.o., located at Jindřišská 939/20, Nové Město, 110 00 Prague 1, Company Registration No. 057 84 972, a company entered in the Commercial Register at the Municipal Court in Prague, Section C, File 270755.

5 INFORMATION ABOUT ENTRUSTING ANOTHER PERSON WITH THE PERFORMANCE OF INDIVIDUAL ACTIVITIES

5.1 ENTRUSTING THE MANAGEMENT

The Manager did not entrust any other person with the management of the Sub-Fund's assets or any part thereof, in particular with the administration of the Sub-Fund's assets, including investing on account of the Sub-Fund.

5.2 ENTRUSTING THE PERFORMANCE OF SOME ACTIVITIES

The Investment Company entrusted the following companies with the performance of some activities on the basis of concluded contracts. The Investment Company may check and influence the performance of the activities by the companies through its instructions. The Investment Company is entitled to terminate contracts, which entrusted the activities, with immediate effect. Entrusting the performance of those activities will not affect the liability of the Investment Company for damages incurred as a result of any breach of its obligations as the Manager and Administrator of the Sub-Fund, which result from the Statute, ICIFA and other legal regulations. The Investment Company does not exclude any future entrusting of activities, which are usually part of the management or administration, to a third person under the conditions specified by law.

Some information systems and information technologies are administered for the Investment Company by Winstor Capital a.s., located at Plzeňská 345/5, Smíchov, 150 00, Prague 5, Company Registration No. 060 99 122, a company entered in the Commercial Register at the Municipal Court in Prague, Section B, File 22495.

Compliance and internal audit is carried out for the Fund by GPP s.r.o., located at Korunní 1321/62, Vinohrady, 120 00 Prague 2, Company Registration No. 077 54 302, a company entered in the Commercial Register at the Municipal Court in Prague, Section C, File 307061.

The Manager entrusted the performance of individual activities related to the management of the Sub-Fund to the Expert Advisor, who will carry out mainly supporting activities connected with searching and proposing investment opportunities, arranging them, creating market analysis, and administration of investment opportunities, including detailed elaboration thereof, drafting of plans and valuation. The Expert Advisor will receive payment for the aforesaid services. The payment to the Expert Advisor is not part of the Manager's remuneration. The content of particular rights and duties of the Manager and Expert Advisor is regulated by the contract for mediation and cooperation.

Other specialised activities within the administration of the Sub-Fund that may be provided by third parties, such as legal services or activities connected with the management of values included in the Sub-Fund's assets, for example consultancy related to the capital structure, industrial strategies and associated issues provided to persons, which the Sub-Fund has a stake in, providing services related to the transformation of companies or the transfer of establishments to persons, which the Sub-Fund has a stake in, and maintenance of individual items included in the assets of this Sub-Fund. The activities will be provided in compliance with due diligence

requirements for an individual item, and the specialised services will be paid from the Sub-Fund's assets in accordance with the Sub-Fund's statute.

6 INFORMATION ABOUT THE DEPOSITARY

6.1 INFORMATION ABOUT THE DEPOSITARY

The Sub-Fund's Depositary is Československá obchodní banka, a.s., located at Radlická 333/150, 150 57 Prague 5, Company Registration No. 000 01 350, a company entered in the Commercial Register at the Municipal Court in Prague, File No. BXXXVI 46.

The Depositary has been entered in the register of depositaries of investment funds maintained by CNB.

6.2 DEPOSITARY'S ACTIVITIES

On the basis of a written contract, the Sub-Fund's Depositary mainly protects the Sub-Fund's assets, keeps them in custody and keeps records thereof, meets the duties of a depositary with respect to keeping money and checking duty, as they result from ICIFA and depository contract.

Within its activities, the Sub-Fund's Depositary provides especially the following:

- a) Keeps fungible investment instruments owned by the Fund in custody by keeping them in the asset account which is maintained by the Depositary for the Sub-Fund in the central register of registered securities, in a separate register of investment instruments, in a related register or in an equivalent register maintained according to the law of a foreign country;
- b) Keeps investment instruments or assets of the Sub-Fund, whose nature enables so, in custody;
- c) Keeps records of the Sub-Fund's assets, whose nature enables so;
- d) Keeps records of the Sub-Fund's assets, which are held or may be held by the principal supporter of the fund, if applicable;
- e) Opens or maintains monetary accounts in the name of the Sub-Fund, or monetary accounts in the name of the Fund's Manager opened to the benefit of the Sub-Fund, or monetary accounts in its name opened to the benefit of the Sub-Fund; in that case, the Sub-Fund's Depositary ensures that the Depositary's money is not held in that account;
- f) Keeps records of all monetary accounts opened for the Sub-Fund and checks the movement of the Sub-Fund's money in these accounts;
- g) Fulfils instructions given by the Sub-Fund's Manager in accordance with the Statute and with the depository contract;
- h) Checks whether, in compliance with ICIFA, the Statute and provisions of the depository contract:
 - i. All classes of the Sub-Fund's investment shares were issued and bought back;
 - ii. The current value of the Sub-Fund's investment share was calculated;
 - iii. The Sub-Fund's assets and debts were valued;
 - iv. Consideration from deals involving the Sub-Fund's assets was paid out at ordinary times;
 - v. Yield payable to the Sub-Fund is used; and
 - vi. The Sub-Fund's assets are acquired and alienated.

6.3 DEPOSITARY'S RESPONSIBILITY

The Depositary's responsibilities include especially:

- a) The Depositary is responsible for protecting the investment instruments owned by the Sub-Fund, for keeping the Sub-Fund's assets in custody, and for keeping records of such assets. The Depositary's responsibility is not affected if the Depositary has entrusted another person with the performance of

those activities. The Investment Company's liability for damage caused during the management and administration of the fund will not be affected thereby;

- b) If the Depositary delegates any of its activities carried out with respect to the Sub-Fund to another person, it will inform the Administrator, who will arrange the entry of the data of such a person in the Statute;
- c) The Sub-Fund's Depositary, who causes harm to the Investment Company, Sub-Fund, Investor by breaching its obligations laid down or agreed for the performance of its activities as a depositary is obliged to compensate for such damage. The Depositary will be released from the liability for damages only if it proves the damage has not been caused by it, not even by negligence;
- d) In the case of loss of investment instruments the Depositary keeps or hold in custody, the Depositary will compensate the Sub-Fund for damages incurred without undue delay, regardless of the fact whether the Depositary has entrusted another person with performance of any activity. The Sub-Fund's Depositary will be released from the liability for damages only if it proves the loss was caused by an extraordinary, unforeseeable and insurmountable obstacle arising beyond its will.

6.4 INFORMATION ABOUT PERSONS, WHO WERE ENTRUSTED BY THE DEPOSITARY WITH CUSTODY OR CONTROL OF THE FUND'S ASSETS

The Sub-Fund's Depositary may entrust another person with the protection, custody or keeping records of the Fund's assets. The share of assets, whose protection, custody or recording may be delegated to another person, may achieve up to 100.00% of the Sub-Fund's assets.

Currently, no person has been entrusted with the protection, custody or recording of a part of the Sub-Fund's assets.

7 INFORMATION ABOUT INVESTMENT STRATEGIES

7.1 INVESTMENT GOAL AND STRATEGIES OF THE SUB-FUND

On a long-term basis, the Sub-Fund's investment goal is to increase the value of entrusted funds through investments mainly in:

- a) Real estates;
- b) Stakes in Real Estate Companies;
- c) Implementation of development projects; as well as

by providing debt financing to the Real Estate Companies.

The investment goal and strategy of the Sub-Fund is fulfilled in the European Union member states.

The Sub-Fund is entitled to acquire, increase the value of, sell and rent things that may be acquired into the Sub-Fund's equity. The Sub-Fund may also acquire real estates through construction or enable the development of real estates owned by the Sub-Fund in order to increase their value. The Sub-Fund is also entitled to make use of loans and credits to acquire things that may be acquired into the Sub-Fund's equity, and to dispose of such things in any other way.

Other sorts of things that are listed in Article 7.2 of the Statute may be acquired into the Sub-Fund's equity too.

Any change in the Sub-Fund's investment strategy needs to be approved by the Fund's General Meeting.

Due to its investment strategy and the nature of the assets in which it invests, sustainability risks are not included in the Sub-Fund's investment decisions when these are not perceived to be relevant to the Sub-Fund.

7.2 DEFINITION OF THE SORTS OF THINGS THAT MAY BE ACQUIRED INTO THE SUB-FUND'S EQUITY

Sorts of things that may be acquired into the Sub-Fund's equity:

- a) Real estate;
- b) Real estate companies;
- c) Lands;
- d) Personal chattels and sets of personal chattels connected with other assets in the Sub-Fund's equity for a certain purpose;
- e) Stakes in business corporations;
- f) Shares or similar securities representing a stake in a company;
- g) Investment securities and collective investment securities;
- h) Receivables from business corporations;
- i) Loans to business corporations;
- j) Various types of bonds, bills or similar securities representing the right to redemption of a debt issued by legal entities or individuals, including equivalent foreign securities;
- k) Bank deposits;
- l) Money market instruments.

7.3 INDEX COPYING

The Sub-Fund does not intend to copy or monitor any index in performing its activities.

7.4 SUB-FUND'S CONCENTRATION

The Sub-Fund has no strategic allocation of assets. The Sub-Fund may allocate investments within individual sorts of things, which may be acquired into the Sub-Fund's equity, within limits defined by the Statute or ICIFA. The Sub-Fund's portfolio is not reviewed at fixed pre-defined intervals or according to fixed pre-defined rules.

7.5 SECURITY AND GUARANTEES

No return on investment in the Sub-Fund's investment shares, any part thereof or yield on such investment is secured or guaranteed. The Sub-Fund is neither a secured nor guaranteed fund. No third persons give any guarantees to the Investors.

7.6 OPTIONS AND RESTRICTIONS ON THE USE OF A LOAN OR CREDIT ON ACCOUNT OF THE SUB-FUND

The Sub-Fund may receive a loan or credit on conditions corresponding to the market standards and only for the purposes of the Sub-Fund's investments.

The Sub-Fund may use its property as security for received loans or credits. The provision of security must comply with the overall investment goals and the investment strategy of the Sub-Fund.

7.7 OPTIONS AND RESTRICTIONS OF USING THE SUB-FUND'S ASSETS TO PROVIDE CREDIT OR LOAN

The Sub-Fund may not provide loans, credits and security, unless it is related to the management of the Sub-Fund.

The Sub-Fund may provide loans or credits up to the aggregate amount of 95% of the Sub-Fund's assets. Loans or credits will be provided by the Sub-Fund with the maturity not exceeding 10 years and under usual business conditions. A loan or credit from the Sub-Fund's assets will be provided only on condition that adequate security is provided (for example, security interest, bill, guarantor's statement, etc.), guaranteeing due redemption of the loan or credit, the conditions in the following paragraph excepted.

If a loan or credit is provided to a Real Estate Company or business corporation, which the Sub-Fund has a controlling influence on, the Sub-Fund does not have to require security for such a loan or credit from the

company due to the existence of the mutual relationship between the controlling person and controlled person, and the Sub-Fund may subordinate contractually its own receivables from the provided loans or credits from that company to a receivable or receivables of another creditor.

7.8 BONDS ISSUE OPTIONS

The Sub-Fund may issue bonds or securities or registered securities associated with the right to redemption of a debt. The sum of the value of the issued bonds or securities or registered securities must not exceed 200% of the value of the Sub-Fund's stock capital.

7.9 PROVIDING DONATION, SECURITY FOR A DEBT OF ANOTHER PERSON, OR SETTLEMENT OF A DEBT NOT RELATED TO THE MANAGEMENT OF THE SUB-FUND

The Sub-Fund's assets may be used to give a donation. The Sub-Fund may provide donations to third persons, i.e. provide monetary, movable (e.g. utilities) and immovable donations to local government bodies, their subordinate entities, entities ensuring the operation of infrastructural buildings and sets, and humanitarian, charitable, sports and other similar community organisations, especially, but not exclusively, in connection with the acquisition, maintenance or improvement of the condition of the donee's real property, in connection with the arrangement of science and education, research and development purposes, culture, school system of the donee, in connection with support and protection of children and youth and their health, protection of animals or in connection with social, medical, environmental, humanitarian, charity, physical education and sporting purposes and needs of the donee.

The Sub-Fund's property cannot be used to secure a debt of another person or to settle a debt which is not related to the management of the Sub-Fund.

7.10 OPTIONS AND LIMITS RELATED TO THE SALE OF THINGS ON ACCOUNT OF THE SUB-FUND, WHICH ARE NOT INCLUDED IN THE SUB-FUND'S ASSETS

The Sub-Fund must not enter into contracts for the sale of investment instruments, which are not included in its assets.

7.11 RULES FOR THE CALCULATION OF THE TOTAL EXPOSURE OF THE FUND, AND TOTAL EXPOSURE LIMITS

The Manager shall, at least once a year, determine and publish in the annual report the leverage rate in accordance with Articles 6 to 11 of Commission Regulation (EC) No 231/2013 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision. The total exposure of the sub-fund is calculated using the commitment method and the gross asset value method.

The limit of the total exposure of the Sub-Fund, calculated using both the gross asset value method and the standard commitment method, is set at 300% of the value of the Sub-Fund's assets.

7.12 INVESTMENT LIMITS

7.12.1 INVESTMENT LIMITS

Investment limits that must be observed for things acquired into the Sub-Fund's equity specified in Article 7.2 of the Statute are shown below:

Things acquired into the Sub-Fund's equity	Min. % share in the total value of the assets	Max. % share in the total value of the assets
Real estates	0%	10%
Real estate companies	0%	95%

Stakes in business corporations	0%	50%
Shares or equivalent securities representing a stake in a company, except for real estate companies	0%	20%
Investment securities and collective investment securities	0%	20%
Personal chattels and sets of personal chattels associated with other assets in the Sub-Fund's stock capital for a certain purpose	0%	25%
Receivables from business corporations	0%	20%
Loans to business corporations	0%	95%
Various sorts of bonds, bills or equivalent securities representing the right to redemption of a debt issued by legal entities or individuals, including equivalent foreign securities	0%	20%
Bank deposits	0.5%	95%
Money market instruments	0%	20%
Financial derivatives	0%	100%

Regardless of the determined minimum percentage share of Bank Deposits on the total value of the Sub-Fund's assets according to the table above, the amount of Bank Deposits in the Sub-Fund's assets will be equivalent to a minimum of CZK 500.000. The Investment Company has prepared a contingency liquidity management plan for the Sub-Fund in case the liquidity of the Sub-Fund is threatened.

Information on any measures taken to manage the lack of liquidity of the Sub-Fund, or information on the share of the Sub-Fund's Assets, which are subject to special measures due to its low liquidity, shall be published by the Sub-Fund on its Website.

If the limits specified in this Article were breached and the exception based on Article 7.12.2 of the Statute has not been applied, the Investment Company will harmonise the structure of the Sub-Fund's assets with the investment limits according to this Article without undue delay so that the Investor's interests are protected.

7.12.2 EXCEPTION FOR INVESTMENT LIMITS

The Sub-Fund is not obliged to observe the investment limits for the structure of the Sub-Fund's assets specified in Article 7.12.1 hereof during 24 months from the formation of the Sub-Fund.

7.13 CHARACTERISTICS OF THE TYPICAL INVESTOR

Investment in the Sub-Fund is intended for qualified investors within the meaning of Section 272 of ICIFA, i.e. investors having above-average experience in investment. Investment in the Sub-Fund is intended for investors, who understand that the expected yield on the investment in the Sub-Fund is associated with a higher rate of risk, and who are able to assess the risks associated with the investment in the Sub-Fund.

A recommended investment horizon of the Fund is at least 5 years. Thus, the Sub-Fund is suitable for investors who can afford to set aside the invested capital at least for that period of time.

7.14 INFORMATION ABOUT METHODS OF SUB-FUND'S MANAGEMENT AND POSSIBILITIES AND LIMITS OF THEIR USING

The methods that the Sub-Fund may use for the purposes of managing the Sub-Fund's Assets are financial derivatives. Sub-Fund may use these methods only if the following terms are met:

- a) relate to assets that the Sub-Fund may acquire into its assets;
- b) are used solely for the purposes of the efficient management of the Sub-Fund and to reduce the risk associated with investing in the Sub-Fund, to reduce the costs associated with investing in the Sub-Fund, or to raise additional capital or to gain additional income if the risks taken are in accordance with the Sub-Fund's risk profile;
- c) the use of these methods does not circumvent the rules set out in the Government Decree, determined by this Statute of the Sub-Fund and the investment strategy of the Sub-Fund and;
- d) the Sub-Fund's debts arising from the use of these methods are always fully covered by the Sub-Fund's Assets.

7.14.1 FINANCIAL DERIVATES

Financial Derivative accepted or not admitted to trading on a regulated market of member state may be arranged on behalf of the Sub-Fund's Account. A Financial Derivative admitted to trading on a regulated market of member state may be arranged on behalf of the Sub-Fund's Account, the value for which the value of that derivative is determined only:

- a) the asset value that can be acquired in the Sub-Fund's assets according to the investment strategy of the Sub-Fund;
- b) interest rate, exchange rate or currency, or;
- c) financial index that is sufficiently diversified, sufficiently representative and publicly available.

Financial Derivative not admitted to trading on a regulated market of a Member State may be arranged on behalf of the Sub-Fund's Account, if:

- a) the value of this derivative relates only to the values specified in Section 12 (a)(b)(c) Government Decree;
- b) this derivative is valued reliably and verifiable every working day;
- c) the Sub-Fund's Manager may assign this derivative on its own initiative at any time or terminate or otherwise exit in exchange for an amount that can be reached between the parties under the conditions which are not significantly unbalanced for either party or may conclude a new derivative for that amount by which it offsets the underlying assets of this derivative in accordance with the procedure set out in Section 37 of the Government Decree, and;
- d) this derivative is agreed with an Eligible Counterparty, which is subject to the supervision of the CNB, supervision of another supervisory authority of member state or the supervisory authority of another State.

Without prejudice to the possibility of arranging another type of Financial Derivative, in the management of the Sub-Fund the most used are following Financial Derivatives:

- a) currency swaps;
- b) currency forwards;
- c) interest rate swaps;
- d) options;
- e) futures.

7.15 RULES FOR REDUCING THE RISK FROM THE USE OF DERIVATIVES AND LIMITS FOR THE USE OF LEVERAGE

To reduce the risk from the use of financial derivatives, the Sub-Fund complies with the following rules:

- a) if the Financial Derivative is to be settled by the Sub-Fund by delivery of the underlying asset, the Sub-Fund holds the underlying asset until the time of the agreement and for the entire duration of the contractual relationship corresponding to this Financial Derivative owned by the Sub-Fund;
- b) if the Financial Derivative is to be settled by the Sub-Fund by delivery of funds, the Sub-Fund holds in their assets at the time of the agreement and for the entire duration of the contractual relationship corresponding to this Financial Derivative cash or other asset at a value corresponding to the settlement price the Financial Derivative in question;
- c) ensures that the underlying asset of the Financial Derivative corresponds to the investment strategy and the Sub-Fund's risk profile.

The leverage ratio from derivatives will not exceed 100% of the Sub-Fund's Fund Capital.

8 INFORMATION ABOUT THE RISK PROFILE

8.1 RISK PROFILE OF THE SUB-FUND

The Investment Company informs investors that the value of the investment in the Sub-Fund may decrease or increase, and that neither any return on the original investment nor achievement of defined goals is guaranteed. The performance of the Sub-Fund in the previous periods does not guarantee the same or higher performance in the future. Investment in the Sub-Fund is intended for achieving yield in case of long-term holding, so it is not suitable for short-term speculations.

Prospective Investors should consider mainly the risks described in Article 8.2 of the Statute.

8.2 DESCRIPTION OF THE BASIC RISKS RESULTING FROM INVESTMENT IN THE SUB-FUND

The Investment Company informs investors that the risks described below do not represent an exhaustive list of all possible risks which a prospective investor should take into account before investing in the Sub-Fund's investment shares, as the Sub-Fund can be exposed also to other risks that are not known at the moment and that cannot be identified and described in advance.

The following essential risks result from investment in the Sub-Fund, especially:

Risk resulting from the Sub-Fund's investment strategy

The Sub-Fund's investment strategy involves primarily investment in real estates and stakes in the Real Estate Companies, which is associated mainly with the following risks:

- a) Risk of insufficient legal title to the possession of real property or stake in a Real Estate Company. Although the Sub-Fund will always assess in cooperation with its legal advisers whether it will acquire the title to a real estate or stake in a Real Estate Company on the basis of a sales contract or on any other legal grounds, it cannot be excluded that the legal title will be defective and the real estate or the stake in the Real Estate Company will not pass to the Sub-Fund's assets, thereby causing harm to the Sub-Fund.
- b) The risk of an adverse change in the legal environment, which can lead to losses on the part of the Sub-Fund. It cannot be excluded that new legislation, which would impose new obligations upon owners of real estates or stakes in Real Estate Companies, impede the acquisition of these assets and/or increase the related costs, will not be adopted, which would lead to limitation of thorough implementation of the Sub-Fund's investment strategy, increased costs on the part of the Sub-Fund and worse economic results thereof.
- c) The risk of low occupancy rate of the leased premises, when, as a result of bad estimation of parameters and characteristics of real estates owned by the Sub-Fund or included in the assets of the Real Estate Companies owned by the Sub-Fund, the Sub-Fund's revenues from the rent may decrease, and/or

revenues from dividends may decrease if the real estates are owned by the Real Estate Companies included in the Sub-Fund's assets, and, as a consequence, the economic results of the Sub-Fund may get worse.

- d) The risk of decrease in the market value of the rent, which can lead to worse economic results of the Sub-Fund.
- e) The risk of loss in selling real estates or stakes in the Real Estate Companies, when the Fund might not have predicted the possible improvement of their value at the time of the acquisition thereof and/or when the market value may decrease as a result of adverse market development.
- f) The risk of low liquidity, when investing in real estates and stakes in the Real Estate Companies is, in principle, connected with their low liquidity, which can affect the return on investment adversely, when especially delays in the selling process or possible decrease in the sales price as a result of e.g. bad timing of the sale may have a negative impact on the economic results of the Sub-Fund.
- g) The risk of structural defects, when the value of real estates or Real Estate Companies owned by the Sub-Fund may decrease as a result of structural defects of these real estates.
- h) The risk of damage of real estates owned by the Sub-Fund or Real Estate Companies included in the Sub-Fund's assets, which can result from a natural disaster or any other unpredictable event, which can lead to a decrease in its value, the value of revenues from the rent received therefrom, or additional costs incurred by their repair or replacement.

Concentration risk

The risk results from the concentration of the Sub-Fund's investment activities in the area of real estates, which leads to a systematic risk that can affect the development of the value of the Sub-Fund's assets significantly in case of negative economic development in the area of real estates.

Market risk

The risk is associated with the risk of the loss of the investment value in case of any change in market prices resulting from the influence of the market development on the value of assets owned by the Sub-Fund. The market risk affects generally all stakes in business corporations, securities, registered securities, as well as all other assets that can be acquired into the Sub-Fund's equity.

Credit risk

The risk lies in the fact that the Sub-Fund's debtors (e.g. debtors from credits or loans, or debtors from investment instruments, etc.) do not pay their debts properly and in time. The Investment Company reduces this risk especially by suitable selection of counterparties and issuers with regard to their solvency, by setting up exposure limits with respect to individual counterparties and issuers and suitable contractual provisions.

Currency risk

Part of the Sub-Fund's assets can be placed in investment in foreign currencies. In addition to the fluctuation of the value (market price) of the investment in the relevant foreign currency, the amount of the Sub-Fund's assets is affected also by the fluctuation of exchange rates of the relevant foreign currencies against the Czech crown. For the purposes of efficient administration of the Sub-Fund, the Sub-Fund can use financial derivatives (currency swaps and currency forwards).

Risk associated with the use of external capital (risk associated with the use of leverage)

The risk associated with the use of external capital is that, that Sub-Fund is, when using external capital for investment objectives (i.e., in fact when leverage is used) exposed to the increased influence of the development of market prices of assets in the Sub-Fund's assets on the value the investment shares. The use

of external capital thus potentially makes it possible to achieve a higher profit, but also higher losses. Given that the payment of funds invested by the Sub-Fund will be the subject to the full repayment of liabilities to the financing bank, the Sub-Fund's own funds would not be returned before the payment to the financing bank. In case of extremely unfavourable development, including also possible insolvency of the subject company, the Sub-Fund's own investment may not be returned in its original amount or it may come to a complete loss of the Sub-Fund's own invested funds.

Risk of insufficient liquidity

The risk lies in the inability to sell the assets owned by the Sub-Fund at a desirable moment and/or to get an adequate price for the assets owned by the Sub-Fund at a desirable moment. In the last resort, the materialisation of the risk of insufficient liquidity could lead to suspension of buyback of the Sub-Fund's investment shares.

Operational risk

The operational risk lies in the risk of loss caused by defects or failures of internal processes of the Investment Company or third persons, by the human failure or as a result of an unpredictable external event. This risk is reduced by maintaining the corresponding management and control system of the Investment Company and third persons. This risk includes also the risk of loss of property given to custody or any other protection by a third person, which can be caused e.g. by bankruptcy or negligence or intentional act of that third person.

Risk of legal defects

The value of the Sub-Fund's assets may decrease as a result of legal defects in assets acquired by the Sub-Fund, i.e. for instance as a result of the existence of a third-party's security interest, easements, lessor-lessee relationship, pre-emptive right or any other defect which can decrease the value of the assets.

Risk associated with the use of external capital (risk associated with the use of leverage)

The risk associated with the use of external capital lies in the fact that the Sub-Fund is exposed to an intensified influence on the value of investment shares when using external capital to achieve investment objectives (i.e. in fact by using leverage). Thus, the use of external capital potentially makes it possible to achieve a higher profit, but also a higher loss. Since the payment of the funds invested by the Sub-Fund will normally be subject to the full payment of liabilities to the financing bank, the Sub-Fund's own funds would not have been returned to the Sub-Fund before such payment. In the event of an extremely unfavourable development, including the possible insolvency of the relevant company, the Sub-Fund's own investment may not be returned even in the original amount or the Sub-Fund's own invested funds may also be completely lost.

Risk of cancellation of the Sub-Fund

The risk lies in the fact that the Sub-Fund can be cancelled for reasons specified in ICIFA or for other reasons. The Sub-Fund may be cancelled for reasons specified in ICIFA e.g. if the Fund does not have a depositary for more than 3 months or if the total Fund Capital of the Fund, including all sub-funds, does not achieve EUR 1,250,000 within one year after the entry of the Fund in the register of investment funds with legal personality. The Sub-Fund may be cancelled also e.g. by judicial decision, due to liquidation or transformation of the Sub-Fund, etc. With regard to this possibility, the Investor cannot be guaranteed that it can be the Sub-Fund's shareholder for the whole duration of its investment horizon, which can have a negative impact on the expected return on investment. The Investor is hereby explicitly informed that there is and will be no guarantee of the possibility of the Investor's staying in the Sub-Fund.

Risk of change in the legal system

The Sub-Fund is subject to various legal requirements, including requirements laid down by tax law of countries in which it operates. In case of any change in the legal requirements applicable to the Sub-Fund, such legal environment may differ from the current situation significantly.

9 SUB-FUND'S INVESTING ACTIVITIES

Decisions about investment in property values that can be acquired into the Sub-Fund's assets are made exclusively by the Manager on the basis of the Sub-Fund's investment strategy. The decisions are based on the analysis of the economic profitability of the intended investment, the opinion of the Investment Committee as well as any tax, accounting, legal or other analyses.

The Investment Committee has 3 (three) members and is an advisory body of the Manager. Members of the Sub-Fund's Investment Committee are appointed and removed by the authorised representative of the Fund on the proposal of the Shareholders and the chairman of the Board of Directors of the Fund's manager. By joint proposal, 2 (two) members of the Investment Committee of the Sub-Fund are proposed by the Shareholders holding the Fund's founders shares, and 1 (one) member is proposed by the chairman of the Board of Directors of the Fund's manager.

The Investment Committee votes about opinions with respect to proposals for investments in property values submitted by the Manager and individual members of the Investment Committee. The Investment Committee can issue a positive or negative opinion.

The Investment Committee decides about its opinion by simple majority.

The Investment Committee may vote also per rollam by email.

Without the prior opinion of the Investment Committee, the Manager is not entitled to make investment, unless otherwise stated herein.

The Manager is not bound by the opinion of the Investment Committee and is entitled to decide about individual investments even though the Investment Committee issued a negative opinion, if it does not contravene any generally binding legal regulation, Fund's statute, this Statute, or if the Manager's duty to act with due diligence has not been breached thereby. If the plan complies with the generally binding legal regulations, the Fund's statute and this Statute, the Manager will arrange the implementation of the relevant investment plan.

10 SUB-FUND MANAGEMENT PRINCIPLES AND INFORMATION ABOUT THE PAYMENT OF PROFIT SHARE OR SUB-FUND'S REVENUES

10.1 FORMATION OF THE SUB-FUND

The Sub-Fund was formed in accordance with Section IX of the Articles.

10.2 ACCOUNTING PERIOD

The first accounting period of the Sub-Fund is the period from the formation of the Sub-Fund until 31 December 2021.

In the following years, the accounting period of the Sub-Fund will always be the period from 1 January to 31 December.

10.3 AUTHORITY TO APPROVE THE SUB-FUND'S FINANCIAL STATEMENT

Approval of the Sub-Fund's financial statement lies within the authority of the Fund's General Meeting.

10.4 RULES AND TIMELIMITS FOR THE VALUATION OF ASSETS AND DEBTS

The Sub-Fund's assets and debts are valued at a real value as at the Valuation Date in accordance with ICIFA and other legal regulations, especially the Government Regulation. The valuation of the Fund's assets is arranged by the Administrator. Detailed procedures for the valuation of assets and debts of the Sub-Fund are set out in the Administrator's internal regulations.

The Investment Company accounts for the balance and movements of property and other assets, debts and other liabilities, as well as the costs and revenues and the result of the management of the Sub-Fund's property separately from its books and the books of other funds managed by it, and to the extent required for determination of the value of the Fund Capital falling upon individual classes of the investment shares.

In converting the value of the Sub-Fund's assets kept in a foreign currency, a CNB foreign exchange rate announced by CNB and applicable as at the conversion date will be used.

Determination of the value of stakes in business corporations and Real Estate Companies can take place once a year.

Determination of the value of real estates can take place once a year.

10.5 COSTS ALLOCATION RULES

All costs and fees assignable to the Sub-Fund will be allocated directly to the Sub-Fund.

All fees and costs that cannot be assigned directly to the Sub-Fund will be allocated equally to the Fund's sub-funds in proportion to their fund capital.

10.6 METHOD OF THE USE OF PROFIT OR REVENUES FROM THE SUB-FUND'S MANAGEMENT

The economic result of the Sub-Fund is created as a difference between the revenues from activities carried out by the Sub-Fund and the costs of providing the Sub-Fund's activities.

Revenues from the Sub-Fund's assets will be used to cover the costs, unless otherwise stated by the generally binding legal regulations or the Articles. If the Sub-Fund's management for an accounting period results in profit (surplus of the revenues to the costs incurred by the Sub-Fund), the profit does not have to be used for the payment of profit shares, but it can be used for reinvestment increasing the Sub-Fund's assets and increasing the value of shares of individual Investors. If the Sub-Fund's management results in loss (surplus of costs to revenues), the loss will be covered from the Sub-Fund's resources. Preferentially, the loss will be covered from retained earnings.

In accordance with the provisions of the foregoing paragraph, the Fund's General Meeting may decide to pay out profit shares to the Investors. Profit shares of the Sub-Fund's Investors have the form of a dividend.

The decisive date for the assertion of the right to a dividend is the date determined for that purpose by the Fund's General Meeting. This date must not precede the date of the General Meeting, which decided to pay out the dividend, and must not follow the date of the dividend's due date. The dividend is payable within 6 months following the date when the General Meeting resolved to distribute the profit. The General Meeting will decide on the due date of the dividends and bonuses by resolution on the distribution of the profit.

If the General Meeting does not regulate the due date and place of the payout in the resolution, the statutory regulation will apply.

The Sub-Fund will pay out the dividend at its expense and risk only by non-cash transfer to the account of the Sub-Fund's Investor listed in the Register of Investors.

The General Meeting of the Fund may determine criteria for the creation of the right of members of the Supervisory Board and the authorised representative to the payment of bonuses.

The General Meeting of the Fund may determine criteria for the creation of the right of members of the Investment Committee to the payment of remuneration.

11 INFORMATION ABOUT SECURITIES ISSUED BY THE SUB-FUND

11.1 TYPE OF INVESTMENT SHARES

The Fund issues investment shares as registered personal securities.

11.2 CLASSES OF INVESTMENT SHARES

11.2.1 ISSUED CLASSES OF INVESTMENT SHARES

Unless otherwise explicitly specified by the Statute, the provisions of the Statute will be used identically for all classes of investment shares issued by the Sub-Fund.

The Sub-Fund issues three classes of investment shares:

- a) Investment shares of class A in EUR (hereinafter "**IAA EUR**");
- b) Investment shares of class A in CZK (hereinafter "**IAA CZK**");
- c) Investment shares of the performance class in EUR (hereinafter "**IIV EUR**").

IAA EUR represent the Investor's share in the part of the Fund Capital attributable to IAA EUR (hereinafter "**FK IAA EUR**"). IAA CZK represents the Investor's share in the part of the Fund Capital attributable to IAA CZK (hereinafter referred to as "**FK IAA CZK**"). IIV EUR represent the Investor's share in the part of the Fund Capital falling upon IIV EUR (hereinafter "**FK IIV EUR**").

Investment shares have the form of registered securities and are issued as personal shares. Investment shares are not accepted for trading in the European regulated market.

IIV EUR may be issued only to the Shareholders or persons approved by the Fund's Supervisory Board.

11.2.2 RULES FOR THE CALCULATION OF THE VALUE OF THE FUND'S CAPITAL FOR INDIVIDUAL CLASSES OF INVESTMENT SHARES

The distribution of the Fund Capital of the Sub-Fund into 3 types of investment shares (IAA EUR, IAA CZK and IIV EUR) is based on the portfolio performance during a calendar year.

In order to calculate the value of an investment share and its increase, the Fund Capital must be divided into two parts corresponding to IAA EUR, IAA CZK and IIV EUR. The divided parts of the Fund Capital are recorded separately. Any achieved change in the Fund Capital (especially the economic result of the Sub-Fund and revaluation of the Sub-Fund's assets) for the Decisive Period is distributed similarly.

In case of the legal form of the Fund, i.e. a joint stock company with a variable capital stock, the Fund Capital may be changed in multiple ways (including through subscription of new investment shares, buyback of issued investment shares, revaluation of assets); so it is important to take all of that into account in order to determine the values correctly.

For the purposes of this section 11.2.2 of the Statute, the following terms have been defined:

Decisive Period t – current Decisive Period, at the end of which the Sub-Fund's Fund Capital is redistributed.

Decisive Period t-1 – Decisive Period preceding Decisive Period t.

FK_{Total t} – Fund Capital at the end of Decisive Period t.

FK_{Total t-1} – Fund Capital at the end of Decisive Period t-1.

FK_{IAA EUR t} – Part of the Sub-Fund's Fund Capital allotted to IAA EUR at the end of Decisive Period t.

FK_{IAA EUR t-1} – Part of the Sub-Fund's Fund Capital allotted to IAA EUR at the end of Decisive Period t-1.

FK_{IAA CZK t} – Part of the fund capital of the Sub-Fund attributable to IAA CZK at the end of Decisive Period t.

FK_{IAA CZK t-1} – Part of the Sub-Fund's Fund Capital allotted to IAA CZK at the end of Decisive Period t-1.

FK_{IAV EUR t} – Part of the Sub-Fund's Fund Capital allotted to IAV EUR at the end of Decisive Period t.

FK_{IAV EUR t-1} – Part of the Sub-Fund's Fund Capital allotted to IAV EUR at the end of Decisive Period t-1.

IZ_{t-1} – Total investment sources as at the last day of Decisive Period t-1, whereas:

$$\mathbf{IZ}_{t-1} = \mathbf{FK}_{\text{Total } t-1}$$

(+) money obtained in the previous Decisive Periods by subscription of investment shares (after deduction of any initial additional charges and fees), but not entered into the relevant stock capital account as at the last day of Decisive Period t-1 (they may be entered into account only after the issuance and/or recording the investment shares, which can take place only after the determination of the current value of the investment shares, i.e. first of all, the current value of the investment shares must be calculated according to the books without new subscriptions. Only after the determination and/or recording, the new subscriptions will be reflected in the Fund Capital; however, these new resources may be invested from the beginning of Decisive Period t already; and

(-) liabilities (before subtraction of any final deductions and fees), which should be paid for the buyback of investment shares on the basis of applications for the buyback submitted in the previous Decisive Periods, but have not been entered to the relevant liabilities account as at the last day of Decisive Period t-1 (they may be entered into account only after the buyback, which can take place only after the determination of the current value of the investment shares, i.e. first of all, the current value of the investment shares must be calculated according to the books without new subscriptions; only then the buyback will be reflected in the Fund Capital; however, these existing resources must not be invested from the beginning of Decisive Period t any more.

IZ_{IAA EUR t-1} – Invested resources as at the last day of Decisive Period t-1 for IAA EUR, whereas:

$$\mathbf{IZ}_{\text{IAA EUR } t-1} = \mathbf{FK}_{\text{IAA EUR Total } t-1}$$

(+) money obtained in the previous Decisive Periods by subscription of investment shares IAA EUR (after deduction of any initial additional charges and fees), but not entered into the relevant stock capital account as at the last day of Decisive Period t-1 (they may be entered into account only after the issuance and/or recording the investment shares, which can take place only after the determination of the current value of the investment shares IAA EUR, i.e. first of all, the current value of the investment shares IAA EUR must be calculated according to the books without new subscriptions. Only after the determination and/or recording, the new subscriptions will be reflected in the Fund Capital; however, these new resources may be invested from the beginning of Decisive Period t already; and

(-) liabilities (before subtraction of any final deductions and fees), which should be paid for the buyback of investment shares IAA EUR on the basis of applications for the buyback submitted in the previous Decisive Periods, but have not been entered to the relevant liabilities account as at the last day of Decisive Period t-1 (they may be entered into account only after the buyback, which can take place only after the determination of the current value of the investment shares IAA EUR, i.e. first of all, the current value of the investment shares IAA EUR must be calculated according to the books without new subscriptions; only then the buyback will be reflected in the Fund Capital; however, these existing resources must not be invested from the beginning of Decisive Period t any more.

$I_{IAA\ CZK\ t-1}$ – Invested resources as at the last day of Decisive Period t-1 for IAA CZK, whereas

$$I_{IAA\ CZK\ t-1} = FK_{IAA\ CZK\ Total\ t-1}$$

(+) money obtained in the previous Decisive Periods by subscription of investment shares IAA CZK (after deduction of any initial additional charges and fees), but not entered into the relevant stock capital account as at the last day of Decisive Period t-1 (they may be entered into account only after the issuance and/or recording the investment shares, which can take place only after the determination of the current value of the investment shares IAA CZK, i.e. first of all, the current value of the investment shares IAA CZK must be calculated according to the books without new subscriptions. Only after the determination and/or recording, the new subscriptions will be reflected in the Fund Capital; however, these new resources may be invested from the beginning of Decisive Period t already; and

(-) liabilities (before subtraction of any final deductions and fees), which should be paid for the buyback of investment shares IAA CZK on the basis of applications for the buyback submitted in the previous Decisive Periods, but have not been entered to the relevant liabilities account as at the last day of Decisive Period t-1 (they may be entered into account only after the buyback, which can take place only after the determination of the current value of the investment shares IAA CZK, i.e. first of all, the current value of the investment shares IAA CZK must be calculated according to the books without new subscriptions; only then the buyback will be reflected in the Fund Capital; however, these existing resources must not be invested from the beginning of Decisive Period t any more.

$I_{IAV\ EUR\ t-1}$ – Invested resources as at the last day of Decisive Period t-1 for IAV EUR, whereas:

$$I_{IAV\ EUR\ t-1} = FK_{IAV\ EUR\ Total\ t-1}$$

(+) money obtained in the previous Decisive Periods by subscription of investment shares IAV EUR (after deduction of any initial additional charges and fees), but not entered into the relevant stock capital account as at the last day of Decisive Period t-1 (they may be entered into account only after the issuance and/or recording the investment shares, which can take place only after the determination of the current value of the investment shares IAV EUR, i.e. first of all, the current value of the investment shares IAV EUR must be calculated according to the books without new subscriptions. Only after the determination and/or recording, the new subscriptions will be reflected in the Fund Capital; however, these new resources may be invested from the beginning of Decisive Period t already; and

(-) liabilities (before subtraction of any final deductions and fees), which should be paid for the buyback of investment shares IAV EUR on the basis of applications for the buyback

submitted in the previous Decisive Periods, but have not been entered to the relevant liabilities account as at the last day of Decisive Period t-1 (they may be entered into account only after the buyback, which can take place only after the determination of the current value of the investment shares IAV EUR, i.e. first of all, the current value of the investment shares IAV EUR must be calculated according to the books without new subscriptions; only then the buyback will be reflected in the Fund Capital; however, these existing resources must not be invested from the beginning of Decisive Period t any more.

UFK_{IAA EUR t-1} – Adjusted part of the Fund Capital allotted to IAA EUR at the end of Decisive Period t-1, whereas:

$$\mathbf{UFK_{IAA\ EUR\ t-1}} = \mathbf{FK_{IAA\ EUR\ t-1}}$$

(+) the sum of money for which IAA EUR were issued in Decisive Period t, after subtraction of any initial additional fees and charges;

(-) the liability incurred by the Sub-Fund to the owners of IAA EUR in Decisive Period t on the basis of an application for the buyback of those investment shares, before subtraction of any final deductions and fees;

(-) total amount of a gross dividend of IAA EUR, whose decisive date for the payout (ex dividend) falls within Decisive Period t.

UFK_{IAA CZK t-1} – Adjusted part of the Fund Capital allotted to IAA CZK at the end of Decisive Period t-1, whereas:

$$\mathbf{UFK_{IAA\ CZK\ t-1}} = \mathbf{FK_{IAA\ CZK\ t-1}}$$

(+) the sum of money for which IAA CZK were issued in Decisive Period t, after subtraction of any initial additional fees and charges;

(-) the liability incurred by the Sub-Fund to the owners of IAA CZK in Decisive Period t on the basis of an application for the buyback of those investment shares, before subtraction of any final deductions and fees;

(-) total amount of a gross dividend of IAA CZK, whose decisive date for the payout (ex dividend) falls within Decisive Period t.

UFK_{IAV EUR t-1} – Adjusted part of the Fund Capital allotted to IAV EUR at the end of Decisive Period t-1, whereas:

$$\mathbf{UFK_{IAV\ EUR\ t-1}} = \mathbf{FK_{IAV\ EUR\ t-1}}$$

(+) the sum of money for which IAV EUR were issued in Decisive Period t, after subtraction of any initial additional fees and charges;

(-) the liability incurred by the Sub-Fund to the owners of IAV EUR in Decisive Period t on the basis of an application for the buyback of those investment shares, before subtraction of any final deductions and fees;

(-) total amount of a gross dividend of IAV EUR, whose decisive date for the payout (ex dividend) falls within Decisive Period t.

Y_{IAA EUR} – Yield allotted to IAA EUR in Decisive Period t before redistribution, whereas:

$$Y_{IAA EUR} = (VH + OR_t) \times \frac{IZ_{IAA EUR t-1}}{IZ_{IAA EUR t-1} + IZ_{IAA CZK t-1} + IZ_{IAV EUR t-1}}$$

Y_{IAA CZK} – Yield allotted to IAA CZK in Decisive Period t before redistribution, whereas:

$$Y_{IAA CZK} = (VH + OR_t) \times \frac{IZ_{IAA CZK t-1}}{IZ_{IAA EUR t-1} + IZ_{IAA CZK t-1} + IZ_{IAV EUR t-1}}$$

Y_{IAV EUR} – Yield allotted to IAV EUR in Decisive Period t before redistribution, whereas:

$$Y_{IAV EUR} = (VH + OR_t) \times \frac{IZ_{IAV EUR t-1}}{IZ_{IAA EUR t-1} + IZ_{IAA CZK t-1} + IZ_{IAV EUR t-1}}$$

VH+OR_t – The sum of the Sub-Fund's economic results in Decisive Period t after taxes, and the changes in the valuation difference of assets included in the Sub-Fund's stock capital in Decisive Period t.

If the VH+OR_t quantity is negative or equals zero in Decisive Period t (VH+OR_t ≤ 0), the following rules apply to the calculation of the amount of FK_{IAA EUR t}, FK_{IAA CZK t} and FK_{IAV EUR t}:

$$FK_{IAA EUR t} = UFK_{IAA EUR t-1} + Y_{IAA EUR}$$

$$FK_{IAA CZK t} = UFK_{IAA CZK t-1} + Y_{IAA CZK}$$

$$FK_{IAV EUR t} = UFK_{IAV EUR t-1} + Y_{IAV EUR}$$

If the VH+OR_t quantity is positive in Decisive Period t (VH+OR_t > 0), the following rules apply to the calculation of the amount of FK_{IAA EUR t}, FK_{IAA CZK t} and FK_{IAV EUR t}:

- a) if VH+OR_t < IZ_{t-1} * 7% * (days of Decisive Period t/total number of days of the relevant calendar year), the following rules apply to the calculation of the amount of FK_{IAA EUR t}, FK_{IAA CZK t} and FK_{IAV EUR t}:

$$FK_{IAA EUR t} = UFK_{IAA EUR t-1} + Y_{IAA EUR}$$

$$FK_{IAA CZK t} = UFK_{IAA CZK t-1} + Y_{IAA CZK}$$

$$FK_{IAV EUR t} = UFK_{IAV EUR t-1} + Y_{IAV EUR}$$

- b) if VH+OR_t ≥ IZ_{t-1} * 7% * (days of Decisive Period t/total number of days of the relevant calendar year), the following rules apply to the calculation of the amount of FK_{IAA EUR t}, FK_{IAA CZK t} and FK_{IAV EUR t}:

$$\begin{aligned}
FK_{IAA\ EUR\ t} &= UFK_{IAA\ EUR\ t-1} + IZ_{IAA\ EUR\ t-1} \times 7\% \times \frac{\text{Days of Decisive Period } t}{\text{Total days of the relevant calendar year}} \\
&\quad + 0.80 \times \left(Y_{IAA\ EUR} - IZ_{IAA\ EUR\ t-1} \times 7\% \times \frac{\text{Days of Decisive Period } t}{\text{Total days of the relevant calendar year}} \right) \\
FK_{IAA\ CZK\ t} &= UFK_{IAA\ CZK\ t-1} + IZ_{IAA\ CZK\ t-1} \times 7\% \times \frac{\text{Days of Decisive Period } t}{\text{Total days of the relevant calendar year}} \\
&\quad + 0.8 \times \left(Y_{IAA\ CZK} - IZ_{IAA\ CZK\ t-1} \times 7\% \times \frac{\text{Days of Decisive Period } t}{\text{Total days of the relevant calendar year}} \right) \\
FK_{IAV\ EUR\ t} &= UFK_{IAV\ EUR\ t-1} + Y_{IAV\ EUR} \\
&\quad + 0.2 \times \left(Y_{IAA\ EUR} - IZ_{IAA\ EUR\ t-1} \times 7\% \times \frac{\text{Days of Decisive Period } t}{\text{Total days of the relevant calendar year}} \right) \\
&\quad + 0.2 \times \left(Y_{IAA\ CZK} - IZ_{IAA\ CZK\ t-1} \times 7\% \times \frac{\text{Days of Decisive Period } t}{\text{Total days of the relevant calendar year}} \right)
\end{aligned}$$

The current value of IAA EUR for Decisive Period t is determined by the $FK_{IAA\ EUR\ t}$ – number of issued IAA EUR ratio as at the date for which the current value of IAA EUR is determined.

The current value of IAA CZK for Decisive Period t is determined by the $FK_{IAA\ CZK\ t}$ – number of issued IAA CZK ratio as at the date for which the current value of IAA CZK is determined.

The current value of IAV EUR for Decisive Period t is determined by the $FK_{IAV\ EUR\ t}$ – number of issued IAV EUR ratio as at the date for which the current value of IAV EUR is determined.

The current value of the investment shares is determined for each Decisive Period at the Valuation Date.

In the first Decisive Period, i.e. the first calendar quarter immediately following the Initial Subscription Period, for the purposes of the calculation of the value of IAA EUR investment shares, the expressions $UFK_{IAA\ EUR\ t-1}$ and $FK_{IAA\ EUR\ t-1}$ are replaced by the expression of Σ of money and the value of the valued non-monetary deposits, which were obtained in the Initial Subscription Period through subscription of IAA EUR, for the purpose of calculating the value of investment shares $IAA\ CZK$ the terms $UFK_{IAA\ CZK\ t-1}$ and $FK_{IAA\ CZK\ t-1}$ replaced by the expression \bullet cash and the value of valued non-monetary contributions that were obtained by subscription IAA CZK in the Initial Subscription Period and, for the purposes of the calculation of the value of IAV EUR investment shares, the expressions $UFK_{IAV\ EUR\ t-1}$ and $FK_{IAV\ EUR\ t-1}$ are replaced by the expression of Σ of the money and the value of the valued non-monetary deposits, which were obtained in the Initial Subscription Period through subscription of IAV EUR.

11.3 ACCEPTANCE FOR TRADING IN THE EUROPEAN REGULATED MARKET OR MULTILATERAL TRADING SYSTEM

The Sub-Fund's investment shares are neither accepted for trading in the European regulated market or multilateral trading system, nor is the price of the investment shares published through any of these markets.

11.4 NOMINAL VALUE OF THE INVESTMENT SHARE

The Sub-Fund's investment shares do not have a nominal value.

11.5 CURRENCY OF INVESTMENT SHARES

The value of the Sub-Fund's investment shares is stated in Euros (EUR) for IAA EUR and IAV EUR and in Czech Crowns for IAA CZK.

The currency risk from the fluctuation of currencies is distributed among holders of all classes of the investment shares in a ratio corresponding to the current structure of the Sub-Fund's assets in the relevant currencies, i.e. the Investor can be exposed to a currency risk.

11.6 IDENTIFICATION

The identification number according to the international numbering system for identification of investment shares or shares (ISIN) has been assigned to investment shares:

- CZ0008045549 for the investment shares of class A in EUR;
- CZ0008047750 for the investment shares of class A in CZK;
- CZ0008045556 for the investment shares of the efficiency class in EUR.

11.7 INVESTMENT VOLUME

The minimum value of the Qualified Investor's initial investment in the investment shares must amount to:

- a) the minimum equivalent of CZK 1,000,000 (one million Czech crowns) provided that the conditions specified in Section 272(1)(i)(2) of ICIFA have been met. The exchange rate that is decisive for the purposes of conversion of the equivalent is the EUR/CZK exchange rate announced by CNB as at the date of crediting the Sub-Fund's account with the sum of money in case of subscription of the investment shares, and as at the date of the transaction in case of transfer of the investment shares;
- b) the minimum equivalent of EUR 125,000 (one hundred and twenty-five thousand euro) provided that the conditions specified in Section 272(1)(i)(1) of ICIFA have been met. The exchange rate that is decisive for the purposes of conversion of the equivalent is the EUR/CZK exchange rate announced by CNB as at the date of crediting the Sub-Fund's account with the sum of money in case of subscription of the investment shares, and as at the date of the transaction in case of transfer of the investment shares.

The minimum amount of the Investor's investment following the payment of the initial investment is not limited.

11.8 RECORDING OF INVESTMENT SHARES

The Administrator keeps a list of the Sub-Fund's shareholders. Regarding the fact that the registered investment shares are issued with the Sub-Fund, they are recorded by the Administrator also on asset accounts of their owners or on customers' accounts.

On the basis of a relevant contract, a customer account can be opened only for a person authorised to keep the related records. An owner's account can be opened by the Investment Company or a person keeping related records on the basis of a relevant contract with the owner. The separate records and related records are kept in accordance with Section 93 of CMUA and the Regulation.

11.9 TRANSFER OF INVESTMENT SHARES

An investment share in the form of a security is transferable by a contract for the purchase of the investment shares and by entry in the relevant records. The transfer of the investment shares requires the prior consent of the Fund's authorised representative. However, the investment shares can be acquired under a contract only under the conditions of ICIFA.

Upon the death or termination of a shareholder, their investment shares pass to their heir or legal successor.

The transfer of a registered investment share is effective with respect to the Fund if the change in the owner of the share is proved by the owner's account statement or on the date of delivery or receipt of the entry in the register of the issues of shares pursuant to CMUA.

In the case of passage of the title to the shares, its acquirer is obliged to inform the Administrator about the relevant change of the owner without undue delay.

11.10 RIGHTS CONNECTED WITH INVESTMENT SHARES

All rights of the Investors granted by BCA, except for the voting right related to the investment shares, are connected with the Sub-Fund's shares, unless otherwise stated by the Articles, Fund's statute, this Statute or ICIFA.

The Investor has the right to the buyback of its investment shares on conditions laid down by ICIFA and the Statute on account of the Sub-Fund. Upon buyback, the investment shares will cease to exist.

Owners of the investment shares are entitled especially:

- a) to be informed about the current value of the Sub-Fund's investment share;
- b) to the buyback of the investment shares on account of the Sub-Fund on conditions laid down by ICIFA and the Statute;
- c) to receive the Sub-Fund's profit share (dividend) approved for distribution by the Fund's General Meeting;
- d) to attend the Fund's General Meeting, if it concerns matters related to the Sub-Fund;
- e) to vote at the General Meeting under the conditions laid down by ICIFA;
- f) to request and obtain the explanation of matters related to the Fund and Sub-Fund at the Fund's General Meeting;
- g) to exercise the pre-emptive right to the investment shares of another Investor in the case of an order to execute a judgment by selling the investment share of the Sub-Fund or in case of an execution order to sell the Sub-Fund's investment share under the conditions of Section 283(1) of ICIFA;
- h) to request replacement of a collective investment share;
- i) to obtain the share in the liquidation surplus if the Sub-Fund has been cancelled with liquidation;
- j) to obtain the current version of the Statute, the last annual report and the business report free of charge.

The Investors are not entitled to request the distribution of the Sub-Fund's assets or the termination of the Sub-Fund.

The Sub-Fund does not provide any special benefits to Investors.

11.11 CURRENT VALUE OF THE SUB-FUND'S INVESTMENT SHARES AND ITS PUBLISHING

The current value of the investment shares is determined separately for each class of the investment shares. The current value of the investment share of the relevant class is based on the Fund Capital falling on the relevant class of the investment shares determined for a particular period, at least once in the Decisive Period as at the Valuation Date.

In calculating the Fund Capital falling on the relevant class of the investment shares, parameters of individual classes listed in Article 11.2 of the Statute as well as specific costs of the class, if applicable, are taken into account.

The current value of an investment share is rounded to 4 decimal points.

The current value of the Sub-fund's investment share is announced within 10 working days after its determination for the relevant Decisive Period. The current value of the Sub-Fund's investment share is announced by being published on the Internet site.

In case of any sudden change in the circumstances affecting the price of the property value in the Sub-Fund's assets, or upon request of all Shareholders, the Administrator will perform the valuation reflecting the price of the Sub-Fund's Assets (hereinafter the "**extraordinary valuation**"). On the basis of the extraordinary valuation, the Administrator will perform also the "extraordinary determination of the current value of an investment share", and send it to all Investors along with the date of the extraordinary valuation without delay.

11.12 PROCEDURES AND CONDITIONS OF ISSUING INVESTMENT SHARES

The Sub-Fund's investment shares are issued in the Czech Republic.

The issue of the investment shares to the Investor is conditioned by conclusion of the Subscription Contract.

In the Initial Subscription Period, the issue price of IAA EUR and IAV EUR is EUR 1 and the issue price of IAA CZK is CZK 1 (hereinafter the "**Issue Price**").

Subscription of the investment shares is subject to the initial fee (extra charge), whose maximum amount is defined in Article 12.1.1 of the Statute. The exact amount of the initial fee (extra charge) is defined in the relevant Subscription Contract. The initial fee is included in the Sub-Fund's revenues.

In addition to the aforesaid Initial Subscription Period, the Sub-Fund's investment shares are issued at the current value of an investment share determined in relation to the relevant class of the investment shares always retrospectively for the Decisive Period, which includes the Valuation Date, on which the Administrator received an application for subscription of the investment shares in the manner specified in the Subscription Contract.

The application for subscription of the investment shares must be delivered by the applicant to the Administrator by 12:00 a.m. of the Valuation Date at the latest. The application for the issue of the investment shares submitted at any time after the lapse of that time-limit will be deemed submitted during the time-limit for the submission of applications for the next Decisive Period.

The number of investment shares issued to the Investor corresponds to the share of the amount credited on the basis of the payment to the Sub-Fund's account or the value at which the Investor's non-monetary contribution was valued and the current value of the relevant class of investment share, and/or the Issue Price in case of subscription in the Initial Subscription Period, increased by an initial fee, if applicable. If the amount for subscription of investment shares of the class in which the Investor invests is sent to the Sub-Fund's account maintained in a currency different from the currency of the given class of investment shares in which the Investor invests, the Sub-Fund shall ensure without undue delay the currency conversion of this amount received in another currency into an amount in the currency of the given class of investment share and its crediting to the Sub-Fund's account in that currency. Thus, a payment credited to the Sub-Fund's account within the meaning of the first sentence of this paragraph shall be deemed to be an amount converted from another currency to the currency of the given investment class and credited to the Sub-Fund's account in that given currency. The calculated number of the investment shares is rounded down to whole numbers. Any difference between the paid amount or the value of the non-monetary contribution and the amount corresponding to the value of the issued investment shares is included in the Sub-Fund's revenues. The current value of an investment share is determined in the manner specified in Article 11.11 of the Statute.

The investment shares cannot be issued before the money intended for subscription of the investment shares are credited to the Sub-Fund's Account, or before the non-monetary deposit intended for subscription of the investment share is brought to the Sub-Fund.

The registered investment shares are issued by being credited to the asset account of the owner of securities or the asset account of the customer, who keeps related records of securities. The Administrator issues the investment shares within 60 calendar days after the determination of the current value of the investment shares applicable to the Decisive Period, which includes the Valuation Date. In justified cases (especially when the Sub-Fund's Assets are being revaluated by an expert), this period of time can be extended to 80 calendar days.

In order to maintain the stability of the Sub-Fund, its reliability, in order to avoid any harm to the interests of the existing Investors, and with regard to the provisions of the AML Act, the Fund, through its authorised representative, reserves the right to decide which applicants it will enter into the Subscription Contract with and which of them it will decline. There is no legal title to the conclusion of the Subscription Contract; the Fund is not obliged to enter into the Subscription Contract with any applicant.

The Administrator reserves the right to return any payment, whose sender could not have been identified, to the sender's bank account. At the same time, the Administrator reserves the right to return any payment to the sender's bank account, if it has no proof showing that the sender entered into the Subscription Contract with the Fund.

In case of a retrospective correction of the current value of an investment share, the difference amounting to the amount of detected differences related to the issued investment shares will be compensated from the Sub-Fund's Assets. If the Investor was issued a higher number of the investment shares than the number of the shares that should have been issued to it on the basis of the corrected current value of the investment share, the relevant number of the investment shares amounting to the detected difference will be deducted from the Investor owning the registered shares. If the Investor was issued a lower number of the investment shares than the number of the shares that should have been issued to it on the basis of the corrected current value of the investment share, the relevant number of the investment shares amounting to the detected difference will be credited to the Investor owning the registered shares. In the case of correction of the current value of the investment share whose absolute value represents less than 0.5% of the corrected current value of the investment share, the differences in the number of the issued investment shares will not be compensated, unless otherwise decided by the Manager.

11.13 PROCEDURES AND CONDITIONS OF BUYBACK OF INVESTMENT SHARES

The Sub-Fund's investment shares are bought back on the basis of the Investor's application for the buyback of the investment shares submitted on a prescribed form submitted by the Investor to the Administrator.

The Investor may submit the application for the buyback of the investment shares not earlier than after the lapse of 48 calendar months after the moment of issuing the investment shares being subject to buyback.

The application for the buyback of the investment shares can be submitted:

- a) in person in the Administrator's registered office on working days from 10 a.m. to 3 p.m.;
- b) by mail with an authenticated signature;
- c) by electronic mail with a guaranteed electronic signature sent to info@winstor.cz.

The minimum value of the individual buyback of the investment shares amounts to an equivalent of EUR 10,000. The minimum value of the individual buyback does not apply in cases when all remaining investment shares of one Investor are to be bought back.

The Administrator will arrange the buyback of the investment share for the amount which equals its current value for the date on which it received the application for the buyback of the investment share, this value referring to the value of the investment share determined as at the Valuation Date of the Decisive Period, in which the buyback application was delivered to the Administrator.

The application for the buyback of the investment shares must be delivered by the applicant to the Administrator until 12:00 a.m. of the Valuation Date at the latest. The application for the buyback of the investment shares submitted at any time after the lapse of that time-limit will be deemed submitted within the time-limit for the submission of the application for the following Decisive Period.

The Administrator will arrange the buyback of the Sub-Fund's investment shares provided that the Investor will meet the requirements for a qualified investor specified in Section 272 of ICIFA even after the buyback. The Administrator is not obliged to buy back the Investor's investment shares if its investment would fall below the minimum amount specified in paragraph 1(h) or (i) of Section 272 of ICIFA as a result of the buyback, unless the Investor applies for the buyback of all of its investment shares in accordance with this Statute.

The buyback of the Sub-Fund's investment shares is subject to final charges (deductions) defined in Article 12.1.2 of the Statute. The final charge is included in the Sub-Fund's revenues.

Subject to the restrictions specified in this Article of the Statute, the Administrator is obliged to buy back the Sub-Fund's investment shares from the Investors:

- a) within 30 days following the lapse of the whole 12 calendar months from the end of the Decisive Period, in which it received the Investor's application for the buyback of the investment shares, if the Investor applies for the buyback of the investment shares in the total amount below 10% of the Fund Capital;
- b) within 30 days following the lapse of the whole 18 calendar months from the end of the Decisive Period, in which it received the Investor's application for the buyback of the investment shares, if the Investor applies for the buyback of the investment shares in the total amount exceeding 10% of the Fund Capital.

The money corresponding to the value of the buyback of the investment shares is paid by non-cash transfer to the Investor's account stated in the Register of Investors or in the application for the buyback of the investment shares.

For the buyback of the Sub-Fund's investment shares, money from the Sub-Fund's assets is used. Upon the buyback, the Sub-Fund's investment shares will cease to exist and are deducted from the Investor's asset account.

In case of a retrospective correction of the current value of an investment share, the difference amounting to the detected differences related to the investment shares subject to the buyback will be compensated from the Sub-Fund's Assets. The Investor is not obliged to refund the positive balance of the amount for the investment shares bought back, if the balance has been received in good faith, and if the Investor does not need any investment shares at the time of the correction. If the Investor owns investment shares at the time of the correction, the difference can be compensated by refund of the part of money for the buyback of the investment share or by cancellation of the corresponding part of the shares owned by the Investor. The Investor is obliged to assist the Sub-Fund immediately in returning the cancelled investment shares. The Sub-Fund is not liable for damage caused as a result of the Investor's delay in providing assistance in returning the investment shares. If the Investor received lower consideration for the buyback of the investment share as a result of a retrospective correction of the current value of the investment share, the Investor will be compensated with the balance due for the buyback of the investment shares amounting to the balance detected without undue delay. In case of the correction of the current value of the investment share that amounts to max. 0.5% of the corrected current value of the investment share, the differences will not be compensated, unless otherwise decided by the Manager.

11.14 REASONS FOR WHICH THE BUYBACK OF INVESTMENT SHARES CAN BE SUSPENDED

The Manager may decide to suspend the buyback of the Sub-Funds investment shares if it is necessary for the protection of the rights or legally protected interests of the Investors, such as e.g. in the case of natural disasters, in justified cases due to very strong turbulences on financial markets, in case of problems with the liquidity of the Sub-Fund's assets, if any high buyback of the investment shares could endanger the assets, or in other justified cases.

The suspension of the buyback of the investment shares applies also to the investment shares, the buyback of which was requested by the Investor before the suspension of the buyback of the investment shares, if no consideration has been paid yet, or during the period of time, for which the buyback of the investment shares was suspended.

12 INFORMATION ABOUT FEES CHARGED TO INVESTORS AND COSTS PAID FROM THE SUB-FUND'S ASSETS

Information about fees charged to the Investors and costs paid from the Sub-Fund's assets is shown in the following table:

One-time fees charged before or after the investment (it is the maximum amount that can be charged to the Investor before the investment or before the pay out of the investment)	
Initial fee (extra charge)	0 – max. 3% of the investment volume
Initial fee (deduction)	25% of the current value of the buyback of the investment shares, if the period of time between the issuing the investment shares subject to the buyback and the submission of the application for the buyback equals or exceeds 48 calendar months but less than 60 calendar months in other cases 0%
Costs paid from the Fund's assets during a year	

Total Expense Ratio (TER)	2.5% of the average value of the Fund Capital	We would like to point out that as the Sub-Fund has not closed the first accounting period yet, the Total Expense Ratio is estimated. The Investors will learn the actual amount of the Total Expense Ratio after the end of the first accounting period of the Sub-Fund in the updated Statute and at the address of the Registered Office of the Investment Company.
Costs paid from the Fund's assets under special conditions		
Performance fee	0% of the year-on-year growth of the value of the Fund Capital per investment share	

The costs incurred by the Sub-Fund serve for ensuring the administration of its assets; both the fees paid directly by the Investor and the costs paid directly by the Sub-Fund can decrease the improvement of the value of the invested money.

12.1 FEES AND COSTS PAID BY THE INVESTOR

12.1.1 INITIAL FEE (EXTRA CHARGE)

Subscription of the investment shares is subject to the initial fee (extra charge) amounting to 0–3% of the invested amount. The exact amount is determined in the relevant Subscription Contract. The initial fee is included in the Sub-Fund's revenues.

12.1.2 FINAL DEDUCTION (DEDUCTION)

Buyback of the investment shares is subject to the final deduction (deduction) amounting to:

- a) 25% of the current value of the buyback of the investment shares if the period of time between the issuing of investment shares subject to the buyback and the submission of the application for the buyback is more than 48 calendar months but less than 60 calendar months;
- b) 0% in other cases.

The final deduction (deduction) is included in the Sub-Fund's revenues.

The Investor can submit the application for the buyback of the investment shares only after the lapse of 36 calendar months after the moment of crediting the investment shares being bought back to the Investor's asset account.

12.1.3 PERFORMANCE FEE

The performance fee will not be applied.

12.2 FEES AND COSTS PAID FROM THE FUND'S ASSETS

12.2.1 FUNCTION OF THE MANAGER AND OF THE ADMINISTRATOR

The Investment Company will receive remuneration for the management of the assets and administration of the Sub-Fund. The remuneration amounts to CZK 95,000 per month plus 0.25% p.a. of the total assets of the Sub-Fund exceeding CZK 500 mil. The remuneration is paid quarterly for each commenced calendar quarter

according to the amount of the Sub-Fund's total assets calculated as at the end of the calendar quarter, for which the remuneration is paid. The quarterly remuneration will be calculated as the sum of:

- a) the product of the Sub-Fund's total assets before entering the remuneration and corporate income tax reserve determined as at the last calendar day of the relevant quarter, and the applicable remuneration rate and ACT/365 coefficient;
- b) monthly fixed remuneration amounting to CZK 95,000 per month as defined above.

The subsequent settlement of the remuneration for the management of the assets and administration, if appropriate, will be carried out by the Investment Company immediately after the termination of the accounting period, however, not later than within one month after the verification of the financial statement by an auditor.

The Investment Company is entitled to receive also the following remuneration:

- a) CZK 2,000 for each subscription or buyback of the investment shares that took place in the relevant quarter;
- b) 100% Initial Fee according to the relevant Subscription Contract if the Administrator has mediated the conclusion of the relevant contract;
- c) 1.2% p.a. of the real value of the existing investments from eligible Investors (according to the current value of the investment shares), which were mediated by the Administrator, these costs being calculated (assessed) for each calendar quarter; for the purposes of the calculation of the costs for the relevant calendar quarter, the value of the relevant investment shares at the end of the preceding calendar quarter are used.

12.2.2 DEPOSITARY'S FUNCTION

The Depositary is entitled to receive remuneration for the performance of the function of the Sub-Fund's Depositary. The remuneration for the performance of the Depositary's activities, its amount, method of calculation and maturity are stated in the depository contract. The remuneration is paid on a monthly basis one month in arrears, its amount not exceeding CZK 50,000 per month. The remuneration does not include the value added tax. The remuneration for the performance of the Depositary's activities is paid from the Sub-Fund's assets. In case of any change in the depository contract, the payment for the performance of the Depositary's activities may change.

12.2.3 COSTS OF REMUNERATION FOR OFFERING THE MEDIATION OF INVESTMENTS IN THE SUB-FUND

In connection with the Sub-Fund's activities, costs of the remuneration for offering and mediation of investments in the Sub-Fund by a third party may be incurred. These costs are paid from the Sub-Fund's assets and must not exceed the sum of:

- a) 100% Initial Fee which is related to the relevant investment; and
- b) 1.2% p.a. from the real value of the existing investments from eligible Investors (according to the current value of the investment shares), which were provably mediated by the third party, these costs being calculated (assessed) for each calendar quarter; for the purposes of the calculation of the costs for the relevant calendar quarter, the value of the relevant investment shares at the end of the preceding calendar quarter are used.

12.2.4 OTHER COSTS PAID FROM THE SUB-FUND'S ASSETS

The following costs will be paid from the Sub-Fund's assets:

- a) Administrative and court fees;
- b) Costs of accounting and tax audits;
- c) Costs of expert opinions, if required by law;

- d) Costs of expert opinions required for the valuation of the Sub-Fund's assets;
- e) Applicable taxes and charges and costs connected with tax-related administrative operations (e.g. notarial services, certified translations, etc.);
- f) Fees paid to banks for maintaining accounts and handling of financial means;
- g) Currency conversion fees;
- h) Foreign currency exchange rate losses;
- i) Acquisition cost of securities and other assets;
- j) Costs connected with the settlement, custody, deposit, payout of yield and administration of foreign securities;
- k) Fees and commissions paid to securities traders on regulated and official markets and in multilateral trading systems, or to mandataries for providing services to the Sub-Fund, directly related to transactions involving the Sub-Fund's asset values;
- l) Extra charge for the sale and deduction for the buyback of the investment shares of open funds owned by the Sub-Fund;
- m) Remuneration for the administration, custody and deposit of securities owned by the Sub-Fund;
- n) Remuneration to CDCP and other similar foreign registers of securities for recording and keeping securities in the Sub-Fund's accounts;
- o) Costs connected with borrowing securities including interest;
- p) Property insurance costs;
- q) Interest on credits and loans received in connection with the management of the Sub-Fund's assets;
- r) Interest on bills (used as security for an obligation);
- s) Costs connected with futures and options and their combinations;
- t) Bonuses from options and futures (cost);
- u) Fees for introducing the fund into the regulated or official market or the multilateral trading system;
- v) Costs connected with judicial proceedings directly concerning the Sub-Fund or the Sub-Fund's assets;
- w) Costs provably connected with achieving, maintaining and securing the yield on the Sub-Fund's assets;
- x) Costs connected with realisation of yield on property values owned by the Sub-Fund;
- y) Costs of the enforcement of the Sub-Fund's receivables (e.g. tax refunds) provided that the enforcement costs are proportional to the income from the receivable;
- z) According to the needs of the implementation of the Sub-Fund's investment goals, the Investment Company may hire external service providers and pay them from the Sub-Fund's assets, especially for the purposes of drafting studies, expert opinions, analyses, providing legal services, arranging the sale of the Sub-Fund's assets, when these services are paid by the Sub-Fund or companies owned by it;
- aa) Remuneration to members of the Sub-Fund's bodies, e.g. members of the Investment Committee;
- bb) Costs of representation of the Sub-Fund at the General Meeting of the company, whose subscriber securities are included in the Sub-Fund's assets;
- cc) Other explicitly not mentioned costs incurred necessarily and efficiently by the Manager in connection with the management of the Sub-Fund's management.

The Investment Company can decide that some of the aforesaid costs will be paid permanently or temporarily within the remuneration for the management of the Sub-Fund's assets.

12.2.5 FEES TO PERSONS KEEPING RECORDS OF THE SUB-FUND'S SECURITIES

Records of the issue of the Sub-Fund's investment shares are kept as separate records directly by the Investment Company in accordance with ICIFA and the Regulations. The Investment Company keeping separate records does not charge any fees for such record-keeping services.

13 OTHER ESSENTIAL INFORMATION FOR INVESTORS REQUIRED FOR EVALUATION OF INVESTMENT

13.1 INFORMATION ABOUT THE STATUTE

The information contained in this Statute is regularly updated, at least once a year after the end of an accounting period. The Manager monitors if the Statute needs to be updated or not. If the Statute needs to be updated, necessary modifications are approved by the Manager.

Modification of the Statute is not subject to prior approval by CNB. However, the Manager informs CNB about each modification of the Statute, submitting the new wording of the Statute to CNB.

The latest wording of the Statute is published on the Internet site.

In addition to the Sub-Fund's Statute, key information documents are published too. Information contained therein must agree with information contained in the Sub-Fund's Statute.

The date of signing the valid wording of the Statute, and the name(s) and surname(s) of a member(s) of the authorised representative are shown at the end of the Statute.

The Statute's key language is Czech. The Statute may be translated to other languages. In case of any discrepancy between various language versions, the Czech version approved by the Manager will prevail.

Each investor receives updated key information documents free of charge well in advance before the investment in the Sub-Fund, and, upon request, a printed version of the updated Statute and the last published annual report of the Sub-Fund free of charge. The documents are also published on the www site in the manner enabling remote access. Instead of the printed form, the key information documents and the Statute can be provided to the investor on a media carrier, which has no paper form, or via the www site, on conditions defined in the Key Information Document Regulation.

13.2 CANCELLATION AND TRANSFORMATION OF THE FUND AND SUB-FUND

The procedure in cancelling and transforming the Fund and Sub-Fund as well as the rights of the Shareholders and Investors in cancelling or transforming the Fund and Sub-Fund is governed by the generally binding legal regulations, especially by ICIFA, BCA and the Transformation Act.

13.3 CONTACT POINT

The contact point where any additional information may be obtained, if necessary:

Name: Winstor investiční společnost a.s.

Address: Plzeňská 345/5, 150 00 Prague 5

Phone: +420 212 249 649

www site of the Investment Company: <https://www.winstor.cz/>

E-mail: info@winstor.cz

13.4 TAX REGIME

Taxation of the Sub-Fund and Investors is subject to the tax regulations of the Czech Republic, especially Act No. 586/1992 Sb., the Income Tax Act, as amended. The Sub-Fund is the basic investment fund, so at the time of approving this Statute, the Sub-Fund's income is subject to the 5% income tax rate. In case of legal entities and individuals, who are not Czech tax residents and have the investment shares included in the business property, the revenues from the buyback of the investment shares are subject to the standard tax regime. In case of individuals, who do not have the investment shares included in their business property, the revenues from the buyback of the investment shares at the time of approving this Statute are exempt from the income tax, if the Investor owns the investment shares for more than 3 years; otherwise, the revenues must be included in (other) revenues in the personal income tax return, unless their aggregate amount exceeds CZK 100,000 in the tax period.

In cases defined by the applicable legal regulations of the Czech Republic, if any income arises to a recipient who is not a tax resident of the Czech Republic from the buyback of the investment shares or the payout of profit shares, the Investment Company is obliged to deduct the income tax from the amount received from the buyback of the investment shares in the amount defined by the applicable legal regulations, For that reason, the Investment Company reserves the right to ask the Investor to submit its fiscal domicile.

The Investment Company points out that the regime of taxation of income or profits of individual investors depends on the applicable tax regulations, which do not have to be identical for each investor, and that, if an investor is not sure about the taxation regime applicable to that investor, they should seek professional advice.

13.5 METHOD AND FREQUENCY OF PUBLISHING THE FUND'S ECONOMIC RESULTS

The Administrator will publish the Sub-Fund's annual report in the electronic form on the www site within 4 months after the end of the accounting period at the latest. The Administrator will also send the Sub-Fund's annual report to CNB.

The Sub-Fund's annual report is available to the Investors in the Administrator's registered office, and will be sent to them in the paper form upon request at their expense without undue delay.

13.6 INFORMATION ABOUT THE SUPERVISORY BODY OF THE INVESTMENT COMPANY AND FUND, AND NOTICES

The body supervising the Investment Company and Fund is the Czech National Bank:

Name: Czech National Bank
Address: Na Příkopě 28, 115 03, Prague 1
Phone: +420 224 411 111
www site of CNB: <http://www.cnb.cz>
Email: podatelna@cnb.cz

The entry of the Sub-Fund in the CNB list, licence to perform the investment company's activities, and supervision by CNB do not guarantee any return on investment or performance of the Sub-Fund, cannot exclude the possibility of breaching legal obligations or the statute by the manager of the investment fund, administrator of the investment fund, depositary of the investment fund or any other person, and do not guarantee any compensation for damages caused by such a breach, if any.

13.7 FINAL PROVISIONS

The mutual rights and obligations of the Investors, Manager and Administrator resulting from this Statute will be governed and interpreted in accordance with the law of the Czech Republic.

Prague, 1 January 2022

Ing. Karolína Krousová
Authorised agent of a member of the Board of Directors of

Winstor investiční společnosti a.s.