

**SALES PROSPECTUS  
INCLUDING  
MANAGEMENT REGULATIONS**

**Tungsten TRYCON**

**sub-funds :**

- 1. Tungsten TRYCON AI Global Markets**
- 2. Tungsten TRYCON AI Global Markets Dynamic**

Common fund  
(*Fonds commun de placement à compartiments multiples*)  
in accordance with Part I of the amended Luxembourg Law of 17 December 2010  
on Undertakings for Collective Investment

This prospectus is only valid in conjunction with the most recent annual report of the fund, once this most recent annual report has been prepared, and additionally if more than eight months have passed since the reporting date of this annual report, in conjunction with a more up-to-date semi-annual report.

The prospectus, the latest version of the management regulations, and the annual and semi-annual reports can be obtained free of charge from the management company and paying agent.

No one has the authority to invoke any information that is neither contained in the Sales Prospectus nor in any other documents relating to the Sales Prospectus that are accessible to the public.



HAUCK  
AUFHÄUSER  
FUND SERVICES

## **Notes for investors in relation to the United States of America**

Units will not be sold in the United States of America (USA) or to US residents/citizens. The following natural persons shall, for instance, be considered US citizens:

- a) persons born in the USA or one of its territories or sovereign territories;
- b) naturalised citizens (or Green Card holders);
- c) persons born in another country as the natural child of a US national;
- d) persons who reside predominantly in the USA but are not US nationals;
- e) persons who are married to a US national; or
- f) persons who are liable for tax in the USA.

In addition, the following persons shall be considered US citizens:

- (a) companies and corporations incorporated under the laws of any of the 50 states of the United States or the District of Columbia;
- b) a company or partnership established in accordance with an "Act of Congress";
- c) a pension fund established as a US trust fund; or
- d) a company who is liable for tax in the USA.

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## **MANAGEMENT**

### **MANAGEMENT COMPANY**

**Hauck & Aufhäuser Fund Services S.A.**  
**R.C.S. Luxembourg No. B28878**

1c, rue Gabriel Lippmann  
L-5365 Munsbach

Equity as of 15 March 2023: EUR 11,039,000

Other funds managed by the management company:

An overview of the investment funds managed by Hauck & Aufhäuser Fund Services S.A. can be obtained from the registered office of the Company. Interested parties can also access this information via the website [www.hal-privatbank.com](http://www.hal-privatbank.com).

### **Executive board of the management company**

**Elisabeth ("Lisa") Backes**  
**Christoph Kraiker**  
**Wendelin Schmitt**

### **Supervisory board of the management company**

#### **Chair:**

**Dr Holger Sepp**  
Member of the Board  
Hauck Aufhäuser Lampe Privatbank AG, Frankfurt am Main

#### **Members:**

**Andreas Neugebauer**  
Independent Director

**Marie-Anne van den Berg**  
Independent Director

Current information concerning the equity held by the management company and the composition of its committees can be found in the latest annual and six-monthly reports.

## **CUSTODIAN**

**Hauck Aufhäuser Lampe Privatbank AG, Luxembourg branch**  
1c, rue Gabriel Lippmann  
L-5365 Munsbach

## **REGISTRAR AND TRANSFER AGENT**

**Hauck & Aufhäuser Fund Services S.A.**  
1c, rue Gabriel Lippmann  
L-5365 Munsbach

## **PAYING AGENT**

**Hauck Aufhäuser Lampe Privatbank AG, Luxembourg branch**  
1c, rue Gabriel Lippmann  
L-5365 Munsbach

**FUND MANAGER**

**Tungsten Capital Management GmbH**  
Hochstrasse 35-37  
D-60313 Frankfurt am Main, Germany

**INVESTMENT ADVISER**

**TRYCON G.C.M. AG**  
Hochstrasse 35-37  
D-60313 Frankfurt am Main, Germany

**AUDITORS**

**KPMG Audit S.à r.l.**  
39, Avenue John F. Kennedy  
L-1855 Luxembourg

## THE FUND

The investment fund described in this prospectus is a collection of securities and other assets, structured as a umbrella fund (fonds commun de placement à compartiments multiples) under Luxembourg law. It was established in accordance with Part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment, as amended ("Law of 2010"), and complies with the requirements of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, last amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 ("Directive 2009/65/EC").

The management regulations set out below, which entered into force on 1 April 2024, form an integral part of the Tungsten TRYCON AI Global Markets fund ("fund"), and the filing of these Management Regulations with the Commercial and Companies Register of Luxembourg ("Commercial and Companies Register") has been published in Recueil électronique des Sociétés et Associations ("RESA"). The name of the fund was changed from "Tungsten TRYCON AI Global Markets" to "Tungsten TRYCON" with effect from April 1, 2024.

## MANAGEMENT OF THE FUND

The Fund is managed by Hauck & Aufhäuser Fund Services S.A.

The management company was incorporated for an unlimited period in the form of a joint-stock company under Luxembourg law on 27 September 1988. It is based in Luxembourg. The articles of the management company were published in Mémorial C, Recueil des Sociétés et Associations, in 1988 and are filed in the commercial and companies register of the Luxembourg district court. Any changes made in the interim have been published in the Luxembourg official gazette (Mémorial C, Recueil des Sociétés et Associations).

The purpose of the management company is to launch and manage Undertakings for Collective Investment ("UCIs") according to Luxembourg law and to perform all activities pertaining to the launch and management of these UCIs. Moreover, the Management Company carries out activities as defined in the Act of 12 July 2013 on Alternative Investment Fund Managers ("AIFM Act"). In particular, these include the activities described in Annex I, clause 1. of the aforementioned Act and the partial activities specified under additional administrative functions in Annex I, clause 2. a).

The Management Company's responsibilities include any general administrative tasks that arise in the course of fund management and that are required by Luxembourg law. These comprise, in particular, calculating the net asset value of the units and maintaining the Fund's accounts.

The management company has transferred, at its own cost and under its own responsibility and control, the calculation of the net asset value, the Fund accounting and the reporting to Hauck Aufhäuser Lampe Privatbank AG, Luxembourg branch, with its registered office at 1c, rue Gabriel Lippmann, 5365 Munsbach, Luxembourg.

The Hauck Aufhäuser Lampe Group's IT administration is spread across locations in Luxembourg and Germany.

The management company has appointed Tungsten Capital Management GmbH, a limited liability company (Gesellschaft mit beschränkter Haftung) under German law, as fund manager.

The fund manager is licensed to manage assets and is subject to relevant supervision. In particular, the fund manager is responsible for the autonomous daily implementation of the investment policy for the Fund's assets and the management of day-to-day asset management operations under the supervision, responsibility and control of the management company, as well as other associated services. These tasks are fulfilled in accordance with the principles of the fund's investment policy and investment restrictions as described in this prospectus and in the management regulations, and in compliance with the statutory investment restrictions. The fund manager is authorised to select intermediaries and brokers to carry out transactions involving the assets of the Fund. The fund managers are responsible for making investment decisions and placing orders. The fund manager is entitled to consult third parties at his own expense and responsibility; this applies in particular to different investment advisors. The fund manager is permitted to delegate his tasks in whole or in part to third parties with the approval of the Management Company and shall cover all remuneration of such third parties. In the event of a comprehensive delegation of tasks, the Sales Prospectus shall be amended in advance.

The fund manager bears all expenses it incurs in connection with the services it provides. Broker commission, transaction fees and other business costs incurred in connection with the acquisition and sale of assets are borne by the Fund.

The fund manager has appointed TRYCON G.C.M. AG as an investment advisor. TRYCON G.C.M. AG is a tied agent within the meaning of Section 2 (10) of the German Banking Act. TRYCON G.C.M. AG performs the tasks of an investment advisor as a tied agent on behalf and under the liability of Tungsten Capital Management GmbH.

An investment advisor's role is primarily to monitor the financial markets, analyse the composition of the fund assets and make investment recommendations to the management company in compliance with the principles of the fund's investment policy and investment restrictions.

The investment advisor's role is purely to advise; they do not make investment decisions on their own. They are authorised, under the general control and responsibility of the management company, to provide the fund with estimates, advice and buy or sell recommendations with respect to investments and securities as part of the day-to-day implementation of the fund's investment policy. The AIFM will ensure the day-to-day management of the fund's assets; all investment decisions will be made accordingly by the AIFM.

To fulfil their duties, the investment advisor may, at their own expense and responsibility, use third parties, natural or legal persons, as well as call in sub-investment advisers, whereby these always carry out their function under the responsibility of the investment advisor. The fee of the respective sub-investment advisor shall be paid by the investment advisor.

Only the custodian and the paying agent are authorised to accept client funds.

## THE CUSTODIAN

Hauck Aufhäuser Lampe Privatbank AG, Luxembourg branch, with its registered office at 1c, rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg, Grand Duchy of Luxembourg, entered in the Commercial and Companies Register of Luxembourg under registration number B 175937, has been appointed custodian of the fund by written contract. The custodian is a branch of Hauck Aufhäuser Lampe Privatbank AG, Kaiserstr. 24, 60311 Frankfurt am Main, Germany, a fully licensed German credit institution as defined in the German Banking Act (KWG) and as defined in the Luxembourg Law on the financial sector of 5 April 1993 (in its current version). It is registered in the commercial register of Frankfurt am Main District Court under HRB 108617. Both Hauck Aufhäuser Lampe Privatbank AG and its Luxembourg branch are supervised by the German Federal Financial Supervisory Authority (BaFin). Additionally, the Luxembourg branch of Hauck Aufhäuser Lampe Privatbank AG is subject to the Commission de Surveillance du Secteur Financier (CSSF) regarding liquidity, money laundering and market transparency.

All duties and responsibilities of the custodian are performed by the branch. Its role is defined in particular by the law of 2010, the CSSF circular 16/644, the Custodian Agreement and the Sales Prospectus. As a paying agent, it is obliged to pay out any distributions and the redemption price of redeemed units and other payments.

The custodian may transfer the performance of its task to keep financial instruments and other assets in safe custody to another company ("sub-custodian"). An overview of the sub-custodians (where appointed) is available on the custodian's website (<https://www.hal-privatbank.com/impressum>).

The management company has not been made aware by the custodian of any conflicts of interest relating to the sub-custodian.

In the performance of its duties, the Custodian acts independently, honestly, reputably and professionally, in the interest of the Fund and its investors. This obligation is particularly reflected in the duty to perform and organise the Custodian activities such that potential conflicts of interest are largely minimised. The Custodian performs, in relation to the Fund or to the Management Company acting for the Fund, no tasks that could create conflicts of interest between the Fund, the investors in the Fund, the Management Company and itself, except where the performance of Custodian activities is functionally and hierarchically kept separate from the activities that may potentially conflict with them and the potential conflicts of interest are properly identified, managed and monitored and disclosed to the investors in the Fund.

The tasks of the Management Company and those of the Custodian must not be performed by one single enterprise.

Conflicts of interest may arise as a result of corporate links between the management company and the custodian. Insofar as Hauck Aufhäuser Lampe Privatbank AG, Luxembourg branch, takes on the function of custodian, it is obliged to protect the interests of the fund and its unitholders.

Potential conflicts of interest may arise where the custodian delegates individual custodian functions or the sub-custodianship to another outsourcing company. If this further outsourcing company is a company that is affiliated with the Management Company or the Custodian (e.g. parent company), this may result in potential conflicts of interest in the interactions between this outsourcing company and the Management Company or Custodian (e.g. the Management Company or Custodian could give preference to a company affiliated with it over other comparable providers when awarding Custodian tasks or selecting the Sub-Custodian). Should such a conflict of interest or any other conflict of interest be identified in the future in connection with the Sub-Custodianship, the Custodian will disclose the particular circumstances and the measures taken to prevent or minimise the conflict of interest in the document that can be accessed via the link given above.

Likewise, conflicts of interest may arise if the Custodian performs administrative tasks pursuant to Annex II, 2nd indent of the Law of 17 December 2010, e.g. tasks of the Registrar and Transfer Agent, fund accounting. In order to manage this potential conflict of interests, each group of tasks is divisionally separate from the Custodian function.

The Management Company and the Custodian are able to take appropriate and effective measures (such as procedural instructions or organisational measures) to ensure that potential conflicts of interest are largely minimised. If conflicts of interest cannot be avoided, the Management Company and the Custodian will identify, manage, monitor and disclose

these conflicts to prevent any harm to the investors' interests. Compliance with these measures is monitored by an independent compliance function.

The Custodian has disclosed to the Management Company the above-mentioned information relating to conflicts of interest relating to the sub-custodianship. The Management Company has checked the information for plausibility. The Management Company is, however, dependent on the Custodian to provide information and cannot check correctness and completeness in detail. The list of Sub-Custodians given above may change at any time. Up-to-date information on the Custodian, its Sub-Custodians and all the Custodian's conflicts of interest arising from the transfer of Custodian activities is available from the Management Company and the Custodian on request.

The Management Company receives both the aforementioned information and the list of sub-custodians from the Depository. The Management Company is dependent on the information provided by the Depository and cannot check the accuracy and completeness of the information in detail.

The assets of all subfunds are held in custody by the Custodian within its network of custodians.

**Any bank deposits held with financial institutions other than the custodian may not be protected by a deposit-guarantee scheme.**

## **RISK RATING DEFINED BY THE MANAGEMENT COMPANY**

The Management Company allocates an appropriate risk profile to the Funds and Sub-Fund it manages. Such classification is in line with the relevant investment policy in connection with the investment objectives. The "GENERAL RISK INFORMATION" included in the Sales Prospectus also applies to the Fund.

The risk profiles are expressly not intended to provide any indication of potential returns. The classification of the Management Company may be adjusted if necessary. This will result in an amendment of the sales documents.

### **Risk profile - "Defensive"**

The Fund is particularly suitable for investors who only accept low risks and at the same time want to achieve returns in the short-term range. On the basis of the investment policy in combination with the investment objectives, the investor is prepared to accept capital losses according to the extent of possible value fluctuations. The investor should have a rather short-term investment horizon.

The Management Company attempts to minimise the risks through the number and the distribution of the separate asset investments.

However, no guarantee can be given that the objectives of the investment policy will be achieved.

### **"Moderate" risk profile**

The Fund is particularly suitable for investors who accept moderate risks and at the same time want to participate in moderate returns in the short to medium-term range. On the basis of the investment policy in combination with the investment objectives, the investor is prepared to accept capital losses according to the extent of possible value fluctuations. The investor should have a short-term to medium-term investment horizon.

The Management Company attempts to minimise the risks through the number and the distribution of the separate asset investments.

However, no guarantee can be given that the objectives of the investment policy will be achieved.

### **"Income-orientated" risk profile**

The Fund is particularly suitable for investors who accept higher risks and at the same time want to participate in potentially higher returns in the medium to long term. On the basis of the investment policy in combination with the investment objectives, the investor is prepared to accept even quite high capital losses in the short term, according to the extent of value fluctuations in the Fund's investments. The investor's investment horizon should be medium to long-term.

The Management Company attempts to minimise the risks through the number and the distribution of the separate asset investments.

However, no guarantee can be given that the objectives of the investment policy will be achieved.



### **“Adventurous” risk profile**

The Fund is particularly suitable for investors who accept high risks and at the same time want to participate in potentially high returns in the long term. On the basis of the investment policy in combination with the investment objectives, the investor is prepared to accept high capital losses in the short term, according to the extent of value fluctuations in the Fund's investments. The investor's investment horizon should be long-term.

The Management Company attempts to minimise the risks through the number and the distribution of the separate asset investments.

However, no guarantee can be given that the objectives of the investment policy will be achieved.

### **“Speculative” risk profile**

The Fund is particularly suitable for investors who accept very high risks and at the same time want to participate in potentially very high returns in the long term. On the basis of the investment policy in combination with the investment objectives, the investor is prepared to accept even very high capital losses in the short term, according to the extent of value fluctuations in the Fund's investments. The investor's investment horizon should be long-term.

The Management Company attempts to minimise the risks through the number and the distribution of the separate asset investments.

However, no guarantee can be given that the objectives of the investment policy will be achieved.

## **RIGHTS OF UNITHOLDERS**

The management company invests the fund's assets in its own name and for the collective account of the unitholders in securities and other eligible assets, in accordance with the principles of risk diversification. The money invested in a fund and the assets acquired with it constitute the fund's assets, which are kept separate from the management company's own assets.

The unitholders are joint owners of the fund's assets in proportion to the number of units they hold.

Each sub-fund is considered an independent investment fund in the relationship between the unit holders. The rights and obligations of the unit holders of a sub-fund are separate from those of the unit holders of the other sub-funds. In relation to third parties, the assets of a sub-fund are only liable for liabilities and payment obligations relating to this sub-fund.

The management company draws the attention of unitholders to the fact that they can only fully exercise their rights directly in relation to the fund if they themselves are registered in their own name in the fund's register of unitholders. Where a unitholder has invested in a fund through an intermediary making the investment in their name but on behalf of the unitholder, it may not be possible for the unitholder to assert all rights against the fund directly. Unitholders are advised to inform themselves about their rights.

## **INVESTMENT OBJECTIVES AND INVESTMENT POLICY OF TUNGSTEN TRYCON AI GLOBAL MARKETS**

The investment objective of Tungsten TRYCON AI Global Markets is to continuously increase value, irrespective of the strength and direction of price fluctuations on the international capital markets. The objective is to generate absolute investment results from income and changes in value in both rising and falling stock and bond markets, whilst at the same time maintaining a target volatility of between 5 and 8% p.a.

The fund manager takes into account any risks associated with sustainability (environmental, social and governance aspects) in the context of investment decisions and continuously throughout the investment period for the Fund's existing investments.

However, no assurances can be given that the stated investment policy objectives will be achieved.

This fund is a financial product that applies ecological and social characteristics and qualifies in accordance with Article 8 (1) of Regulation (EU) 2019/2088 on sustainability-related disclosure requirements in the financial services sector. Further information is provided in the "Pre-contractual information", which is attached to this prospectus.

The fund invests globally in listed financial futures and their options in, for example, the markets and underlyings described below:

**Bond markets:** Euro-Bobl, Euro-Bund, Euro-Schatz, US T-Notes, Euribor;

**Equity indices:** DAX, Russel 2000, Nasdaq 100, SMI, DJ Euro Stoxx 50, S & P 500, Nikkei 225, Hang Seng;

**Currencies:** EUR/USD, USD/JPY, USD/AUD, USD/CAD, EUR/JPY;

Deposits may be held for the fund within the meaning of Article 4 (1) (f) of the management regulations, as well as money market instruments within the meaning of Article 4 (1) of the management regulations. In addition, the fund may also invest in certificates that track the performance of permitted underlying assets (which reflect the performance of an

underlying asset on a one-to-one basis, and which are officially listed or traded on stock exchanges and other regulated markets, which are recognised, open to the public and operate regularly "regulated markets"). The fund can also take positions in securities (equities, bonds, etc.) in the markets described above.

Investments in bonds with a rating below B- (S&P) or B3 (Moody's) are not permitted. Where there are several different ratings for a bond, the poorest rating is used as a basis. If a rating falls below a B- as a result of a downgrade of a bond in a portfolio and the share of the bonds in the portfolio has not exceeded the threshold of 3%, these bonds will be tolerated for a period of up to six months (after the downgrade). If this investment has not been upgraded again during this period, the fund manager shall sell it within a period of six months.

Up to 10% of the net assets of the fund may be invested in investment fund units in accordance with Article 4 of the Management Regulations below. The fund is therefore eligible as a target fund. Target funds comply with the requirements set out in BaFin (German Federal Financial Supervisory Authority) Circular 11/2017 (VA).

The Fund may hold up to 20% in liquid assets depending on the financial market situation. The aforementioned limit may be exceeded temporarily and for a strictly necessary period if circumstances so require due to exceptional market conditions and if exceeding the limit is justified when taking into account the interests of investors, such as in very serious circumstances like the attacks of 11 September or the bankruptcy of Lehman Brothers in 2008.

Liquid assets are demand deposits that are available at all times at a bank in order to make current and extraordinary payments, as well as payments relating to the disposal of permissible assets in accordance with Article 41 (1) of the Law of 2010.

Furthermore, for liquidity management purposes the fund may invest in money market funds, demand deposits in the form of overnight deposits and callable deposits within the meaning of Article 4 (1) (f) of the Management Regulations and invest in money market instruments within the meaning of Article 4 No. 1 of the Management Regulations.

In addition, the fund may invest in other eligible assets in accordance with Article 4 of the Management Regulations set out below.

The acquisition of asset-backed securities and CoCo bonds as structured products is not permitted (this ban expressly excludes warrants, convertible bonds, warrant-linked bonds and certificates, and these are therefore permissible as acquirable assets for the fund). An investment in certificates that reflect the development of commodities is explicitly excluded.

No securities lending or repurchase transactions will be used to implement the investment policy. In addition, the fund may not acquire any total return swaps or similar assets. If the investment policy changes as regards the aforementioned instruments, the prospectus will be amended in accordance with Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015.

The fund may use derivatives, certificates with embedded derivatives and other techniques and instruments for hedging and efficient portfolio management purposes in accordance with Article 4 (5) of the Management Regulations. If these techniques and instruments relate to the use of derivatives within the meaning of Article 4 (1) (g) of the management regulations, the corresponding investment restrictions of Article 4 of the management regulations must be taken into account. In addition, the provisions of Article 4 (6) on risk management procedures for derivatives must be observed.

#### **Additional information on potential currency hedging for unit classes D, E and F**

Hauck & Aufhäuser Fund Services S.A. ("HAFS") performs currency hedging at unit class level for the unit classes D, E and F of the Tungsten TRYCON AI Global Markets fund. This is done taking the opinion of the European Securities and Markets Authority with the reference ESMA34-43-296 into consideration.

The unit classes D, E and F are denominated in USD, CHF and GBP, while EUR is the currency of the fund. For investors in D, E and F unit classes, changes in EUR/USD / EUR/CHF and EUR/GBP exchange rates can therefore result in both currency losses and currency gains. As part of the currency hedging, the exchange rate risk between the fund currency and the unit class currency is hedged. This hedging can be achieved by means of various strategies (such as forward exchange transactions). Shareholders wishing to invest in the said unit class should be aware that a currency hedging process is not able to provide precise or complete hedging of the said exchange rate risk. Particularly severe turbulence on the market or major fluctuations with regard to unit certificates have an impact on currency hedging. Therefore, no guarantee can be given that the hedging by HAFS will be successful in all aspects.

As the currency of unit class D is USD, the currency of unit class E is CHF and the currency of unit class F is GBP and the assets in the portfolio may in principle also be listed in foreign currencies, the investor is exposed to risk resulting from fluctuations in the exchange rate. For investors in those unit classes, the change in the CHF/EUR exchange rate can therefore result in both currency losses and currency gains.

The intention is to hedge this currency risk of certain (but not necessarily all) assets of the fund. This hedging can be achieved by means of various strategies (such as forward exchange transactions). Investors wishing to invest in these unit classes should be aware that a currency hedging process is not able to provide precise or full hedging of the aforementioned exchange rate risk. Therefore, no guarantee can be given that the hedging by HAFS will be successful in all aspects.

In the context of OTC transactions, the management company may accept collateral in the form of bank deposits provided to reduce counterparty risk. To this end, specific currencies are defined for each counterparty, which are exchanged. Non-cash collaterals are not accepted. The level of collateral will be 100%, taking into account the minimum transfer amount.

The collaterals may be liquidated at any time without consulting the Counterparty or obtaining the consent of the Counterparty. The cash collaterals received are valued without risk discount.

The cash collateral received from the counterparty under OTC transactions will only be invested in full in one or a combination of the following assets:

- government bonds of high quality;
- Money market funds with a short-term structure as defined in CESR's Guidelines on a common definition of European money market funds;
- demand deposits with legal entities in accordance with Article 50 (1) (f) of Directive 2009/65/EC

When investing cash collateral, the issuer or counterparty limits set out in Article 4 (3) of the Management Regulations apply *mutatis mutandis*. The investment of cash collateral may expose the Fund to counterparty default risk, interest rate risk or market risk, among other risks.

The counterparty of the OTC transactions has no control over portfolio management, i.e. selections are solely made by the management company.

How certificates work:

In most cases, certificates are listed debt instruments. The price performance of a certificate depends on the performance of the underlying asset and the contractual arrangements. At the same time, the price of the certificate may be stronger than, weaker than, in line with or completely independent of the price of the underlying asset. Depending on the structure of the contract, the certificate price may lose all of its value.

Detailed information on the investment limits can be found in Article 4 of the Management Regulations below.

The fund has been established for an unlimited period of time.

## **RISK PROFILE OF TUNGSTEN TRYCON AI GLOBAL MARKETS "INCOME-ORIENTED"**

The fund is particularly suitable for investors who accept higher risks and at the same time want to benefit from potentially higher returns in the medium to long term. In view of the investment policy and the investment objectives, the investor is prepared to accept a higher loss of capital in the short term depending on the extent to which the value of the fund investments has fluctuated. The investor should have a medium-term to long-term investment horizon.

The Management Company attempts to minimise the risks through the number and the distribution of the separate asset investments.

However, no assurances can be given that the stated investment policy objectives will be achieved.

## **MONITORING OF THE OVERALL RISK EXPOSURE**

### **Global exposure:**

In order to monitor the market risk, the global exposure is calculated using an absolute value at risk model.

### **Leverage:**

The fund's investment strategy is focused on the use of financial derivatives such as index, bond and interest rate futures and options. Due to their higher exposure compared to the fund's assets, these products have a leverage effect, as the percentage change in the profits and losses of the derivatives is usually greater than the corresponding change in the underlying assets. It is expected that the leverage will represent up to 500% of the fund's volume; it can, however, represent up to 900% of the fund's volume, depending on the management approach taken by the fund manager. The leverage is, however, subject to fluctuations in relation to the market situation, such that the expected value may be exceeded in the short term. Leverage will be monitored daily by the management company.

**Due to offsetting derivative positions or derivative positions that are used to hedge assets held in the portfolio, the actual net leverage will be slightly less than the figures shown.**

**A note on the leverage calculation:**

The calculation takes place on the basis of the sum of the nominal values as set out in boxes 24 and 25 of the ESMA Guidelines 10-788.

**Sustainability risks:**

Key risk indicators can be used to assess sustainability risks. Risk indicators can be quantitative or qualitative in nature, are based on environmental, social and governance aspects and serve to measure the risk of the aspects under consideration.

**GENERAL RISK INFORMATION**

Investment in units of a fund is associated with risks, such as share, interest, credit and liquidity risks. Before investing in units of this fund, the investor should therefore read the following risk information carefully, together with the other information in the prospectus and the Management Regulations, and take this into account when making the investment decision.

When it comes to investing in Tungsten TRYCON, it should be noted that, based on our experience, this fund may be subject to large price fluctuations that present investors with potential opportunities and risks. Various risk parameters and influencing factors may cause price gains or losses within the fund for the investor. There is also no guarantee that the fund will achieve the targeted increase in value. However, the investor's risk is limited to the amount invested. The following list of risks in connection with an investment in the units of the funds/sub-fund(s) is not exhaustive. The order in which the risks are listed is not indicative of the probability of occurrence or their significance, should individual risks occur.

**Fund investment risks**

Unit value fluctuation

The unit value is calculated as the value of the fund/sub-fund divided by the number of units in circulation. The value of the fund/sub-fund corresponds to the total market values of all assets in the fund less the total market values of all liabilities of the fund/sub-fund. The unit value, therefore, depends on the value of assets held by the fund and the amount of fund liabilities. If the value of these assets decreases or if the value of liabilities increases, the unit value will decrease.

Influencing personal returns from a tax perspective

Tax treatment of capital gains varies depending on the personal situation of each investor and may also change in the future. The investor should contact their personal tax advisor if they have any individual questions, particularly in connection with their personal tax situation.

Changes to the investment strategy or the investment conditions

The Management Company is entitled to change the Management Regulations with approval from the CSSF. The management company may also change the investment strategy within the legally and contractually permitted investment spectrum, and thus without any change to the management regulations and approval of such a change by the CSSF.

Changes to the investment strategy or the investment conditions

The Management Company is entitled to change the Management Regulations with approval from the CSSF. The management company may also change the investment strategy within the legally and contractually permissible investment spectrum, thus eliminating the need to amend the management regulations and seek approval from the CSSF.

Suspension of unit redemption

The management company may temporarily suspend the redemption of units if there are exceptional circumstances that make suspension necessary in the best interests of the unitholders. Exceptional circumstances in this context include, for example, economic or political crises, redemption requests of an exceptional nature in compliance with Article 9 (2) of the Management Regulations, the closure of exchanges or markets, trade restrictions or other factors that make it difficult to determine the net asset value per unit. Furthermore, the CSSF can order the Management Company to suspend the redemption of units where this is necessary in the interest of the unit-holders or the public. The unit-holders cannot redeem their units during this period. The net asset value per unit can drop even if unit redemption is suspended, for example if the Management Company is forced to sell assets below the market value while unit redemption is suspended. After unit redemption has been resumed, the net asset value per unit may be lower than it was before redemption was suspended.

A suspension may be followed directly by the dissolution of the fund without resuming share redemption, e.g. if the Management Company terminates its management of the fund in order to dissolve the fund. Thus for the unitholders, there is a risk that they may not be able to realise the holding period they had planned and that they may not have access to a significant portion of their invested capital for an indefinite period.

#### Dissolution or merger of the fund

The management company is entitled to dissolve the fund at its own discretion at any time. Moreover, the management company may merge the fund with another fund or sub-fund managed by it or another management company. Thus for unitholders, there is a risk that they may be unable to realise the holding period they had planned. If the fund units are derecognised from the unitholder's custodian account after the liquidation procedure has come to an end, the unitholder may be charged income tax.

#### Risks arising from the range of investments

In compliance with the investment principles and investment limits prescribed by Luxembourg law and by the Management Regulations, which provide for a very broad framework for the Fund, the actual investment policy may, for example, be geared towards predominantly acquiring assets from only a few sectors, markets or regions/countries. This concentration on a few specific investment sectors may be associated with risks (such as the limited size of the market, high variability within particular economic cycles). The annual report provides information on the content of the investment policy after the corresponding reporting year has come to an end.

#### Performance risk

There is no guarantee that the investor will be able to achieve the level of investment success they are aiming for. The unit value of the fund/sub-fund may decrease and result in losses for the investor. The Management Company or third parties provide no guarantee with respect to a specific minimum payment obligation on redemption or specific investment success with respect to the fund/sub-fund. Moreover, the actual performance of the assets acquired for the fund/sub-fund may differ from performance expectations at the time of purchase. Investors may therefore get back less than the amount originally invested. An issue fee for the acquisition of units or a redemption fee for the sale of units may also reduce or even use up all of an investment amount, particularly for short investment periods. In the absence of a third-party guarantee, there can be no definite guarantee of a positive performance. Moreover, the actual performance of the assets acquired for the Fund may differ from performance expectations at the time of the purchase.

### **Risks associated with the performance of the fund**

#### Market risk

The assets in which the management company or fund manager invests on behalf of the fund are subject to risk. In particular, the price and the market development of financial products are dependent on the development of capital markets, which themselves are influenced by the general state of the world economy and the economic and political framework conditions in specific countries. If prices on the international stock markets fall, it is unlikely that any fund will be able to buck the trend. The more specific the fund's investment focus, the greater the market risk, as this is typically associated with limited risk diversification. There may be losses in value if the asset's market value falls compared to the acquisition price or if the spot and forward prices perform differently.

#### Foreign exchange risks with stocks

Experience has shown that shares are subject to sharp price fluctuations and therefore also to the risk of prices drops. These price fluctuations are affected in particular by the profit situation of the issuing company, developments in the industry and the overall economic position. The trust of market participants in a specific company can also affect the price trend. This is particularly true of companies the shares of which have only been listed for a short time on the stock exchange or a similar organised market; for these, even small changes in forecasts can lead to significant fluctuations in price. If the share of freely tradable stocks owned by a number of shareholders ("free float") is low, even small buy and sell orders can have a big impact on the market price, thereby resulting in greater price fluctuations.

#### Interest rate change risk

Investing in fixed-interest securities involves the possibility that the level of market interest rates prevailing at the time a security is issued will change. If market interest rates increase compared to the interest rate at the time of issue, the prices of fixed interest securities usually fall. If, on the other hand, the market interest rate falls, the price of fixed interest securities increases. This price development means that the current returns on fixed interest securities correspond approximately to the current market interest rate. However, these price fluctuations vary in their impact depending on the (remaining) term of the fixed interest securities. Fixed interest securities with a shorter term have a lower price risk than fixed interest securities with longer terms. At the same time, fixed interest securities with a shorter term usually have lower returns than fixed interest securities with longer terms. Because of the shorter term of a maximum of 397 days, financial market instruments tend to have lower price risks. In addition, the interest rates of different interest-related financial instruments denominated in the same currency with a comparable remaining term may develop differently.

#### Risks associated with leverage

The leverage effect resulting from the extensive use of financial derivatives may increase the volatility of the net asset value of the sub-fund and amplify losses, which may become significant and, under extreme market conditions, result in a total loss of the net asset value.

#### Risks associated with target funds (UCITs/UCIs)

The risks associated with a target fund acquired for a specific fund are closely linked to the risks associated with the assets contained in these target funds and/or the investment strategies they pursue. However, these risks may be reduced by diversification of the assets within the target fund whose units are acquired, and through diversification within the Fund itself. As the managers of the individual target funds act independently of each other, several target funds could be pursuing the same or conflicting investment strategies. This could cause the risks involved to accumulate and any potential opportunities to cancel each other out.

It is not usually possible to control the management of target funds. The investment decisions taken by these target funds may not necessarily reflect the assumptions or expectations of the Management Company or the fund manager. Often, up-to-date information about the composition of the target fund may not be readily available. If the composition differs from the assumptions or expectations, it may be that the management company or fund manager can only react with a significant delay, by redeeming the target fund units.

Target funds in which the fund acquires units could also temporarily suspend the redemption of units, effectively preventing the management company or fund manager from selling the units in the target fund by returning them to the management company or depositary of the target fund against payment of the redemption price.

In the case of investments in target funds, an issue surcharge and a redemption surcharge may also be imposed at target fund level. Generally, a management fee at target fund level may also be incurred when units of target funds are acquired. This can result in a double cost burden.

#### Risks associated with bonds backed by assets not contained in the fund's assets

The risks associated with bonds (certificates, structured products, etc.) acquired for the Fund and backed by underlying assets that are not part of the Fund's assets are closely linked to the specific risks of such underlying assets or of the investment strategies that may be pursued by these underlying assets, as in the case of commodities as underlying assets (see, for example, "Risks associated with units in target funds (UCITs/UCIs)" below). However, these risks can be reduced by diversifying investments within the Fund.

#### Special risk of investment in certificates

When investing in certificates, there is a risk that, even if they are listed on a stock exchange or traded on a regulated market, it may not be possible to obtain a regulated market price for these certificates because of poor liquidity. This is particularly the case when a significant proportion of the certificates is held by the Fund or traded OTC. To mitigate the associated valuation risk, the Management Company may use the valuation of an independent market maker at its own discretion. Moreover, it cannot be ruled out that higher markdowns than the actual price of the certificates have to be accepted at their disposal for the reasons stated above. In addition, a counterparty default risk exists for certificates (see section on counterparty default risk, counterparty risk).

#### Risks associated with the use of derivatives

For funds that use derivative financial instruments, it cannot be guaranteed that the performance of the derivative financial instruments will have positive effects for the sub-fund and its unitholders. The leverage effect of derivatives can have a greater positive or negative impact on the value of the fund's assets than if the securities and other assets are purchased directly; their use is, therefore, associated with particular risks. In contrast to conventional securities, the value of the Fund's net assets can increase or decrease much more dramatically than it otherwise would, due to the leverage effect. Financial futures contracts that are used for purposes other than hedging also involve considerable opportunities and risks, as only a fraction of the contract value (margin) needs to be paid immediately. Price changes can therefore result in considerable gains or losses within the fund's assets. This can increase the risk and the volatility of the fund/sub-fund.

#### Risks associated with OTC transactions

The fund may, as a general rule, conclude transactions (particularly derivatives) on the OTC market (provided that this is mentioned in the investment policy for the [specific sub-fund]). These transactions are based on individual over-the-counter agreements. Transactions in OTC markets are less regulated than on organised stock exchanges. OTC derivatives are transacted directly with the counterparty and not via a recognised stock exchange or clearing house. Counterparties for OTC derivatives do not enjoy the same protection as on recognised stock exchanges (e.g. performance guarantee from a clearing house). Concluding OTC transactions exposes the [respective fund/sub-fund] to the risk that the contracting party will not meet their payment obligations at all, not meet them in full or not meet them in a timely manner (counterparty risk). In addition, investments in OTC derivatives may be exposed to the risk of different valuations due to different valuation methods. In contrast to stock market-traded derivatives, which have standard terms of contract, OTC derivatives generally operate through negotiations with the other party. There is, therefore, the risk that the parties may not agree on the interpretation of the contractual terms (legal or documentation risk).

This may affect the performance of the particular fund and in some cases may cause partial or complete loss of unrealised gains.

#### Inflation risk

Inflation risk refers to the possibility of a reduction in the value of all assets, This also applies to the assets held in the Fund. The inflation rate may be above the value increase of the fund. This also applies to the assets held in the Fund. The inflation rate may be above the value increase of the fund.

#### Risks associated with currencies

The Fund may invest in securities denominated in local currencies and hold cash in such currencies. Exchange rate fluctuations of these currencies against the euro will have an impact on the value of the Fund in euros. Ultimately, currency losses can also occur on exposures to currencies other than the euro; such investments also entail a "transfer risk". In the event of economic or political instability in countries where the fund may invest, there is a risk that despite the issuer of the relevant security or asset remaining solvent, the fund may not receive the funds it is entitled to at all, not receive them in full, not receive them in a timely manner, or only receive them in a different currency.

#### Concentration risk

Additional risks may result from a concentration of investment in particular assets or markets. If a fund or sub-fund only holds a limited number of securities and this is considered to be concentrated, the value of the fund may fluctuate more than in a diversified fund that holds a larger number of securities. Selecting securities in a concentrated portfolio can also result in industry concentration and geographical concentration. For funds or sub-funds with geographical concentration, the value of the fund/sub-fund may be more sensitive to adverse economic, political, currency, liquidity, tax, legal or regulatory events that affect the relevant market.

#### Risk of negative interest rates

Generally speaking, an interest rate corresponding to international interest rates less a certain margin is agreed for the investment of the Fund's cash and cash equivalents with the Custodian or other credit institutions. If these interest rates fall below the agreed margin, this will lead to negative interest on the relevant account. Short, medium and long-term deposits with banks may see a negative rate of return depending on developments in the interest rate policies of the relevant central banks.

#### Company-specific risk

The price development of securities held directly or indirectly by a fund also depends on company-specific factors, for instance, the issuer's economic situation. If company-specific factors deteriorate, the price of the security can fall significantly and permanently, even if the stock market otherwise performs well.

#### Risks associated with investing in smaller companies

Investments in smaller companies may involve greater risks and can therefore be considered speculative. Investors investing in funds that invest in smaller companies should have a long-term investment horizon rather than anticipating immediate returns. Shares in many small companies are traded less frequently and in smaller volumes, and fluctuations in price may occur more abruptly or erratically than it is the case with shares in larger companies. Small company securities may also be more sensitive to market changes than large company securities. The Management Company recommends that an investment in individual Funds which invest in smaller companies should not constitute a substantial proportion of an investor's portfolio, and may not be suitable for all investors.

#### Risk associated with the exclusion of securities/assets

The exclusion of companies from the portfolio of a fund that do not meet certain criteria (e.g. social or sustainability factors) or that are not regarded as socially responsible can mean that the particular fund/sub-fund performs differently to similar funds that do not have such principles.

#### Risk associated with the exclusion of securities/assets

The exclusion of companies from a sub-fund's portfolio that do not meet certain criteria (e.g. social or sustainability factors) or that are not considered socially responsible may result in the sub-fund performing differently compared to similar funds or sub-funds that do not have such policies.

#### Hedging risk

The fund can take measures that are intended to offset certain risks. These may not work perfectly, may not be practical or may fail completely. The fund can use hedging in its portfolio in order to reduce currency, duration, market or credit risks and in order to hedge the currency risk or the effective duration of the unit class with respect to certain unit classes. Hedging involves costs that reduce the value of the investment.

#### Downgrading risk

A fund may invest in bonds with an investment grade rating and retain them after a subsequent downgrading to avoid an emergency sale. If the fund has downgraded bonds of this sort, there is an increased non-payment risk, which in turn entails the risk of capital loss for the sub-fund. Investors are warned that the returns or share value of the fund/sub-fund (or both) may fluctuate.

#### Risks in connection with the investment in newly industrialised nations

There are various risks associated with investing in target funds and/or securities from emerging markets. These risks are primarily related to the fast economic development process that some of these countries experience and, in this context, no assurance can be made that this development process will continue in the coming years. In addition, these markets tend to have a low level of market capitalisation and they tend to be volatile and illiquid. Other factors (e.g. political change, exchange rate fluctuations, stock exchange controls, taxes, restrictions on the investment of foreign capital and capital recovery, etc.) can further compromise the marketability of the assets and the resulting income.

Moreover, these companies may be subject to a significantly lower degree of governmental supervision and a less differentiated legislature. Their accounting and auditing are not always of the standard enforced in this country.

## **Liquidity risks**

### Liquidity risk

The liquidity of a fund can be affected by various factors, which may result in the fund temporarily being unable to process redemption requests and, even in exceptional circumstances, may result in the Fund's assets decreasing and, therefore, to liquidation under the conditions set out by law.

Liquidity risks can arise, for example, when certain market conditions make liquid securities difficult to sell, even though as a general rule the fund is only allowed to invest in those instruments that can be sold at any time without large price reductions. It cannot, therefore, be ruled out that the transaction volume may be exposed to considerable price fluctuations depending on market conditions.

In the case of increased buy and sell orders by investors, the particular fund may also be compelled to sell or buy assets under worse conditions than planned in order to maintain the liquidity of the fund, which can also have a negative effect on the assets of the fund.

### Risk arising from borrowing

The management company is authorised to take out loans on behalf of the fund. Loans with variable interest rates may have a negative impact on the assets of the Fund as a result of increasing interest rates. If the management company is required to repay a loan and cannot compensate for it through follow-up financing or liquidity available in the fund, it may be forced to sell assets prematurely or on less favourable terms than planned.

### Risks associated with increased redemptions or subscriptions

Liquidity is added or removed from the Fund's assets as a result of buy or sell orders from unitholders. After netting, the inflows and outflows may result in net inflows to or outflows from the Fund's cash and cash equivalents. This net inflow or outflow may prompt the management company/fund manager/investment consultant to buy or sell assets, resulting in transaction costs. Should this happen, the fund will incur transaction costs, which may adversely affect the fund's performance. In the case of inflows, increased fund liquidity can have a negative impact on the performance of the Fund if the Management Company cannot invest the funds on adequate terms.

### Public holiday risk in certain regions/countries

The fund/sub-fund can make investments in various regions/countries. Because of local public holidays in these regions/countries, there may be deviations between the trading days on stock exchanges in these regions/countries and the valuation days for the Fund. The Fund may conceivably be unable to respond to market developments in the regions/countries on a day that is not a valuation day or may be unable to trade in local markets on a valuation day that is not a trading day in those regions/countries. This may prevent the Fund from selling assets at the appropriate time. It can have a negative impact on the ability of the fund/sub-fund to meet demands for redemption or other payment obligations.

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

### Risks arising from criminal activities, wrongdoing or natural disasters

The Fund may become a victim of fraud or other criminal activities. It may experience losses resulting from misunderstandings or errors on the part of employees of the management company or external third parties or from external events such as natural disasters.

### Counterparty default risk, counterparty risk

The fund carries out transactions through or with brokers, clearing houses, counterparties and other agents. Accordingly, the fund/sub-fund is subject to the risk that such a counterparty may be unable to meet its obligations due to insolvency, bankruptcy or for another reason. Counterparty default risk (credit risk) is the risk of the other party to a reciprocal contract failing to fulfil its obligation with respect to a receivable despite the relevant consideration having been provided. This applies to all reciprocal contracts concluded on behalf of the Fund. In addition to the general trends in the capital markets, specific developments affecting the relevant issuer will affect the price of a security. Careful selection of securities cannot, for instance, exclude the risk that losses are incurred due to the financial collapse of an issuer. Losses incurred due to the financial collapse of an issuer will affect the fund to the extent that it has acquired transferable securities from this issuer. Due to the fund's investment strategy (investment in non-investment grade bonds), the fund may be subject to increased exposure to such risks.

### Cyber risk notice

The Management Company and its service providers may be vulnerable to risks and threats to operational and information security caused by cyber security incidents. Generally, cyber security incidents are the result of intentional attacks or unintentional events caused by third parties. Cyber attacks include, but are not limited to, obtaining unauthorised access to digital systems (e.g. through "hacking" or by using malware) for the purpose of stealing assets or sensitive information, damaging data or causing operational disruptions. Cyber attacks can also be carried out in other ways – i.e. without gaining unauthorised access, for example, by preventing access to services on websites (i.e. attempts to paralyse web services so that they are no longer available to the intended users). Cyber security incidents that affect data subjects can cause disruptions and compromise business operations, which can potentially result in



financial losses, including by preventing a fund from calculating its net asset value, making it difficult to carry out trading activities for a fund/sub-fund portfolio, through unitholders being unable to carry out transactions with the fund/sub-fund, by breaching any applicable data protection and data security laws or other laws, through fines and penalties being imposed by supervisory authorities, reputational damage being caused or costs for reimbursements being incurred, through other compensation or remedial measures, or by attorney fees or costs being incurred due to further compliance requirements. Similar adverse consequences may result from cyber security incidents affecting issuers of securities in which the fund is invested, counterparties with which a fund carries out transactions, government supervisory authorities and other supervisory authorities, stock exchanges and other financial market participants, banks, stock brokers and traders, insurance companies and other financial institutions and other parties. Information risk management systems and contingency plans have been designed to reduce the risks associated with cyber security. However, cyber security risk management systems or contingency plans are inherently restricted, including the possibility that certain risks cannot be identified or have not been identified. In addition, cyber security plans and systems of service providers of the management company or the issuers of securities in which a particular fund/sub-fund invests are beyond the management company's control.

#### Country/region and industry risk

The value of the Fund's assets may also be negatively influenced by unforeseeable events such as international political Developments, changes in state policies, restrictions of foreign investments and currency repatriations in addition to other developments and applicable laws and ordinances may be adversely affected. Where a fund focuses its investments on specific countries, regions or sectors, this reduces risk diversification. As a result, the fund will be particularly dependent on developments affecting individual or interrelated countries and regions or companies domiciled and/or operating in these countries and regions, as well as on general trends and the development of corporate profits in individual or interrelated sectors.

#### Legal and political risks

The fund may invest in jurisdictions that are not subject to Luxembourg law, or where the place of jurisdiction for any legal dispute is outside Luxembourg. The resulting rights and obligations of the Management Company for the account of the Fund can differ from those in Luxembourg, potentially to the detriment of the Fund and/or the unitholders. Political or legal developments, including changes to the legal framework in these jurisdictions, may not be identified by the Management Company or identified too late, or may lead to restrictions with respect to acquirable or previously acquired assets. These consequences could also arise if the legal framework conditions for the Management Company and/or the Fund management change in Luxembourg.

#### Key person risk

If the Fund's performance is very strong over a certain period, this success may also be attributable to the expertise of the individuals acting on behalf of the Fund and correct decisions made by the management. Members of the fund management team may, however, change. New decision-makers may then act less successfully.

#### Custody risk

When assets are held in custody, there is a risk of loss resulting from insolvency, negligence or improper conduct by the custodian or a sub-custodian.

#### Settlement risk

In particular, if unlisted securities are acquired or derivative instruments are used, there is a risk that the transaction will not be settled as expected due to a counterparty failing to pay or deliver in due time or as agreed.

### **Sustainability risks**

#### Sustainability risks for assets

The fund manager generally makes investment decisions taking sustainability risks into account. Sustainability risks can arise from ecological and social influences on a potential asset and from the issuer's corporate governance of an asset.

The sustainability risk can either represent a separate risk type or exacerbate other risk types relevant for the Fund, such as market risk, liquidity risk, credit risk or operational risk, and in this context can sometimes make a significant contribution to the Fund's overall risk.

If sustainability risks arise, they can have a significant impact on the value and/or the returns on the assets concerned – even including total loss. Such effects on an asset can adversely affect the Fund's returns.

The aim of the Fund manager taking sustainability risks into consideration is to recognise these risks as early as possible and to take appropriate measures to minimise the impact on the assets concerned or the overall Fund portfolio.

The sustainability factors that can have a negative impact on the returns of the Fund are subdivided into environmental, social and governance factors (hereinafter "ESG"). While the environmental factors include, for example, climate protection, the social factors cover compliance with the requirements of safety in the workplace, for instance. Consideration of compliance with employee rights and data protection are some of the governance factors. Aspects of climate change are also taken into account, including physical climate events and conditions such as heatwaves, rising sea levels and global warming.

#### Issuer-specific risk in connection with sustainability

The risks associated with ESG issues can have a negative impact on the market price of an asset investment.

The market value of financial instruments issued by companies that do not adhere to ESG standards and/or (also) do not commit to implementing ESG standards in the future can be negatively influenced by materialising sustainability risks.

Such influences on the market value can be caused, by reputational damage and/or sanctions, for example, where further examples include physical risks and transition risks, which may be caused by climate change, for example.

#### Operational risks in connection with sustainability

The Fund or the Management Company may suffer losses due to environmental disasters, socially-induced aspects in relation to employees or third parties and due to failures in corporate management. These events can be caused or exacerbated by a failure to pay attention to sustainability issues.

## **CONFLICTS OF INTEREST**

The management company and/or its employees, agents or affiliates may act as investment advisers, fund managers, central administrators, registrars, transfer agents or otherwise as service providers for the fund. The role of custodian may also be performed by a company that is affiliated with the management company. The management company is aware that conflicts of interest may arise as a result of the various functions performed in relation to the management of the fund or sub-fund. The management company has sufficient and appropriate structures and checking mechanisms in accordance with the law of 2010 and the applicable administrative provisions of the CSSF; in particular, it acts in the best interests of the fund and ensures that conflicts of interest are avoided. The management company has established a set of principles for dealing with conflicts of interest. The latest version of these principles is available at <https://www.hal-privatbank.com/rechtliche-hinweise>. When tasks are outsourced to third parties and third parties are engaged, conflicts of interests may arise both from the cooperation with the third party and within the third-party company.

## **PERFORMANCE**

An overview of the Fund's/sub-fund's past performance is provided in a document that is available to view on the Management Company's website ([www.hal-privatbank.com](http://www.hal-privatbank.com)).

## **UNITS**

Units in Tungsten TRYCON AI Global Markets("fund units" or "units") are units in the fund assets.

## **ISSUE OF UNITS**

Units in the fund are issued at the issue price, which is composed of the unit price plus the sales commission shown in the summary. If stamp duties or other charges are incurred in a country in which the units are issued, the issue price increases accordingly.

The management company is authorised to issue new units on an ongoing basis. However, the management company reserves the right to cease issuing units temporarily or completely within the scope of the stipulations of the management regulations given below; in such a case, payments that have already been made are reimbursed without delay.

Units can be purchased from the management company, the custodian and the paying agents specified in this prospectus.

**The acceptance periods for subscription applications are based on the periods specified in the provisions of the management regulations.**

## **REGULATIONS ON THE PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING**

The management company is responsible for the measures to combat money laundering and terrorist financing in accordance with Luxembourg law and the circular published by the CSSF on this matter.

In accordance with international regulations and Luxembourg laws and regulations, including the Luxembourg law on combating money laundering and the financing of terrorism in its currently applicable version dated 12 November 2004 and all related amendments or follow-up regulations and the relevant regulations and circulars of the Luxembourg Financial Supervisory Authority CSSF, as amended, obligations are imposed on all persons and companies operating in the financial sector to prevent misuse for the purpose of money laundering and/or the financing of terrorism.

These measures fundamentally require the identification and verification of the identity of an investor and the economic beneficiaries in accordance with the Money Laundering Act.

Information that is transferred in this context is collected exclusively for compliance with the provisions on combating money laundering and the financing of terrorism.

The Management Company is obliged to enter into the Luxembourg register of economic beneficiaries certain information on each investor deemed an economic beneficiary within the meaning of the Act of 2004 in accordance with the Act of 13 January 2019 on the register of economic beneficiaries (the "Act of 2019"), making certain information publicly accessible in the register of economic beneficiaries.

Each person deemed an economic beneficiary of the Fund under the terms of the Law of 2019 is legally obliged to make the information required within this context available on request.

Furthermore, the relevant Luxembourg requirements regarding AML/CFT for assets are taken into account and the corresponding due diligence requirements for the assets of the Fund systematically applied. In the process, all assets are assigned to a risk category, taking into account a defined risk-based approach. Irrespective of the risk classification, AML/CFT screenings are carried out for all assets as required by law.

## **DATA PROTECTION REGULATIONS**

The investor or potential investor is obliged to provide the management company with the personal data required for the investment (including, but not limited to, the investor's name, address and amount invested). Such data may be collected, recorded, stored, adapted, transmitted and otherwise processed in both electronic and paper form and used by third parties appointed by the management company.

Personal data will be used, in particular, for the administration of accounts, processing of subscription, redemption and conversion requests, for the maintenance of the share register, for the provision of services in connection with the fund and for compliance with applicable laws or regulations, in Luxembourg, as well as in other jurisdictions, including but not limited to, applicable company law, laws and regulations with regard to anti-money laundering and anti-terrorist financing and tax law, such as FATCA (Foreign Account Tax Compliance Act), CRS (Common Reporting Standard) or similar laws or regulations.

If an investor or potential investor fails to provide such personal data in the form requested by the management company, the management company may restrict or prevent the ownership of units in the Fund as described in this prospectus. In such a case, the investor or potential investor shall bear the costs incurred by the management company, third parties commissioned by the management company or the custodian for these measures and shall indemnify them in this respect.

The data will neither be used for marketing purposes nor disclosed to unauthorised third parties.

The collection, storage and processing of personal data and information of natural persons shall at all times comply with the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data, the free movement of such data and repealing the Directive 95/46/EC (the "General Data Protection Regulation" or "GDPR"), as amended by any applicable national law (the "Data Protection Act").

### Further recipients of the data

The Management Company may entrust another legal entity with the processing of personal data. The Management Company undertakes not to transfer any personal data to third parties other than those commissioned for this purpose, unless required by law or with the consent of the shareholders. Where, for the purposes of fulfilling its contractual obligations, the Management Company uses the services of a processor within the meaning of the GDPR to carry out certain processing activities on behalf of the Management Company and where data or information relating to natural persons are processed accordingly, the Management Company undertakes to impose on that processor, by way of contract or other legal instrument under Union law or the law of the Member State concerned, the same data protection obligations as the Management Company would have if it were itself a processor. When selecting the processor(s), the Management Company undertakes to ensure, in particular, that sufficient guarantees are provided that the appropriate technical and organisational measures are implemented in such a way that the processing is carried out in accordance with the requirements of the GDPR.

### Rights of the affected parties and contact

Upon written request of the investor, access to their own personal data provided to the Management Company shall be granted. In the same form, the investor may assert all rights to which they are entitled under the GDPR. This request must be complied with at all times.

The current version of the data protection regulations can be viewed on the management company's website ([www.hal-privatbank.com](http://www.hal-privatbank.com)). The rights of the investor within the meaning of the GDPR can be viewed either on the "Application Form" or on the website of the management company (<https://www.hal-privatbank.com/datenschutz>).

The current contact details for the data protection officer appointed by the management company can be viewed at <https://www.hal-privatbank.com/datenschutz>.

By investing in the Fund, each investor consents to the processing of their personal data. This consent shall be formally given in writing on the respective "Application Form".

### **UNIT PRICE CALCULATION**

To calculate the fund's net asset value, liabilities are subtracted from the value of the fund's assets ("fund's net assets") on each valuation day in accordance with the terms of the Management Regulations; this value is then divided by the number of units in circulation and rounded to two decimal places.

The method for calculating the unit price is described in further detail in Article 7 of the Management Regulations.

### **REDEMPTION AND EXCHANGE OF UNITS**

Unit-holders are entitled to request the redemption or conversion of their units at any time through one of the paying agents, the depositary or the management company, at the redemption price set out in the Fund's Management Regulations. In this regard, unit switching requests may only be submitted to the registration and transfer agent as value orders.

**The acceptance periods for redemption requests are based on the periods specified in the provisions of the management regulations.**

### **APPROPRIATION OF EARNINGS AND OTHER PAYMENTS**

The distribution policy will be specified for each unit class of the fund in the following overview. If earnings for the respective unit class can be distributed, the stipulations of Article 11 of the Management Regulations apply.

Any Fund unit distributions are paid via the paying agents, the Custodian or the Management Company. The same applies to any other payments to the unit-holders.

### **PUBLICATION AND POINT OF CONTACT**

The applicable issue and redemption price for units, along with any other information intended for unitholders, may be obtained at any time from the registered office of the management company, from the custodian, or from paying agents.

The prospectus and the latest version of the Management Regulations, as well as the annual and semi-annual reports, can also be obtained from these locations, as can the management company's articles of association.

The *the Key Information Document for Packaged Retail and Insurance-based Investment Products ("PRIIPS-KID")* can be downloaded from the management company's website at [www.hal-privatbank.com](http://www.hal-privatbank.com). In addition, a hard copy will be provided by the management company or selling agents on request.

As a matter of principle, the current issue and redemption price is published on the management company's website ([www.hal-privatbank.com](http://www.hal-privatbank.com)) and may also be published in a supra-regional daily newspaper or another online medium. Other important information for the unitholders will generally be published on the management company's website ([www.hal-privatbank.com](http://www.hal-privatbank.com)). Insofar as required by law, there will be an additional publication in Luxembourg in a daily Luxembourg newspaper.

Investor complaints may be directed to the Management Company, the Custodian and any paying agent. They will be processed there in a proper manner within 14 days.

### **COSTS**

In return for managing the fund, the management company receives a fee based on the net assets of the fund. Details of this fee, including how it is calculated and paid, are set out below in the section "Tungsten TRYCON AI Global Markets at a glance".

The custodian receives a fee based on the net assets of the fund. Details of this fee, including how it is calculated and paid, are set out below in the section entitled "Tungsten TRYCON AI Global Markets at a glance".

The aforementioned fees are calculated and paid in accordance with the stipulations of the fund.

In addition to the costs and expenses incurred in connection with buying and selling assets on behalf of the Fund, the Management Company and the Custodian are entitled to be reimbursed for any further expenses specified in the management regulations.

The aforementioned costs and expenses are also disclosed in the annual reports.

Under Article 14 of the management regulations, further costs can be charged to the fund's assets.

## **REMUNERATION POLICY**

In compliance with the law of 2010, in particular, in observance of the principles set down in article 111 of the law of 2010, the Management Company has compiled a remuneration policy that is compatible with, and conducive to, robust and effective risk management. This remuneration system is aligned with the Hauck Aufhäuser Lampe Group's sustainable and entrepreneurial corporate strategy and is, therefore, not intended to provide any incentive to assume risks that are not compatible with the risk profiles and Management Regulations of the investment funds managed by the Management Company. The remuneration system must always be in alignment with the business strategy, objectives, values and interests of the Management Company and those of the Funds it manages and the investors in these Funds and it includes measures to avoid conflicts of interest. In particular, the variable remuneration elements are not coupled with the performance of the investment funds managed by the Management Company. There is a reasonable balance between the fixed and variable components of the overall remuneration, with the fixed components representing a sufficient share of the overall remuneration to provide full flexibility in relation to the variable remuneration components, including the option of choosing not to pay a variable component. The remuneration system is reviewed at least once a year and is adapted as necessary.

Details of the current remuneration policy, incorporating a description of how the remuneration and the other allowances are calculated and the identity of the persons responsible for the allocation of remuneration and other allowances, and including details of the composition of the remuneration committee, if such a committee exists, are available on the management company's website (<https://www.hal-privatbank.com/rechtliche-hinweise>). In addition, a hard copy will be provided by the management company free of charge on request.

## **TAXATION OF THE FUND'S ASSETS AND INCOME**

The fund's income is not subject to tax in the Grand Duchy of Luxembourg. It may, however, be subject to taxation at source or to other taxes in countries where the respective assets of the fund are invested. Neither the management company nor the custodian will collect receipts for such taxes for any individual or for all unitholders.

The fund's assets are subject to a *taxe d'abonnement* in the Grand Duchy of Luxembourg, currently payable at a maximum of 0.05% p.a. This *taxe d'abonnement* is calculated and paid quarterly based on the fund's net assets as reported at the end of each quarter.

On 10 November 2015, the Council of the European Union adopted Directive (EU) 2015/2060, repealing the EU Savings Directive (Directive 2003/48/EC). Consequently, there has been complete tax transparency within the EU since 2018, thus rendering EU withholding tax obsolete. In this context, Luxembourg operates a system of automatic exchange of information regarding financial accounts. Before the EU Savings Directive was repealed, all Member States of the European Union were obliged to disclose details to the competent authorities of a Member State regarding interest payments and equivalent payments made in that Member State to persons who reside in another Member State. However, some states were permitted to impose withholding tax during the transitional period instead.

Prospective investors should, at regular intervals, procure information pertaining to the taxes applicable to the acquisition, possession and redemption of shares and disbursements in accordance with the laws that apply in the country in which they are a citizen, in which they reside or in which they are domiciled before they subscribe to units. Investors should consult their own tax advisors with regard to the effect of their investments in the Sub-Fund in accordance with the tax legislation that applies to them, particularly the tax legislation for the country in which they are resident or in which they are domiciled.

## **AUTOMATIC EXCHANGE OF INFORMATION - OECD COMMON REPORTING STANDARD (CRS)**

The OECD developed a Common Reporting Standard ("CRS") in response to the problem of tax evasion in offshore areas on a global level. Based on this standard, participating countries are obliged through a multilateral international treaty and, in the European Union, through the Mutual Assistance Directive, to exchange financial information relating to persons who reside abroad for tax reasons. Domestic financial institutions are, therefore, legally obliged to automatically submit any foreign taxpayer accounts to the Luxembourg tax authorities on an annual basis if these accounts are subject to reporting. The accounts can be identified through common due diligence and reporting procedures. The Grand Duchy of Luxembourg implemented the CRS with a law dated 18 December 2015 regarding the automatic exchange of financial information in the area of tax.

Data collection within the scope of the exchange of information may also include information concerning Funds. Accordingly, the Management Company is obliged to carry out due diligence and reporting procedures in accordance with the CRS, as set out in the Luxembourg implementing law of 2015.

Accordingly, investors may be requested to provide the Management Company or contracted third parties with additional information to allow the Management Company or the third party to meet their obligations under the CRS. Failure to provide the requested information may result in the investor being required to pay taxes, fines or make other payments. The management company reserves the right to effect compulsory redemption for such an investor's units.

### **FATCA – Foreign Account Tax Compliance Act**

Sections 1471 to 1474 of the US Internal Revenue Code dated 1986, as amended (FATCA), provide for reporting obligations and a possible 30% withholding tax obligation ("FATCA withholding tax") on payments:

- to any financial institutions not based in the USA (a foreign financial institution or "FFI"), unless these are included in the "participating FFIs", i.e. FFIs which
  - conclude a contractual arrangement with the US tax authorities (Internal Revenue Service ("IRS"), to provide them with specific information regarding their account holders or investors, or
  - are otherwise exempt from the FATCA provisions or
  - have been "deemed compliant", i.e. FATCA-compliant FFI, or
- to investors (recalcitrant holders) who are not otherwise exempt from the FATCA provisions and do not provide sufficient information to determine
  - whether such investors qualify as "US entities"; or
  - whether they should otherwise be treated as holders of a corresponding "US account".

The FATCA withholding tax regulation applies to payments originating outside the United States and could come into force for foreign passthru payments at a later point in time (as yet unspecified).

The United States has reached intergovernmental agreements ("IGAs") with numerous other states to simplify the implementation of FATCA requirements. In accordance with FATCA and the "Model 1" and "Model 2" IGAs, an FFI in an IGA signatory country can be treated as a "Reporting FI" ("Reporting financial institution" or, in the case of various exempt entities, a "Non-reporting FI"). Accordingly, such FFIs are not be subject to withholding tax on payments they make or receive. Under both IGA models, a reporting financial institution is always required to report certain information concerning its account holders or investors either to the authorities of its home Member State or to the IRS.

The United States and the Grand Duchy of Luxembourg signed an intergovernmental agreement on 28 March 2014 (the "Luxembourg IGA"), which is largely based on "Model 1" IGA. The Luxembourg IGA regulations were transposed into national law through the law of 24 July 2015. The Management Company expects the Fund to be treated as a reporting financial institution under the regulations of the Luxembourg IGA and that FATCA withholding tax will not have to be paid on payments the Fund makes in connection with its units accordingly. At the same time, such an obligation cannot be ruled out completely. However, payments over and above the FATCA withholding tax withheld should be excluded.

Investors may be requested to provide the Management Company or contracted third parties with additional information to allow the Management Company or the third party to meet their obligations under FATCA regulations.

The above description of the highly complex FATCA regulation is based on the existing regulations, the official guidelines, the IGA models and the Luxembourg IGA. All of these documents are subject to change.

Prospective investors should consult their own tax advisors with regard to the extent to which these regulations are relevant for payments they would receive in connection with an investment in the Fund's shares. In addition, under certain circumstances, other United States or local US tax regulations not outlined in this section may also apply.

## Tungsten TRYCON AI Global Markets at a glance

<b>subfund established:</b>	17 December 2009
<b>Initial subscription phase:</b>	
<b>Unit classes B and C</b>	15 January 2010 – 29 January 2010
<b>Unit class D</b>	None
<b>Unit class E</b>	None
<b>Unit class F</b>	None
<b>Unit class G</b>	None
<b>Unit class H</b>	None
<b>Initial issue price (excl. sales commission):</b>	
<b>Unit class B</b>	EUR 100
<b>Unit class C</b>	EUR 100
<b>Unit class D</b>	USD 100
<b>Unit class E</b>	CHF 100
<b>Unit class F</b>	GBP 100
<b>Unit class G</b>	EUR 100
<b>Unit class H</b>	EUR 10.000
<b>Currency hedging</b>	
<b>Unit class B</b>	None
<b>Unit class C</b>	None
<b>Unit class D</b>	Currency hedging is carried out
<b>Unit class E</b>	Currency hedging is carried out
<b>Unit class F</b>	Currency hedging is carried out
<b>Unit class G</b>	None
<b>Unit class H</b>	None
<b>Initial issue date:</b>	
<b>Unit classes B and C</b>	1 February 2010
<b>Unit class D</b>	1 September 2015
<b>Unit class E</b>	29 March 2017
<b>Unit class F</b>	29 March 2017
<b>Unit class G</b>	29 March 2017
<b>Unit class H</b>	11 July 2022
<b>Sales commission</b> (as % of the share price payable to the relevant broker):	
<b>Unit class B</b>	up to 3%
<b>Unit class C</b>	up to 1%
<b>Unit class D</b>	None
<b>Unit class E</b>	None
<b>Unit class F</b>	None
<b>Unit class G</b>	None
<b>Unit class H</b>	None
<b>Redemption commission:</b>	None
<b>Minimum investment:<sup>1</sup></b>	
<b>Unit class B</b>	EUR 1,000
<b>Unit class C</b>	EUR 100,000
<b>Unit class D</b>	USD 100,000
<b>Unit class E</b>	CHF 100,000
<b>Unit class F</b>	GBP 1,000,000
<b>Unit class G</b>	EUR 5,000,000
<b>Unit class H</b>	EUR 20,000,000
<b>Savings plans:</b>	None offered by the Management Company. Investors can obtain supplementary information from the relevant Custodian institution.
<b>Withdrawal plans:</b>	None offered by the Management Company. Investors can obtain supplementary information from the relevant custodian institution.

<sup>1</sup> In exceptional cases, the management company can approve subscriptions that deviate from the minimum deposit without stating reasons.

<b>Management fee (% of the net assets of the sub-fund):</b>	up to 0.20% p.a.
<p>The management fee is calculated every day based on the net asset value of the fund in the respective unit class as of the previous valuation day and is paid monthly in arrears. However, the management fee is at least EUR 1,250 per month per fund class.<sup>2</sup>The management fee is stated exclusive of any applicable VAT.</p> <p>In addition, the management company receives a fixed fee of up to EUR 1,000 per month per unit class for the unit classes D, E and F. This fee is stated exclusive of any applicable VAT.</p>	
<b>Fund management fee (as a % of the sub-fund's net assets):</b>	
<b>Unit class B</b>	up to 1.90% p.a.
<b>Unit class C</b>	up to 1.25% p.a.
<b>Unit class D</b>	up to 1.25% p.a. <sup>3</sup>
<b>Unit class E</b>	up to 1.25% p.a. <sup>3</sup>
<b>Unit class F</b>	up to 1.25% p.a. <sup>3</sup>
<b>Unit class G</b>	up to 2.40% p.a.
<b>Unit class H</b>	up to 1.05% p.a.
<p>The Fund management fee is calculated every day based on the net asset value of the sub-fund in the respective unit class as of the previous valuation day and is paid monthly in arrears. The fund management fee is stated exclusive of any applicable VAT.</p>	
<b>Custodian fee (as % of the net assets of the sub-fund):</b>	up to 0.08% p.a.
<p>The custodian fee is calculated every day based on the net asset value of the sub-fund in the respective unit class as of the previous valuation day and is paid monthly in arrears. However, the custodian fee is at least EUR 700 per month per fund class.<sup>4</sup>The custodian fee is stated exclusive of any applicable VAT.</p>	
<b>Performance fee (payable to the fund manager):</b>	
<b>Unit classes B, C, D, E, F and H</b>	up to 20% p.a. <sup>5</sup>
<b>Unit class G</b>	None

<sup>2</sup> The management company may waive the claim to its remuneration per share class in full or in part at any time, at its own discretion and without justifying its decision.

<sup>3</sup> The provision is recognized in EUR.

<sup>4</sup> The depository may waive the claim to its remuneration per unit class in full or in part at any time, at its own discretion and without justifying its decision.

<sup>5</sup> The fund manager receives a performance fee for unit classes B, C, D, E, F and H of the sub-fund TRYCON AI Global Markets.

The amount of the performance fee is 20% of the amount by which the unit value per unit class exceeds the high water mark at the end of a settlement period (absolute value increase). The initial high water mark corresponds to the initial issue price on the launch of the respective unit class.

The reference period for the high water mark began when a unit class was launched and corresponds to its entire term. The settlement period generally corresponds to the financial year of the sub-fund. The first settlement period began with the initial price calculation of the unit class and ended on the reporting date of the following financial year. In the future, a payment will only be possible 12 months after the settlement period at the earliest.

Entitlement to a performance fee is determined on a daily basis (consideration day), and this is taken into account in the particular unit price that is determined. This is determined after deducting any costs and taking into account subscriptions and redemptions. Entitlement to a performance fee determined during the settlement period does not necessarily lead to payment at the end of the settlement period.

The high water mark is either the initial issue price or the unit price at the end of the settlement period for which the last performance fee was paid, whichever is the higher. If the unit price on the observation date is higher than the current high-water mark, there is no entitlement to a performance fee and this will be deferred. If the unit price on the observation date is lower than the current high-water mark, no performance fee will be calculated. If the unit price falls below the high water mark, positive provisions are reversed in favour of the respective unit class.

A positive performance fee accrual will only be paid at the end of the settlement period if the unit price exceeds the high-water mark. In this case, the high water mark will be adjusted to the unit price at the end of the previous settlement period. If, during the settlement period, the fund or a unit class is liquidated or merged or if there is a complete redemption or conversion of share certificates by the investor and if a performance fee is due for units affected by this, this is generally paid out pro rata on the day of liquidation or merger or on the day the share certificates are completely redeemed or converted.

If the accruals are negative at the end of the settlement period, these will be taken into account in the subsequent consideration. There is no entitlement to the reimbursement of performance fees already paid. The performance fee will be paid out in the currency of the respective unit class at the end of the financial year.

This fee is stated exclusive of any applicable VAT.



Calculation examples of a performance fee

Settlement period	Unit price at the beginning of the settlement period	Unit price at the end of the settlement period	High performance fee in %	High water mark for the settlement period	Payment of a performance fee	Outperformance (absolute)	Performance fee to be paid
1	100	110	20%	100	Yes	10.00	2.00
2	110	105	20%	110	No	-5.00	0.00
3	105	95	20%	110	No	-15.00	0.00
4	95	100	20%	110	No	-10.00	0.00
5	100	115	20%	110	Yes	5.00	1.00

<b>Effective total cost burden (as % of net assets of the sub-fund):</b>	Specified in the fund's annual report
<b>Performance:</b>	The document about previous performance is available on the Management Company's website ( <a href="http://www.hal-privatbank.com">www.hal-privatbank.com</a> ).
<b>Sub-fund currency:</b>	EUR
<b>Unit class currency:</b>	
Unit class B	EUR
Unit class C	EUR
Unit class D	USD
Unit class E	CHF
Unit class F	GBP
Unit class G	EUR
Unit class H	EUR
<b>Bank working day:</b>	All days that are both a bank working day and a stock exchange trading day in Luxembourg and in Frankfurt am Main
<b>Valuation day:</b>	Every bank working day
<b>End of financial year:</b>	30 September, the first time 30 September 2010
<b>Semi-annual report:</b>	31 March
<b>Annual report:</b>	30 September
<b>The first report will be an unaudited half-year report for the period ending:</b>	31 March 2010
<b>Acceptance and redemption deadlines for subscriptions and redemptions:</b>	12:00 midday on the previous day
<b>Payment of the issue and redemption price:</b>	Within two bank business days
<b>Denomination:</b>	Book entry registered
<b>Utilisation of income:</b>	
Unit class B	Distributed
Unit class C	Distributed
Unit class D	Distributed
Unit class E	Distributed
Unit class F	Distributed
Unit class G	Distributed
Unit class H	Distributed
<b>Securities identification number/ISIN:</b>	
Unit class B	HAFX28 / LU0451958135
Unit class C	HAFX29 / LU0451958309
Unit class D	HAFX70 / LU1251115991
Unit class E	HAFX78 / LU1578228022
Unit class F	HAFX79 / LU1578228378
Unit class G	HAFX8A / LU1578228451
Unit class H	A3DMSG / LU2480924161
<b>Price publication:</b>	Daily on the management company's website ( <a href="http://www.hal-privatbank.com">www.hal-privatbank.com</a> ) or in a national newspaper or an online medium

## **MANAGEMENT REGULATIONS Tungsten TRYCON**

The Management Regulations lay down the general principles for the fund Tungsten TRYCON ("fund"), which came into effect on 1 April 2024. The filing with the Luxembourg Commercial and companies register ("Commercial and Companies Register") has been published in the Recueil électronique des Sociétés et Associations ("RESA").

The Management Regulations constitute the applicable contractual terms for the fund.

### **Article 1 THE FUND**

1. Tungsten TRYCON is a legally independent separate asset ("fonds commun de placement à compartiments multiples") comprising securities and other permitted assets ("fund assets") that are managed in accordance with the principle of risk diversification. The fund's assets less its liabilities (its "net assets") must reach at least EUR 1,250,000 within six months following its authorisation. The Fund is managed by the Management Company. The custodian within its custodian network is responsible for the safekeeping of the fund's assets.
2. The contractual duties and obligations of the holders of the units ("unitholders"), the management company and the custodian are set down in the fund's management regulations compiled by the management company in agreement with the custodian.
3. By purchasing a unit, each unitholder accepts the fund's Management Regulations and all approved amendments thereof.
4. The Fund may consist of one or more sub-funds within the meaning of Article 181 of the Law of December 17, 2010 on undertakings for collective investment, as amended ("Law of 2010"). The sub-funds as a whole make up the Fund. Each investor participates in the Fund by investing in a sub-fund. The Management Company may launch new sub-funds at any time. The respective sub-funds are mentioned in the Sales Prospectus.
5. Each sub-fund is considered an independent fund in the relationship between the unit holders. The rights and obligations of the unit holders of a sub-fund are separate from those of the unit holders of the other sub-funds. In relation to third parties, the assets of a sub-fund are only liable for liabilities and payment obligations relating to this sub-fund.
6. The unit value is calculated separately for each sub-fund in accordance with the rules set out in Article 7 of the Management Regulations.
7. The investment restrictions listed in the Management Regulations apply separately to each sub-fund, with the exception of the provisions of Article 4 no. 3. I) of the Management Regulations. For the calculation of the minimum limit (EUR 1,250,000) for the net fund assets pursuant to Article 1 No. 1. of the Management Regulations, the total fund assets of the fund resulting from the addition of the net sub-fund assets shall be taken into account.

### **Article 2 MANAGEMENT COMPANY**

1. The management company is Hauck & Aufhäuser Fund Services S.A.
2. The management company will manage the fund in its own name but exclusively in the interest and for the collective account of the unitholders. Management authorisation extends to the exercising of all rights that relate, either directly or indirectly, to the assets of the fund.
3. The management company shall determine the investment policy of the fund taking into account the legal and contractual investment restrictions. The management company's Management Board may entrust one or several members of the board with the execution of the day-to-day investment policy. It may also outsource the implementation of the daily investment policy to third parties, under its own responsibility and control and at the expense of the Fund, insofar as these third parties are authorised or registered for the purposes of asset management and are subject to a supervisory authority. If the execution of the day-to-day investment policy is outsourced to a third party, this shall be mentioned in the Sales Prospectus of the Fund. Furthermore, the management company will ensure that such third parties have taken the necessary measures to ensure compliance with all organisational requirements and avoid conflicts of interest in accordance with the applicable Luxembourg laws and regulations, and will monitor compliance with these requirements.
4. The management company may, under its own responsibility, consult investment consultants or fund managers and, in particular, obtain advice from an investment committee. The relevant costs may be charged to the fund in accordance with the provisions of the management regulations and will be mentioned in the prospectus.
5. The Management Company shall, for the purposes of the Fund, prepare a Sales Prospectus and the Key Information Document for Packaged Retail and Insurance-based Investment Products ("PRIIPS-KID").

### Article 3 THE CUSTODIAN

1. Hauck Aufhäuser Lampe Privatbank AG, Luxembourg branch, with its registered office at 1c, rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg, Grand Duchy of Luxembourg, entered in the Commercial and Companies Register of Luxembourg under registration number B 175937, has been appointed custodian of the fund by written contract. The custodian is a branch of Hauck Aufhäuser Lampe Privatbank AG, Kaiserstr. 24, 60311 Frankfurt am Main, Germany, a fully licensed German credit institution as defined in the German Banking Act (KWG) and as defined in the Luxembourg Law on the financial sector of 5 April 1993 (in its current version). It is registered in the commercial register of Frankfurt am Main District Court under HRB 108617. Both Hauck Aufhäuser Lampe Privatbank AG and its Luxembourg branch are supervised by the German Federal Financial Supervisory Authority (BaFin). Additionally, the Luxembourg branch of Hauck Aufhäuser Lampe Privatbank AG is subject to the Commission de Surveillance du Secteur Financier (CSSF) regarding liquidity, money laundering and market transparency.  
All duties and responsibilities of the custodian are performed by the branch. Its role is defined in particular by the law of 2010, the CSSF circular 16/644, the Custodian Agreement and the Sales Prospectus. As a paying agent, it is obliged to pay out any distributions and the redemption price of redeemed units and other payments.
2. In the performance of its duties, the Custodian acts honestly, reputably, professionally and independently, exclusively in the interest of the Fund and its unit-holders.
3. The depositary ensures that the Fund's cash flows are monitored effectively and properly. The depositary shall ensure that all payments made by unit-holders or on behalf of unitholders upon subscription to the investment Fund's units have been received and that all the Fund's cash is posted to bank accounts in the name of the Fund held with the depositary (or another financial institution).
4. The depositary safeguards/monitors all the Fund's assets. In this regard, the law of 2010 differentiates between the financial instruments to be safeguarded and the other assets, although the classification can be ambiguous in some individual cases.

The Custodian is subjected in some cases to different duties and stricter liability for the safeguarding of financial instruments (such as securities, money market instruments, units in Undertakings for Collective Investment) than for the safeguarding of other assets. Financial instruments to be safeguarded are kept in safe custody by the Custodian in segregated Custodian accounts. Aside from a few exceptional cases, the custodian shall be held liable for the loss of these financial instruments, including where the loss was caused by a third party rather than the custodian itself. In contrast, other (non-depositable) assets will not be held in securities accounts. After ensuring that they are actually owned by the investment fund, the custodian shall maintain records of these assets. The custodian shall be liable to the management company for gross negligence or wilful misconduct with respect to the fulfilment of these duties.

For the safeguarding of the assets, regardless of their type, the Custodian can appoint Sub-Custodians to comply with the conditions of the Law of 2010. The custodian's liability vis-à-vis the management company remains unaffected by the commissioning of a sub-custodian. The names of the sub-custodians are available from the custodian's website (<https://www.hal-privatbank.com/impressum>). As a general rule, third parties are not appointed to safeguard or monitor other assets, unless expressly stipulated otherwise.

When appointing a sub-custodian for financial instruments to be held in custody, the custodian is, in particular, obliged to check that the sub-custodian is subject to effective supervision (including minimum capital requirements) and regular external auditing that guarantees that the assets are in its possession ("**custodian due diligence**"). These duties of care must also be complied with vis-a-vis any legal entity that is in the chain of custody after the Sub-Custodian or third-party Custodian, respectively (the so-called "Correspondent").

The depositary must also ensure that each sub-custodian separates any assets belonging to the depositary's customers that are subject to joint administration from its own assets and the other assets of the depositary and, in particular, that it separates its own assets from assets belonging to the depositary's customers that are not subject to joint administration.

With respect to financial instruments to be held in safe custody, if the law of a third country stipulates that certain financial instruments must be held in safe custody with a local entity which does not fulfil the aforementioned monitoring requirement (referred to as a "**local depositary**"), the depositary may still engage this local depositary provided that the following legal requirements are met.

First, there must be no Local Custodian that does fulfil the above-mentioned supervision requirement.

Second, the safeguarding of financial instruments can only be transferred to a Local Custodian upon express instruction from the Management Company.

Furthermore, the Management Company must properly inform the investors of the commissioning of such a Local Custodian in advance.

5. The Custodian is bound to instructions from the Management Company, insofar as such instructions do not breach the law, the Management Regulations or the currently valid version of the Fund's Sales Prospectus.
6. The Custodian is entitled to terminate its Custodian function in accordance with the contractual conditions at any time. In such a case, the management company is obliged to dissolve the Fund in accordance with article 12 of these Management Regulations or to appoint a new custodian within two months with the approval of the competent supervisory authority. Until a new custodian is appointed, the former custodian will fulfil its legal duties and functions in full in accordance with the Management Regulations.

The management company is also entitled to terminate the appointment of the custodian at any time in compliance with the valid custodian agreement. Such a termination will necessitate the dissolution of the fund unless the management company appoints another bank as a custodian to take over the legal functions of the previous custodian with the approval of the responsible supervisory authorities after the end of the advance written notice period.

#### **Article 4 GENERAL GUIDELINES FOR THE INVESTMENT POLICY**

As a general rule, the fund shall be subject to the following general principles and restrictions in relation to its investment policy. Any additions or deviations shall be specified in the Sales Prospectus.

The following definitions shall apply:

"Third country": Under these Management Regulations, a third country shall mean any country which is not a member of the European Union.

"Money market instruments":  
Instruments normally traded on the money market, which are liquid and the value of which can be accurately determined at any time.

"Regulated market":  
A market according to Article 4 (14) of Directive 2004/39/EC of 21 April 2004 on Markets in Financial Instruments (as amended).

"Law of 2010":  
Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended

"Member State":  
A Member State of the European Union. States that are contracting parties to the Agreement on the European Economic Area are treated in the same way as the Member States of the European Union, within the limits of this agreement and the related legal acts.

"UCI":  
Undertaking for Collective Investment. Each UCI subject to part II of the Act of 2010 categorically qualifies as an AIF as defined in the Luxembourg Act of 12 July 2013 on Alternative Investment Fund Managers.

"UCITS":  
Undertaking for Collective Investment in Transferable Securities, subject to Directive 2009/65/EC.

"Directive 2009/65/EC":  
Directive 2009/65/EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (as amended)

"Securities":  
- Shares and other securities equivalent to shares ("shares");  
- Bonds and other securitised debt instruments ("bonds")  
- all other marketable securities that permit the acquisition of securities by either subscription or exchange, except for those techniques and instruments specified in paragraph 5 of this Article below.

The fund's investment policy shall be subject to the following rules and investment restrictions. The Fund's net assets shall be invested in accordance with the principle of risk diversification. The Fund's investment policy may include investments in securities, money market instruments, Fund units, derivative financial instruments and any other assets eligible under Article 4 of the Management Regulations. It may differ in particular according to the region in which the sub-funds invest, the assets to be acquired, the currency in which they are denominated or their maturity. A detailed description of the Fund's investment policy can be found in the Sales Prospectus.

1. Investments of the Fund may comprise the following assets.  
Due to the specific investment policy of the Fund, some of the investment options for the Fund described below may not apply to the Fund. This will be mentioned in the prospectus.

- a) Transferable securities and money market instruments listed or traded on a regulated market;
- b) Transferable securities and money market instruments that are traded in any other recognised, regulated and properly functioning regulated market in a member state of the European Union that is open to the public;
- c) Transferable securities and money market instruments that have been admitted to official listing on a stock exchange of a third country and are traded on another regulated market in that country that is recognised and open to the public and that operates regularly;

- d) Recently issued transferable securities, provided that the terms of issue include an undertaking that an application will be made for admission to official listing on a stock exchange or to another regulated market within the meaning of the provisions laid down in paragraph 1 (a) to (c), and such admission is secured within a year of issue;
- e) Units of a UCITS authorised in accordance with Directive 2009/65/EC and/or other UCIs within the meaning of Article 1 (2) (a) and (b) of Directive 2009/65/EC with a registered office in a Member State or a third country, provided that
- other such UCIs have been approved in accordance with legal regulations that subject them to regulatory supervision that is considered by the CSSF as equivalent to that laid down in Community law, and cooperation between the authorities is sufficiently ensured.
  - the level of protection for unitholders in other such UCIs is equivalent to that provided to unitholders in a UCITS and in particular that the rules on fund asset segregation, borrowing, lending and the short selling of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC;
  - the business of the other UCIs is reported in semi-annual and annual reports to enable an assessment to be made of the assets and liabilities, income and transactions over the reporting period;
  - no more than 10% of the assets of the UCITSs or other such UCIs whose units are to be acquired may, according to their management regulations or foundation documents, be invested in aggregate in units of other UCITSs or other UCIs.
- f) demand deposits and callable deposits with credit institutions maturing within 12 months, provided that the credit institution has its registered office in a Member State or, if it has its registered office in a third country, it must be subject to supervisory provisions considered by the CSSF as equivalent to those laid down in Community law.
- g) derivative financial instruments, i.e. in particular, options and futures, as well as swaps (“derivatives”), including equivalent instruments which are settled in cash and traded on one of the regulated markets named under points a), b) and c), and/or over-the-counter derivative financial instruments (“OTC derivatives”), if
- the underlying assets are instruments under the terms of no. 1 (a) to (h) of this document, financial indices (including bond, share and commodity indices that fulfil all criteria of a financial index that, amongst other things, are recognised and sufficiently diversified), interest rates, exchange rates or currencies;
  - the counterparties for transactions with OTC derivatives are institutions subject to regulatory supervision falling into the categories licensed by CSSF; and
  - the OTC derivatives are subject to a reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offset transaction at any time at their fair value on the initiative of the fund.
- h) money market instruments, which are not traded in a regulated market and are not covered by the definitions above if the issue or the issuer is itself subject to regulations on the protection of investments and investors, and provided that these instruments are:
- issued or guaranteed by a central, regional or local authority or central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a third country or, in the case of a federal state, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
  - issued by an undertaking whose securities are traded on regulated markets referred to in points (a), (b) or (c) above; or
  - issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law, or;
  - issued by other issuers belonging to the categories approved by the CSSF, provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent, and provided that the issuer is a company whose capital and reserves amount to at least ten million euros (EUR 10,000,000), that the issuer presents and publishes its annual accounts in accordance with Directive 78/660/EEC, and that it is an entity which, within a group of companies including one or several listed companies, is dedicated to the financing of the group, or is an entity which is dedicated to the financing of securitisation vehicles which benefit from liquidity line provided by a bank.
- i) Equity investments within the meaning of Section 2 (8) of the German Investment Tax Act. Equity investments in this sense are
- Shares in corporations that are admitted to official trading on a stock exchange or admitted to or included in another organized market;

- Shares in corporations that are domiciled in a member state of the European Union or another signatory state to the Agreement on the European Economic Area and are subject to income taxation for corporations there and are not exempt from it;
- Shares in corporations that are domiciled in a third country and are subject to income taxation for corporations of at least 15% there and are not exempt from it;
- Shares in other investment funds (target funds) in the amount of the quota of their value published on each valuation date at which they actually invest in the aforementioned shares in corporations; if no actual quota is published, in the amount of the minimum quota specified in the investment conditions of the other investment fund.

2. In addition, the fund can:

- a) invest up to 10% of its respective net assets in securities or money market instruments other than those mentioned under No. 1;
- b) hold liquid assets in the amount of up to 20% of its respective net assets;
- c) take out a short-term credit loan equivalent to a maximum of 10% of its net assets. These loans may be pledged as collateral or as security. Hedging transactions in relation to the sale of options or the acquisition or sale of forward contracts and futures are not considered borrowing for the purpose of this investment restriction;
- d) Acquire foreign currencies as part of a back-to-back transaction.

3. In addition, the fund will observe the following investment restrictions when investing its assets:

- a) The Fund may invest no more than 10% of its respective net assets in transferable securities or money market instruments issued by a single issuer, whereby the securities held directly in the portfolio and the underlying assets of structured products are considered collectively. The fund may not invest more than 20% of its net assets in deposits made with the same body. The counterparty default risk associated with the fund's transactions in OTC derivatives may not exceed 10% of its net assets if the counterparty is a credit institution within the meaning of paragraph 1 (f). Otherwise, this maximum limit is 5% of the fund's net assets.
- b) The total value of the transferable securities and money market instruments that the fund holds in issuers in which it invests more than 5% of its net assets may not then exceed 40% of the value of its net assets. This restriction does not apply to deposits and transactions with OTC derivatives with financial institutions subject to regulatory supervision.

Irrespective of the individual limits specified in paragraph 3 (a), the fund may not invest more than 20% of its net assets in the same body, in a combination of

- investments in transferable securities or money market instruments issued by that body;
- deposits made with that body; or
- OTC derivatives acquired from that

institution.

- c) The upper limit specified in 3 (a) sentence 1 is 35% or less if the securities or money market instruments are issued or guaranteed by a Member State or its regional authorities, by a third state or by an international public-law institution that counts at least one of the Member States amongst its members.
- d) The limit laid down in paragraph 3 (a) (1) may rise to a maximum of 25% covered bonds within the meaning of Article 3(1) of Directive (EU) 2019/2162 of November 27, 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU, and for bonds issued before July 8, 2022 that meet the following conditions:
  - i. where bonds are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect holders of these bonds. In particular, and as required by law, the income from the issuance of such bonds must be invested in assets that sufficiently cover any liabilities arising from such bonds throughout their entire term and that take precedent with regard to capital repayments falling due and interest payments in the event of the issuer defaulting.
  - ii. If the fund invests more than 5% of its net assets in bonds as defined in the sub-paragraph above, which are issued by the same issuer, the total value of such investments must not exceed 80% of the value of the net assets of the UCITS.
- e) The transferable securities and money market instruments referred to in paragraph 3 (c) and (d) will not be taken into account for the purpose of applying the limit of 40% referred to in paragraph 3 (b).

The limits provided for in paragraph 3 (a), (b), (c) and (d) may not be combined. Hence, investments made in accordance with paragraph 3 (a), (b), (c) and (d) in transferable securities or money market instruments issued by the same issuer, or in deposits made with the same issuer or in derivative instruments made with this issuer may not exceed 35% of the net assets of the fund.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognised international accounting rules, shall be regarded as a single body for the purpose of calculating the limits contained in sub-paragraphs (a) to (e).

The fund may make a cumulative investment in transferable securities and money market instruments within the same group up to a limit of 20%.

- f) Without prejudice to the limits laid down in paragraph 3 (k), (l) and (m) below, the limits laid down in 3 (a) to (e) to a maximum of 20% for investment in shares and/or debt securities issued by the same issuer when the aim of the fund's investment policy is to replicate a certain stock or debt securities index recognised by the CSSF. The prerequisites for this are:
- its composition is sufficiently diversified;
  - the index represents an adequate benchmark for the market to which it refers; and
  - the index is published in an appropriate manner.
- g) The maximum limit laid down in paragraph 3 (f) is 35% where this proves to be justified by exceptional market conditions, and in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. An investment up to the maximum limit is permitted only for a single issuer.
- h) Notwithstanding the provisions under 3 (a) to (e), the fund may, in accordance with the principle of risk diversification, invest up to 100% of its net fund assets in securities and money market instruments from various issuers, which are issued or guaranteed by a Member State or its regional authorities, an OECD country or international public-law institution that counts at least one of the Member States amongst its members, provided that (i) such securities are a part of a minimum of six different issues and (ii) no more than 30% of the net assets are invested in securities from the same issuer.**
- i) The fund may acquire units in other UCITS and/or other UCIs as defined in paragraph 1 (e), if it invests no more than 20% of its net fund assets in the same UCITS or another UCI.

Bei der Anwendung dieser Anlagegrenze ist jeder Teilfonds eines Umbrella-Fonds im Sinne von Artikel 181 des Gesetzes von 2010 wie ein eigenständiger Emittent zu betrachten, vorausgesetzt, das Prinzip der Einzelhaftung pro Teilfonds im Hinblick auf Dritte findet Anwendung.

- j) Investments in units of UCIs other than UCITSs may not exceed 30% of the fund's net assets.

Where the fund has acquired units of a UCITS and/or other UCI, the assets of the UCITS or other UCI in question will not be considered for the purposes of the limits laid down in paragraph 3 (a) to (e).

Where the fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge fees for subscription or redemption of units of such other UCITS and/or UCIs by the fund.

However, where the fund invests in units of target funds launched and/or managed by other companies, it should be noted that sales commissions and redemption commissions may be charged for these target funds. Information about the sales commissions and redemption commissions paid by the fund will be included in annual reports.

If the fund invests in target funds, the fees for the administration and management of the investing fund and the fees for the administration and management of the target fund will be charged to the fund's assets. This may result in a double burden with respect to the charges for fund administration and management.

In general, the acquisition of units in target funds may result in a management fee being levied at the target fund level. The fund will therefore not invest in target funds that are subject to management fees of more than 3%. The fund's annual report shall contain information on the maximum proportion of the management fee to be borne by the fund and the target funds.

- k) The fund may not acquire any shares carrying voting rights in quantities that would enable it to exercise significant influence over the management of the issuer.
- l) Furthermore, the fund may acquire no more than:
- 10% of the non-voting shares of a single issuing body;

- 10% of the debt securities of a single issuing body;
- 25% of the units of the same UCITS or other UCI within the meaning of Article 2 (2) of the Law of 2010;
- 10% of the money market instruments from one single issuer;

The limits provided under the second, third and fourth point need not be observed if the gross amount of the bonds or money market instruments or the net amounts of the units issued cannot be calculated at the point of acquisition.

m) The aforementioned provisions under paragraph 3 (k) and (l) are not applicable to:

- aa) Transferable securities and money market instruments issued or guaranteed by a Member State or its regional authorities;
  - bb) Transferable securities and money market instruments issued or guaranteed by a third country;
  - cc) Transferable securities and money market instruments which are issued by a public international institution that counts at least one of the member states amongst its members;
  - dd) Shares in companies incorporated under the laws of a third country, provided that (i) such a company invests primarily in securities from issuers based in the third country, (ii) under the laws of that country, the only way the sub-fund can acquire securities from issuers of that country is by acquiring a stake in such a company, and (iii) this company observes the investment restrictions when investing assets pursuant to paragraph 3 (a) to (e) and 3 (i) to (l);
  - ee) Shares held in the capital of subsidiary companies which, in the country in which they are based, only and exclusively perform administrative, consultancy or sales activities for the fund with respect to the redemption of units at the request of the unitholders.
- n) The fund may not acquire any goods or precious metals, with the exception of certificates that are considered securities and are recognised as permitted assets in management practice.
- o) The fund may not invest in real estate, although investment is permitted in real estate-backed securities or the interest thereon, or investments in securities issued by companies that invest in real estate and the interest thereon.
- p) No loans or guarantees may be issued to third parties against the fund's assets, whereby this investment restriction of the fund does not hinder the fund from investing its net assets in transferable securities, money market instruments or other financial instruments referred to in paragraphs 1 (e), (g) and (h) above that are not paid up in full; provided that the fund has sufficient cash or other liquid assets to cover the outstanding payments; such reserves may not already be allocated to the sale of options.
- q) The fund may not engage in short selling of transferable securities, money market instruments or other financial instruments referred to in paragraphs 1 (e), (g) and (h).

4. Without prejudice to any provisions to the contrary contained herein:

- a) the fund need not comply with the investment limits laid down in points 1 to 3 above when exercising subscription rights attached to securities or money market instruments that form part of its assets.
- b) the fund may deviate from the provisions set out in paragraph 3 (a) to (j) above for a period of six months after its approval.
- c) if the fund fails to comply with these provisions for reasons beyond its control or due to the exercise of subscription rights, it must give priority to remedying the situation with respect to its sales transactions, while taking into account the interests of its unitholders.
- d) if the issuer is a legal entity with multiple sub-funds in which the assets of each sub-fund are used only to cover investor and creditor claims arising when the sub-fund is formed, expires or is liquidated, then for the purposes of applying the rules on risk diversification set out in paragraph 3 (a) to (g) and paragraph 3 (i) and (j), each sub-fund will be regarded as a separate issuer.

The management company of the fund is entitled to establish additional investment restrictions insofar as such restrictions are necessary to comply with legal and administrative regulations in the countries in which the units of the fund are offered or sold.

5. Ein Teilfonds kann Anteile eines anderen Teilfonds oder mehrerer anderer Teilfonds des Fonds („Zielteilfonds“) unter der Bedingung zeichnen, erwerben und/oder halten, dass:



- die Zielteilfonds ihrerseits nicht in den Teilfonds anlegen; und
- der Anteil der Vermögenswerte, den die Zielteilfonds ihrerseits in Anteile anderer Zielteilfonds des Fonds anlegen können, insgesamt nicht 10 % übersteigt; und
- die Stimmrechte, die gegebenenfalls mit den jeweiligen Anteilen zusammenhängen, so lange ausgesetzt werden, wie die Zielteilfondsanteile gehalten werden, unbeschadet einer ordnungsgemäßen Abwicklung der Buchführung und den regelmäßigen Berichten; und
- der Wert dieser Anteile nicht in die Berechnung des Nettovermögens des Fonds einbezogen wird, solange diese Anteile von dem Teilfonds gehalten werden, sofern die Überprüfung des durch das Gesetz von 2010 vorgesehenen Mindestnettovermögens des Fonds betroffen ist.

## 6. Techniques and instruments

The fund may use derivatives or other techniques and instruments for hedging and the effective management of the portfolio, for the maturity or risk management of the portfolio or to achieve income, i.e. for speculative purposes.

If such transactions are related to the use of derivatives, the conditions and restrictions must be in accordance with the provisions of No. 1 to 4 of this Article above. Furthermore, the stipulations of No. 6 of this Article below relating to the risk management procedure for derivatives must be observed.

## 7. Risk management procedures for derivatives

Where transactions involve derivatives, the fund must ensure that its overall risk associated with derivatives does not exceed the total net value of its portfolio.

The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions. This shall also apply to the following subsections.

- The fund may invest, as a part of its investment policy and within the limit laid down in paragraph 3 (e) above, in financial derivative instruments provided that the aggregate exposure to the underlying assets does not exceed the investment limits laid down in paragraph 3 (a) to (e) above. Where the Fund invests in index-based financial derivative instruments, such investments are not required to be considered for the purposes of the limits laid down in paragraph 3 (a) to (e) above.
- A derivative that is embedded in a security or a money market instrument must be taken into account with regard to the investment restrictions in paragraph 3 (e) above.

The Management Company regularly notifies the CSSF of the types of derivatives contained in the portfolio, the risks associated with each underlying asset, the investment restrictions and the measurement method used for the risks associated with derivative transactions of the Fund.

The investment restrictions specified in this article 4 categorically refer to the time of acquisition of the relevant assets. If the aforementioned limits are exceeded after acquisition due to value increases, the management company will reinstate the investment restrictions taking due account of the interests of the investors.

## Article 5 UNITS

1. Units of the fund are securitised through unit certificates, with corresponding coupons, made out to the bearer unless stipulated otherwise in the prospectus.
2. In principle, all units of the Fund shall have the same rights and are freely transferable.
3. Units are made out to the bearer. They are issued in unit divisions defined by the Management Company. If a securitisation in global certificates takes place, effective pieces cannot be delivered. This is mentioned in the Sales Prospectus. Insofar as the units are issued in book form via transfer to securities accounts, the management company can issue unit fractions of up to 0.001 units.
4. The Management Company may provide for several unit classes for the Fund. If different unit classes are provided for, this will also be mentioned in the prospectus.

The unit classes can differ with regard to:

- a) the cost structure in terms of the sales commission, redemption commission and any selling agent commission;

- b) the cost structure in terms of the particular remuneration for the management company, custodian and the investment adviser or fund manager;
- c) the regulations concerning the sales and the minimum subscription amount or the minimum deposit;
- d) the distribution policy;
- e) the currency in which the unit classes are denominated;
- f) any other criteria as defined by the management company.

From the day of issue, all units are entitled to income, price gains and the liquidation proceeds of their unit class in the same way.

- 5. The issue and redemption of the units and the payments to units or income certificates are performed by the Management Company, the Custodian and via any paying agent.
- 6. The Management Company may split or merge units within a unit class.
- 7. The management company may dissolve existing unit classes in accordance with the provisions of Articles 12 and 13 of the Management Regulations, or consolidate these within the fund or merge these with another UCITS, or sub-fund/unit class thereof, which is managed by the same or another management company, whereby this other UCITS or sub-fund/unit class may be based either in Luxembourg or another Member State.

## **Article 6 ISSUE OF UNITS**

- 1. Fund units are issued at the unit value plus a sales commission on each valuation day. The sales commission amount is defined in the Sales Prospectus. The sales commission is charged in favour of the relevant agent. The issue price may be increased by fees or other charges incurred in the respective distribution countries.
- 2. The Management Company may, at any time and at its discretion, reject a subscription order and may temporarily limit, suspend or definitively terminate the issue of units for the Fund, to the extent that such a measure seems to be necessary in the interest of all unitholders, for the protection of the Management Company, for the protection of the relevant fund, in the interest of the investment policy or to protect the specific investment objectives of the Fund. To protect the investors, the Management Company will, in particular, not permit any practices related to market timing and reserves the right to reject subscription requests from an investor whom the Management Company suspects of deploying such practices and to take appropriate action as required.
- 3. The Management Company may, in compliance with the statutory provisions of the Grand Duchy of Luxembourg, issue units against the delivery of securities, provided that a provider requests this procedure and that these securities are compatible with the investment policy and the Fund's investment restrictions. In connection with the issuing of units against the delivery of securities, the auditor of the Fund must compile a report evaluating the securities to be contributed. The costs of an issue of units as described above is borne by the corresponding subscriber.
- 4. The acquisition of units is fundamentally performed at the issue price of the valuation day in accordance with Article 7 (1) of the management regulations. Subscription requests received by the management company by 12:00 midday (Luxembourg time) on a valuation day shall be settled based on the unit value on the next valuation day. Subscription requests received by the Management Company after 12:00 midday (Luxembourg time) on a valuation day will be settled on the basis of the unit price on the day after the next valuation day.

The issue price is payable within two bank business days after the relevant valuation day.

- 5. The units will be transferred by the custodian on behalf of the management company immediately upon receipt of the issue price by the custodian.
- 6. The Custodian will pay back without delay any payments received for subscription requests that have not been executed with no interest.
- 7. Savings plans can be offered for the Fund. Where savings plans are offered, this will be mentioned in the prospectus. Insofar as the issue is part of the savings plans offered, a maximum of one third of each of the payments agreed for the first year will be used to cover costs, and the remaining costs will be distributed equally amongst all subsequent payments.

## **Article 7 UNIT VALUE CALCULATION**

- 1. The value of a unit ("unit value") is denominated in the currency of the unit class ("unit class currency") specified in the overview of the fund in the prospectus. It is calculated by the management company or by a third-party commissioned by the management company under the supervision of the custodian on the day ("valuation day") specified in the fund

prospectus. The fund and its unit classes are calculated by dividing the net assets of the fund in the respective unit class by the number of units in that unit class in circulation on the valuation day. Insofar as annual and semi-annual reports and other financial statistics are obliged, as a result of statutory provisions or the stipulations of the management regulations, to provide information on the situation of the fund's assets as a whole, such details shall be stated in euros ("reference currency"), and the values of the assets of the fund converted into the reference currency.

2. The net fund assets are calculated according to the following principles:

- a) The target fund units contained in the fund are calculated at the most recently specified and available unit value or redemption price.
- b) The value of cash and cash equivalents and bank balances, certificates of deposit and outstanding receivables, prepaid expenses, cash dividends and declared or accrued and not yet received interest is equal to the full amount unless it is unlikely to be paid or received in full, in which case the value is determined by including a reasonable discount in order to obtain the actual value.
- c) The value of assets listed or traded on a stock exchange or another regulated market is determined based on the last available exchange rate unless otherwise stipulated in the following.
- d) If an asset is not listed or traded on a stock exchange or another regulated market, or if there are assets that are listed or traded on a stock exchange or another market as mentioned above where the prices do not reasonably reflect the actual market value of the corresponding asset in accordance with the regulations in c), the value of such assets is determined on the basis of the reasonably foreseeable sales price, following a prudent assessment.
- e) The liquidation value of futures, forwards or options that are not traded on stock exchanges or other organised markets is equal to the respective net liquidation value, as determined in accordance with the board's guidelines on a consistent basis for all different types of contracts. The liquidation value of futures, forwards or options that are traded on stock exchanges or other organised markets is calculated on the basis of the most recently available conclusion prices of such agreements on the stock exchanges or organised markets on which these futures, forwards or options are traded by the fund; if a future, a forward or an option cannot be liquidated on a day for which the net asset value is defined, then the basis of valuation for such an agreement is defined by the management board in an appropriate and reasonable manner.
- f) Swaps are valued at their market value.  
Care must be taken to ensure that swap contracts are concluded under standard market conditions in the exclusive interest of the fund.
- g) Money market instruments may be valued at their respective fair market value, as determined by the management company in good faith and based on generally accepted valuation rules verifiable by auditors.
- h) Any other securities or other assets are valued at their appropriate market value, as must be determined in good faith and in accordance with the method to be set by the management company.
- i) Pro rata interest due on securities is included unless it has been taken into account in the market value (dirty pricing).

The value of all assets and liabilities not shown in the currency of the fund is converted to the currency of the fund using the most recently available exchange rate. If such exchange rates are not available, the exchange rate is determined in all good faith and in accordance with the procedure to be published by the Management Company.

The Management Company may, at its own discretion, approve other valuation methods if it considers them to be in the interests of appropriate valuation of an asset of the Fund.

If the Management Company is of the opinion that the share value determined on a specific valuation day does not reflect the actual value of the shares in the Fund or if there have been significant movements on the relevant stock exchanges and/or markets since the share value was determined, the Management Company may decide to update the share value on the same day. Under the circumstances, all applications for subscriptions and redemptions received for that valuation day are fulfilled on the basis of the unit value that has been updated according to the principle of good faith.

3. Where two or more unit classes have been set up for the fund in accordance with Article 5 (3) of the Management Regulations, the following specific provision shall apply when calculating net asset value:

- a) The net asset value shall be calculated separately for each unit class in accordance with the criteria listed in paragraph 2 of this Article.
- b) The inflow of funds resulting from the issue of shares increases the percentage of the respective unit class in the overall value of the net fund assets. The outflow of funds resulting from the redemption of shares decreases the percentage of the respective share class in the overall value of the net Fund assets.
- c) In the case of a dividend disbursement, the proportionate value of the units in the unit class entitled to the disbursement is reduced by the amount of the disbursement. This will also reduce the percentage of this unit class in

the aggregate value of the Fund's net assets, while increasing the percentage of one or more other non-distributable unit classes in the Fund's aggregate net assets.

4. An income adjustment procedure may be carried out for the fund.
5. The management company may define the unit value for extensive redemption requests that cannot be fulfilled from cash and cash equivalents and permitted loans of the relevant fund on the basis of the prices for the valuation day on which it performs the necessary security sales for the fund; this provision also applies to subscription orders submitted for the fund at the same time.

#### **Article 8      SUSPENSION OF THE UNIT VALUE CALCULATION**

1. The management company shall be entitled to suspend the calculation of the net asset value if and while circumstances prevail that make this suspension necessary and if the suspension is justified, taking into consideration the interests of the unitholders, in particular:
  - a) when an exchange or other regulated market on which a substantial portion of the fund's assets is officially listed or traded is closed (excluding ordinary weekends and holidays) or when trading on that exchange has been suspended or restricted;
  - b) in emergencies, if the management company is unable to access the fund's assets, or freely transfer the value of the fund's buy or sell transactions, or calculate the net asset value.
2. The management company will promptly publish the suspension or resumption of the calculation of unit value in at least one daily newspaper in countries in which public distribution of the fund's units is permitted and inform all unitholders who have offered units for redemption.

#### **Article 9      REDEMPTION OF UNITS**

1. The unitholders of the fund are entitled to demand that their units be redeemed at any time at the fund's redemption price and under the terms defined in Article 7 of the Management Regulations. This redemption is only executed on a valuation day. The redemption price will be paid upon redemption of the units. Where a redemption commission is charged, this must be mentioned in the prospectus.
2. Units shall be redeemed at the redemption price applicable on the relevant valuation day. Redemption requests received by the management company by 12:00 midday (Luxembourg time) on a valuation day will be settled at the redemption price for the following valuation day. Redemption requests that the management company receives after 12:00 midday (Luxembourg time) on a valuation day are settled at the unit value of the next but one valuation day. The redemption price is payable within two bank working days of the relevant valuation day.
3. The Management Company is entitled, with prior permission from the custodian, to not effect extensive redemptions that cannot be fulfilled from cash and cash equivalents and permitted loans of the Fund until the corresponding assets of the Fund have been sold without delay. Investors who have offered their units for redemption will be immediately notified of a suspension of redemption and of the resumption of redemption in the appropriate manner.
4. The Management Company may decide to suspend the redemption of the Fund's units temporarily. Suspension may only take place in exceptional circumstances where a suspension is required, and where the suspension is justified taking into account the interests of the unitholders.
5. The Custodian is only obliged to make a payment insofar as no statutory provisions (e.g. legal regulations concerning foreign currency) or other circumstances beyond the influence of the Custodian prohibit the transfer of the redemption price to the country of the party making the request.
6. The Management Company may unilaterally repurchase the units of each Fund against the payment of the redemption price, if it is in the interests of the unitholders to do so, or in order to protect the Management Company or the Fund.

#### **Article 10     FINANCIAL YEAR AND AUDIT OF FINANCIAL STATEMENTS**

1. The fund's financial year begins on 1 October and ends on 30 September of the following year.
2. The annual financial statements of the fund will be audited by an auditor appointed by the management company.

#### **Article 11     DISTRIBUTIONS**

1. The management company shall determine on behalf of the fund whether distributions to unitholders from the fund's assets shall take place in principle. This will be disclosed in the prospectus.

2. Notwithstanding the above provision, the management company may from time to time decide to make a distribution.
3. Ordinary income from interest and/or dividends less costs (“ordinary net income”) and net realised gains may be distributed.

Moreover, non-realised price gains and other assets can be distributed provided the distribution does not cause the net Fund assets to drop below the minimum limit according to article 1 No. 1 of the Management Regulations.

4. Distributions shall be paid out on units issued on the distribution date. Income not claimed within five years after the publication of a distribution notice will expire in the fund’s favour.
5. If two or more unit classes are formed in accordance with Article 5 No. 3 of these Management Regulations, the specific utilisation of the income for each unit class shall be defined in the Fund’s Sales Prospectus.

## **Article 12 DURATION AND DISSOLUTION OF THE FUND**

1. The fund is established for an unlimited period.
2. Notwithstanding the provision laid down in No. 1 of this Article, the Management Company may dissolve the existing Fund at any time to the extent that the Fund’s net assets fall below an amount that the Management Company considers to be the minimum amount required to guarantee efficient management of the Fund, which has been set at EUR 5 million, or in the event of a change in the economic and/or political environment. Notice of dissolution of a Fund shall be published in advance.
3. After the Fund has been dissolved, the Management Company will liquidate the Fund. This includes the divestment of assets attributable to this Fund, as well as the payment of liabilities attributable to this Fund. The net proceeds from the liquidation will be paid to unitholders in proportion to their unit holdings. The provision of Article 12 (5) of the management regulations concerning any remaining or unclaimed amounts shall apply mutatis mutandis to any proceeds of liquidation not claimed after the liquidation of the fund has been completed.
4. The dissolution of the fund is imperative in the following circumstances:
  - a) the term defined in the Fund’s Management Regulations has expired;
  - b) if the appointment of the custodian is terminated and no new custodian appointment has taken place within the periods stipulated by law or contract;
  - c) insolvency proceedings against the Management Company are filed or the Management Company is dissolved for any reason;
  - d) if the fund's assets remain below one quarter of the minimum limit laid down in Article 1 (1) of the Management Regulations for longer than six months;
  - e) In other cases provided for in the Law of 2010 or in the fund's management regulations.
5. If a situation occurs that results in the dissolution of the fund, the issue of units shall be suspended. The redemption of units in the fund remains possible provided that equal treatment of investors is ensured. The Custodian will divide the liquidation proceeds less the liquidation costs and remunerations (“net liquidation proceeds”) between the unit-holders in the Fund in accordance with their entitlement upon instruction from the Management Company or, where applicable, from the liquidators appointed by the Management Company or the Custodian. The net liquidation proceeds that have not been withdrawn by unit-holders by the conclusion of the liquidation procedure are, insofar as is then legally necessary, converted into Euros and deposited by the Custodian after the liquidation procedure has been concluded for the account of the unit-holders at the “Caisse de Consignation” in Luxembourg, whereby these sums expire unless they are requested there within the period stipulated by law.
6. Neither the unitholders nor their heirs, legal successors or creditors can request the dissolution or the division of the fund.

## **Article 13 MERGER OF THE FUND**

The management company can decide by resolution of the Management Board and in accordance with the conditions and procedures specified in the Law of 2010 to merge the fund with another undertaking for collective investment in transferable securities (“UCITS”), or sub-fund thereof, managed by the same or another management company, whereby this other UCITS or sub-fund may be based either in Luxembourg or another member state.

If the merging UCITS or a Sub-Fund of a UCITS is a common fund (FCP) that ceases to exist as a result of the merger, the effective date of the merger shall be decided by the Management Company of this UCITS, unless otherwise provided in the

management regulations. In the case of any investment fund (FCP) that ceases to exist as a result of a merger, the decision regarding the effective date of the merger shall be filed with the commercial and companies register and published in RESA by way of a notice of the filing of this decision with the commercial and companies register in accordance with the provisions of the Law of 2010.

The notification to the investors concerning the merger of the fund will be published by the management company in a suitable manner in Luxembourg and in each of the countries in which units of the fund are distributed.

The unitholders of the receiving/merging Fund or Sub-Fund have the right to request, within 30 days and without incurring any charges, the redemption of their units at the relevant unit price or, where possible, to convert them into units in another Fund with a similar investment policy and managed by the same Management Company, or by another company linked to the Management Company by common management or control, or by a substantial direct or indirect holding. This right shall come into effect when the unitholders of the transferring Fund and the unitholders of the receiving/merging Fund or Sub-Fund are notified of the planned merger, and it expires five bank working days before the conversion ratio is calculated.

Units held by unitholders that do not request the redemption or conversion of their units will be exchanged for units in the acquiring UCITS or its sub-fund based on the unit value applicable on the day on which the merger will take effect. Where applicable, unitholders shall also receive compensation for fractional units.

If funds or sub-funds are merged, the relevant fund or sub-fund may temporarily suspend the subscription or redemption of units, provided that this is justified in order to safeguard investors' interests.

Legal, consultancy or administrative costs associated with the preparation and the completion of the merger shall not be charged to the merging or receiving fund or its unitholders.

#### **Article 14 COSTS**

The following costs may be charged to the fund:

1. The Management Company shall receive a fee from the net assets of the Fund. This fee shall be calculated daily based on the net asset value of the Fund for the respective unit class on the previous valuation day, and paid monthly in arrears. Information regarding the fee amount, including a minimum fee, shall be disclosed in the prospectus. This fee is stated exclusive of any applicable VAT.
2. The investment consultant or fund manager shall receive a fee from the net assets of the fund. This fee shall be calculated daily based on the net asset value of the fund for the respective unit class on the previous valuation day, and paid monthly in arrears. Information regarding the fee amount, including a minimum fee, shall be disclosed in the Sales Prospectus. This fee is stated exclusive of any applicable VAT.
3. In addition to the aforementioned fees, a performance fee may be paid out from the fund's assets. The prospectus shall include further details relating to the amount, calculation and payment of the performance fee as well as the recipients of the performance fee. This fee is stated exclusive of any applicable VAT.
4. The Custodian shall receive a fee from the net assets of the Fund. This fee shall be calculated daily based on the net asset value of the Fund for the respective unit class on the previous valuation day, and paid monthly in arrears. Information regarding the fee amount, including a minimum fee, shall be disclosed in the Sales Prospectus. This fee is subject to VAT as applicable.
5. Any distribution agent shall receive a fee from the net assets of the Fund. This fee shall be calculated daily based on the net asset value of the Fund for the respective unit class on the previous valuation day, and paid monthly in arrears. Information regarding the fee amount, including a minimum fee, shall be disclosed in the Sales Prospectus. This fee shall be stated exclusive of any applicable VAT.
6. Individual assets may not be taken into account in the calculation of the above-mentioned remunerations, provided this is offered and in the interests of the investor.
7. In addition to the above fees, the following specific costs may be charged to the Fund:
  - a) All costs associated with the acquisition, disposal and ongoing management of assets;
  - b) The market price for the provision of direct or indirect operational expenditures of the custodian or management company that result in particular from the use of OTC transactions, including the costs of collateral management incurred as part of OTC transactions, securities lending transactions and repurchase agreements, as well as other costs incurred as part of the trade in OTC derivatives;
  - c) taxes and similar levies charged on fund assets where the income or expenses are at the expense of the fund;
  - d) Costs of legal advice incurred by the management company or custodian when acting in the interests of the unitholders.

- e) fees and costs for fund auditors;
- f) costs of issuing share certificates and income coupons;
- g) costs of redeeming income coupons and for renewing coupons;
- h) costs of preparing, filing and publishing management regulations, as well as other documents, e.g. sales prospectuses that relate to the fund, including costs of applying for registration or sending written explanations to any registration authorities, exchanges (including local securities dealer associations) and other institutions that must be sent in connection with the fund or the offering of its shares;
- i) i) Costs for the preparation of the Key Information Document for Packaged Retail Investment and Insurance-based Products ("PRIIPS-KID");
- j) printing and distribution costs for the annual and half-yearly reports for shareholders in all required languages, as well as printing and distribution costs for any other reports and documents required in accordance with the applicable laws and regulations of the specified authorities;
- k) costs of shareholder publications, including costs of sending shareholders of the respective Special Fund information through a stable data carrier;
- l) a reasonable percentage of the costs for advertising, marketing support, implementing the marketing strategy and other marketing campaigns and costs directly incurred through the offering and sale of shares;
- m) costs of risk controlling/risk management;
- n) All costs and fees related to the settlement of share certificate transactions and sales services;
- o) costs for assessing the creditworthiness of the fund through nationally and internationally recognised rating agencies;
- p) costs relating to any listings;
- q) fees, expenses and other costs for paying agencies, any sales agencies and other agencies that are required to be established abroad;
- r) expenses for any investment committees or ethics bodies;
- s) expenses for management or supervisory boards;
- t) The costs of establishing the fund and the initial issue of units.
- u) other management costs including costs for interest associations;
- v) Any licence fees for the use of indices;
- w) costs for performance attribution;
- x) insurance costs;
- y) Interest due as part of loans taken in accordance with Article 4 of the Management Regulations; and
- z) costs due in connection with the implementation of regulatory requirements/reforms.

All of the above-mentioned costs, charges, fees and expenses are plus any VAT due.

8. All costs will initially be offset against ordinary income, then against capital gains, followed by the fund's assets.
9. The costs of the individual sub-funds are calculated separately insofar as they relate to the respective sub-fund alone.
10. The management company, the custodian, the fund manager and the investment consultant may support the agents' support sales and marketing campaigns from their incomes and pay recurring sales commissions and sales performance commissions. The amount of these commissions is typically be determined based on the brokered assets of the fund.
11. the establishment costs can be written off in equal installments within the first two financial years in the fund assets of the sub-funds existing at the time of establishment. The formation costs are charged to the sub-funds established at the time of formation. Costs in connection with the launch of further sub-funds are written off in the respective sub-fund assets to which they are attributable within the first financial year after the launch of the respective sub-fund.
12. Details of the overall costs associated with the fund or its unit classes are disclosed in the prospectus.

#### **Article 15    LIMITATION PERIOD**

Debts of the unit-holders against the management company or the depositary can no longer be enforced in judicial proceedings after a period of five years after the claim has arisen; this does not affect the rulings in article 12 no. 4 of the Management Regulations.

#### **Article 16    AMENDMENTS**

The Management Company may change the Management Regulations in whole or in part at any time in agreement with the Custodian.

#### **Article 17    PUBLICATIONS**

1. The first valid versions of the Management Regulations and changes to the Management Regulations have been deposited with the commercial register of Luxembourg District Court. Their publication in RESA is realised by means of publication of a notification of the deposit of the document with the Commercial and Companies Register in accordance with the provisions of the Law of 2010.
2. Issue and redemption prices may be requested from the management company, the custodian and any paying agent.
3. The management company will prepare a prospectus (known as the *Key Investor Information Document*), an audited annual report and a semi-annual report in accordance with the laws and regulations of the Grand Duchy of Luxembourg.
4. The documents of the fund listed under paragraph 3 above can be accessed by the unitholders at the registered office of the management company, the custodian and with any paying agent or distribution agent.
5. In accordance with the relevant provisions of the law, the dissolution of a fund in compliance with Article 12 of the Management Regulations must be filed by the management company with the commercial and companies register and published in RESA and at least two national daily newspapers, of which one must be a Luxembourg newspaper.

#### **Article 18    APPLICABLE LAW, PLACE OF JURISDICTION AND CONTRACT LANGUAGE**

1. The fund's Management Regulations are governed by Luxembourg law. The Law of 2010, in particular, applies in addition and supplementary to the provisions of the fund's management regulations. This provision applies *mutatis mutandis* to the legal relationships between unitholders, the management company and the depositary.
2. Any legal dispute between unitholders, the management company and the custodian is subject to the jurisdiction of the responsible court in the Grand Duchy of Luxembourg. With regard to matters concerning the Fund, the Management Company and the Custodian may elect to submit themselves and the Fund to the jurisdiction and laws of any of the countries of distribution in respect of the claims of investors resident in the country concerned.
3. The German wording of the Management Regulations takes precedence, unless expressly stipulated otherwise in the Management Regulations.

#### **Article 19    EFFECTIVE DATE**

Unless stipulated otherwise, these Management Regulations will become effective on the day they are signed. Changes to the Management Regulations also come into force on the day of signing, unless otherwise specified.



**Pre-contractual information on the financial products referred to in Article 8 (1), (2) and (2a) of Regulation (EU) 2019/2088 and Article 6 (1) of Regulation (EU) 2020/852**

**Product name:**  
Tungsten TRYCON AI Global Markets

**Company identifier (LEI code):**  
529900B4RRWINTBIE644

**Ecological and/or social characteristics**

A **sustainable investment** is an investment in an economic activity that contributes to the achievement of an environmental or social objective, provided that this investment does not significantly affect environmental or social objectives and the investee companies employ good corporate governance practices

The **EU Taxonomy** is a classification system set out in Regulation (EU) 2020/852 that establishes a list of **environmentally sustainable economic activities**. This regulation does not specify a list of socially sustainable economic activities. Sustainable investments with an environmental objective might or might not be taxonomy-compliant.

**Is this financial product aimed at sustainable investments?**

**Yes**                         **No**

<input type="checkbox"/> A minimum share of <b>sustainable investments with an environmental objective</b> is: ____%  <input type="checkbox"/> in economic activities that are classified as environmentally sustainable in accordance with the EU Taxonomy  <input type="checkbox"/> in economic activities that are not classified as environmentally sustainable according to the EU Taxonomy  <input type="checkbox"/> A minimum share of <b>sustainable investments with a social objective</b> is: ____%	<input type="checkbox"/> It promotes <b>environmental/social characteristics</b> and while not seeking sustainable investments, it includes at least ____ in sustainable investments.  <input type="checkbox"/> with an environmental objective in economic activities that are classified as environmentally sustainable according to the EU Taxonomy  <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable according to the EU Taxonomy  <input type="checkbox"/> with a social purpose  <input checked="" type="checkbox"/> It is used to promote environmental/social characteristics, but it is <b>not used to make sustainable investments.</b>
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**Which environmental and/or social characteristics are pursued with this financial product?**

Tungsten TRYCON AI Global Markets (hereinafter "fund") aims to invest a major portion of its assets in assets that contribute to relevant environmental and social characteristics.

Furthermore, the fund aims to promote these environmental (in particular reduction in the use of fossil fuels) and social (in particular respect for human rights and protection of health) characteristics by investing in equities and bonds that have been selected as part of an ESG/sustainability approach.

The fund does not hold sustainable investments within the meaning of Article 2 (17) of the Sustainability Disclosure Regulation EU 2019/2088 ("SFDR") and does not aim for sustainable investments within the meaning of the EU Taxonomy Regulation.

The fund does not use any benchmarks.

**Which sustainability indicators are used to measure the achievement of each environmental or social characteristic promoted by this financial product?**

The fund uses various sustainability indicators for the selection of the investments in order to be able to assess the suitability of the investments in terms of the contribution of the environmental and social characteristics advertised. The sustainability indicators are obtained from the external data provider

**Sustainability indicators** measure the extent to which the environmental or social characteristics pursued with the financial product are achieved.

MSCI. The fund uses the following elements as part of portfolio management, i.e. as part of the selection of investments and the management of existing investments:

**Exclusion criteria**

<b>Exclusion criteria for equities and corporate bonds</b>
Revenue from the manufacture and/or sale of armaments
Revenue from the manufacture and/or sale of outlawed weapons
Revenue from the production of tobacco
Revenue from the manufacture and/or sale of coal
Serious violations of the UN Global Compact Code (without a positive perspective)
<b>Exclusion criteria for government bonds</b>
Serious violations of democratic and human rights (Freedom House Index) for government issuers

**1) ESG rating**

~~Investments that comply with the exclusion criteria,~~ investments that do not violate the exclusion criteria, are then evaluated in relation to their MSCI ESG rating.

MSCI determines an ESG rating based on the identification and assessment of material ESG opportunities and risks relevant to issuers within a specific industry. MSCI determines an ESG rating on a scale from "AAA" (best rating) to "CCC" (worst rating).

● **What are the objectives of the sustainable investment that the financial product is partly intended to achieve, and how does the sustainable investment contribute to these objectives?**

The fund does not intend to invest in sustainable investments within the meaning of Article 2 (17) of the Sustainability Disclosure Regulation EU 2019/2088 ("SFDR"), or to make sustainable investments within the meaning of Article 2(1) of the EU Taxonomy Regulation.

● **To what extent will the sustainable investments that are partially intended to be made with the financial product not significantly harm any of the environmentally or socially sustainable investment objectives?**

The fund does not intend to invest in sustainable investments within the meaning of Article 2 (17) of the Sustainability Disclosure Regulation EU 2019/2088 ("SFDR"), or to make sustainable investments within the meaning of Article 2(1) of the EU Taxonomy Regulation.

*How have the indicators of adverse impacts on sustainability factors been taken into account?*

The fund does not intend to invest in sustainable investments within the meaning of Article 2 (17) of the Sustainability Disclosure Regulation EU 2019/2088 ("SFDR"), or to make sustainable investments within the meaning of Article 2(1) of the EU Taxonomy Regulation.

*How do sustainable investments comply with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights? Further details:*

The fund does not intend to invest in sustainable investments within the meaning of Article 2 (17) of the Sustainability Disclosure Regulation EU 2019/2088 ("SFDR"), or to make sustainable investments within the meaning of Article 2(1) of the EU Taxonomy Regulation.

The EU Taxonomy establishes the "do no significant harm" principle, according to which taxonomy-compliant investments must not significantly harm the objectives of the EU Taxonomy, and it is accompanied by specific EU criteria.

The principle of "avoiding significant adverse effects" only applies to those investments underlying the financial product, which take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

All other sustainable investments must also not significantly impair environmental or social goals.

Comments: The fund does not aim for sustainable investments within the meaning of the EU Taxonomy Regulation, i.e. the investments do not take into account the EU criteria for environmentally sustainable economic activities.

The main adverse effects are the most significant adverse effects of investment decisions on sustainability factors in the areas of environment, social and employment, respect for human rights and anti-corruption and bribery.



**Does this financial product take into account the main adverse impacts on sustainability factors?**



Yes, the fund considers a selection of the principal adverse sustainability impacts (PAIs). The following table provides an overview of which PAI indicators are taken into account, how and for which type of investments:

#	PAI	Cover	
		Via	Type of investment
<b>Equities and corporate bonds</b>			
<b>CLIMATE INDICATORS AND OTHER ENVIRONMENTAL INDICATORS</b>			
4	Exposure to companies active in the fossil fuel (coal) sector	Exclusion: Revenue from mining and/or sale of coal ≤ 30%	#1 Aligned to environmental or social characteristics
<b>INDICATORS IN THE AREAS OF SOCIAL AFFAIRS AND EMPLOYMENT, RESPECT FOR HUMAN RIGHTS AND THE FIGHT AGAINST CORRUPTION AND BRIBERY</b>			
10	Violations of the UNGC Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises	Exclusion: no companies that are classified as a "Fail" within the meaning of MSCI indicators to verify compliance with the UNGC principles	#1 Aligned to environmental or social characteristics
14	Involvement in controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons)	Exclusion: Revenue from the manufacture and/or sale of outlawed weapons. → 0%	

No, the fund does not take PAIs into account

The investment strategy serves as a guideline for investment decisions, taking into account certain criteria such as investment objectives or risk tolerance.



**What investment strategy is pursued with this financial product?**

The investment objective of Tungsten TRYCON AI Global Markets is to continuously increase value, irrespective of the strength and direction of price fluctuations on the international capital markets. The objective is to generate absolute investment results from income and changes in value in both rising and falling stock and bond markets.

The fund manager takes into account any risks associated with sustainability (environmental, social and governance aspects) in the context of investment decisions and continuously throughout the investment period

for the Fund's existing investments.

However, no assurances can be given that the stated investment policy objectives will be achieved.

● **What are the mandatory elements of the investment strategy used to select investments to meet the environmental or social objectives?**

All potential investments are subject to an assessment by the fund manager based on the ESG strategy outlined above. The fund manager bases this assessment on the data and information provided by MSCI.

The following ESG indicators are mandatory when making investment decisions. This applies to all investments that are intended to contribute to achieving the targeted environmental and social characteristics of the fund.

The fund's ESG/Sustainability Strategy, as previously outlined, takes into account the following elements depending on the extent to which the investments are expected to contribute to the advertised environmental and social characteristics:

- Negative screening/PAI limitation (exclusion criteria)
- Positive screening (ESG rating)

**1) Exclusion criteria**

The following exclusion criteria are relevant to at least 51% of the net sub-fund assets. An exclusion criterion is applicable if an investment does not comply with the respective limit value.

<b><u>Exclusion criteria for equities and corporate bonds</u></b>	<b><u>Limit value</u></b>
Revenue from the manufacture and/or sale of armaments	≤ 10%
Revenue from the manufacture and/or sale of outlawed weapons	0%
Revenue from the production of tobacco	≤ 5%
Revenue from the manufacture and/or sale of coal	≤ 30%
Serious violations of the UN Global Compact Code (without a positive perspective)	
<b><u>Exclusion criteria for government bonds</u></b>	
Serious violations of democratic and human rights (Freedom House Index) for government issuers	

**2) ESG rating**

~~Investments that comply with the exclusion criteria,~~ investments that do not violate the exclusion criteria, are then evaluated in relation to their MSCI ESG rating.

MSCI determines an ESG rating based on the identification and assessment of material ESG opportunities and risks relevant to issuers within a specific industry. MSCI determines an ESG rating on a scale from "AAA" (best rating) to "CCC" (worst rating).

At least 51% of the fund's investments must have a minimum rating of "BB".

In this context, investment shares are exclusively based on the MSCI Fund ESG Rating, which follows the same rating scale as the MSCI ESG Rating for companies.

The fund manager continuously takes into account the development of the exclusion criteria and the ESG rating as well as the ESG government score of existing investments. Adverse changes in invested

assets may, depending on the change, result in a reduction in the fund's holdings or in a complete divestment of the asset in question. When doing so, the fund manager will ensure that such decisions are always made while taking into account the best interests of the investors.

Further information on how the ESG methodology works, how it is integrated into the investment process can be found on the website at <https://www.hal-privatbank.com>.

● **By what minimum rate will the size of the investments considered prior to the application of this investment strategy be reduced?**

The fund has not set a minimum reduction rate for the investments under consideration.

● **How are the good governance practices of the investee companies assessed?**

In addition to the UN Global Compact assessment that has already been carried out as part of the exclusion criteria, the systems are also assessed with regard to human rights compliance and labour compliance. This final assessment is based on information from MSCI's "MSCI Controversies & Global Norms" module.

The assessment consists of four individual assessments, the result of which can be "Pass", "Watch list" or "Fail". All investments that meet the exclusion criteria must have a "pass" in all individual assessments.

**Good corporate governance practices** include sound management structures, employee relations, employee compensation and tax compliance.



The **asset allocation** indicates the respective share of the investments in certain assets.

**What asset allocation is planned for this financial product?**

The percentage asset allocation of the fund is shown in the following chart and always refers to the total net sub-fund assets.



**#1 Aligned with environmental or social characteristics** includes investments of the financial product made to achieve the targeted environmental or social characteristics.

**#2 Other investments** include remaining investments of the financial product that are not aligned with environmental or social characteristics and are not classified as sustainable investments.

Category #1 aligned with environmental or social characteristics includes the following subcategories:

- Subcategory #1A sustainable investments includes sustainable investments with environmental or social objectives.
- Subcategory #1B other environmental or social characteristics includes investments that target environmental or social characteristics but are not classified as sustainable investments.

● **To what extent are the environmental or social characteristics targeted with the financial product achieved through the use of derivatives?**

The fund does not use derivatives to promote the targeted environmental and social characteristics.

Taxonomy-compliant activities, expressed by the proportion of:

- **Revenues** reflecting the share of revenues from environmentally friendly activities of the companies in which investments are made
- **Capital Expenditure (CapEx)** showing the green investments made by the investee companies, e.g. for transition to a green economy
- **Operating expenses (OpEx)** that reflect the environmentally friendly operational activities of the companies in which investments are made.

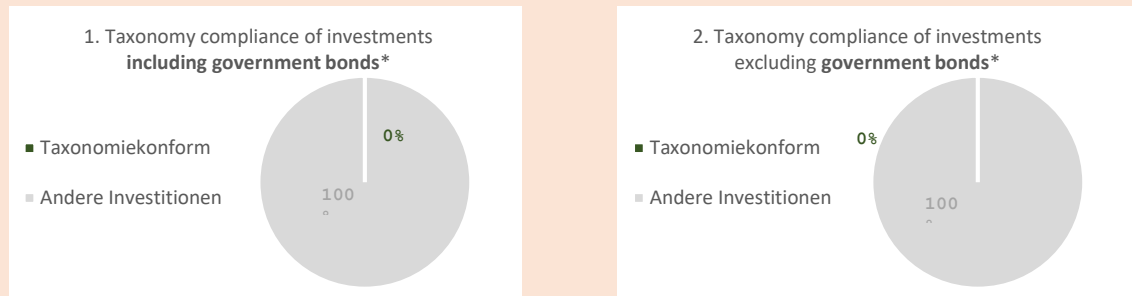


## To what minimum extent are sustainable investments with an environmental objective compliant with the EU Taxonomy?

The fund does not aim for sustainable investments within the meaning of the EU Taxonomy Regulation, i.e. the investments do not take into account the EU criteria for environmentally sustainable economic activities.

The minimum level is 0%.

**In the two charts below, the minimum percentage of investments compliant with the EU Taxonomy is shown in green. As there is no suitable method for determining the taxonomy compliance of government bonds\*, the first chart shows the taxonomy compliance in relation to all investments of the financial product including government bonds, while the second chart shows the taxonomy compliance only in relation to the investments of the financial product that do not include government bonds.**



\* For the purposes of these charts, the term "government bonds" includes all exposures to sovereigns.

**Enabling activities** have a direct enabling effect on other activities making a significant contribution to environmental objectives.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and which, among other things, have greenhouse gas emission levels that correspond to best performance.

### ● What is the minimum share of investments in transitional and enabling activities?

The fund does not aim for sustainable investments within the meaning of the EU Taxonomy Regulation, i.e. the investments do not take into account the EU criteria for environmentally sustainable economic activities.



## What is the minimum percentage of sustainable investments with an environmental objective that are not compliant with the EU Taxonomy?

The fund does not seek to make sustainable investments within the meaning of Article 2 (17) of the Sustainable Finance Disclosure Regulation (SFDR).



## What is the minimum share of socially sustainable investments?

The fund does not seek to make sustainable investments within the meaning of Article 2 (17) of the Sustainable Finance Disclosure Regulation (SFDR).



## Which investments fall under "#2 Other investments", what is their investment purpose and is there a minimum environmental or social protection?

These may be bank deposits, derivatives in the context of hedging transactions or in the course of the application of techniques and instruments for efficient portfolio management, as well as investments that do not meet the ESG indicators or do not have sufficient information to allow an appropriate assessment. Specific criteria with regard to minimum environmental or social protection are not provided for this type of investment.

### **Has an index been determined as a reference value to determine whether this financial product is aligned with the targeted environmental and/or social characteristics?**

The fund does not use any benchmarks.

### **To what extent is the reference value continuously aligned with the environmental and social characteristics targeted with the financial product?**

 are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities according to the EU Taxonomy.



The fund does not use any benchmarks.

- ***How does the fund ensure continuous alignment of the investment strategy with the index method?***

The fund does not use any benchmarks.

- ***How does the particular index differ from a relevant broad market index?***

The fund does not use any benchmarks.

- ***Where can I see the method of calculating the specific index?***

The fund does not use any benchmarks.



**Where can I find more product-specific information online?**

**Further product-specific information is available at:**

[www.hal-privatbank.com](http://www.hal-privatbank.com)

## **ADDITIONAL INFORMATION FOR INVESTORS IN THE UNITED KINGDOM**

### **FOR USE IN THE UNITED KINGDOM ONLY**

**This supplement forms part of and should be read in conjunction with the current prospectus of Tungsten TRYCON**

The Fund has the status of a recognised scheme under Section 264 of the United Kingdom Financial Services and Markets Act 2000.

UK investors can contact the UK facilities agent at:

**Zeidler Legal Services (UK) Limited**

E1 Studios  
3 – 15 Whitechapel Road  
London E1 1DU  
United Kingdom  
(the “UK Facilities Agent”)

for the inspection (free of charge) or copies (free of charge, in the case of the documents at (c), (d), and otherwise at no more than a reasonable charge) of copies in English of:

- i) the Fund's Management Regulations;
- ii) any instrument amending the Fund's Management Regulations;
- iii) the latest Sales Prospectus of the Fund;
- iv) the Key Investor Information Documents;
- v) the latest annual and semi-annual reports of the Fund;

Furthermore, UK investors can obtain information in English about the prices of Shares and may arrange for redemption of Shares and payment of the redemption proceeds at the office of the UK Facilities Agent. Any person who has a complaint to make about the operation of the Fund can submit his or her complaint to the UK Facilities Agent for transmission to the Fund