

L1 Digital SICAV

Articles of association including sub-fund specific annexes

AIF according to Liechtenstein law in the legal form of an investment company with variable capital

(Named „AIF“ in the following document)

(Umbrella-construction able to comprise several sub-funds)

Effective date 1st March 2022

Note:

This document is a translation of the official German Satzung; in case of conflicts or misunderstandings, the German version will prevail

AIFM

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1741 | FUND
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L1D
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Notice to Investors/ Distribution Limitations

These articles of association together with the annex A "Organisational Structure of the AIFM and the AIF" (hereinafter annex A) and the annex B "Sub-Fund Overview – Layer1 Multi Manager Fund" (hereinafter annex B) belong together and are designated as the constituting documents. The subscription of investor shares of the AIF is based on these constituting documents. By subscribing to investor shares these documents are deemed accepted by the investor. The key document of incorporation of the AIF are the articles of association including annexes A and B. The articles of association including annexes A and B have been authorised by the FMA.

The sub-fund of the AIF is targeted towards professional investors according to directive 2014/65/EU (MiFID) and/or private investors. The target investor group per sub-fund is specified in the relevant section of the annex B under "Distribution to Private Investors". Generally, the AIFM is responsible for producing the sales material, the prospectus as well as the key investor information document (hereinafter KIID) according to the AIFMG and makes these documents available to investors. The sales material and prospectus together with the KIID are being made available in separate documents. In case the relevant sub-fund is only targeting professional investors according to directive 2014/65/EU (MiFID), no prospectus, KIIDs or semi-annual reports will be produced.

These articles of association shall not be seen as an offer or solicitation to buy or subscribe to investor shares of the AIF by a person within a jurisdiction where such an offer or solicitation would be illegal; or where the person making the offer or solicitation is not authorised to do this; or this offer/solicitation happens in front of a person to which such an offer or solicitation would be illegal. Information not included in these articles of association or in public documents have not been authorised and are not reliable. Potential investors should get their own advice about possible tax implications, legal requirements and potential currency limitations or currency control regulations that apply in the countries of their citizenship, domicile or residence and that may be relevant for the subscription, ownership, switch, redemption or the sale of investor shares. Further tax considerations are explained in article 66 "Tax Provisions". Annex C "Specific Information for Individual Countries" contains information regarding the distribution to professional investors in different countries. The investor shares of the AIF are not registered in all countries worldwide. For the issuance, switch and redemption of investor shares in a foreign country the regulations prevailing in that country will apply.

These articles of association, annex A, annex B, and if applicable the key investor information document (KIID), the sales material and the prospectus as well as the latest annual and semi-annual report (if published already) can be obtained electronically free of charge from the AIFM, custodian, paying agents, and all authorised domestic and foreign distributors, as well as on the website of LAFV Liechtensteinischer Anlagefondsverband www.lafv.li which is acting as the publication organ of the AIF.

Upon request the above information can be sent physically on paper to the investor free of charge. Further information about the AIF can be found under www.lafv.li and at the AIFM within normal business hours.

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I. General Provisions

The articles of association as well as the annex A and B go together. The articles of association, annex A and annex B are fully printed. The articles of association, annex A and annex B can be amended or extended by the AIFM partially or entirely. Changes to the articles of association, annex A and annex B require prior authorisation by the FMA.

Each amendment to the articles of association, annex A and annex B will be made public in the publication organ of the AIF and will be legally binding for all investors thereafter.

In case a situation or topic is not covered by these articles of association, the legal relationships between investors/AIF/AIFM will be based on the law of 19th December 2012 about the managers of alternative investment funds (AIFMG) and the directive of 22nd March 2016 about the managers of alternative investment funds (AIFMV) and in case not covered there, on the provisions of the law on persons and companies (PGR) regarding limited share companies and institutions.

The AIF is an umbrella construction with potentially several sub-funds. The different sub-funds are separate with regards to property and indemnity rights.

The sub-funds can invest according to their specific investment policy. The investment policy of each sub-fund will be defined within their investment objectives. The net assets of each sub-fund respectively each share class and the net assets of the investor shares of these sub-funds / share classes will be expressed in the respective reference currency.

The respective rights and duties of the owners of investor shares of the AIF (the „investors“), of the AIFM, and of the custodian are covered by these articles of association.

With the purchase of investor shares of one or several sub-funds each investor accepts the articles of association which define the contractual relationships between the investors, the AIF, the AIFM and the custodian, as well as all orderly changes to this document.

Art. 1 Firm of the Investment Company

Under the firm L1 Digital SICAV (the „AIF“) an investment company was established on 21st February 2019 by way of a limited company with variable capital (SICAV).

Art. 2 Domicile of AIF

Company domicile of the AIF is Vaduz in the principality of Liechtenstein.

Art. 3 Objective of the AIF

The sole objective of the AIF is the investment of the capital received from a number of investors for the benefit of these investors, based on the investment strategy defined in this document.

The AIF is entitled to take any measures and transactions subject to the restrictions defined under AIFMG that are deemed to be appropriate to reach the objective of the company.

Art. 4 Term of the AIF

The AIF is set up for an indefinite period.

Art. 5 AIFM

1741 Fund Management AG („AIFM“), Bangarten 10, 9490 Vaduz, Fürstentum Liechtenstein, public register number FL-0002.456.004.7.

The AIF will be managed by the AIFM which has been set up in the legal form of a limited company domiciled in Vaduz, Liechtenstein, on an outsourced basis according to the articles of association in this document. The AIFM is authorised by the financial supervisory authority Liechtenstein (FMA) based on the AIFMG, and is included in the list of AIFMs authorised in Liechtenstein which is officially published by the FMA.

The AIFM manages the AIF on the account of and in the sole interest of the investors according to the

provisions set out in the articles of association and annex B.

The AIFM has discretion over the assets of the AIF based on the provisions of the articles of association as well as annex B, and the right to exercise all rights thereof.

Art. 6 Delegation of Tasks

The AIFM is entitled to outsource a part of its tasks to third parties subject to the provisions of the AIFMG/AIFMV, in order to enhance its efficiency. The exact execution of the task will be defined in an agreement negotiated between the AIFM and the subcontractor.

Art. 7 Custodian

The AIFM has contracted a custodian based in Liechtenstein for each sub-fund. Further information on the custodian can be found in annex A and annex B of these articles of association.

The custodian is safeguarding the assets of an individual sub-fund. With the permission of the AIFM, the custodian is entitled to entrust the assets entirely or partially to other banks, financial institutions and authorised clearing houses satisfying the legal requirements. The duties of the custodian furthermore include the execution of applications of subscriptions, redemptions, switches and transfers of investor shares, as well as keeping the share ledger and clearing payments.

The custodian is carrying out its duty and takes on responsibilities resulting from the AIFMG and the custody agreement. According to the law and the custody agreement the custodian is responsible for (i) the general supervision of all assets of an individual sub-fund and (ii) the custody of the assets entrusted by the AIFM, and (iii) the operational tasks with regards to the respective duties.

The custodian will comply with the provisions of the Foreign Account Tax Compliance Act (FATCA), in particular sections 1471 - 1474 of the U.S. Internal Revenue Code, as well as a potential treaty between Liechtenstein and the USA about a simplified application of FATCA, and will register if required with the US tax authority as a FATCA participating institution.

Art. 8 Primebroker

Only a financial institution, a regulated securities firm or another entity which is subject to a regulatory authority and permanent supervision and which offers services to professional investors - mainly to finance or transact trades with financial instruments acting as a counterparty and which potentially offers other services such as clearing and transactions of trades, custodian services, securities lending and tailor-made technologies and instruments to support their businesses - can act as a prime broker.

A prime broker can be mandated by the custodian as a sub-custodian or by the AIFM as a subcontractor for each sub-fund. Further information can be found in annex A and annex B of these articles of association.

Art. 9 Auditor of the AIFM

Grant Thornton AG, Bahnhofstrasse 15, FL-9494 Schaan.

The AIFM is required to have its business activities audited on a yearly basis by an independent auditor authorised by the FMA.

Art. 10 Auditor of the Respective Sub-Fund

On a yearly basis the business activities of each sub-fund must be audited by an independent auditor authorised by the FMA. The AIFM mandates an auditor for each sub-fund. Further information about the auditor can be found in annex A and annex B to these articles of association.

II. Organisation of the AIF

The bodies of this AIF are the general assembly, the supervisory board and the auditor.

A. General Assembly

Art. 11 Rights of the General Assembly

The most important body of the AIF is the general assembly.

It has the following rights:

1. Election of the supervisory board and the auditor;
2. Approval of the profit and loss accounts, the balance sheet and company reports;
3. Voting on the use of the net profit, in particular the determination of the dividends;
4. The discharge of the supervisory board;
5. Decision on the acceptance of the articles of association as well as on the termination or merger of the AIF;
6. Decision on any change of the articles of association with the exception of the annexes specific to the sub-funds, where a simple majority is sufficient (subject to the prior approval by the FMA); and
7. Decision on topics that are reserved for the general assembly by law or by the articles of association or those topics that have been brought to their attention by the supervisory board.

Art. 12 Ordinary General Assembly

The right to participate at the general assembly is based on Art. 26 of these articles of association.

The ordinary general assembly will be called within 6 months after the end of a financial year and will be held at the company's registered office or any other location set out in the invitation.

Once all founder shares are present or represented and no objection is raised, they can convene a general assembly even without adhering to the otherwise mandatory formal requirements for the convocation, in which all topics which are within their competence can be effectively discussed and voted on (universal assembly).

Art. 13 Extraordinary General Assembly

Extraordinary general assemblies can be called at any time if called in the legally required form.

Once all founder shares are present or represented and no objection is raised, they can convene a general assembly even without adhering to the otherwise mandatory formal requirements for the convocation, in which all topics which are within their competence can be effectively discussed and voted on (universal assembly).

Art. 14 Convocation

The general assembly will be called by the supervisory board based on the law, internal guidelines and the articles of association. If undeliverable the notification will be done by publication in the "Liechtensteiner Volksblatt".

The general assembly must be held if founding shareholders representing at least 10 percent of the voting shares of the AIF request it.

The invitation (displaying the agenda) must be sent at least 20 days before the assembly date.

Art. 15 Organisation

The president of the supervisory board heads the general assembly. If he is unable to attend a member of the supervisory board determined by the supervisory board will head the meeting or a president elected by the general assembly.

The head will choose the secretary and vote counter. The former together with the head need to sign the meeting protocol.

Art. 16 Voting and Voting Rights

Each founder share is eligible to one vote. The shareholders can represent their shares themselves or have them represented by a third party which does not need to be a shareholder.

The general assembly elects and votes, if not legally required differently, on the basis of an absolute majority of the represented share votes.

In the case of parity of votes the president will have the final cast.

If in the case of an election the first ballot does not reach a majority of votes, a second voting will take place where the relative majority will decide.

The elections and votings will be held openly unless the head or one of the founding shareholders requires them to be secretly held.

B. Supervisory Board

Art. 17 Composition

The supervisory board consists of at least two members. The members must be natural persons or legal entities, whereby one of these is the AIFM or a person mandated by the AIFM.

Typically, the supervisory board will be elected by the general assembly. The term of the members of the supervisory board lasts until the general assembly has held a new voting; except in the case of a resignation or dismissal.

If a member of the supervisory board leaves before the end of his term, the remaining supervisory board members are entitled to elect a temporary successor until the next general assembly. The successor elected in this way assumes the term of his predecessor.

The members of the supervisory board can be re-elected at any time.

Art. 18 Self Constitution

The supervisory board constitutes itself. It elects its president and vice president (deputy) from within its members.

Art. 19 Duties

The supervisory board is the highest body of the AIF and responsible for the monitoring and control of the management.

It represents the AIF to the outside world and takes care of all issues that are not transferred to another organ of the AIF or to a third party based on the law, the articles of association, a specific regulation or a separate agreement.

The supervisory board is entitled to elect an AIFM and a custodian per sub-fund, as well as the investment committee.

Art. 20 Designation of the Management

The supervisory board has the power at its own discretion to designate an AIFM under a separate agreement for the management. This applies also to an AIFM authorised in another EEA member state and which has a domestic branch, or which is entitled to offer the respective activities within the free movement of cross-border services.

The supervisory board however may not delegate the definition of the investment policy per sub-fund, basic decisions about the issuance and redemption of investor shares, as well as decisions regarding structural measures of individual sub-fund assets or share classes.

Art. 21 Assembly and Voting

The supervisory board convenes upon invitation of the president or its deputy.

Each member is entitled to request the president to immediately call a board meeting by giving adequate reasons.

The supervisory board is quorate if the majority of its members are present.

The resolutions will be made based on a simple majority of present votes. Resolutions can also be made by circulation unless one member requires an oral discussion. Circular resolutions require unanimity and must be recorded in the protocol of the next board meeting.

The president has a vote and in case of equality of votes will make the final cast. A protocol must be written on the discussions and decisions of the supervisory board. The protocol must be signed by the president and by the secretary.

Art. 22 Signatory Powers of the AIF

The members of the supervisory board sign collectively with two signatures, whereby the second signature must come from the AIFM respectively the person representing the AIFM on the supervisory board. The supervisory board defines other signatory rights.

Art. 23 Conflicts of Interest

The AIF must be structured and organised in such a way that the risk of conflicts of interest which may harm the interests of the AIF or its clients is mitigated to the extent possible; and that any conflicts are recognised and dealt with appropriately. To this end conflicts of interest in particular between the AIFM, its clients, the AIF, investors and potentially prime brokers - in relation to the AIFM as well as between each other - are to be taken into account. The legal provisions as well as the manual of the AIFM about conflicts of interest do apply. In case of reasonable interest, the manual about conflicts of interest can be obtained upon request and free of charge.

C. Auditor of the AIF

Art. 24 Duty and Appointment of the Auditor of the AIF

The revision of the annual reports of the AIF must be mandated to an auditor authorised in the principality of Liechtenstein and appointed by the general assembly. The auditor is appointed for one year and can be re-elected and removed by the general assembly at any time.

III. Company Capital and Shares

Art. 25 Company Capital

The share capital (own assets) of the AIF at incorporation is EURO (EUR) 50,000. The denomination currency of each sub-fund can be found in annex B "sub-fund overview".

An increase of the share capital can be executed by issuing new shares to existing shareholders or third parties; a decrease of the share capital can be executed by gradual, entire or partial payback of the share capital via redemption of shares; without going through the whole process. Should new shares be issued the pre-emptive subscription rights of existing shareholders will not apply.

Instead of individual founding shares the supervisory board can issue share certificates about any number of founding shares or waive the issuance of shares.

Art. 26 Shares

Founding shares are name shares with a nominal value of EURO (EUR) 1,000 each that will be issued to the founders of the AIF. They represent the right to participate and to exercise voting rights at the general assembly.

Investor shares are bearer shares without nominal value which are issued to the public. They do not entitle to participate at the general assembly and have no voting right; furthermore, they do not entitle to participate in the profit of the AIF's own assets.

The general assembly can vote to change bearer shares into name shares and vice versa.

The assets of the founding shareholders are separated from the assets of the investors.

The investor shares will be issued based on the type of units and denomination determined by the AIF (and described in the sub-fund specific annex of the articles of association).

The AIF can allow the securitisation by way of global certificates.

There is no right to have actual units issued and delivered. The types of investor shares for the respective sub-fund will be defined in the sub-fund specific annex of the articles of association.

For the benefit of easy transferability, a collective deposit of the investor shares will be made.

At the issuance of new shares there will be no general pre-emptive right.

All investor shares of a sub-fund carry the same rights unless the supervisory board decides to issue different share classes within a sub-fund.

The supervisory board can vote to have two or more share classes within a sub-fund. The share classes can differ in their features and rights with regards to the use of their profits or the fee structure or other specific features and rights. As of the day of their issue all investor shares do participate equally in profits, capital gains and liquidation proceeds of their respective share class. Should the respective sub-funds create share classes, this will be mentioned in the sub-fund specific annex of the articles of association displaying the specific features or rights.

IV. Distribution

Art. 27 Distribution Information / Sales Restrictions

The sub-funds of the AIF are targeted at professional investors according to the directive 2014/65/EU (MiFID) and/or private investors. The target investor group is defined per each sub-fund in annex B "sub-funds overview" under the respective section "profile of the typical investor". Generally, the AIFM puts together the information on distribution and the prospectus as well as the key investor information documents (in short: KIID) according to AIFMG and makes those available to the investor. The information on distribution and the prospectus as well as the KIID are available as separate documents. If the respective sub-fund is targeting professional investors only according to the directive 2014/65/EU (MiFID) no prospectuses, no KIIDs and no semi-annual reports will be produced.

Before purchasing investor shares of the AIF, the AIFM will make available to the investors all information required by the AIFMG in the most recent version; this can be done in the publication organ of the AIF; or they can be requested from the AIFM and the custodian free of charge.

The purchase of investor shares is based on the constituting documents as well as the latest annual and semi-annual report (in case their publication has been done or is required). Only such information that is contained in the constituting documents is valid. By purchasing the investor shares this information is deemed to be authorised by the investor.

The investor shares are not authorised in all countries worldwide.

Investor shares must not be offered, distributed nor delivered within the US. The investor shares have never been and will never be registered according to the "United States Securities Act" (from 1933) in its valid form ("the law from 1933") or according to the securities laws of any state or municipality of

the USA or its territories, possessions or other regions, that are under their jurisdiction incl. the Commonwealth of Puerto Rico (the "US").

The investor shares must not be solicited, distributed or otherwise be transferred within the US nor to or on behalf of US persons (in the spirit of the definition by the "law from 1933"). Transfers of investor shares within the US at a later date or to US persons are not allowed. The investor shares will be solicited and distributed on the basis of an exemption of the registering requirements of the "law of 1933" according to regulation "S" to this law.

The AIFM has never been and will never be registered according to the "United States Investment Company Act" (from 1940) in its current form nor according to any other US state laws. Therefore, investor shares will not be solicited, distributed or transferred otherwise within the US nor to or on behalf of US persons (in the spirit of the definition of the "law from 1933").

The investor shares have never been authorised by the US securities & exchange commission (the "SEC") or another regulatory body in the US and neither has such an authorisation been rejected; furthermore neither the SEC nor any other regulatory body in the US have ever voted on the accuracy or the appropriateness of these articles of association or the advantages of the investor shares.

These articles of association must not be circulated within the US. The circulation of these articles of association and the solicitation of the investor share may be subject to restrictions in other jurisdictions.

Furthermore investor shares of the AIF must not be solicited nor distributed or delivered to US citizens or persons resident in the US and/or other natural or legal entities whose income and/or profits (irrespective of their descent) is subject to US income tax or to financial institutions that do not comply with the regulations regarding the "Foreign Account Tax Compliance Acts" ("FATCA", in particular sections 1471 - 1474 of the "U.S. Internal Revenue Code" as well as any treaty with the USA about the collaboration for an easier application of FATCA if applicable) and which do not - if required - register as an institution participating in FATCA with the US tax authorities and to persons who (according to regulation "S" of the "US Securities Act from 1933" and/or the "US Commodity Exchange Act" in the respective current form) are deemed to be US persons. Thus, the AIF must not be purchased in particular by the following investors (no definitive list):

- US citizens, incl. those with two passports;
- Persons who live or have a domicile in the US;
- Persons who are resident in the US (Green Card Holders) and/or whose main stay is in the US;
- Companies, trusts, assets etc. incorporated in the US;
- Companies that qualify as transparent for US tax purposes and which have investors mentioned in this section as well as companies whose income within a consolidated view for US tax purposes will be attributed to one kind of investors mentioned in this section;
- Financial institutions that do not comply with the requirements regarding the "Foreign Account Tax Compliance Acts" ("FATCA", in particular sections 1471 - 1474 of the "U.S. Internal Revenue Code" as well as any treaty with the USA about the collaboration for an easier application of FATCA if applicable) and which do not - if required - register as an institution participating in FATCA with the US tax authorities; or

US persons as defined in the respective current form of regulation "S" of the "United States Securities Act 1933".

Generally, investor shares of the AIF must not be solicited in jurisdictions and to persons in which or towards which this would not be allowed.

Art. 28 Professional Investors / Private Investors

Professional Investors according to directive 2014/65/EU (MiFID)

A professional investor is an investor who has sufficient experience, knowledge and expertise to make decisions on his investments on his own and to appropriately assess the related risks. In order to be defined as a professional investor a client must fulfil the following criteria:

Categories of investors that are deemed to be professional investors

The following legal entities should be deemed to be professional investors with regards to securities services and financial instruments according to the directive:

1. Legal entities which have to be registered or under supervision in order to be active in financial markets. The following list is to be interpreted in such a way that it includes all authorised legal entities that offer services which are characterising such legal entities:
 - legal entities that are authorised by a member state as part of a directive,
 - legal entities that are authorised or supervised by a member state without a reference to the directive,
 - legal entities that are authorised or supervised by a third party country:
 - a) banks
 - b) securities firms
 - c) other authorised or supervised financial institutions
 - d) insurance companies
 - e) undertakings for collective investment schemes and their depositaries
 - f) pension funds and their depositaries
 - g) commodity traders and commodity derivatives traders
 - h) municipal investors
 - i) other institutional investors.
2. Large corporations which fulfil two of the following requirements (on corporation level):
 - Balance sheet: EUR 20m,
 - Net sales: EUR 40m,
 - Equity capital: EUR 2m.
3. National and regional governments, administrators of public debt, central banks, international and supranational institutions like the world bank, the IMF, the ECB, the EIB and other similar international Organisations.
4. Other institutional investors whose main activities are investments in financial instruments incl. institutions which offer securities lending and other financing businesses.

The above mentioned legal entities are deemed to be professional investors. It must be possible for them though to apply for a treatment as a non-professional investor whereby securities firms are willing to offer a higher protection level. If the investor of a securities firm falls under one of the above companies the securities firm must inform him before any services are rendered that he will be deemed to be and treated as a professional investor based on the information available to them unless the securities firm and the investor agree otherwise. The firm has to inform the investor also about the fact that he can apply for a change of the agreed terms in order to provide him with a higher level of protection.

It is up to the investor deemed to be professional to apply for the higher level of protection if he believes that he is not in a position to adequately assess and manage the associated risks.

The higher level of protection will be granted if an investor which is deemed to be professional agrees with the securities firm in written form not to treat him as a professional investor (according to the current governance rules). In this written agreement it should be clarified if this applies to one or more services or businesses or for one or more types of products or businesses.

5. Investors which according to the directive 2014/65/EU (MiFID) - upon request - can be treated as professional investors.

Private Investors

Private investors are all investors which are not professional investors.

V. Structural Measures

Art. 29 General

For structural measures - unless hereinafter no other agreements have been made - the legal requirements of article 76 (following) AIFMG as well as related implementing provisions apply. In particular it is possible to merge an AIF with a UCITS according to the UCITSG rules.

It is also possible to separate the AIF respectively its sub-funds and share classes.

Art. 30 Merger

According to article 78 AIFMG the AIFM is entitled to determine the merger of the AIF with another or several other AIFs at any time at its own discretion (with the permission of the relevant supervisory authority); irrespective of the legal form of the AIF and of the fact that the other AIF is domiciled in Liechtenstein or not. Sub-funds of the AIF can also be merged with each other, too; but also with one or more other AIFs or their sub-funds.

At any given day all assets of the AIF or sub-funds can be transferred to another existing or to a newly launched AIF or sub-fund (created by the merger).

At the latest 30 days before the planned transfer day the depositaries of the investors will provide information for the investors about the reasons for the merger and the potential impacts. The investors will also receive the key investor information documents for the AIF which continues or which will be launched because of the merger.

On the day of transfer the assets of the AIF which is taking over and the assets of the AIF which is transferring will be calculated; the conversion ratio will be fixed, and the entire transaction will be checked by an auditor or the custodian. The conversion ratio depends on the ratio of the NAV of the AIF taking over and the NAV of the AIF transferring as of the time of transfer. The investor receives such a number of investor shares of the new AIF which equals the value of his investor shares of the transferring AIF. If the merger takes place during an ongoing financial year of the transferring AIF its managing AIFM has to create a report (as of the day of transfer) which complies with the requirements for an annual report.

The AIFM will disclose in the publication organ of the AIF when the AIF has taken over another AIF and the merger has become effective. In case the AIF should cease to exist due to the merger the AIFM which will manage the onboarding or the newly launched AIF will take care of the publication.

The transfer of all assets of this AIF to another domestic AIF or another foreign AIF is subject to the approval of the FMA.

Art. 31 Investor Information, Approval and Investor Rights

Information regarding mergers is published in the publication organ of the AIF. Only for the induction of the waiver effect or the forfeiture according to article 43 AIFMG the publication will be done via a durable medium (letter, fax, email or similar).

The merger plan must include this information according to article 81 AIFMG.

For AIFs which are only distributed to professional investors a report of the custodian or the auditor is not needed according to article 83 AIFMG.

The investors will be informed appropriately and accurately about the planned merger. The investor information must make sure the investors can get a sound understanding of the impacts of the plan on their investment and the exercising of their rights according to article 84 and 85 AIFMG. AIFs that are only distributed to professional investors do not have to produce investor information.

Art. 32 Merger Costs

Legal, consulting or administration costs which are related to the preparation and transaction of the merger may not be charged to either the AIF participating in the merger nor to its investors.

The same applies to other structural measures according to article 90 AIFMG.

However, in the case of AIFs which are distributed only to professional investors, all legal, consulting or administration costs related to structural measures (according to article 87 Abs. 3 AIFMG) can be charged to the AIF. To this end the estimated costs (total as well as per investor share) must be mentioned in the investor information, unless the investor information has been renounced.

Art. 33 Transformation of a Master- or Feeder-AIF into an AIF and Vice Versa

With regards to the change of a feeder or master AIF into an AIF and vice versa the provisions about structural measures apply in the same way.

VI. Liquidation of the AIF, its sub-funds and share classes

Art. 34 Vote for Liquidation

The liquidation of the AIF or one of its sub-funds will be mandatory in certain cases defined by the law. In addition, the AIFM is entitled to at any time liquidate the AIF or a sub-fund or an individual share class.

Investors, heirs and other entitled persons cannot request the split or liquidation of the AIF or an individual sub-fund or a single share class.

The vote on liquidation of the AIF or a sub-fund or a share class will be published in the publication organ of the AIF at least 30 days prior to the liquidation becoming effective. A copy of the investor communication will be sent to the FMA. As of the day of the liquidation vote no more investor shares will be issued, switched or redeemed.

In case of liquidation of the AIF or one of its sub-funds the AIFM is entitled to immediately liquidate the assets of the AIF or a sub-fund in the best interest of the shareholders. The AIFM can mandate the custodian to distribute the net liquidation proceeds (after deduction of all liquidation costs) to the investors. Furthermore, the liquidation of the AIF/sub-fund will follow the provisions of the Liechtenstein law about persons and companies (PGR).

If the AIFM liquidates a share class without liquidating the AIF or sub-funds all investor shares of this class will be redeemed at the then current NAV. This redemption will be published by the AIFM and the redemption price will be paid by the custodian to the former investors.

Art. 35 Reasons for Liquidation

Should the assets of the AIF be below a value which is required for a cost efficient management or should a significant change in the political, economic or monetary environment or as part of a rationalisation occur, the AIFM is entitled to determine that all investor shares of the AIF/sub-fund/share class are redeemed or invalidated at NAV (taking into account the actually realised values and realisation cost of the assets) per the valuation day as of which the respective vote comes into effect.

Art. 36 Liquidation Costs

The costs of liquidation will be charged to the net assets of the AIF or a sub-fund.

Art. 37 Liquidation and Insolvency of the AIF

In case of a liquidation and insolvency of the AIF, the assets managed on behalf of the investors will not be part of the bankruptcy assets and will not be liquidated jointly with the company assets. The AIF or a sub-fund will form a special fund for the benefit of the investors. Each special fund must be (subject to approval by the FMA) transferred to another AIFM or must be liquidated by way of separate satisfaction to the benefit of the investors of the AIF or a sub-funds.

Art. 38 Liquidation and Insolvency of the AIFM or Custodian

In case of the liquidation and the insolvency of the AIFM the assets managed on behalf of the investors will not be part of the bankruptcy assets and will not be liquidated jointly with the AIFM's own assets. The AIF or a sub-fund will form a special fund for the benefit of the investors. Each special fund must be (subject to approval by the FMA) transferred to another AIFM or must be liquidated by way of separate satisfaction to the benefit of the investors of the AIF or a sub-fund.

In case of an insolvency of the custodian, the managed assets of the AIF or a sub-fund (subject to approval by the FMA) will be transferred to another custodian or liquidated by way of separation to the benefit of the investors of the AIF or a sub-fund.

Art. 39 Termination of the Appointment Agreement or the Custodian Agreement

In case of termination of the appointment agreement between the AIF and the AIFM, each special fund (subject to approval by the FMA) has to be transferred to another AIFM or has to be liquidated by way of separate satisfaction to the benefit of the investors of the AIF or a sub-fund. Exception: the change of structure of an AIF from an investment company managed by a third party to an investment company managed by itself.

In case of the termination of the custodian contract the managed assets of the AIF/sub-fund (subject to approval by the FMA) will be transferred to another custodian or liquidated by way of separation to the benefit of the investors of the AIF or a sub-fund.

VII. Set Up of Sub-Funds and Share Classes

Art. 40 Set up of Sub-Funds

The AIF consists of one or several sub-funds. The AIFM can determine at any time to launch other sub-funds and liquidate or merge existing sub-funds. The articles of association (incl. annex B) will be amended accordingly.

The investors participate in the respective sub-fund based on the investor shares subscribed by them.

Each sub-fund is seen as a separate asset with regards to the relationship between the investors. The rights and duties of the investors of a sub-fund are separated from those of investors in the other sub-funds.

The assets of the individual sub-funds are only liable for those liabilities which have been taken by the respective sub-funds.

The investor shares are virtual, i.e. no certificates will be issued.

Art. 41 Term of the Individual Sub-Fund

The sub-funds can be launched for a specific or an unspecified term. The term of a sub-fund is defined in the annex B of the respective sub-fund.

Art. 42 Set Up of Share Classes

The AIFM is entitled to set up different share classes as well as liquidating or merging existing share classes.

Such share classes will differ from other existing share classes according to for example the utilization return proceeds or front-end load, the reference currency, currency hedging, the fees, minimum investment size, or other specific features and rights, or a combination of these features and rights. The rights of those investors who subscribed investor shares out of existing share classes will not be impacted.

The share classes that have been launched in conjunction with each sub-fund as well as the fees and compensations that occur in relation to these investor shares are listed in annex B.

The investor shares are virtual, i.e. no certificates will be issued.

VIII. General Investment Guidelines and Restrictions

The respective sub-fund will be managed according to the provisions of the AIFMG, the general investment guidelines, and the investment restrictions.

Art. 43 Investment Objective

The sub-fund specific investment objective is defined in annex B.

Art. 44 Investment Policy

The sub-fund specific investment policy is defined in annex B.

The following general investment guidelines and restrictions do apply to all sub-funds unless no deviations or additions for the respective sub-fund are mentioned in annex B.

Art. 45 Accounting and Reference Currency

The accounting currency of the individual sub-funds as well as the reference currency per share class are listed in annex B.

The accounting currency is the currency in which the accounting of the sub-fund is done. The reference currency is the currency in which the performance and the NAV of the share classes are being calculated. The investments are done in those currencies that are most appropriate for the performance of the fund.

Art. 46 Profile of the Typical Investors

The profile of the typical investor of each sub-fund is described in annex B.

Art. 47 Eligible Investments

The eligible investments of each sub-fund are listed in annex B. Any restrictions are also listed in annex B.

Art. 48 Non-Eligible Investments

The non eligible investments are listed in annex B. Any exceptions are also listed in annex B.

In the interest of the shareholders the AIFM can define at any time more investment restrictions (if required) in order to comply with the laws and regulations in those countries in which the investor shares of the AIF are solicited and distributed.

Art. 49 Investment Limits

The investment limits of each sub-fund are listed in annex B.

Investment periods within which the relevant investment limits have to be reached:

The investment limits need to be reached within the period mentioned in annex B.

Procedure for deviations from the investment limits:

- a) The assets of the AIF do not need to comply with the investment limits when exercising pre-emptive subscription rights and execution of securities or money market instruments already belonging to its assets.
- b) In case of breach of the investment limits the AIFM's most important objective will be the normalisation of the situation while taking account of the interests of the investors.
- c) Any damage which came from an active breach of the investment limits/guidelines must be immediately compensated to the AIF.

Art. 50 Limitation of Leverage and Prohibition of Lending and Guarantees

- a) The AIF must not lend nor act as a guarantor for third parties. Agreements made despite these prohibitions are not binding the AIF nor its investors. Securities lending and the purchase of derivatives are not deemed to be lending;
- b) If and to which degree the AIF is allowed to leverage, as well as further details with regards to leverage and borrowing are defined in annex B; and
- c) The objects and rights belonging to the fund must not be pledged or otherwise encumbered or transferred or ceded as deposit unless in case of authorised leverage and for transactions with derivative financial instruments.

The AIF has no right to be granted by the custodian the maximum possible credit facility. It is the custodian's sole decision if, in which way and which amount a credit facility is granted (according to their credit and risk policy). Under certain circumstances this policy can be changed during the term of the AIF.

Art. 51 Use of Derivatives, Techniques and Instruments

The use of derivatives, borrowing, securities lending and repurchase agreements are subject to the legal provisions of the AIFMG and are explained in annex B per each sub-fund.

Risk management system

The AIFM must implement a risk management system which allows to continuously monitor and measure the risk related to the investments as well as its respective share of the overall risk of the investment portfolio; it must also make use of a system that provides a precise and independent valuation of the value of the OTC derivative. At least once a year the AIFM has to send reports to the FMA including information which represents a snapshot (which reflects the actual conditions) of the derivatives used on behalf of the AIF and of the underlying risks, the investment limits and the techniques which are being used to assess the risks associated with the derivatives.

Securities borrowing

Annex B defines if securities borrowing is allowed and may contain other information on securities borrowing.

Securities lending

Annex B defines if securities lending is allowed and may contain other information on securities lending.

Repurchase agreements

Annex B defines if repurchase agreements are allowed and may contain other information on repurchase agreements.

IX. Notes on Risks

Art. 52 AIF Specific Risks

The performance of the investor shares is dependent on the investment policy as well as on the market development of the individual investments and cannot be predicted. In this context it has to be noted that the value of the investor shares compared to the offer price can at any time increase or decrease. No guarantee can be given that the investor will get back his initial investment.

The AIF specific risks of the respective sub-fund are described in annex B.

Art. 53 General Risks

In addition to the AIF specific risks the investments of the respective sub-fund can be subject to general risks.

All investments in the respective sub-fund are subject to risks. The risks can include and relate to - amongst others - equity and bond risks, currency, interest rate, credit and volatility risks as well as

political risk. Each of these risks can also come up with other risks. Some of these risks will be dealt with in more detail in this section. Please note that this is not a definitive list of all possible risks.

Prospective investors should be aware of the risks related to an investment in investor shares and only make an investment decision after they have taken in-depth advice from their legal, tax and financial advisors, auditors and other experts about the appropriateness of an investment in investor shares of the relevant sub-fund (taking into account their personal financial and tax situation and other circumstances as well as the information contained in the present articles of association).

Derivative financial instruments

The individual sub-fund can use derivative financial instruments. These can be used not only for hedging purposes but also be part of an investment strategy. The use of derivative financial instruments for hedging purposes can alter the general risk profile because of lower opportunities and risks. The use of derivatives as part of an investment strategy can alter the general risk profile because of higher opportunities and risks.

Derivative financial instruments are no investment instruments in its own right but are rights whose value mainly derives from the price and the price volatility/expectation of an underlying asset. Investments in derivatives are subject to general market risk, management risk, credit and liquidity risk.

Because of special features of the derivative financial instruments the above mentioned risks can be different and partially higher than the risks of an investment in the underlying assets.

Therefore, the use of derivatives requires not only an understanding of the underlying asset but also detailed knowledge about the derivative itself.

Derivative financial instruments also carry the risk that the sub-fund suffers a loss because another party associated with the derivative financial instrument (typically the "counterparty") cannot meet its obligations.

Typically, the credit risk of derivatives which are traded at a stock exchange is lower than the risk of derivatives that are traded outside an exchange because the clearing house which acts as the issuer or counterparty of each derivative traded at the exchange is guaranteeing the clearing. In order to reduce the overall default risk this guarantee is supported by a daily paying system (in which the assets needed to cover the required assets are being calculated) operated by the clearing house. For derivatives traded outside an exchange there is no similar guarantee of the clearing house and the AIFM has to assess the creditworthiness of each counterparty of a derivative traded outside an exchange when assessing the potential credit risk.

There are also liquidity risks because certain instruments can be difficult to buy or sell. If the derivative transaction is particularly big or if the relevant market is illiquid (which can be the case with derivatives traded outside an exchange) the transactions might not always be fully processed or a position can only be liquidated at increased costs.

Other risks regarding the use of derivatives are in the mispricing or valuation of derivatives. Furthermore, it is possible that derivatives do not correlate exactly with their underlying assets, interest rates and indices. Many derivatives are complex and often priced subjectively. Inappropriate valuations can lead to increased margin calls of counterparties or to a loss for the AIF. Derivates are not always in a direct or parallel relation to the value of the assets, interest rates or indices of which they are derived from. Therefore, the use of derivatives by the sub-fund is not always an effective way to reach the investment objective of the sub-fund but can instead sometimes create opposite impacts.

Collateral management

If the sub-fund is using transactions outside an exchange (OTC trades) as a consequence it can be subject to risks in relation to the creditworthiness of the OTC counterparty: when entering into futures contracts, options and swap transactions or when using other derivative technics the sub-fund is subject to the risk that an OTC counterparty cannot fulfil their obligations from a particular or several contracts (or is not able to fulfil). The counterparty risk can be reduced by depositing a security. If a security is owed to the sub-fund according to current agreements this security will be detained by or for the custodian for the benefit of the sub-fund. Cases of bankruptcy and insolvency or other credit default events at the custodian (or within their sub-depositaries/correspondent bank network) can lead to the rights of the sub-fund in conjunction with the security will be moved or limited in another way. If the sub-fund is owing a security to the OTC counterparty (according to current agreements) such a

security (as agreed between the sub-fund and the OTC) has to be transferred to the OTC counterparty. Cases of bankruptcy and insolvency or other credit default events at the OTC counterparty, the custodian (or within their sub-depositaries/correspondent bank network) can lead to the rights or the acknowledgement of the sub-fund with regard to the security being delayed, limited or even excluded; which means that the AIF would be forced to meet its obligations (as part of the transaction) irrespective of any securities which have been deposited in advance to cover such an obligation.

Issuer risk (credit risk)

The deterioration of the solvency or even the bankruptcy of an issuer can lead to at least a partial loss of the assets of the sub-fund.

Counterparty risk

The risk here is that the fulfilment of trades which have been entered into on behalf of the sub-fund due to liquidity issues or bankruptcy of the respective counterparty is at risk.

Inflation risk

Inflation can reduce the value of the investments of the sub-fund. The purchasing power of the invested capital decreases if the inflation rate is higher than the return from the investments.

Economic risk

This is about the risk of capital losses which arise from the fact that the economic development has not or not accurately been taken into account and therefore investments have been made at the wrong point in time or securities are being held in an adverse economic environment.

Country and/or transfer risk

Country risk is about the fact that a foreign debtor - despite being able to pay - cannot pay due to the lack of transfer facilities or transfer willingness of its domicile country (eg because of currency limitations, transfer risks, moratorium or embargo). Thus, for example payments to which the sub-fund is entitled are missing or arrive in a currency that is no longer convertible due to currency limitations.

Transaction risk

Especially for investments in un-listed securities there is a risk that the transaction via a transfer system cannot be exercised (according to expectations) due to a delayed or a non agreed payment or delivery.

Liquidity risk

The sub-fund may also purchase assets not listed at a stock exchange or in another organised market. The purchase of such assets is subject to the risk that issues can arise especially with the resale of assets to third parties.

Securities of smaller companies (small caps) run the risk of the market being illiquid at times. The impact of this can be that securities cannot be traded at the desired point in time and/or not in the desired quantity and/or at the desired price.

Investable universe

While adhering to the investment guidelines and limits set by the AIFMG and the articles of association (which define a wide area of potential investments) the actual investment policy might be focussing on buying assets of eg just a few sectors, markets or regions/countries. This concentration on a few specific investment sectors can offer particular opportunities but also respective risks (small market, high volatility within specific economic cycles). The annual report will describe the content of the investment policy after a financial year.

Concentration risk

Further risks can be created by a concentration of the investments on specific assets or markets. In this case the sub-fund is highly dependent on the development of these assets or markets.

Market risk (price risk)

This is a general risk associated to all investments. It is about the fact that the value of a particular investment is potentially going against the interests of the sub-fund.

Psychological market risk

Different moods, views and rumours can cause a significant price decline despite the fact that the profits and future prospects of the companies in which the sub-fund is invested have not sustainably changed. The psychological market risk is particularly true for equities.

Settlement risk

This risk is about the risk of a loss for the sub-fund because a trade entered is not being fulfilled as expected due to a counterparty not paying or delivering; or the risk that losses can occur because of operational mistakes during the transaction.

Legal and tax risk

The purchase, holding and redemption of assets of the sub-fund can be subject to tax provisions (eg withholding tax) outside the domicile of the sub-fund. Furthermore, the legal and tax treatment of the sub-fund can change in an unforeseeable and uncontrollable way. In case of a correction that is generally to the disadvantage of the client a change of the basis of taxation which was incorrect for preceding financial years (eg because of external tax audits) can lead to the investor bearing the tax burden from the correction of preceding financial years despite the fact that he might not have been invested in the sub-fund at this point in time. Conversely it can happen that a correction (done for the actual and preceding years in which he was invested in the sub-fund) which is generally advantageous will no more be credited to the investor because of the redemption or sale of the investor shares before the respective correction has taken place. In addition, a correction of tax data can mean that taxable income or tax advantages in another than actually correct taxable period will actually be taxed which has a negative impact for the individual investor.

Company risk

Investments in equities are a direct form of participation in the success or failure of a company. At the extreme – in a bankruptcy – this can mean the complete loss of the respective investments.

Currency risk

If the sub-fund is invested in assets that are denominated in a foreign currency (ies) it is exposed to a direct currency risk (as far as foreign currency positions are not hedged). A fall in currency prices will lead to a loss in the investments held in a foreign currency. Conversely the currency market can also offer capital gain opportunities. Alongside the direct currency risks there are also indirect currency risks. Companies operating on a worldwide basis are dependent on the currency development to a greater or lesser extent; which can have indirect implications on the price development of investments.

Change of investment policy

The risk associated with the sub-fund can change - content related - due to a change of the investment policy (within the legally and contractually authorised investment universe). The AIFM at any time and to any degree can alter the investment policy of the sub-fund by a change of the articles of association (incl. annex B).

Amendment to articles of association

The investment company reserves the right in the articles of association to change the terms of the articles of association. In addition, according to the articles of association it is entitled to liquidate the AIF or the individual sub-fund completely or to merge with another AIF. Therefore, the investor is running the risk to not being able to realise the holding period planned by him.

Risk of suspension of redemptions

The investors generally are allowed to require from the investment company the redemption of their investor shares according to the valuation interval of the sub-fund. The investment company is entitled to suspend the redemption of investor shares for some time due to extraordinary circumstances and redeem the shares at a later point in time at the then current price (for details please refer to "suspension of calculation of the NAV and of the issuance, redemption and switches of investor shares"). This price can be lower than the one before the suspension of the redemption.

Key person risk

The success of sub-funds whose performance is very positive during a particular period of time can in parts be attributed to the competence of all persons involved and thus to the right decisions of their management. The key persons at the asset manager can change though. New decision makers might then be less successful.

Interest rate risk

If the sub-fund invests in fixed income instruments it is exposed to interest rate risk. In case of rising interest rates (in the market) the price of the fixed income instruments belonging to the assets of the sub-fund can substantially decrease. This is even more the case as far as the sub-fund is invested in fixed income instruments with a longer duration and lower nominal yield.

Sustainability risk

A sustainability risk is an environmental, social or governance (ESG) event or condition that could have a material adverse effect on the value of an investment. Sustainability risks may have a direct impact on the value of investments by amplifying other risks relevant to the Sub-Fund, such as market risk, credit and counterparty risk, liquidity risk, legal risk, reputational risk or operational risk. Sustainability risks may lead to a material deterioration of a company's financial profile, profitability or reputation and thus have a significant impact on the value of the company.

The Asset Manager takes into account any sustainability risks as part of the investment decisions as well as on an ongoing basis during the investment period of the investments. In the context of the investment decisions for the sub-fund, the principal adverse impacts of investment decisions on sustainability factors (PAI) are not yet taken into account in accordance with the criteria of the EU Taxonomy Regulation for environmentally sustainable economic activities, as the necessary systematic data basis is currently still lacking and, in the absence of corresponding disclosure in the target investments, it is not yet possible to carry out an adequate direct examination of the potential principal adverse impacts.

X. Valuation and Transactions of Shares

The investors participate in the assets of the sub-fund as per the investor shares subscribed by them.

The investor shares are not securitised but are held virtually in a registrar, i.e. no certificates are being issued. An assembly for the investors is not intended. By subscribing or purchasing of investor shares the investor acknowledges the articles of association as well as the annex A/B. Investors, their heirs or other entitled persons do not have the right to request the separation or liquidation of the AIF or the sub-fund. Annex A/B lists the details about each sub-fund.

All investor shares of the sub-fund generally have the same rights unless the AIFM decides (according to article 42 of the articles of association) to launch different share classes within the sub-fund.

The assets of the sub-funds are liable towards third parties only for liabilities entered into by the sub-fund. By acquiring investor shares of the sub-fund each investor acknowledges the articles of association (incl. annex A/B) which define the contractual relationships between the investors and the AIF/AIFM/custodian as well as the correctly executed changes to this document.

Art. 54 NAV Calculation per Investor Share

The NAV per investor share of the sub-fund/share class will be calculated by the AIFM or by a delegate authorised by the AIFM at each valuation day as well as per end of the financial year.

The NAV of an investor share of a sub-fund or share class of a sub-fund will be expressed in the denomination currency of the sub-fund or - if diverging - in the reference currency of the respective share class. It is calculated as follows: the prorated assets of the respective share class of the sub-fund, reduced by any debt obligations, divided by the number of investor shares of the respective share. It will be rounded to two decimal places when investor shares are issued or redeemed.

The respective sub-funds' net assets will be valued according to the following principles:

1. Securities officially listed at a stock exchange will be valued at the latest available price. In case a security is officially listed at several stock exchanges the latest available price of such exchange will be used which is deemed to be the main exchange for this security;
2. Securities not officially listed at a stock exchange but traded in a market open to the public will be valued at the latest available price;
3. Securities or money market instruments (subject to the requirements described in the articles of association) could be valued following the depreciation method;
4. Investments whose price does not seem to be fairly priced by the market and those assets which are not complying with 1, 2 and 3 above will be attributed a price which would likely be achieved at a diligent sale at the point in time of the valuation, which will be determined by the management of the AIFM or by delegates under his control or supervision in good faith;

5. OTC derivatives will be valued daily on a valuation basis that the AIFM determines in good faith and according to generally accepted (controllable by auditors) valuation models on the basis of the sales price likely to be achieved;
6. Funds will be valued at the latest available redemption price. Should the redemption for investor shares be suspended or no redemption price be determined, these investor shares will be valued - like all other assets - at the current market value that the AIFM determines in good faith and according to generally accepted (controllable by auditors) valuation models on the basis of the sales price likely to be achieved;
7. If there is no tradeable price available for the respective assets these assets will be valued at the current market value that the AIFM determines in good faith and according to generally accepted (controllable by auditors) valuation models on the basis of the sales price likely to be achieved;
8. Cash will be valued at its nominal value with accrued interest payments added to it;
9. The market value of securities and other investments which are being held in another currency than the sub-fund currency will be converted into the currency of the sub-fund using the latest average exchange rate.

The AIFM is entitled to temporarily use another adequate valuation method for the sub-fund assets if the valuation criteria mentioned above due to extraordinary events seem impossible or not appropriate. At times of significant redemptions the AIFM can value the investor shares of the respective sub-fund on the basis of prices at which the required sale of securities will possibly be transacted. In this case the same valuation method will be applied for subscription/redemption applications sent in at the same time.

Art. 55 Issuance of Investor Shares

According to annex B investor shares can be acquired at NAV per investor share of the respective share class of the respective sub-fund plus any front-end sales charge plus any taxes and fees.

The investor shares are not securitised as securities.

Application forms have to be sent to the custodian latest until cut-off-time. Should an application form arrive after cut-off-time it will be processed the following valuation day. Earlier cut-off-times might apply for applications placed at domestic and foreign distribution points in order to ensure they can be forwarded in time to the custodian in Liechtenstein. These can be checked with the respective distribution point.

Information about issue date, valuation interval, cut-off-time as well as about the maximum front end sales charge can be found in annex B.

The AIFM ensures that the issue of investor shares will be processed on the basis of a NAV (per investor share) still unknown to the investor at the point of application (forward pricing).

All taxes and fees due to the issuance of investor shares will be charged to the investor. It cannot be excluded that additional transaction costs will be charged by banks which are not mandated to distribute the investor shares.

If the payment is made in a different currency than the reference currency, the equivalent value from the conversion of the currency of payment into the reference currency (minus any fees) will be used to buy investor shares.

Annex B states the minimum investment amount which applies to a particular share class. The minimum investment may be waived at the discretion of the AIFM.

The AIFM can determine the full or temporary suspension of the issuance of new investor shares if additional investments could impact the achievement of the investment objective.

Upon request of an investor shares can (subject to approval by the AIFM) also be subscribed by way of transfer of investments at the current daily NAV (investment in kind or in specie). The AIFM is not obliged to accept such an application.

Investments in kind have to be checked and assessed by the AIFM using objective criteria. The assets transferred have to comply with the investment policy of the respective sub-fund and there must be

an actual interest in the securities by the AIFM. The intrinsic value of the investment in kind has to be examined by the auditor. All costs incurred (incl. the costs of the auditor and other fees as well as any taxes and charges) will be carried by the investor and must not be charged against the assets of the sub-fund.

The custodian and/or the AIF and/or the AIFM and/or the authorised distributors can at any time reject an application or temporarily limit, suspend or finally cease the issue of investor shares if this would seem to be in the interest of the investors, in the interest of the public or for the protection of the AIF or the investors. In this case the custodian will immediately reimburse incoming payments (without interest) on applications not yet processed; this might possibly be done with the help of the paying agent.

The issuance of investor shares will be temporarily suspended particularly under such circumstances where the calculation of the NAV per investor share has been halted. In case the issuance of investor shares is stopped the investors will be instantaneously be informed about the reason and the date of the termination via information in the publication organ.

The issuance of investor shares can be terminated in the event of situations defined in article 58.

Art. 56 Redemption of Investor Shares

Investor shares may be redeemed as per the cut-off-time defined in annex B at the NAV of the respective share class of the respective sub-fund, minus any redemption fees, taxes and other charges.

Redemption applications must arrive at the custodian until cut-off-time at the latest. If a redemption application comes in after the cut-off-time it will be processed on the subsequent redemption date. Earlier cut-off-times might apply for applications placed at domestic and foreign distribution points in order to make sure they can be forwarded in time to the custodian in Liechtenstein. These can be checked with the respective distribution point.

Information about redemption day, valuation interval and cut-off-time as well as the maximum amount of any redemption fee (if applicable) can be found in annex B.

The payment will be made after the calculation of the redemption price within the pay-out period defined in annex B. This is not the case if the transfer of the payment is impossible due to legal provisions like currency and transfer limitations or because of other circumstances outside the control of the custodian.

If the payment - upon request of the investor - shall be made in another currency than the currency in which the respective investor shares are referenced the amount to be paid is the proceeds of the conversion from the reference currency into the payment currency less any fees.

Investor shares can - upon request by the investor - also be redeemed by way of transfer of assets at the current daily NAV (redemption in kind) with the approval of the AIFM. The AIFM is not obliged to accept such an application and is entitled to charge reasonable additional fees for the additional efforts to the investor. In case of liquidation of the respective sub-fund the AIFM has the right, even without the consent of the investor, to process the partial liquidation payments or final liquidation payments by way of transfer of assets (redemption in kind).

Redemptions in kind must be assessed by the custodian using objective criteria. The investment policy of the respective sub-fund needs to continue to be adhered to and the investment provisions have to be complied with. The AIFM must determine that there is an interest by the remaining investors of the sub-fund in the in-kind redemption. The intrinsic value of the assets must be determined by an auditor. All costs incurred (incl. costs for the auditor, other costs as well as any taxes and charges) will be born by the respective investor and may not be charged to the sub-fund.

The respective investor share will be deregistered once the redemption price has been paid out.

If a redemption leads to the holdings of the respective investor falling below the minimum investment of the respective share class as defined in annex B, the AIFM may, without additional notice to the investor, treat the redemption application as an application to redeem all investor shares held by the respective investor in this share class, or as an application to switch the remaining investor shares into another share class of the same sub-fund with the same reference currency (conditional on the investor meeting the requirements for investment).

The AIFM and/or the custodian are entitled to seize investor shares against the will of the investor by paying the redemption price as long as this seems to be required in the interest or for the protection of the investors, the AIFM or one or several sub-funds, in particular if

- there is a suspicious case that market timing, late-trading or other market technics are being used by the respective investor which could be to the detriment of other investors,
- the investor does not comply with the terms for a subscription of investor shares or
- the investor shares are being distributed in a country in which the respective sub-fund is not registered for distribution, or have been purchased by a person for which the subscription of investor shares is not allowed.

The AIFM ensures that the redemption of investor shares will be processed on the basis of a NAV per investor share which is still unknown at the time of sending the application (forward pricing).

The redemption of investor shares can be discontinued in cases defined in article 58.

Art. 57 Switch of Investor Shares

The switch of all investor shares or a part of it into investor shares of another sub-fund will be processed as per articles of association based on the relevant share price of the respective sub-fund, taking into account a switching fee for the benefit of the receiver. The amount of the switching fee is defined in annex B of the respective sub-fund; the fee is at the minimum the difference between the front-end sales charge of the sub-fund to be switched and the front-end sales charge of the sub-fund into which the switch will be made. If no switching fee is charged this will be mentioned in the annex B of the respective sub-fund.

If different share classes are being offered, investor shares of one share class can be switched into investor shares of another share class. A switch of investor shares into another share class is subject to the investor complying with the provisions for the direct subscription of shares of the respective share class.

Annex B will mention cases where a switch into a specific share class is impossible.

The number of new shares into which the investor wants to switch his current shares will be calculated according to the following formula:

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

A = Number of investor shares of the share class into which the switch shall be done

B = Number of investor shares of the share class from which the switch shall be done

C = NAV or redemption price of the investor shares put up for switching

D = Currency exchange rate between any share classes. If both share classes have the same reference currency this coefficient will be 1.

E = NAV of any share class into which the switch is made (plus taxes, fees or other charges)

There might be additional charges, taxes and stamp duty in some countries when switching shares.

The AIFM can reject a switch application form for a sub-fund or share class at any time if this is deemed to be in the interest of the AIFM or sub-fund, in particular if:

- there is a suspicious case that the respective investor is using market timing, late-trading or other market technics that would be detrimental to other investors,
- the investor does not comply with the provisions for a subscription of investor shares, or
- the investor shares are being distributed in a country in which the respective sub-fund is not authorised for distribution or purchased by a person which is not allowed to subscribe the investor shares.

The AIFM ensures that the switch of investor shares will be processed on the basis of an NAV still unknown to the investor at the point of handing in the application (forward pricing).

The switch of investor shares can be discontinued in cases of article 58.

Art. 58 Suspension of NAV Calculation and Issuance/Switch/Redemptions of Investor Shares

The AIFM is entitled to temporarily suspend the calculation of the NAV and/or the issue/redemption/switch of investor shares of a sub-fund as long as this is justified in the interest of the investors, in particular:

1. if a market which is the basis for the valuation of an important part of the assets of the sub-fund is closed or if the trading at such a market is limited or suspended;
2. in political, economic or other emergencies; or
3. if trades for the sub-fund cannot be processed due to limitations for the transfer of assets.

The AIFM can also decide a complete or temporary suspension of the issuance of new investor shares if additional investments could impact the realisation of the investment objective.

The issuance of investor shares will be temporarily suspended if the calculation of the NAV per investor share is suspended. In the case of suspending the issuance of new investor shares the investors will be informed immediately via the publication organ about the reason and the suspension date.

In addition the AIFM can, subject to safeguarding of the interests of the investors, suspend the processing of substantial redemptions until equivalent assets of the sub-fund can be sold.

As long as the redemption of investor shares is suspended no new investor share of this sub-fund will be issued. The switching of investor shares, whose redemption is temporarily suspended is not possible. The temporary suspension of the redemptions of investor shares will not lead to the temporary suspension of other sub-funds which are not impacted by the respective events.

The AIFM ensures that the assets of the sub-fund will include enough liquid instruments so that under normal circumstances a redemption/switch of investor shares (upon investor request) can be immediately processed.

The AIFM will inform the FMA and the investors about the suspension of a redemption and the payout in an appropriate way. Applications for subscription/redemption/switches will be processed after the NAV calculation has been resumed. The investor can revoke its application for subscription/redemption/switch until the restart of share trading.

Art. 59 Late Trading and Market Timing

Should there be any suspicion that an applicant is practicing "late trading" or "market timing" the AIFM and/or the custodian will reject the acceptance of the subscription/switch or redemption application until the applicant has removed any doubts about his application.

Late trading

"Late trading" is defined as the acceptance of an application for subscription/redemption/switch which has been received after "cut-off time" of the respective day and which has been processed using the NAV of that day. By "late trading" an investor can take advantage of knowledge about events or information which have been made public after the "cut-off-time" but which are not reflected in the price at which the application of the investor are being processed. Therefore, this investor has an advantage over those investors which have complied with the official "cut-off-time". The advantage of this investor will be even bigger if he is able to combine "late trading" with "market timing".

Market timing

"Market timing" is defined as the arbitrage of an investor who systematically subscribes and redeems/switches investor shares of the same sub-fund/same share class on a short-term basis by making use of the different time zones and/or mistakes or weaknesses of the system for calculation of the NAV of the sub-fund/share class.

Art. 60 Anti Money Laundering and Protection against Financing of Terrorism

The AIFM has to make sure that domestic distribution agencies commit themselves to the AIFM to comply with the current provisions of the principality of Liechtenstein about the due diligence law and the related due diligence regulation as well as the guidelines of the FMA in the current form.

In case the domestic distribution agencies themselves accept money from investors they, acting as entities with a duty of care, are obliged to identify the applicant (according to the due diligence law and the due diligence regulation) to determine the beneficial owner, create a profile of the business relationship and adhere to all local provisions regarding anti-money-laundering relevant to them.

In addition, the distribution agencies and their branches have to comply with all provisions regarding anti-money-laundering and the protection against financing of terrorism that are in force in the respective countries.

XI. Costs and Fees

Art. 61 One-Off Costs and Fees Charged to the Investor

Front-end sales charge

In order to cover the costs which are created by the placement of the investor shares the AIFM - for the benefit of the AIF/AIFM/custodian and/or domestic/foreign distribution agencies - may levy a front-end sales charge (based on annex B) on top of the NAV of the newly issued investor shares.

Redemption fee

The AIFM may charge - for the benefit of the AIF/AIFM/custodian and/or domestic/foreign distribution agencies - a redemption fee (based on annex B) on the NAV of the redeemed investor shares.

Switching fee

For switches requested by investors from one sub-fund to another or from one share class to another, the AIFM (based on annex B) will charge a switching fee - for the benefit of the AIF/AIFM/custodian and/or domestic/foreign distribution agencies - on the NAV of the original sub-fund/share class.

Art. 62 Ongoing Fees

Fee depending on assets:

Administration fee

For risk management and administration the AIFM will charge the respective sub-funds a yearly administration fee according to annex B. This fee will be calculated on the basis of the average assets of the respective sub-fund/share class, accrued on each valuation day and deducted pro rata temporis at least once a year. The amount of the administration fee per sub-fund/share class is disclosed in the annual report.

Asset management fee

The asset manager will receive a management fee as defined in annex B. This fee will be calculated on the basis of the average assets of the respective sub-fund/share class, accrued on each valuation day and charged pro rata temporis at least once a year. In addition the manager might be entitled to a performance oriented fee taken levied on the respective sub-fund („performance-fee“). The amount of the management fee and the performance fee per sub-fund/share class will be disclosed in the annual report.

Advisory fee

In general, the remuneration of the investment advisor is included in the management fee. This means no additional fee for the individual sub-fund. The amount of the advisory fee per sub-fund/share class is disclosed in the annual report.

In case the advisory fee is not included in the management fee, annex B will define the amount separately. This fee will be calculated on the basis of the average assets of the respective sub-

fund/share class, accrued on each valuation day and charged pro rata temporis at least once a year. The amount of the advisory fee per sub-fund/share class will be disclosed in the annual report.

Custody fee

For the fulfilment of its duties as per the custody agreement the custodian will receive a custody fee based on annex B. This custody fee will be calculated on the basis of the average assets of the respective sub-fund/share class, accrued on each valuation day and charged pro rata temporis at least once a year. The amount of the custody fee per sub-fund/share class will be disclosed in the annual report.

Distribution fee

In case a distributor has been contractually hired it may be eligible to receive a fee as per annex B. This distribution fee will be calculated on the basis of the average assets of the respective sub-fund/share class, accrued on each valuation day and charged pro rata temporis at least once a year. The amount of the distribution fee per sub-fund/share class will be disclosed in the annual report.

Fee not dependent on assets:

The AIFM and the custodian are also entitled to be reimbursed for the following costs which have been incurred while exercising their function:

- Costs for the preparation, printing and mailing of the annual and semi-annual reports as well as other legally required publications;
- Costs for the publication of communications of a sub-fund to the investors (incl. price publications) in publication organs and potentially additional magazines or electronic media determined by the AIFM;
- Fees and costs for authorisations and the supervision of a sub-fund in Liechtenstein and abroad;
- Domicile fee and costs for the AIF in Liechtenstein;
- All taxes which are being levied on the assets of the AIF as well as on its income and expenses;
- Fees in relation to any listings of a sub-fund and to domestic and foreign distribution (eg consulting, legal and translation costs);
- Fees, costs and royalties in relation to the calculation and publication of tax factors for those countries of the EU/EEA and/or all countries in which distribution is authorised and/or private placements exist based on the actual costs;
- Fees for paying agents, agents and other domestic and foreign representatives with a similar function;
- An appropriate part of printing and marketing costs which are in direct relation with the offering and distribution of investor shares;
- Fee for auditors and tax advisors, provided these efforts are being made in the interest of the investors;
- Costs for detailed due diligence by third parties regarding tax, legal, accounting and economic issues which in particular includes the deep analysis of a private equity investment with regard to its investment eligibility for the sub-fund. These costs can be charged to the respective sub-fund even if no investment is being made afterwards;
- Costs in relation to the valuation of a special investment (eg expert opinion) and expenses resulting from it for the AIFM;
- Costs of a technical expertise and specialist advice in relation to the purchase and sale of assets of the fund in the best interest of the investor in particular when it comes to unlisted assets and related effort by the AIFM;
- Costs for potential sub-custodians of the fund assets in case that parts of it cannot be deposited at the custodian directly;
- Costs for the set-up and maintenance of additional counterparties if in the interest of the investors.

Transaction costs

Furthermore, the sub-funds have to bear all ancillary costs resulting from the purchase and sale of investments (brokerage fee in line with the market, commissions, charges) as well as taxes which are levied on the assets of the respective sub-fund as well as its income and expenses (eg withholding taxes on foreign income). In addition, the sub-funds carry any external costs, i.e. third-party fees, which are created at the purchase and sale of investments. These costs will be netted with the purchase or sales value of the respective investment. Furthermore, the respective share classes will be charged with potential currency hedging costs.

Services which are reimbursed via a fixed flat fee, must not be charged as additional individual expenses. Compensations for third parties are also included in chapter IX of the articles of association.

Costs for currency hedging of share classes

Any costs for currency hedging of share classes will be attributed to the respective share class.

Service fee

A periodical service fee for additional services of the custodian may be charged if defined in annex B.

Liquidation fee

In case of a AIF/sub-fund liquidation the AIFM can charge the related costs and fees as well as the related efforts of the AIFM to the assets of the AIF/sub-fund.

Extraordinary disposition costs

The AIFM is allowed to deduct from the assets of the respective sub-fund the costs for extraordinary dispositions.

Such costs for extraordinary dispositions may only result from efforts which are safeguarding investor interests; and which occur during the common business activity; and were not foreseeable at the time of launching the AIF/sub-fund. Extraordinary disposition costs are mainly costs for the adherence to the law in the interest of the AIF/respective sub-fund/investors. Additionally, all costs originating from any required extraordinary dispositions according to AIFMG and AIFMV are included under extraordinary disposition costs (eg changes of the constituting documents).

Performance fees

The AIFM may charge a performance fee if defined in annex B

Total expense ratio (TER-ratio)

The total of the ongoing expenses before any performance fee and before any extraordinary disposition fees will be calculated according to general principles recognised by the FMA; and includes with the exception of the transaction costs all costs and fees which are being charged to the assets/respective sub-fund on an ongoing basis.

The total expenses which the sub-fund/respective share class has to bear on an annual basis will be published in the annual report.

Art. 63 Incorporation Costs

The costs for the formation of the AIF and the initial issuance of investor shares will be paid by the assets of those sub-funds that were existing at the time of formation and will be amortised over a maximum of five years. The split of the legal set up costs is done pro rata to the the respective sub-fund assets and share classes. Costs incurred in relation with the launch of further sub-funds/share classes will be charged to the assets of the respective sub-fund/share class to which they are attributable and will be amortised over a maximum of five years.

XII. Final Provisions

Art. 64 Use of Proceeds

The profit of a sub-fund comes from both the net income and the realised capital gains.

The AIFM is entitled to distribute the profit reached in a sub-fund/share class to the investors of this sub-fund/share class or accumulate this profit in the respective sub-fund/share class.

Accumulating:

The profit generated by those sub-funds/share classes which fall under "ACC" according to annex B will be reinvested continuously, i.e. accumulated.

Distributing:

The profit generated by those sub-funds/share classes which fall under "DIS" according to annex B will be distributed annually. Distributions will be paid out within four months after the closing of the financial year.

Up to 10 % of the net income of the sub-funds/share class can be forwarded to the new account.

Realised capital gains from the sale of things and rights will be held back by the AIFM for reinvestment.

Dividends will be paid out based on the investor shares outstanding at the day of distribution. On dividends declared there will be no interest paid after their due date.

Art. 65 Commissions and Retrocessions

The AIFM reserves the right to pay third parties for the acquisition of investors and/or for the rendering of services. Upon request the AIFM may disclose to the investor details about the agreements made with third parties. The investor waives the right versus the AIFM explicitly for further information; in particular the AIFM does not have to report in detail regarding actual payments.

If the AIFM receives payments on behalf of an individual sub-fund by third parties for the acquisition of investors, purchase/distribution of UCITS, certificates, notes etc (products), it will forward such payments entirely to the respective sub-fund.

The amount of such payments differs according to product and product provider. Trailing fee payments typically are calculated in relation to the amount of asset held in a product/product group by the AIFM. In addition, distribution commissions of issuers of securities can be made by way of discounts to the issue price (discount percentage) or by way of lump sum payments whose amount equals a percentage share of the issue price. Subject to another provision the investor can at any time before or after the rendering of services (purchase of the product) request from the AIFM more details about the agreements made with third parties regarding such payments. The right of information about further details regarding transactions already made is restricted to the request about the last 12 months. The investor explicitly waives the right to request information about further details. If the investor requests no more details before rendering of the services or should he receive the service after gaining further details he waives any surrender claims following §1009 "Allgemeines Bürgerliches Gesetzbuch" (ABGB).

Art. 66 Tax Provisions

Investment trust or investment company and fund assets

All Liechtenstein AIFs in the legal form of investment trusts with variable capital (AGmvK) or investment companies with variable capital (SICAV) are fully taxable in Liechtenstein and are subject to income tax. The income from the managed assets is deemed to be tax free income. For the calculation of the modified equity only such equity will be relevant which is not part of the managed assets. The income tax is 12.5% of the taxable net income.

Issue and value added tax (VAT)¹

The issue of founder shares or investor shares participating in the share capital (as part of the equity) an investment trust with variable capital (AGmvK) or an investment company with variable capital (SICAV) is not subject to the issue nor any founding taxes. The same applies for the issuance of investor shares participating in the managed assets. The transfer against payment of ownership in investor shares participating in the managed assets is subject to VAT if one party or distributor is a domestic broker. The redemption of founding shares or investor shares participating in the share capital as well as investor shares participating in the managed assets are exempt from VAT. The fund in the legal form

¹ According to the customs union agreement between Switzerland and Liechtenstein the Swiss stamp duty law will also apply in Liechtenstein. In the spirit of the Swiss stamp duty legislation the principality of Liechtenstein is deemed to be domestic territory.

of an investment trust with variable capital or in the form of an investment company with variable capital are deemed to be investors not subject to VAT.

Withholding taxes

The AIF in the legal form of an investment trust with variable capital or in the form of an investment company with variable capital are not subject to source or withholding tax in the principality of Liechtenstein, including no coupon tax or anticipatory tax. Foreign income and capital gains generated by the AIF in the legal form of an investment trust with variable capital or in the form of an investment company with variable capital or in the form of any sub-fund (segments) of the fund might be subject to withholding taxes in the respective country of investment. Any double tax treaties remain in power.

Natural persons with tax domicile in Liechtenstein

A private investor domiciled in the principality of Liechtenstein must declare his investor shares as assets which are subject to wealth tax. Any distributions or accumulation of income of the AIF in the legal form of an investment trust with variable capital or in the form of an investment company with variable capital or in the form of any sub-fund (segments) of the fund are free of profit and income tax. The capital gains generated when selling investor shares are free of profit and income tax. Capital losses cannot be offset with the taxable purchase.

Persons with a tax domicile outside Liechtenstein

For investors domiciled outside the principality of Liechtenstein the taxation and the other tax implications when holding/purchasing or selling of investor shares will follow the tax laws and provisions of the respective domicile.

FATCA

The AIF will comply with the provisions regarding FATCA and will - if required - register with the US tax authority as an institution participating in FATCA.

Disclaimer

The tax comments are based on the currently known legal situation and practice. Legislation, jurisprudence or decrees and practising by the tax authorities are explicitly subject to modification.

Investors are requested to get advice from their own professional advisor regarding the respective tax implications. Neither the AIF/AIFM/custodian nor its delegates are entitled to take responsibility for the individual tax implications for the investor resulting from purchase/holding or selling of investor shares.

Art. 67 Information for Investors / Publication Organ

Publication organ for the AIF is the website of the LAFV ("Liechtensteiner Anlagefondsverband") www.lafv.li.

All communication to the investors including amendments to the articles of association and of the annex B will be published in the publication organ of the AIF.

The NAV as well as the issue and redemption price of investor shares of the AIF/sub-fund will be published at each valuation day in the publication organ of the AIF.

The annual report (reviewed by an auditor) and any semi-annual report (does not need to be audited) will be made available to the investors and the custodian at the offices of the AIFM.

Art. 68 Reports

The AIFM will for each AIF prepare an audited annual report as well as any semi-annual report according to the legal provisions of the principality of Liechtenstein.

At the latest six months after each financial year the AIFM will publish an audited annual report according to the legal provisions in the principality of Liechtenstein.

If required, two months after the first six months of a financial year the AIFM will publish an un-audited semi-annual report.

Additional audited and un-audited updates may be produced.

Art. 69 Financial Year

The financial year of the AIF starts at the 1st January of each year and ends at 31st December of the year.

The accounting year of each sub-fund is defined in the annex B and is independent of the financial year of the AIF.

Art. 70 Changes to the Articles of Association

These articles of association can be amended or extended at any time by the AIFM in full or partially.

The AIFM will inform the FMA in written form about important changes at least one month prior to the implementation of the changes or immediately after the occurrence of an amendment that was not planned.

If the AIF has to be authorised the articles of association and each change to them requires the prior approval by the FMA in order to be effective.

Art. 71 Limitation

The rights of investors against the AIF, AIFM, Liquidator, trustee or custodian will lapse after five year after the occurrence of a damage; but latest after one year after a redemption of investor shares or after knowledge of the damage.

Art. 72 Applicable Law, Place of Jurisdiction and Relevant Language

The AIF is subject to Liechtenstein laws. Exclusive court of jurisdiction for all disputes between the investors/AIF/AIFM and custodian will be Vaduz.

The AIFM and/or the custodian can submit themselves and the AIF (regarding claims from investors from those countries) to the court of jurisdiction of those countries in which investor shares are being solicited and distributed. This is subject to deviating courts of jurisdictions legally required.

The legally relevant language for these articles of association is the German language.

Art. 73 General

Investors are requested to take notice of the provisions of the AIFMG, Persons and Company Law (PGR) about the public limited company or the institution, as well as of the general provisions of the PGR in the respective current form.

Art. 74 Effective Date

These articles of association will come into force as of 1st December 2021.

Vaduz, 1st December 2021

The AIFM:

1741 Fund Management AG

The Custodian:

Liechtensteinische Landesbank AG

Annex A: Organisational Structure of the AIFM and the AIF

The articles of association together with the annex A and B form an important unit and complement each other.

1. The Organisational Structure of the AIFM

AIFM	1741 Fund Management AG, Bangarten 10, FL-9490 Vaduz
Supervisory Board	Current status according to the commercial register at the registered office: Amt für Justiz (AJU), FL-9490 Vaduz
Management	Current status according to the commercial register at the registered office: Amt für Justiz (AJU), FL-9490 Vaduz
Auditor	Grant Thornton AG, Bahnhofstrasse 15, FL-9494, Schaan

2. The Organisational Structure of the AIF / SICAV

Name of AIF	L1 Digital SICAV
Legal Structure	Open-ended AIF in the legal form of a limited company with variable capital ("SICAV") according to the law of 19th December 2012 about the management of alternative investment funds (AIFMG)
Supervisory Board	Ray Hindi 1741 Fund Management AG
Umbrella-Fund:	Yes, with one sub-fund
Domicile	Liechtenstein
Launch Date of the AIF	21 February 2019
Financial Year of the AIF	1st January - 31st December
Denomination Currency of the AIF	Swiss Franc
Auditor of the AIF	PricewaterhouseCoopers AG, Vadianstrasse 25a/Neumarkt 5, CH-9001 St. Gallen
Responsible Supervisory Body	Finanzmarktaufsicht Liechtenstein (FMA); www.fma-li.li
Asset Management of the Individual Sub-Fund	See annex B of the articles of association
Investment Advisor of the Individual Sub-Fund	See annex B of the articles of association
Custodian of the Individual Sub-Fund	See annex B of the articles of association
Auditor of the Individual Sub-Fund	See annex B of the articles of association
Primebroker of the Individual Sub-Fund	See annex B of the articles of association

Annex B: Sub-Fund Overview – Layer1 Multi Manager Fund

The articles of association together with the annexes A and B form an important unit and complement each other.

A. General Data and Information on the Sub-Fund

Basic Information	Seeder Class	Regular Class S1 – S48	Institutional Class S1 – S24
AIF Type according to ESMA	Fund of Fund		
Valoren – Number	44.339.843	S1: 44.339.866 S19: 54.153.928 S20: 54.153.929 S21: 54.153.930 S22: 54.153.931 S23: 54.153.932 S24: 54.153.933 S25: 110.902.230 S26: 110.902.231 S27: 110.902.232 S28: 110.902.233 S29: 110.902.234 S30: 110.902.235 S31: 110.902.236 S32: 110.902.237 S33: 110.902.238 S34: 110.902.239 S35: 110.902.240 S36: 110.902.241 S37: 110.902.242 S38: 110.902.243 S39: 110.902.244 S40: 110.902.245 S41: 110.902.246 S42: 110.902.247 S43: 110.902.248 S44: 110.902.249 S45: 110.902.250 S46: 110.902.251 S47: 110.902.252 S48: 110.902.253	S1: 44.339.868 S8: 46.193.073 S9: 46.193.065 S10: 46.193.070 S11: 46.193.069 S12: 46.193.068 S13: 110.902.269 S14: 110.902.270 S15: 110.902.271 S16: 110.902.272 S17: 110.902.273 S18: 110.902.274 S19: 110.902.275 S20: 110.902.276 S21: 110.902.277 S22: 110.902.278 S23: 110.902.279 S24: 110.902.286
ISIN	LI0443398438	S1: LI0443398669 S19: LI0541539289 S20: LI0541539297 S21: LI0541539305 S22: LI0541539313 S23: LI0541539321 S24: LI0541539339 S25: LI1109022304 S26: LI1109022312 S27: LI1109022320 S28: LI1109022338 S29: LI1109022346 S30: LI1109022353 S31: LI1109022361 S32: LI1109022379 S33: LI1109022387 S34: LI1109022395	S1: LI0443398685 S8: LI0461930732 S9: LI0461930658 S10: LI0461930708 S11: LI0461930690 S12: LI0461930682 S13: LI1109022692 S14: LI1109022700 S15: LI1109022718 S16: LI1109022726 S17: LI1109022734 S18: LI1109022742 S19: LI1109022759 S20: LI1109022767 S21: LI1109022775 S22: LI1109022783

Basic Information	Seeder Class	Regular Class S1 – S48	Institutional Class S1 – S24
		S35: LI1109022403 S36: LI1109022411 S37: LI1109022429 S38: LI1109022437 S39: LI1109022437 S40: LI1109022452 S41: LI1109022460 S42: LI1109022478 S43: LI1109022486 S44: LI1109022494 S45: LI1109022502 S46: LI1109022510 S47: LI1109022528 S48: LI1109022536	S23: LI1109022791 S24: LI1109022866
Issuance ²	30.10.2018	S1: 01.04.2019 S2: 01.06.2019 S3: 01.07.2019 S4: 01.08.2019 S5: 01.10.2019 S6: 01.11.2019 S7: 01.12.2019 S8: 01.01.2020 S9: 01.02.2020 S10: 01.03.2020 S11: 01.04.2020 S12: 01.05.2020 S13: 01.08.2020 S14: 01.09.2020 S15: 01.10.2020 S16: 01.11.2020 S17: 01.12.2020 S18: 01.01.2021 S19: 01.02.2021 S20: 01.03.2021 S21: 01.04.2021 S22: 01.05.2021 S23: 01.06.2021 S24: 01.07.2021 S25: 01.08.2021 S26: 01.09.2021 S27: 01.10.2021 S28: 01.11.2021 S29: 01.12.2021 S30: 01.01.2022 S31: 01.02.2022 S32: 01.03.2022 S33: open S34: open S35: open S36: open S37: open S38: open S39: open S40: open S41: open S42: open S43: open S44: open	S1: 01.07.2019 S2: 01.11.2019 S3: 01.12.2019 S4: 01.03.2020 S5: 01.06.2020 S6: 01.10.2020 S7: 01.01.2021 S8: 01.03.2021 S9: 01.04.2021 S10: 01.06.2021 S11: 01.07.2021 S12: 01.09.2021 S13: 01.10.2021 S14: 01.11.2021 S15: 01.12.2021 S16: 01.01.2022 S17: 01.02.2022 S18: 01.03.2022 S19: open S20: open S21: open S22: open S23: open S24: open

² This information can be obtained from the Custodian and the AIFM. Subsequent subscriptions into an already launched share class are not allowed.

Basic Information	Seeder Class	Regular Class S1 – S48	Institutional Class S1 – S24
		S45: open S46: open S47: open S48: open	
Distribution to Private Investors	No		
Listed	No		
Term of the AIF	Open ended		
Denomination Currency of Sub-Fund	USD		
Reference Currency of the Share Class ³	USD		
Minimum Investment ⁴	USD 100,000	USD 100,000	USD 1 mn
Initial Issue Price	USD 100.-		
Utilisation of Income ⁵	ACC		
Valuation Interval	Monthly		
Valuation Day (B)	Month end		
Calculation Day (T)	B + max. 60 bank working days		
Subscription Date	Any valuation day		
Cut-Off-Time	B – 7 bank working days, 6.00pm (CET) Money transfers must be received on the same day by the custodian		
Value Date of Subscription	B - 7 bank working days		
Lock-Up Period	1 year from launch of the respective share class		
Redemption Date	Any valuation day at quarter end		
Redemption Notice	65 calendar days prior to redemption day, 6.00pm (CET)		
Value Date of Redemption	T + 3 bank working days		
Gate	<p>Max. 50% of the total outstanding shares will be accepted for redemption per redemption day. Shares in excess of this amount will be processed automatically on the next redemption day.</p> <p>Once the 50% are reached the allocation of the payout will be processed as a prorate percentage per redemption application (not first-come, first-served).</p> <p>The AIFM can at his own discretion increase the gate if enough liquidity is available.</p>		

³ The reference currency is the currency in which the performance and the NAV of the share class are calculated.

⁴ The detailed subscription conditions are described under § 41. Lower minimum investments may also be accepted with the approval of the AIFM.

⁵ ACC = accumulating / DIS = distributing

Basic Information	Seeder Class	Regular Class S1 – S48	Institutional Class S1 – S24
Fragmentation of Units	Three decimals		
Securitisation	Accounting only / no issue of certificates		
Closing Date Accounting Year	31.12.		
End of First Financial Year	31.12.2019		
Commissions and Costs Charged to the Investors			
Max. Front-End Sales Charge	1.0 %		
Max. Redemption Fee	No		
Commissions and Costs Charged to the AIF⁶⁷			
Max. Management Fee	0.35 % p.a.	1.10 % p.a.	0.90 % p.a.
	plus max. CHF 24,000 p.a.		
○ Performance Fee	10 % p.a.		
○ Hurdle Rate	No		
○ High Watermark	Yes		
Max. Administration Fee	max. 0.15 % p.a. min. CHF 50,000 p.a. plus CHF 15'000 p.a.		
Max. Custodian Fee	Max. 0.15 % p. a. min. CHF 15,000 p.a. plus CHF 1,680 p.a.		

B. Asset Manager

The AIFM has mandated L1 Digital AG, Limmatquai 1, CH-8001 Zurich as asset manager for this sub-fund.

The task of the asset manager is in particular the self-directed daily implementation of the investment policy and the processing of daily operations of the sub-fund as well as other related services under the supervisory, control and responsibility of the AIFM. The completion of this task is subject to the investment guidelines of the subfund according to the articles of association as well as the legal provisions applicable.

The asset manager has the right - at its own cost and responsibility - to take advice from third parties, in particular from investment advisors.

The concrete execution of the mandate is governed by an asset management contract between the AIFM and L1 Digital AG, Zurich.

⁶ Plus taxes and other costs, such as transaction costs as well as expenses which have been incurred by the AIFM and the custodian while exercising their duties. See details in the articles of association.

⁷ The actual commissions/fees will be disclosed in the annual report.

C. **Investment Advisor**

The asset manager has not mandated any investment advisor.

D. **Custodian**

The function of the custodian for the sub-fund has been assigned to Liechtensteinische Landesbank AG, Städtle 44, FL-9490 Vaduz.

E. **Auditor**

PricewaterhouseCoopers AG, Vadianstrasse 25a/Neumarkt 5, CH-9001 St. Gallen has been appointed as auditor for this sub-fund.

F. **Primebroker**

No prime broker has been mandated for the sub-fund.

G. **Switch of Investor Shares**

The switch of investor shares is not possible for any of the share classes.

H. **Investment Guidelines of the Sub-Fund**

The following provisions govern the investment guidelines specific to the sub-fund Layer1 Multi Manager Fund.

a) **Investment Objective and Policy**

The investment objective of the sub-fund is to achieve long term capital appreciation by taking advantage of the potential offered by blockchain technology within different sectors and by the creation of the "internet of value".

The universe of the potential sectors is defined broadly eg protocols, interoperability, dApps (decentralized applications), blockchain infrastructure, and digital currencies. The selected target funds will invest in listed as well as unlisted investment opportunities. A part of the target funds may focus on investments that support the capital market infrastructure for listed digital assets, such as market timing, lending and arbitrage.

Portfolio construction begins with a top down approach, which considers the environment and the attractiveness of the respective investment strategies. The strategies applied by the target funds will include (non-exhaustive list):

Fundamental & Value: A strategy that is implemented by managers which typically have a venture capital background, and which apply a fundamental, bottom-up and venture capital approach with liquidity. This strategy typically has a lower turnover and will be composed of a portfolio of listed as well as private digital assets which have the potential to become the „internet of value“ and/or to benefit from blockchain technologies.

Systematic: Strategies which are being used by managers which take advantage of an inefficient market environment that is created by the high participation of retail investors, such as trend following and momentum strategies.

Market Making and Arbitrage: Strategies which are being used by managers which seek to benefit from volatility and distortions in digital assets by acting as market maker and exploit geographical, base or other arbitrage opportunities (cash vs. synthetic products).

Borrow/Lending: Strategies which are used by managers pursuing credit strategies in digital assets; eg providing brokers either borrow, loans or leverage.

The top down process is combined with a selection process that is bottom-up driven, to find and select the most talented, innovative and best investment teams globally concerning blockchain. The implementation of this approach is enhanced by a strong network in the areas of digital assets, venture capital and hedge fund investments.

The authorised target funds invest mainly in digital assets like coins, tokens, blockchain protocols, equities, SAFTs (Simple Agreement for Future Tokens), SAFEs (Simple Agreement for Future Equity), and other digital assets.

The sub-fund is not allowed to use leverage, i.e the gross exposure of the fund must not exceed the total value of all underlying assets. The target funds might employ leverage though.

The sub-fund is allowed to invest up to 100% of its assets in cash or money market instruments.

The underlying investments of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

The above investment limits must be reached within six months after launch of the sub-fund.

No guarantee can be provided that the investment objective will be achieved. Therefore, the value of the shares and the income from them might go down as well as up. It should be noted that the performance of the sub-fund Layer1 Multi Manager Fund may differ significantly from the general performance of the underlying markets in which the sub-fund invests.

The sub-fund-specific risks in section M of this annex and the general risks in Article 53 of the Articles of Association must be taken into account.

b) Authorised investments.

The assets of the sub-fund will be investing in the following investments:

1. Certificates which are either traded on exchanges or other regulated markets open to the public, or which are not traded on a regulated market (OTC certificates);
2. Units of open-end and closed-end domestic and foreign alternative and traditional investment funds, ETFs (exchange traded funds), and other investment instruments with a collective investment focus in form of any legal structure globally;
3. Investments in any freely convertible currency as cash or forward trade.

c) Liquid assets

The sub-fund may permanently hold unlimited liquid assets.

d) Investment restrictions

The total risk (see f) may not exceed 110% of the net assets.

e) Investments not authorised

The following investments are not authorised:

1. Real estate (direct);
2. Commodities (direct);
3. Precious metals (direct);
4. Private equity (direct);
5. Crypto currencies (direct);
6. Shorts;
7. Investments with margin calls.

The AIFM may at any time determine further investment restrictions.

f) Borrowing and lending

For borrowing the following provisions apply:

1. The assets of the sub-fund must not be pledged or otherwise be collateralised, transferred or assigned as a collateral unless for borrowing as defined in f) 2 below or for pledges in relation to the execution of trades with financial instruments.
2. The borrowing by the sub-fund is limited to temporary loans not exceeding 10% of the net assets. The sub-fund has no right against the custodian to utilize the maximum possible credit

limit. The sole decision if and how and in which amount a loan will be given lies with the custodian based on their credit and risk policy. This policy might be changed during the term of the sub-fund.

3. The sub-fund is neither allowed to grant loans nor to act as guarantor for third parties.

g) Use of derivatives, technics and instruments

The sub-fund will not make use of derivatives.

For risk management purposes leverage will be calculated by the AIFM based on commitment.

Maximum leverage: 110%

Expected leverage: 100%

h) Securities lending/borrowing

The sub-fund will neither engage in securities lending nor borrowing.

i) Pension transactions

The sub-fund will not engage in pension transactions.

j) Accounting/reference currency of the sub-fund

The accounting currency of the sub-fund as well as the reference currency per share class are listed in the basic information section of annex B.

The accounting currency is the currency in which the accounting of the sub-fund is done. The reference currency is the currency in which the performance and the NAV of the respective share classe are calculated. The investments are made in whatever currencies are deemed optimal for the performance of the sub-fund.

k) Profile of the typical investor

The sub-fund is targeting professional investors whose objective is capital appreciation, who have a long-term horizon of at least five years, who have deep knowledge and/or experience with financial products, and who– can bear large financial losses in order to achieve their investment objective, including entire loss of capital.

I. Valuation

The valuation will be done by the AIFM.

J. Liquidity Management

The liquidity risk is mainly about the risk of liquidity squeeze due to unexpected loss of cash inflows or an unexpected increase of cash outflows (margin call risk and forward risk).

The asset manager monitors the market liquidity risk of the individual positions in the sub-fund's portfolio. If required, the cycle can be adapted to the risk. Should the sub-fund show increased market liquidity risk, risk from investor redemptions will be taken into consideration.

The AIFM is entitled to process substantial redemptions only if corresponding assets of the sub-fund can be sold without delay, i.e. the AIFM may suspend the redemptions temporarily if in the interest of the investors (see article 58).

K. Costs reimbursed by the Sub-Fund

An overview of the expenses charged to the sub-fund and its share classes can be found in this annex B.

L. Performance Fee

The AIFM charges a performance fee according to the basic information section of this annex B.

The performance fee will be computed on each valuation day based on the number of outstanding shares per share class, but deferred and only paid out at the end of the calendar year. In case of redemptions of investor shares the prorated performance fee will be charged to the redeemed investor shares at the share redemption. A high watermark principle will be applied. If a share class shows a loss

the performance fee will only be charged if the share price, corrected by dividends and other capital measures, has reached an all-time-high net of all costs at the end of the calendar year, or for investor shares redeemed before the end of the calendar year at the point in time of the share redemption. This is defined as an all-time high watermark principle.

M. Risks and Risk Profile of the Sub-Fund

a) Risks specific to the sub-fund

The performance of the investor shares depends on the investment policy as well as the market development of the individual investments of the sub-fund and cannot be determined in advance. Please note that in this respect the value of the investor shares can increase or decrease at any time compared to the issue price. It cannot be guaranteed that the investor will get back his invested money. **A total loss of an investment in the sub-fund cannot be excluded.**

The following list is not an exhaustive list of all potential risk factors. The asset manager will make its best efforts to limit the risks by monitoring of the asset allocation and of the single investments. Please note that an investment into the sub-fund should be seen as a long term engagement which can be subject to high volatility.

b) Risks with investments in target funds and other target investments

Depending on the strategies used by the target funds the risks can be large, moderate or small. The target investments can generally follow strategies which may use leverage and short-selling. Leverage means that additional investments are made via borrowing. For this additional interest payments may incur. If the gain of a leveraged investment exceeds the borrowing costs, additional income can be generated for the target fund. Conversely, the additional investment may lead to losses and additional interest payments. Shorts are defined as a sale of securities or positions which are not or not yet possessed by the target fund. Theoretically shorts bear an unlimited risk of loss because the price increase of shorted securities is unlimited in theory. The risk of the sub-fund is limited to the sum invested. There is no margin call beyond the money invested by the shareholder.

The following non-exhaustive list shows other potential indirect risks which may impact the sub-fund but cannot be monitored by the sub-fund directly.

c) Risks of an investment in digital assets

Although the sub-fund itself will never directly invest in digital assets but only indirectly via other funds or investments similar to funds, the following specific risks of the asset class have to be considered before making an investment decision. The use of digital assets enables transactions without the use of banks or other regulated and supervised financial services providers. Because of their decentral structure, digital assets - contrary to central bank money - are typically not subject to the influence of central organisations and manipulation by individual authorities. Nevertheless, some digital assets can be compared with owner-led centrally managed companies of the private sector.

The assets of the sub-fund will be invested in funds or investments similar to funds which in turn invest in digital assets such as blockchain protocols, digital currencies or similar, which all carry a high volatility. The expected high volatility of the underlying investments can lead to a high volatility of the NAV of the sub-fund. Please also note that digital assets are not issued by central banks or guaranteed and therefore not subject to the scope of supervisory authorities or investor protection or investor compensation schemes. At the same time, digital assets are exposed to the risk of governmental regulation, limitations or even prohibitions whose application can lead to a decrease in value or the entire loss of the respective digital asset. Also, digital assets are partially anonymous and may be dominated by only a few owners, which can lead to market manipulation. Furthermore, the value of each digital asset is heavily dependent on its convertibility into fiat currencies or its acceptance to be used as a currency. I.e. one or more digital assets in the target funds might no longer be freely tradeable, transferrable or convertible which can lead to severe losses including the loss of the entire capital.

d) Risk related to technologies and protocols / risk of security gaps in the underlying technologies

Digital assets are based on open source software, bearing the inherent risk that the developer or another third party could unnoticedly build in loop-holes and defects in the underlying technology which could lead to theft or damage of the respective digital asset.

e) Risk of bugs or gaps within the encryption security

The development of encryption technology is progressing at high speed. Hackers could benefit from technological developments like the development of quantum computers, resulting in additional risks for certain digital assets.

f) Risks of attacks on the underlying technology

The underlying technologies that are being used for digital assets are vulnerable to several different attacks on networks, including but not limited to denial-of-service attacks and race-condition attacks. Each attack is a risk for the digital assets and for the adequate execution and sequencing of transactions with digital assets.

g) Risk of blockchain consensus attacks

Public blockchains which are based on independent validators are generally vulnerable to consensus attacks including but not limited to double spending, majority voting and censorship attacks. Each attack is a risk for the digital assets and for the adequate execution and sequencing of transactions with digital assets.

h) Software risk

In the case of traditional paperless money transfer the money owner trusts a regulated financial service provider (typically a bank) which monitors and enforces compliance with the rules. With digital assets, this task is transferred to the network of all participants. Corrections in the system are only possible if the majority of the participants agree to them.

In the past, certain issues have been dealt with eg via software corrections and cooperative behaviour of the participants. But there is no guarantee that this will be the case in the future.

i) Hardware risk

In practice the use of digital assets is limited by scaling as well as communication and storage requirements. For checking a transfer or the account balance in a digital asset network, one needs to save a copy of the entire ledger history in the P2P network of the blockchain.

As this requires a significant amount of memory, archive servers might be used to save the whole blockchain. Fully validating servers work in a way that they initially upload the blockchain from the archive server but use only a part of it to validate the incremental blocks. The risk is that the hardware may temporarily or entirely break down due to technical or other reasons.

j) Risks of internet transfers

An investment in digital assets encompasses risks related to the break-down of hardware, software or internet connections. Communication break-downs, disruptions, malfunctions, distortions or delays might negatively impact the investment in digital assets.

k) Risk of data loss and data theft

The target funds can be subject to a direct risk of data loss or theft. As the access to a digital asset can only be exercised via private keys, assets can be lost forever because of data loss. A reimbursement in a different form is generally impossible because a lost asset cannot be differentiated from assets currently parked and not used. This also leads to the fact that the actual tradeable amount of digital assets is unknown. The relatively small private keys that provide access to the asset are also an easy target for IT criminals, as they can be found out by cyber criminals with malware. The criminal prosecution of thefts of digital assets is in most cases not promising.

l) Risk of loss in value of digital assets

The conversion of digital assets to fiat currencies can vary substantially between the time of trade instruction and the time of conversion. Therefore, the target funds are exposed to direct execution or transaction risk.

Due to the high volatility of the assets the entire loss of a position cannot be excluded even without trading. In addition, other reasons not directly related to the volatility of the asset can lead to additional price volatility in the fund.

m) Counterparty and operational risks

There is an increased operator and counterparty risk because the functions of digital asset operators are not yet fully regulated, and no self-regulating standards exist. This is the case if an operator or a counterparty is not in a position to process a transaction because of organisational, financial, technological and/or regulatory limitations.

n) Risk of alternative technologies and hard forks

New, alternative protocols and tokens may be developed which use the same open source code and the same open source protocol as the respective digital asset. This leads to competition and can even lead to substitution which may have a negative impact on the value of the digital asset.

o) Risk of low or no liquidity

Despite of exchanges enabling trades between digital assets as well as transfers of digital assets into fiat money, there is no security or guarantee that these services will be offered in the same manner or at all going forward. Even if the service to switch into other digital assets or fiat money is offered, there is no guarantee or security in relation to the volume which can be processed. Such exchanges are often subject to weak or unsatisfactory regulation. The sub-fund cannot influence the service providers of the exchanges used by the target funds. The sub-fund can therefore not guarantee that redemptions can be met at all times.

p) Risk of fraud

The target funds can lose a substantial or even the entire amount of their assets due to fraud. There are a number of factors which lead to an increased risk of fraud, such as the monetary features of digital assets and their easy electronic transferability. Contrary to regulated financial institutions and markets there is no comparable control environment available in digital asset markets yet.

q) Risk of non insured losses

Contrary to bank accounts or accounts at certain other financial institutions the investments of a target fund in digital assets may be completely unsecured and often not subject to any investor protection measure or guarantees; this risk applies on the sub-fund, target fund and digital assets level.

r) Risk of domicile

The target funds into which the sub-fund invests might not be subject to a regulatory supervision and exempt from any form of authorisation. They might also be exempt from being audited and having to use a custodian. Thus, there is a risk that these target funds are not subject to a regulated environment with a similar investor protection.

s) Risks due to lack of transparency

In general, the target funds are not required to publically report on their activities and transactions. Changes of their investment objective, policy, as well as investment strategies may not require authorisation. Therefore there is a risk that a target fund may no longer follow its original investment strategy; which may have a negative impact on the entire portfolio. In order to minimise these risks the target funds are subject to a very thorough due diligence process.

t) Risks from incentive structures

The performance related remuneration of target fund managers might be a motivation to enter into investments which have a high risk and/or are speculative. Furthermore, the managers are often invested with their own money which can lead to potential conflicts of interest.

u) Regulatory risks

Blockchain technologies have been tested by different supervisory authorities around the globe on their suitability. The regulatory risks vary depending on the classification of the digital assets as well as how investors were solicited and acquired. The creation and possession of digital assets can have an impact on controls by authorities, or regulatory measures which in turn can impact or limit the ability to hold and/or to create digital assets.

v) Concentration risk

Due to its investment policy the sub-fund is entitled to invest up to 100% of its assets in a single investment. In such a case, the diversification effect will be reduced by a significant degree as the performance of the sub-fund will depend on this single investment to a very high degree. The concentration risk described might even lead to a full loss of capital.

w) Risks resulting from the lack of liquidity and the long-term nature of the investments

The investments purchased for the sub-fund can be illiquid because they are typically not traded at an exchange and a sale may be impossible or at least very difficult. In addition, the underlying blockchain investments might themselves carry liquidity risks.

x) Risks of NAV calculation

For the computation of the NAV of the investor shares the AIFM regularly needs to rely on the value disclosure or reports of the target funds which typically will be published with some delay after the relevant valuation day. Although portfolio management puts a high weighting on reliable valuation when selecting the investments, the AIFM may nevertheless be forced to rely on estimates provided by the target funds or on own estimates, potentially on the basis of incomplete information.

y) Unforeseen risks

Digital assets and blockchains are new technologies and therefore not yet well tested. In addition to the risks disclosed above there are risks that the sub-fund cannot foresee.

z) Sustainability risk

A sustainability risk is an environmental, social or governance (ESG) event or condition that could have a material adverse effect on the value of an investment. Sustainability risks may have a direct impact on the value of investments by amplifying other risks relevant to the Sub-Fund, such as market risk, credit and counterparty risk, liquidity risk, legal risk, reputational risk or operational risk. Sustainability risks may lead to a material deterioration of a company's financial profile, profitability or reputation and thus have a significant impact on the value of the company.

The Asset Manager takes into account any sustainability risks as part of the investment decisions as well as on an ongoing basis during the investment period of the investments. In the context of the investment decisions for the sub-fund, the principal adverse impacts of investment decisions on sustainability factors (PAI) are not yet taken into account in accordance with the criteria of the EU Taxonomy Regulation for environmentally sustainable economic activities, as the necessary systematic data basis is currently still lacking and, in the absence of corresponding disclosure in the target investments, it is not yet possible to carry out an adequate direct examination of the potential principal adverse impacts. The current assessment of sustainability risks shows that sustainability risks in the sub-fund could have a negative impact on market risk, credit and counterparty risk, liquidity risk, legal risk, reputational risk and operational risk, among other things, and that the value of the investments and the return of the sub-fund could be negatively affected as a result.

aa) General risks

In addition to the specific risks above the investment can be subject to general risks. A non-exhaustive list with examples can be found under section IX of the articles of association.

Vaduz, 1st March 2022

The AIFM:

1741 Fund Management AG

The custodian:

Liechtensteinische Landesbank AG

Annex C: Specific Information for Individual Distribution Countries

According to the current law in the principality of Liechtenstein the constituting documents are authorised by the FMA. The authorisation is valid only for information relating to the implementation of the provisions of the AIFMG. For this reason, the following annex C "Specific Information for Individual Distribution Countries" is not subject to examination by the FMA and therefore exempt from the authorisation.

Annex C1: Specific Information for Individual Distribution Countries - Switzerland

Notices for qualified investors in Switzerland: Distribution only to qualified investors

1. Representative

1741 Fund Solutions AG, Bruggraben 16, CH-9000 St.Gallen, acts as the representative for Switzerland.

2. Paying Agent

Telco AG, Bahnhofstrasse 4, CH-6431 Schwyz, acts as the paying agent for Switzerland.

3. Location of Relevant Documents

The constituting documents as well as the annual report can be requested free of charge from the representative or the paying agent in Switzerland.

4. Payment of Retrocessions and Discounts

- 4.1. The asset manager and its representatives as well as the custodian are entitled to pay retrocessions for rewarding the distribution and the placement of fund shares in Switzerland or from Switzerland. All activities done to support the distribution or placement of fund shares, such as organising road-shows, participation at events and conferences, production of marketing material, training of sales staff, etc.
- 4.2. Retrocessions do not qualify as discounts even if partially or entirely forwarded to the investor.
- 4.3. The recipients of the retrocessions will transparently disclose and inform the investor on their own initiative about the size of compensation received for the distribution.
- 4.4. Upon request, the recipients of retrocessions will disclose to the investors the actual amounts received for the distribution.
- 4.5. The asset manager and its representatives as well as the custodian do not pay out discounts in Switzerland or from Switzerland to reduce the fees and costs of the investor which are charged to the fund.

5. Jurisdiction and Place of Court

For shares distributed in Switzerland and from Switzerland, the jurisdiction and place of court will be the company location of the representative.

Annex C2: Specific Information for Individual Distribution Countries - Germany

The following information is directed at potential investors in the Federal Republic of Germany. It specifies and complements these Articles of Association regarding the distribution to professional investors in Germany. **The Seeder Classes are not permitted for distribution in Germany. The information in this Annex C2 is therefore only relevant for the Institutional Classes and the Regular Classes.**

1. Professional Investors

The AIF may be distributed to professional investors as defined under Directive 2014/65/EU (MiFID II). A professional investor is an investor with the necessary experience, know how and expertise to make her own investment decisions and to be adequately assess the associated risks. Through the subscription agreement the potential investor declares to comply with the requirements to be accepted as a professional investor within the meaning of the MiFID provisions. The distribution of AIF shares to private investors in Germany is prohibited.

2. Location of Relevant Documents

The constituting documents as well as the annual report can be requested free of charge from the AIFM or on the internet under www.lafv.li

3. Publications

The issue prices and redemption prices as well as other information for investors are published on the electronic platform www.lafv.li

4. Tax information

There currently is no reporting on WM data service related to investor taxation.

Investors and other interested parties are therefore strongly advised to seek advice from their tax advisors regarding the German and Foreign German tax consequences of the acquisition and holding of AIF investor shares, and the disposition of the investor shares and the rights derived therefrom. The AIFM assumes no liability for the occurrence of certain tax outcomes. The type of taxation and the amount of taxable income are subject to review by the Federal Office of Finance in Germany.