# PROSPECTUS

## ESPA STOCK COMMODITIES

## Mutual fund pursuant to the InvFG 2011 as amended[1]

**with the share classes**

**ESPA STOCK COMMODITIES EUR R01**

**ESPA STOCK COMMODITIES CZK R01**

**ESPA STOCK COMMODITIES HUF R01**

**managed by**
**Erste Asset Management GmbH**
**Am Belvedere 1**
**A-1100 Vienna**

[1] Austrian Investment Fund Act (Investmentfondsgesetz) 2011 as amended

**Overview of ISINs**

**ESPA STOCK COMMODITIES EUR R01:**
AT0000A01VR3 (dividend shares)
AT0000A01VS1 (non-dividend shares)
AT0000A01VT9 (KESt-exempt non-dividend shares [foreign investors])

**ESPA STOCK COMMODITIES CZK R01:**
AT0000A1E119 (KESt-exempt non-dividend shares [domestic/foreign investors])

**ESPA STOCK COMMODITIES HUF R01:**
AT0000A09GW7 (KESt-exempt non-dividend shares [foreign investors])

**Details on the publication and validity of the document**

This prospectus was prepared on the basis of the Fund Terms and Conditions amended in accordance with the 2011 Austrian Investment Fund Act and was published on 06 July 2019.

This document becomes effective on 08 July 2019.

The last prior publications pertaining to the fund were released on: 14.07.2006, 17.08.2006, 28.07.2007, 26.06.2009, 03.10.2009, 31.08.2011, 19.04.2012, 05.10.2012, 08.08.2013, 01.03.2014, 29.04.2015, 13.05.2015, 17.03.2016, 31.05.2017, 05.09.2017, 30.01.2018, 21.02.2018, 13.12.2018, 28.03.2019, 29.05.2019

Last notice pursuant to § 133 InvFG 2011 (date of OeKB upload): 01.10.2014

**Note on the provision of documents**

The prospectus including the Fund Terms and Conditions, key investor document, and the semi-annual and annual reports can be accessed on the website of Erste Asset Management GmbH, www.erste-am.com.

In the case of electronic distribution, the formatting of the text may differ from that of the original copy submitted to Oesterreichische Kontrollbank (OeKB).

**DISCLAIMER FOR THE SALE of non-US funds to US investors**

The fund registration process was completed with the US Internal Revenue Service (IRS) in the course of the implementation of the US Foreign Account Tax Compliance Act (FATCA).

Therefore, the Fund is FATCA-compliant pursuant to the provisions defined by this act.

**Limitations on Sale**

The shares issued for this Fund may only be publicly offered or sold in countries in which such a public offer or sale is permitted. Therefore, unless the Management Company or representatives of the Management Company have filed an application with the local supervisory authorities and permission has been granted by the local supervisory authorities, and as long as no such application has been filed or no such permission granted by the supervisory authorities, this prospectus does not represent an offer to buy investment shares.

The shares have not been and will not be registered pursuant to the 1933 United States Securities Act as amended (hereinafter the “Securities Act of 1933”) or pursuant to the securities regulations of a state or other public entity of the United States of America or its territories, possessions or other areas subject to its sovereignty, including the Commonwealth of Puerto Rico (hereinafter collectively designated as the “United States”).

The shares may not be publicly offered, sold, or otherwise transferred in the United States. The shares are being offered and sold on the basis of an exemption from registration pursuant to Regulation S of the Securities Act of 1933. The Management Company and the Investment Fund have not been and will not be registered pursuant to the 1940 United States Investment Company Act as amended, or pursuant to any other US federal laws. Therefore, the shares will not be publicly offered or sold in the United States or to or for the account of US persons (in the sense of the definition for the purposes of US federal laws governing securities, goods, and taxes, including Regulation S of the United States Securities Act of 1933 – hereinafter collectively referred to as “US persons”). Subsequent transfers of shares in the United States or to US persons are prohibited.

The shares have not been admitted for sale or public offering by the US Securities and Exchange Commission (hereinafter designated as the “SEC”) or any other supervisory authority in the United States, and no application for admittance for sale or public offering has been rejected by the SEC or any other supervisory authority in the United States; furthermore, neither the SEC nor any other supervisory authority in the United States has released an opinion on the correctness and appropriateness of this prospectus or the advantages of the fund shares. The United States Commodity Futures Trading Commission has neither examined nor approved this document or any other sales documents for the Management Company or the Investment Fund.

No party is authorised to provide information or make assurances that are not contained in the prospectus or in the documents referred to in the prospectus. These documents are available to the public at the domicile of the Management Company.

This prospectus may not be circulated in the United States.

Investors who are Restricted Persons pursuant to US Regulation No. 2790 of the National Association of Securities Dealers (NASD 2790) must immediately report any investments in funds from the Management Company.

## SECTION I

## INFORMATION ABOUT THE MANAGEMENT COMPANY

### 1. Company and domicile; legal form; establishment; information about the court of registration and register entry; valid law

The Management Company offering the Fund described in this prospectus is Erste Asset Management GmbH, domiciled at Am Belvedere 1, A-1100 Vienna.

Effective 18 June 2008, Finanzierungs-Aktiengesellschaft österreichischer Sparkassen, which was established on 20 June 1979 and later registered as FINAG-Holding AG and FINAG-Holding GmbH, was renamed to Erste Asset Management GmbH.
Effective 31 December 2015, the company RINGTURM Kapitalanlagegesellschaft m.b.H., which was established on 26 May 1988, was merged into Erste Asset Management GmbH as the absorbing company. In addition, ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H., which was established on 7 November 1985, was merged into Erste Asset Management GmbH, the absorbing company, effective 31 December 2017.

Erste Asset Management GmbH is a management company as defined by the InvFG 2011 and an alternative investment fund manager as defined by the AIFMG. It has the form of a limited liability company under Austrian commercial law (Gesellschaft mit beschränkter Haftung, GmbH), is subject to Austrian law, and is registered with the Vienna Commercial Court under registry number FN 102018 b.

The Management Company maintains a branch in the Czech Republic by the name of Erste Asset Management GmbH, pobočka Česká Republika. This branch is domiciled at CZ-140 00 Praha 4, Budějovická 1518/13a (Trainon Building), www.erste-am.cz. The Management Company also has a branch in the Slovak Republic by the name of Erste Asset Management GmbH, pobočka Slovenská republika. The branch is domiciled at SK-832 65 Bratislava, Tomášikova 48, www.erste-am.sk. The Management Company is authorised to administer investment funds under Austrian law and to administer investment funds under Czech and Slovak law pursuant to § 37 InvFG 2011 in conjunction with § 36 AIFMG.

### 2. List of all investment funds administered by the Management Company

A complete list of the investment funds currently administered by Erste Asset Management GmbH (including investment funds under Czech law) can be found in Annex 1.

### 3. Information about the management

Heinz Bednar
Winfried Buchbauer
Peter Karl (ERSTE Immobilien Kapitalanlagegesellschaft m.b.H.)
Wolfgang Traindl

### 4. Supervisory Board

Rudolf Sagmeister, Chairman (Head of Equity Holding Management, Erste Group Bank AG)
Thomas Schaufler, Deputy Chairman (Managing Board member, Erste Bank der oesterreichischen Sparkassen AG)
Ingo Bleier (Head of Group Corporates, Erste Group Bank AG)
Harald Gasser
Gerhard Grabner (Business Director, Benediktinerstift Göttweig)
Oswald Huber (Head of Group Markets, Erste Group Bank AG)
Radovan Jelasity (CEO, Erste Bank Hungary Zrt.)
Robert Lasshofer (CEO, WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group)
Gerald Weber (CIO, VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe)
Martin Cech (Works Council member, Erste Asset Management GmbH)
Heinrich Hubert Reiner (Works Council member, Erste Asset Management GmbH)
Peter Riederer (Works Council member, Erste Asset Management GmbH)
Nicole Weinhengst (Works Council member, Erste Asset Management GmbH)
Manfred Zourek (Works Council member, Erste Asset Management GmbH)

### 5. Nominal capital

EUR 2,500,000, paid-in in full.

### 6. Financial year

The Management Company's financial year is identical to the calendar year.

### 7. The Management Company has delegated the following activities to third parties:

Compliance (monitoring of employee transactions, maintenance of observation lists and blacklists): Erste Group Bank AG

Payroll: Erste Group Services GmbH
Accounting: Erste Group Services GmbH
Reporting requirements for derivatives pursuant to Regulation (EU) No. 648/2012 (EMIR): Erste Group Bank AG
Models for the valuation of assets Refinitiv Austria GmbH (subdelegation to Value & Risk Valuation Services GmbH)

Information about custodian bank functions and tasks that have been delegated to the custodian bank are listed in section III.

The Management Company notes that it has delegated tasks to a firm with which it is closely associated, an associated company pursuant to Article 4 (1) 38 of Regulation (EU) No. 575/2013.

## 8. Remuneration policy of the Management Company

**Principles governing performance-based remuneration components**
The Management Company has adopted remuneration principles to prevent possible conflicts of interest and to ensure compliance with the standard rules of conduct when awarding remuneration to relevant persons.

Fixed salary components make up a large enough share of the total remuneration of all employees of the Management Company that a variable remuneration policy can be applied on an individualised basis.
The total remuneration (fixed and variable components) is governed by the principle of balance and is linked to sustainability so that the acceptance of excessive risks is not rewarded. Therefore, the variable remuneration forms no more than a balanced portion of the total remuneration awarded to an employee.
The performance-based remuneration components serve the short-term and long-term interests of the Management Company and contribute to preventing risky behaviour. The performance-based remuneration components take into account individual performance as well as the profitability of the Management Company.
The size of the bonus pool is calculated based on the bonus potential that can be applied to the different employee categories. Bonus potential is a percentage of the fixed annual gross remuneration. The bonus potential can be no more than 100% of the fixed annual gross remuneration. The bonus pool is adjusted depending on the success of the Management Company. The personal bonus is linked to individual performance. The total of personal bonuses is limited by the size of the bonus pool after deduction of penalties.
The performance-based payments are capped at 100% of the annual gross remuneration for all employees, including the material risk bearers (according to the definition in the remuneration policy) and managing directors of the Management Company.
The remuneration system is made up of three components:
1) Fixed remuneration
2) Variable remuneration
3) Fringe benefits
The bonus potential is based on the fixed annual gross remuneration. The target agreements concluded with the employees contain qualitative and/or quantitative objectives. The payment of performance-based remuneration components is subject to a minimum profitability level for the Management Company and to performance targets.
Sixty per cent of the performance-based remuneration components are paid immediately; for employees who are involved directly in fund and portfolio management, 50% of this is paid immediately in cash and 50% is paid one year later in the form of non-cash instruments. The remaining 40% of the performance-based remuneration components are retained and paid out over a period of three years, with 50% of this also being paid in cash and 50% in the form of non-cash instruments for employees who are involved directly in fund and portfolio management. The non-cash instruments can consist of shares in an investment fund that is administered by the Management Company, equivalent holdings or instruments linked to shares, or equivalent non-cash instruments. Based on the principle of proportionality, the Management Company has set a materiality threshold below which there is no incentive to enter into inappropriate risks, for which reason there is no need to make delayed payment or payment in the form of a non-cash instrument. Other non-cash benefits are fringe benefits that are not associated with performance but with a specific position (e.g. company car) or that apply for all employees (e.g. holiday).
The Supervisory Board of the Management Company has set up a Remuneration Committee to ensure that the remuneration policy and its application are independently assessed. This committee consists of the following persons: Rudolf Sagmeister, Mag. Harald Gasser (remuneration expert), and Heinrich Hubert Reiner.
The complete remuneration policy of the Management Company (in English) can be viewed at http://www.erste-am.at/de/private_anleger/wer-sind-wir/investmentprozess.

**SECTION II**

**INFORMATION ABOUT ESPA STOCK COMMODITIES**

**1. Fund designation**

The fund's designation is ESPA STOCK COMMODITIES, mutual fund pursuant to the InvFG 2011 (the "Fund" in the following).

The fund ESPA STOCK COMMODITIES is managed in share classes. See item 7 for more information.

The Fund is compliant with EU Directive 2009/65/EC (UCITS Directive).

**2. Establishment of the Fund**

ESPA STOCK COMMODITIES was issued on 17 July 2006 for an indefinite period of time.

ESPA STOCK COMMODITIES was subsequently merged with the investment fund ESPA STOCK AGRICULTURE, which was issued on 3 March 2008, by way of gross merger by absorption pursuant to § 3 (2) 15 lit a) and 17 InvFG 2011 effective 28 November 2014 after approval for this merger was granted by the Financial Market Authority on 14 August 2014 in a decision bearing the identifier GZ FMA-IF25 6833/0001-INV/2014. The shareholders of both investment funds were directly informed of this merger pursuant to § 133 InvFG 2011.

**3. Information about where the Fund Terms and Conditions and the periodic reports required by the InvFG 2011 can be obtained**

The information referenced in this prospectus such as the Fund Terms and Conditions, key investor document, annual reports, and semi-annual reports can be obtained from the Management Company and from the custodian bank (further information on the custodian bank and its responsibilities can be found in section III) and its branches. These will be delivered to the investors free of charge upon request. These fund documents can also be obtained from the additional payment and sales offices specified in section II, item 17. These documents are also available on the website of Erste Asset Management GmbH, www.erste-am.com, in German (the key investor document may also be provided in other languages on this site).

**4. Information about the tax regulations that apply to the Fund, when these are of interest to the Shareholder. Information about whether taxes are withheld from the returns earned by holders of shares in the Fund**

**Tax treatment for investors subject to unlimited tax liability in Austria**

**Legal note:**

**The tax descriptions are based on the currently known legal conditions. No guarantee can be made that tax assessment will not change as a result of legislation, court decisions, or other legal acts by the fiscal administration. If necessary, you are advised to consult a tax expert.**

**The German-language annual reports contain detailed information about the tax treatment of paid dividends and dividend-equivalent earnings.**

The information below primarily pertains to custody accounts managed in Austria and to investors subject to unlimited tax liability in Austria.

Determination of income at the investment fund level:

The earnings of an investment fund consist primarily of the ordinary and extraordinary earnings.
Ordinary earnings refers primarily to interest and dividend income. Expenses incurred by the investment fund (such as management fees and auditing fees) reduce the ordinary earnings.

Extraordinary earnings are profits from the realisation of securities (primarily shares, debt instruments, and the associated derivatives) less any realised losses. Loss carryforwards and any expenses that exceed the earnings also reduce the profit for the respective period. Any loss that exceeds the earnings can be deducted from the ordinary income.

Unrecognised losses can be carried forward for an unlimited period of time.

Private investors

Full tax withholding (final taxation), no declaration requirement for the investor.

Capital gains tax in the legally required amount will be withheld by the domestic bank making the coupon payments from all (interim) dividends paid to a holder of shares in an investment fund provided that these dividends are from capital gains, and provided that the recipient of the dividend payment is subject to capital gains tax. "Payments" made on non-

dividend shares are also subject to the withholding of the capital gains tax amounts assessed against the dividend-equivalent earnings (except for KESt-exempt non-dividend funds) generated by the shares under the same conditions.
Private investors generally do not need to make any tax declarations in connection with shares in an investment fund. The withholding of the capital gains tax fulfils all of the investor's tax obligations. The withholding of capital gains tax covers all final taxation requirements regarding income tax.

E x c e p t i o n s from final taxation

Final taxation is precluded:

a) For KESt II-exempt debt instruments ("old issues") in the fund portfolio provided that no option declaration has been submitted. Such income must be reported to the tax authorities;

b) For securities in the fund portfolio that are not subject to taxation by the Austrian tax authorities, provided that entitlement to benefits under totalisation agreements is not waived. Such income must be reported on the Austrian income tax declaration under "*Neben den angeführten Einkünften wurden Einkünfte bezogen, für die das Besteuerungsrecht aufgrund von Doppelbesteuerungsabkommen einem anderen Staat zusteht*" (In addition to the indicated income, income that is subject to taxation by a different state due to totalisation agreements was also received).

In this case, however, a tax credit can be claimed for the capital gains tax that was withheld for this, or a refund of the capital gains tax can be claimed under § 240 of the Austrian Federal Duties Act (Bundesabgabengesetz, BAO).

Taxation at the investment fund level

The investment fund's ordinary income (interest, dividends) is subject to 25% capital gains tax after the deduction of expenses (for taxable income from 1 January 2016: 27.5%). Realised price losses (after offsetting against realised price gains) and new loss carryforwards (losses from financial years beginning in 2013) also reduce the ordinary income.

At least 60% of all realised extraordinary income (including when reinvested) is also subject to 25% KESt (for taxable income from 1 January 2016: 27.5% KESt). Any realised net value increases are fully taxable when they are disbursed (in other words if 100% is disbursed, then 100% is taxable; if 75% is disbursed, then 75% is taxable).

Taxation at the shareholder level:

Sale of share certificates:

For share certificates purchased before 1 January 2011 (old shares), the one-year speculation period still applies (§ 30 EStG in the version prior to the 2011 Budget Accompanying Act [BudgetbegleitG 2011]). These shares are no longer tax-relevant.

Share certificates purchased on or after 1 January 2011 (new shares) are subject to the taxation of realised value increases upon the sale of the shares regardless of how long they are held. The tax is withheld by the custodian bank, which retains 25% KESt (for taxable income from 1 January 2016: 27.5% KESt) on the difference between the sale proceeds and the adjusted acquisition value (acquisition costs are increased by dividend-equivalent earnings and reduced by tax-exempt disbursements).

Loss offsetting in the securities account of the shareholder:

Starting on 1 April 2012, the custodian bank is required to offset price gains, price losses, and earnings (except for old securities and interest earned on cash and savings deposits) from all types of securities in all security accounts of an individual account holder at a single credit institution within one year (so-called loss offsetting). No more than the KESt that has already been paid can be credited. If 25% (or 27.5% from 1 January 2016) of the realised losses exceeds the KESt that has already been paid, the remaining loss will be documented until the end of the year for future gains and income that are eligible for offsetting. Any losses that cannot be offset against (further) gains and income in the same calendar year are forfeit. Losses cannot be carried forward into the next year.
Investors who are subject to an income tax rate of less than 25% (or less than 27.5% from 1 January 2016) are entitled to tax all capital gains that are subject to the tax rate of 25% (or 27.5%) at their lower income tax rate in their income tax declaration (standard taxation option). Professional expenses (such as custodian bank fees) cannot be deducted. The capital gains tax that was withheld can be refunded by way of the tax declaration. If the taxpayer simply wishes to offset losses for the capital gains subject to the 25% tax rate (from 1 January 2016: 27.5% KESt), he can exercise the loss offsetting option independent of the standard taxation option. The same applies in cases where relief entitlements can be claimed on the basis of double taxation agreements. This does not require the disclosure of all capital gains that are subject to final taxation.

Corporate investors

Taxation and tax liability on shares held as business assets by natural persons

For natural persons who receive income from capital assets or business activities (sole proprietors, partners), all income tax liability on income subject to capital gains tax (interest from debt instruments, domestic and foreign dividends, and other ordinary income) is covered by the withholding of KESt.

Dividends or interim dividends paid from increases in the net value of domestic investment funds and increases in the net value of foreign sub-funds that are equivalent to dividend payments were to be taxed at the applicable rate in financial years beginning in 2012; after that, they were subject to the 25% special rate (from 1 January 2016: 27.5% KESt).

For fund financial years beginning after 31 December 2012, all price gains realised in the fund assets are immediately taxable (in other words tax-exempt reinvestment of net value increases is no longer possible). The 25% (or 27.5% from 1 January 2016) KESt deduction does not represent final taxation, but is simply an advance payment on the special income tax rate.
Gains from the sale of the fund shares are also subject to the 25% KESt rate (or 27.5% KESt rate from 1 January 2016). This KESt deduction is in turn simply an advance payment on the special income tax rate of 25% (or 27.5% from 1 January 2016) (Gain = difference between the sale proceeds and the acquisition costs; all dividend-equivalent income that has already been taxed during the holding period or at the time of sale must be deducted from this; the dividend-equivalent income must be recorded separately for tax purposes for the entire period in which the fund shares are held. The amortisation of fund shares held as business assets reduces the dividend-equivalent income of the year in question accordingly).

The bank may not apply loss offsetting to security accounts that are business assets. Offsetting is only possible in the tax declaration.

Taxation on shares held as business assets by legal entities

The ordinary income (such as interest and dividends) generated by the investment fund is generally taxable.

However, the following are tax exempt:
- Domestic dividends (the KESt deducted upon payment to the investment fund can be refunded)
- Profit-sharing amounts from holdings in EU corporations
- Profit shares from holdings in foreign corporations that are comparable to a domestic corporate entity pursuant to § 7 (3) Corporate Income Tax Act (KStG) and whose state of domicile has comprehensive mutual administrative assistance.

Profit shares from foreign corporations are not exempt when the foreign corporation is not subject to a tax that is comparable with Austrian corporate income tax (this applies when the foreign tax is more than 10% lower than the Austrian corporate income tax rate or when the foreign corporation is subject to a personal or technical exemption outside of Austria).

Dividends from other countries are subject to corporate income tax.

For fund financial years beginning after 31 December 2012, all price gains realised in the fund assets are immediately taxable (in other words tax-exempt reinvestment of net value increases is no longer possible).

Unless the shareholding entity is exempt pursuant to § 94 item 5 Income Tax Act (EStG), the banks paying the coupon must also withhold capital gains tax from dividends paid on shares held as business assets, or treat payments made on non-dividend funds as capital gains tax to be remitted to the tax office. Capital gains tax that is withheld and paid to the tax authorities can be credited against the assessed corporate income tax or refunded.
Gains from the sale of the fund shares are subject to the 25% corporate income tax rate. Price losses and impairments can be recognised immediately for tax purposes.

Corporate entities with income from capital assets

For corporate entities (such as registered associations) that receive income from capital assets, all income tax liability on such income is covered by the tax withholding. Capital gains tax on tax-exempt dividends is refundable.

For income earned on or after 1 January 2016, the KESt rate increases from 25% to 27.5%. However, corporate entities that receive income from capital assets are still subject to the 25% corporate income tax rate on such earnings.
When the bank making the coupon payments does not continue to apply the 25% KESt rate for such taxpayers, these taxpayers can have the excess KESt that has been retained refunded by the tax office.

Private trusts are fundamentally subject to the 25% interim tax rate for all income generated in the investment fund.
Domestic dividends (the KESt deducted upon payment to the investment fund can be refunded) and profit shares from holdings in EU corporations and holdings in foreign corporations that are comparable with a domestic corporation subject to § 7 (3) KStG and whose state of domicile has comprehensive mutual administrative assistance are tax exempt.

Profit shares from foreign corporations are not exempt when the foreign corporation is not subject to a tax that is comparable with Austrian corporate income tax (this applies when the foreign tax is more than 10% lower than the Austrian corporate income tax rate or when the foreign corporation is subject to a personal or technical exemption outside of Austria).

Dividends from other countries are subject to corporate income tax.

At least 60% of all realised net value increases (price gains from realised equity shares and equity derivatives and from bonds and bond derivatives) are also subject to the 25% intermediate tax rate, even if they are reinvested. Any realised net value increases are fully taxable when they are disbursed (in other words if 100% is disbursed, then 100% is taxable; if 75% is disbursed, then 75% is taxable).

Share certificates purchased on or after 1 January 2011 are subject to the taxation of realised value increases upon the sale of the shares. The assessment base for taxation is the difference between the sales proceeds and the amortised cost of the shares. For the purposes of amortised cost, earnings taxed during the holding period increase the acquisition costs for the share certificate, while dividend payments and paid capital gains tax reduce the acquisition costs.

**5. Reporting date for the annual financial statements and information on the frequency and form of dividend payment**

The financial year of the Fund is from 1 March to the last day of February of the following calendar year.
In accordance with § 58 (2) of the InvFG*), disbursement/payment takes place on or after 1 June of the following financial year. Interim dividend payments are possible.
The Management Company reserves the right to set an ex-date before the disbursement/payment pursuant to § 58 (2) InvFG 2011 for technical reasons. On the ex-date, the valid issue price used for settlement will be reduced by the coming disbursement/payment.

*) For example for non-dividend funds (not for KESt-exempt non-dividend funds)

**6. Name of the auditor in accordance with § 49 (5) InvFG 2011**

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., Wagramer Str. 19, A-1220 Vienna.

**7. Information on the types and key characteristics of the shares, especially**
- **Type of entitlement (claim in rem or other entitlement) that the share represents**
- **Original documents or certificates about these documents, entry in a register or deposit into an account**
- **Characteristics of the shares: registered or bearer shares, information about the denomination and fractional shares, if applicable**
- **Description of the Shareholders' voting rights, if any**
- **Conditions under which the Fund may be liquidated and details about liquidation, in particular with regard to the entitlements of the Shareholders**

Ownership in the assets held by the Fund is divided into equal shares per share class. The number of shares is unlimited.

The Fund features three different share classes and the corresponding certificates: dividend shares, non-dividend shares with capital gains tax payment, and non-dividend shares without capital gains tax payment, with certificates being issued for one share each and also for fractional shares. A fractional share can be one tenth (0.10), one hundredth (0.01), or one thousandth (0.001) of a share certificate.

Various share classes may be issued for this Fund. The creation of share classes and the issue of shares of a specific class shall be decided at the discretion of the Management Company.

**ESPA STOCK COMMODITIES EUR R01:**
This share class was issued for all investors without restrictions. There is no minimum (initial) investment volume. The share certificate transactions are settled in EUR.

**ESPA STOCK COMMODITIES CZK R01:**
This share class was issued for all investors without restrictions. There is no minimum (initial) investment volume. The share certificate transactions are settled in CZK. However, no additional hedges are employed to cover currency risks versus the fund currency. Therefore, there is the risk of currency losses.

**ESPA STOCK COMMODITIES HUF R01:**
This share class was issued for all investors without restrictions. There is no minimum (initial) investment volume. The share certificate transactions are settled in HUF. However, no additional hedges are employed to cover currency risks versus the fund currency. Therefore, there is the risk of currency losses.

The fund currency is EUR. The share value is calculated in the respective share-class currency specified above.

The shares are depicted as separate global certificates (pursuant to § 24 Austrian Securities Deposit Act [Depotgesetz]) for each share class. The share certificates are bearer shares. Individual share certificates will not be issued.

Every purchaser of a fraction of a global certificate acquires proportionate ownership of all assets contained in the Fund in accordance with his fractional ownership of the global certificate.

The share certificates do not confer any voting rights.

The Management Company shall be permitted to split the shares in the Fund with the approval of its Supervisory Board and issue additional share certificates to the Shareholders or replace the old share certificates with new ones when the Management Company deems that such a split would be in the interests of the Shareholders on the basis of the calculated share value.

The Management Company may separate fund assets that unexpectedly become illiquid into a separate investment fund after approval for this is obtained from the Financial Market Authority and notice of this is published (§ 65 InvFG 2011). The Shareholders shall become shareholders of the resulting investment fund in accordance with their shareholding in the Fund; the resulting investment fund shall be liquidated by the custodian bank. After the investment fund is liquidated, the proceeds shall be paid out to the shareholders.
The Management Company can terminate the administration of the Fund in the following cases:

a) with the approval of the Financial Market Authority after publication of official notice and a period of notice of (at least) six months (§ 60 [1] InvFG 2011). This period of notice can be reduced to (at least) 30 days when it can be proven that all investors have been informed; publication of official notice shall not be required in this case. The Shareholders shall be entitled to return their shares in exchange for the payment of the return price during this period of notice (unless price calculation has been suspended).

b) With immediate effect when the fund assets fall below EUR 1,150,000 (§ 60 [2] InvFG 2011)

The termination of the Fund pursuant to § 60 (2) InvFG 2011 is not permitted during the period of notice for termination pursuant to § 60 (1) InvFG 2011.

If administration is ended by way of termination, the Management Company is required to initiate liquidation. Once liquidation is initiated, the Shareholders' entitlement to the administration of the fund assets is replaced by the Shareholders' entitlement to proper liquidation, and the Shareholders' entitlement to the redemption of their shares against the current calculated value of the shares at any time upon demand is replaced by entitlement to the payment of the liquidation proceeds once liquidation is completed; a request for the payout of illiquid securities by one shareholder can be approved when all other shareholders agree to this proportionate payout.

c) - Transfer of the administration of the Fund to a different management company (§ 61 InvFG 2011)
- Merger of multiple funds or the transfer of the Fund's assets to another investment fund (§§ 114 ff InvFG 2011)

in each case with the authorisation of the Financial Market Authority, public notice, and a three-month period of notice; this period of notice can be reduced to (at least) 30 days when it can be proven that all investors have been informed – publication of official notice shall not be required in this case. The Shareholders shall be entitled to return their shares in exchange for the payment of the return price during this period of notice.

In the event of a fund merger, the Shareholders are entitled to exchange their fund shares (for shares of a different investment fund with a similar investment policy) at the valid conversion ratio and to the payment of any applicable settlement amount.

The right of the Management Company to manage an investment fund expires when the investment firm loses its license or permit in accordance with Directive 2009/65/EC, when the decision is made to liquidate the investment firm, or when its authorisation to manage an investment fund is rescinded (§ 60 [3] InvFG 2011). If the administration of the Fund is terminated by way of loss of licence, the custodian bank shall assume the temporary management of the Fund and must initiate the liquidation of the Fund if the administration of the Fund is not transferred to a different management company within six months.

Once liquidation is initiated, the Shareholders' entitlement to the administration of the fund assets is replaced by the Shareholders' entitlement to proper liquidation, and the Shareholders' entitlement to the redemption of their shares against the current calculated value of the shares at any time upon demand is replaced by entitlement to the payment of the liquidation proceeds once liquidation is completed; a request for the payout of illiquid securities by one shareholder can be approved when all other shareholders agree to this proportionate payout.

## 8. Information about exchanges or markets on which the shares are listed or traded, if applicable

The shares are issued and redeemed by the custodian bank. An application for listing can be filed, but is not currently planned by the Management Company.

## 9. Procedure and terms for the issue and/or sale of shares

**Issue of shares**
Shares are issued in accordance with the Fund Terms and Conditions.

There is no principal limitation on the number of shares that can be issued or on the corresponding certificates per share class. Shares can be purchased from the custodian bank. The Management Company reserves the right to temporarily or permanently suspend the issue of shares.

Order deadlines:

- for orders through systems connected to the custodian bank (especially orders placed in branches of Erste Bank der oesterreichischen Sparkassen AG): 15:45 (CET, Vienna local time)
- for orders from all other customers (sales, trading, etc.): 15:00 (CET, Vienna local time)

**Issue premium**
The issue price shall consist of the share value plus a premium to cover the costs incurred in issuing the share. The premium for covering the issue costs is **up to 5.0%** of the value of a share.

The Management Company shall be entitled to apply a sliding issue premium scale at its own discretion.

**Settlement date**
The issue price shall be the share price calculated by the custodian bank on the Austrian bank business day (simultaneously a securities trading day) following the date on which the order is received by the custodian bank (taking the order deadlines into account), i.e. the "closing date", plus any applicable issue premium. The value date for debiting the purchase price shall be one bank business day after the closing date.

**10. Procedures and terms for share redemption or payout and conditions under which this can be suspended**

**Return of shares**
Shares are returned in accordance with the Fund Terms and Conditions.

The Shareholders can demand the return of their shares by presenting their share certificates or by submitting a return order to the custodian bank. The Management Company is obligated to accept the return of the shares against payment of the return price, which is the current value of a share, for the account of the Fund.

The payment of the return price and the calculation and publication of the return price as specified may be suspended temporarily and made dependent on the sale of assets in the Fund and the receipt of the proceeds from the sale of assets under extraordinary conditions when the Austrian Financial Market Authority is informed of this fact and when this is deemed necessary to protect justified Shareholder interests.

The most recent published prices will generally be used to calculate the price of the Fund. If a large portion of the Fund's assets is composed of shares in other investment funds, the most recent prices published for the sub-funds will be used.

Order deadlines:

- for orders through systems connected to the custodian bank (especially orders placed in branches of Erste Bank der oesterreichischen Sparkassen AG): 15:45 (CET, Vienna local time)
- for orders from all other customers (sales, trading, etc.): 15:00 (CET, Vienna local time)

**Settlement date**
The return price shall be the share price calculated by the custodian bank on the Austrian bank business day (simultaneously a securities trading day) following the date on which the order is received by the custodian bank (taking the order deadlines into account), i.e. the "closing date". The value date for crediting the return price shall be one bank business day after the closing date.

**11. Description of the rules for calculating and using the generated earnings and description of Shareholder entitlements to the fund earnings**

This information can be found in the Fund Terms and Conditions.

**12. Description of the investment objectives of the Fund, including the financial objectives (such as capital or earnings growth), the investment policy (such as specialisation in geographical regions or sectors of the economy), any restrictions included in this investment policy, and information about any techniques and instruments or powers to take out loans that can be used in administering the Fund**

The Fund aims to achieve long-term capital growth. In order to meet this objective, the Fund buys and sells assets that are permitted according to the Austrian Investment Fund Act and the Fund Terms and Conditions within the framework of its investment policy and based on the fund manager's assessment of economic conditions, the situation on the capital markets, and the outlook on the stock exchanges.

ESPA STOCK COMMODITIES is an equity fund that invests predominantly, in other words at least 51% of its assets, in stocks from companies in the materials and energy sectors in the form of directly purchased individual instruments, in other words not indirectly or directly through investment funds or through derivatives.

There are no restrictions with regard to the location of the issuer domicile. The Fund may purchase shares in companies with small market capitalisations or mid-sized market capitalisations as well as shares in large, strong, and important companies that are internationally known (blue chips).

Unlisted securities and other securitised rights are not included in the specified minimum allocation of 51% of the fund assets.

Securities (including securities with embedded derivative financial instruments) comprise at least 51% of the fund assets.

Money market instruments may comprise up to 49% of the fund assets.

The Fund may purchase securities and money market instruments that are not fully paid up as well as subscription rights for these types of instruments and other financial instruments that are not fully paid up.

Shares in investment funds (UCITS, UCI) may comprise up to 10% of the fund assets per individual issue and may comprise up to 10% in aggregate total, provided that the target funds themselves (UCITS, UCI) do not invest more than 10% of their fund assets in shares of other investment funds.

Shares may be purchased in investment funds that employ different investment restrictions and/or investment strategies than those of the Fund.

**Derivative financial instruments can be used for hedging purposes and as part of the investment strategy, and may comprise up to 49% of the fund assets.**

**ESPA STOCK COMMODITIES may exhibit high levels of volatility due to the composition of the portfolio, which means that the share values are subject to major upward and downward fluctuations within a short period of time.**

Demand deposits and callable deposits with a maximum term of 12 months may comprise up to 49% of the fund assets. There are no minimum cash deposit requirements.
However, in the course of the restructuring of the fund portfolio and/or in the case of the justified expectation of impending losses experienced by securities, the Fund can hold a lower proportion of securities and a higher proportion of demand deposits or callable deposits with a maximum term of 12 months.

Direct investments in companies that produce “banned weapons” are barred. “Banned weapons” include in particular anti-personnel mines, nuclear weapons, biological and chemical weapons, cluster munitions, and depleted uranium ammunition.

Investment instruments may only be purchased for the entire Fund and not for individual share classes or groups of share classes.

This does not apply to currency hedging transactions, however. Such transactions can also be concluded solely for a single share class. Expenses and income resulting from currency hedging transactions shall be allocated solely to the respective share class.

**Investment policy techniques and instruments**

**A) Demand deposits or callable deposits**

Bank deposits in the form of demand deposits or callable deposits with a maximum term of 12 months may be held under the following conditions:

1. Demand deposits or callable deposits may be held at one credit institution with a term of no more than 12 months and in the amount of no more than 20% of the fund assets provided that the credit institution in question
   - Is domiciled in a Member State, or
   - Is domiciled in a non-Member State and is subject to supervisory regulations that in the opinion of the Austrian Financial Market Authority are equivalent to those under Community law.

2. Regardless of any deposit limits, an investment fund may invest no more than 20% of its assets in a combination of securities or money market instruments issued by, deposits held with, or OTC derivatives purchased from a single credit institution.

There are no minimum cash deposit requirements.

**B) Money market instruments**

Money market instruments are instruments that are customarily traded on the money market, that are liquid, whose value can be determined exactly at any time, and that meet the requirements of § 70 (1) InvFG 2011.

Money market instruments may be acquired for the Fund that

1. Are admitted on one of the Austrian or foreign exchanges listed in the Annex or traded on one of the regulated markets listed in the Annex when the regulated market is recognised, open to the public, and is functioning properly.

2. Are customarily traded on the money market, can be freely transferred, are liquid, and their value can be determined exactly at any time, for which sufficient information is available, including information that allows the suitably accurate assessment of the credit risks associated with an investment in the instrument, even if they are not traded on regulated markets so long as the instrument or the issuer itself is subject to legal deposit and investor protection regulations, provided that they
   a) Were issued or are guaranteed by a national, regional, or municipal political entity or the central bank of a Member State, the European Central Bank, the European Union, or the European Investment Bank, a non-Member State, or, if it is a federal state, a member state of the federation, or an international organisation with public sector character and of which at least one Member State is a member, or
   b) Were issued by a business entity whose securities are admitted to one of the Austrian or foreign exchanges listed in the Annex or are traded on one of the regulated markets listed in the Annex, or
   c) Were issued or are guaranteed by a bank that is subject to regulatory supervision according to the criteria laid down in Community law, or were issued or are guaranteed by a bank that is subject to and complies with supervisory regulations that in the opinion of the Austrian Financial Market Authority are equivalent to those under Community law, or
   d) Were issued by another party belonging to a category approved by the Financial Market Authority, provided that investor protection regulations apply to investments in these instruments that are equivalent to letters a) to c), and provided that the issuer is either a business entity with capital stock of at least EUR 10 million that prepares and publishes its annual financial statements in accordance with the regulations of Directive 78/660/EC, or is a legal entity that is responsible for finance management in a group of one or more listed companies, or is a legal entity that finances the collateralisation of debt in company or contractual form by using a line of credit granted by a bank; the line of credit must be guaranteed by a bank that meets the criteria listed in item 2 letter c).

Money market instruments that do not meet these criteria and that are also not traded on a regulated market may make up no more than 10% of the total fund assets.

**C) Securities**

**Securities** are

a) Equities and other equivalent securities,

b) Bonds and other debt that is evidenced by certificates,

c) All other fungible financial instruments (such as stock rights) that entitle the holder to purchase financial instruments as defined by the InvFG 2011 by means of subscription or exchange, with the exception of the techniques and instruments specified in § 73 InvFG 2011.

The criteria in § 69 (1) InvFG 2011 must be met for an instrument to be considered a security.

Securities also include the following pursuant to § 69 (2) InvFG 2011:

1. Shares in closed funds in the form of an investment company or investment fund,

2. Shares in closed funds in contractual form,

3. Financial instruments pursuant to § 69 (2) 3 InvFG 2011.

The Management Company purchases securities that are admitted on one of the Austrian or foreign exchanges listed in the Annex or traded on one of the regulated markets listed in the Annex provided that the regulated market is recognised, open to the public, and is functioning properly. In addition, securities can be purchased from new issues for which the terms require that an application be filed for official listing on an exchange or in a regulated market with the requirement that admission to the desired market be obtained within one year after the issue is placed.

**Unlisted securities and other rights evidenced by paper**
Up to 10% of the fund assets in total may be invested in securities that are not admitted to one of the exchanges listed in the Annex or traded on one of the regulated markets listed in the Annex. Securities from new issues that are admitted to trading as specified above within one year after issue do not fall under this limit.

**D) Shares in investment funds**

1. Shares in investment funds (investment funds and open investment companies) pursuant to § 71 (1) InvFG 2011 that fulfil the requirements of Directive 2009/65/EC (UCITS) may **together with the investment funds specified in the following item 2 make up no more than 10% of the fund assets in total**, provided that the target funds themselves do not invest more than 10% of their fund assets in shares of other investment funds.

2. Shares in investment funds pursuant to § 71 (2) InvFG 2011 that do not meet the requirements of Directive 2009/65/EC (UCI) and whose sole purpose is

- To invest money contributed by a group of investors for their joint account in securities and other liquid financial investments under the principles of risk diversification, and

- Whose shares can be redeemed or paid out directly or indirectly from the assets of the investment fund upon request by the shareholder,

may **make up a maximum of 10% of the fund assets in total together with the investment funds described in the previous item 1**, provided that

a) These target funds do not invest more than 10% of their fund assets in shares in other investment funds, and
b) These are approved under legal regulations that place them under regulatory supervision that in the opinion of the Austrian Financial Market Authority is equivalent to that prescribed by Community law and there is sufficient certainty of collaboration between the authorities, and
c) The protection afforded to the shareholders is equivalent to that afforded to shareholders of investment funds that meet the requirements of Directive 2009/65/EC (UCITS), and that are in particular equivalent to the requirements of Directive 2009/65/EC in terms of regulations for the separate safekeeping of segregated assets, the acceptance of loans, the granting of loans, and the short selling of securities and money market instruments, and

d) Semi-annual and annual reports are published on the activities of the investment fund, and these reports provide a clear view of the assets, liabilities, earnings, and transactions in the reporting period.

The criteria specified in the Information and Equivalency Determination Ordinance (Informationen- und Gleichwertigkeitsfestlegungsverordnung [IG-FestV]) as amended must be applied to assess the equivalency of the protection afforded to the shareholders pursuant to c).

3. The Management Company may also purchase for the Fund shares in other investment funds that are directly or indirectly administered by the Management Company or by a firm that is associated with the Management Company by way of joint administration or control or through a direct or indirect material equity interest.

4. The Fund may hold shares in any single investment fund up to an amount of 10% of the fund assets.

**E) Derivative financial instruments**

**I. Listed and unlisted derivative financial instruments**

Derivative financial instruments, including equivalent instruments settled in cash, may be purchased for the Fund when they are admitted to one of the exchanges listed in the Annex, when they are traded on one of the regulated markets listed in the Annex, or when they are not admitted to an exchange or traded on a regulated market (OTC derivatives) provided that

a) The underlying instruments are instruments as defined in the Fund Terms and Conditions or are financial indices, interest rates, exchange rates, or currencies that the Fund is permitted to invest in according to its Fund Terms and Conditions,

b) The counterparties in the transactions with OTC derivatives are banks subject to regulatory supervision and from a category approved by ordinances enacted by the Austrian Financial Market Authority, and

c) The OTC derivatives are subject to reliable and transparent daily valuation and can be sold, liquidated, or settled by means of an offsetting transaction at a reasonable fair value at any time at the initiative of the Management Company.

**II. Purpose**

Derivative financial instruments can be used as part of the Fund's investment strategy and also for hedging purposes.

**III. Risk management**

The Management Company is required to employ a risk management system that enables it to monitor and measure at any time the risks associated with its investment positions and the relative share of these risks in the overall risk profile of the fund portfolio. It is also required to employ methods that enable it to precisely and independently measure the value of the OTC derivatives in the fund portfolio. On the basis of this method, the Management Company must in cooperation with the custodian bank inform the Financial Market Authority of the types of derivatives in the portfolios of each of the investment funds that it administers, the risks associated with the underlying instruments of these derivatives, the investment limits, and the methods that are used to measure the risks that are associated with the derivative instruments.

**The Management Company may conduct transactions with derivative financial instruments as part of the Fund's investment strategy and also for hedging purposes. Because of this, the risk of loss that is associated with the assets in the Fund can increase at least temporarily. See the item "Risk notices" for a complete description of the use of derivative financial instruments and the potential risks that are associated with this.**

The overall risk associated with the derivative instruments may not exceed the total net value of the fund assets. In calculating the risk, the fair values of the underlying instruments, the default risk, future market fluctuations, and the time available to liquidate the positions must be taken into account. The Fund may hold derivative financial instruments within the limits specified in the Fund Terms and Conditions and by the Austrian Investment Fund Act as part of its investment strategy, provided that the overall risk of the underlying instruments does not exceed these specific investment limits.

The default risk for OTC derivative transactions by the Fund may not exceed the following levels:

a) 10% of the fund assets when the counterparty is a credit institution pursuant to § 72 InvFG 2011,

b) Otherwise 5% of the fund assets.

Investments in index-based derivatives are not taken into account with regard to the specific investment limits for an investment fund. If a derivative is embedded in a security or money market instrument, it must be taken into account in determining overall compliance with the requirements specified above.

**IV. Overall risk**

Commitment approach

The Management Company uses the commitment approach to determine the overall risk. In this approach, all positions in derivative financial instruments including embedded derivatives pursuant to § 73 (6) InvFG 2011 are converted to the market value of an equivalent position in the underlying asset of the derivative in question.

The total imputed value of the derivative financial instruments not held for hedging purposes may not exceed the total value of the fund assets.

The imputed value for
- Forward financial agreements is the contract value multiplied by the last forward price calculated on every Austrian exchange trading day aside from bank holidays;
- Option rights is the value of the securities or financial instruments that are the object of the options (underlying)

**F) Repurchase agreements**

No repurchase agreements pursuant to Regulation (EU) 2015/2365 (Regulation on Transparency of Securities Financing Transactions and of Reuse) are concluded for the Fund.

**G) Securities lending**

The Management Company is authorised within the investment limits laid down in the InvFG to transfer securities up to an amount of 30% of the total fund assets to another party through a recognised securities lending system for a limited time under the condition that the third party is obligated to return the securities after an agreed period of time.

Securities lending entails loans in kind under which securities (such as stocks, bonds, or money market instruments) are temporarily transferred. The premiums received for this are an additional source of income.

The type of assets used in securities lending transactions is securities held by the Fund.
The share of securities used in such transactions is limited to no more than 30% of the fund assets. The actual volume of securities lent is based on the current market conditions and is expected to range between 0% and 30% of the fund assets. The Management Company notes that this is merely an estimate based on past experience.

**Criteria for the selection of counterparties**
The counterparty for all securities lending transactions of this Fund is Erste Group Bank AG, and all such transactions are completed through a recognised securities lending system. Erste Group Bank AG is the custodian bank of the Fund and the group parent of the Management Company. The sole use of Erste Group Bank AG as a counterparty for lending transactions serves to reduce the operational risk associated with lending transactions, among other things. These transactions are only recorded automatically in the fund accounts and the risk system when the lending transactions are concluded with Erste Group Bank AG.

**Collateral for securities lending transactions**
According to the securities lending agreement concluded between Erste Group Bank AG and the Management Company, Erste Group Bank AG is obligated to assign collateral in the amount of the value of the lent securities plus a surcharge immediately upon transfer of the securities. The surcharge can be waived for cash collateral. Only collateral that meets the applicable legal criteria with regard to liquidity, valuation, creditworthiness, correlation, currency stability, and the risks associated with the management and enforceability of the given collateral is accepted.
The collateral can consist of cash collateral as well as highly rated securities or money market instruments that are issued or guaranteed by an EEA member state or one or more regional authorities of an EEA member state, of claims against international organisations pursuant to Article 118 of Regulation (EU) 575/2013, or of securities and money market instruments issued by an OECD country (that is not a member of the EEA) with a rating of AAA to AA- (or

equivalent), with no restrictions regarding the terms to maturity. Only securities pursuant to § 217 ABGB as well as demand deposits and callable deposits pursuant to § 72 InvFG can be accepted as collateral for securities lending transactions with gilt-edged investment funds.
The value of the collateral shall be ascertained on each Austrian exchange trading day with the exception of bank holidays and shall be adjusted if necessary.

**Measurement of collateral**
Due to the high rating applied to this collateral under law (Article 114 ff of Regulation [EU] 575/2013), no haircut is applied. The collateral is measured at its market value on each Austrian exchange trading day with the exception of bank holidays. The market value in the case of cash collateral shall be the present value and in the case of securities and money market instruments the closing price on the Vienna Stock Exchange or, if there is no such price, the closing price on the home exchange of the assets in question that have been provided as collateral. If no price is provided on the maturity date, the last determined closing price shall apply. For instruments for which no price is continuously calculated, the price as entered in the Management Company's fund accounting system shall apply.

**Safekeeping and reuse of collateral**
The collateral shall be held in safekeeping in a securities account of the Fund at the custodian bank/depositary. Cash collateral shall be deposited at a credit institution domiciled in a member state and shall only be reused as demand deposits or callable deposits pursuant to § 72 InvFG 2011. The reinvestment of other provided collateral is not permitted.

**Risks of securities lending transactions**
Securities lending entails risks. The borrower (Erste Group Bank AG) may prove unable to repay the loan due to default, and the collateral provided may prove to be insufficient to cover the entire loan in such a case.
With regard to the risks associated with securities lending, please also refer to the risks "securities lending risk" and "collateral risk" described in detail in the risk profile of the Fund (item 14 of the prospectus).

**Fees for securities lending transactions**
Erste Group Bank AG will pay a standard market lending fee for the lent securities, which will be credited to the Fund. Securities lending transactions do not result in any costs or fees for the Fund.
Erste Group Bank AG compares these fees against those charged on the market at least once per year and informs the Management Company of the results of this comparison.

In connection with the fee provisions, the Management Company notes that it is closely associated with Erste Group Bank AG, and is therefore an associated company pursuant to Article 4 (1) 38 of Regulation (EU) No. 575/2013.

**H) Total return swaps**

No total return swaps pursuant to Regulation (EU) 2015/2365 (Regulation on Transparency of Securities Financing Transactions and of Reuse) are concluded for the Fund.

**Risk notices:**

The key considerations in the selection of the investment instruments are security, growth, and/or earnings. In this, it must be noted that the selected securities offer potential for price increases, but that they also entail risks.

**Due to the different structures of the individual share classes, the earnings that the investor achieves with his investment may vary depending on which share class his shares belong to.**

**General**
The prices of the securities in the Fund can rise or fall compared with the purchase price paid upon acquisition. If the investor sells shares in the Fund at a point in time at which the prices of the securities in the Fund have fallen compared with the point in time at which he purchased his shares, this will result in the investor not recovering the entire amount invested in the Fund. If the Management Company performs a mistrade with securities traded on an exchange and/or traded over the counter that was not recorded in the Fund's accounts as having an impact on the calculated value, the profits and losses from such trades will go to the Management Company.

**Material risks**

**a) The risk that the entire market for an asset class develops negatively and that this negatively influences the price and value of these assets (market risk)**

The development of prices for securities depends in particular on the development of the capital markets, which in turn are influenced by the general state of the global economy and the economic and political conditions in the respective countries.
One particular form of market risk is the risk of interest rate changes. This is the possibility that the general interest rate level on the market can change compared with the point in time at which a fixed-income security or money market instrument is issued. Changes in interest rate levels can result from changes in the economic conditions and subsequent reactions by the respective central bank, among other factors. When general interest rate levels rise, this typically means that the prices of fixed-income securities and money market instruments fall. In contrast, when general interest rate levels fall, this typically causes the prices of fixed-income securities and money market instruments to rise. In both cases, the changes in the price cause the return on the security to be roughly the same

as the average market interest rate. However, these price fluctuations vary depending on the term of the fixed-income security. Fixed-income securities with shorter terms are subject to lower price risk than longer term securities. Fixed-income securities with shorter terms also tend to have lower yields than fixed-income securities with longer terms, however. Depending on the market conditions, “negative credit interest” may be applied to demand and callable deposits.

**b) The risk that the issuer or counterparty will be unable to meet its contractual obligations (credit risk)**

In addition to the general trends on the capital markets, the individual development of the respective issuer of the security also has an effect on the price of the security. Even when securities are selected very carefully, there is no way to preclude losses when the issuer incurs significant losses in its business operations or becomes insolvent, for example. One form of credit risk or issuer risk is also the risk of creditor participation in the restructuring of a bank (also called a bail-in). The measures intended in such a case may result in the creditor losing all capital invested in a bank.

**c) The risk that a transaction is not handled as expected within a transfer system because a counterparty fails to pay or deliver by the deadline or as expected (settlement risk)**

This category covers the risk that settlement does not take place as expected in the transfer system because a counterparty does not pay or deliver as expected or later than agreed. Settlement risk is the risk that the agreed consideration is not received upon execution of a transaction.

**d) The risk that a position cannot be liquidated at a fair price at the desired time (liquidity risk)**

Taking into account the opportunities and risks associated with investments in equities and bonds, the Management Company especially purchases securities for the Fund that are admitted for trading on Austrian or foreign exchanges or that are traded on organised markets that are recognised and open to the public and that are functioning properly.

In spite of this, the problem may arise for individual securities at certain times or in certain exchange segments that a security cannot be sold at the desired time. In addition, there is the risk that instruments that are traded in a rather narrow market segment can be subject to significant price volatility.

In addition, securities can be purchased from new issues for which the terms require that an application be filed for official listing on an exchange or in an organised market with the requirement that admission to the desired market be obtained within one year after the issue is placed.

The Management Company is authorised to purchase securities that are traded on an exchange or regulated market in the EEA, or on one of the exchanges or regulated markets listed in the Annex.

**e) The risk that the value of an investment will be influenced by changes in an exchange rate (exchange rate or currency risk)**

Another variant of market risk is currency risk. Unless specified otherwise, assets in an investment fund can be denominated in a different currency from that of the investment fund. The Fund receives its income, repayments and sale proceeds from such investments in the currencies in which the respective instrument is denominated. The value of these currencies can fall relative to the currency of the Fund. This means that there is the risk that the value of the shares will be negatively impacted when the Fund invests in currencies different from that in which it is denominated.

**f) The risk of the loss of assets held by the Fund as a result of the insolvency of, negligence by, or fraudulent action on the part of the custodian bank or the sub-custodian bank (custody risk)**

The safekeeping of the fund assets is associated with the risk of loss caused by the insolvency of the depositary, violations of the depositary’s duties, or fraudulent action on the part of the depositary or one of its subagents.

**g) The risks arising from concentration on specific investments or markets (concentration risk)**

Risks can also arise from a concentration of the investments in certain assets or markets.

**h) The performance risk and information about whether guarantees from third parties are in place and if limitations apply to such guarantees (performance risk)**

The value of assets acquired for the Fund can develop differently than expected at the time of purchase. This means that no guarantee can be provided that the value will develop positively, unless a third party provides a guarantee to this effect.

**i) Information about the financial capacity of any guarantor**

The risk of an investment is higher or lower depending on the financial capacity of a guarantor that has issued a guarantee on the instrument.

**j) The risk of inflexibility caused by the product itself or by restrictions imposed when switching to other investment funds (inflexibility risk)**

The risk of inflexibility can be caused by the product itself or by restrictions imposed when switching to other investment funds.

**k) Inflation risk**

The earnings generated by an investment can be negatively impacted by the development of inflation. The invested capital itself can suffer from a general deterioration in the purchasing power of a monetary unit, and the development of inflation can also have a direct (negative) influence on the price of assets in the Fund.

**l) The risk affecting the capital in the Fund (capital risk)**

The risk affecting the capital in the Fund can arise above all from the sale of the fund assets at a lower price than was paid for their acquisition. This also covers the risk of capital depletion in the event of the return of shares and excessive payout of investment yields as dividends to the Shareholders.

**m) The risk of changes in other framework conditions, including tax regulations**

The value of the assets in the Fund can be negatively influenced by developments in countries in which investments are held, for example because of international political developments, changes in government policy, taxation, restrictions on foreign investments, currency fluctuations, and other changes in the legal system or in the regulatory framework. Trading may also take place on exchanges that are not as strictly regulated as those in the USA or the EU.

**n) The risk that the values of certain securities can deviate from their actual selling prices because of illiquid market conditions (valuation risk)**

Especially in times when market participants are faced with problems obtaining liquidity because of financial crises and a general lack of confidence, the values of certain securities and other financial instruments as determined by market forces may decline, and this can make it difficult to determine the value of the asset in the Fund. If investors in an investment fund simultaneously return large numbers of shares under such conditions, the fund management may be forced to sell securities at prices different from their actual valuation rates in order to maintain the necessary level of liquidity in the investment fund.

**o) Country or transfer risk**

Country risk is the risk that a foreign debtor, despite being solvent, will be unable to complete a transaction by the deadline or at all because of the inability or unwillingness of the country in which the debtor is domiciled to execute transfers. As a result, payments to which the Fund is entitled may not occur or may occur in a currency that can no longer be converted due to foreign exchange restrictions.

**p) Risk of suspension of redemption**

Generally, Shareholders can demand the redemption of their shares at any time. However, the Management Company may temporarily suspend the redemption of shares under extraordinary circumstances, and the share price may be lower than it was before redemption was suspended.

**q) Operational risk**

The risk of loss for the Fund that can result from inadequate internal processes, human error, or system failure at the Management Company; or from external events, legal and documentation risks, and risks that can result from the Fund's trading, settlement, and valuation procedures.

**r) Risks in connection with shares in investment funds (sub-funds)**

The risks of sub-funds purchased for the Fund are closely related to the risks of the assets held in these sub-funds and the investment strategies pursued by these sub-funds.
As the managers of the individual sub-funds act independently of each other, multiple sub-funds may pursue identical or contradictory investment strategies. This can cause a cumulation of existing risks, or can cause advantages of different strategies to offset each other.

**s) Securities lending risk**

If the Fund lends securities, these securities are subject to the risk that the counterparty will return them with a delay or fail to deliver them. Particularly in the event that the securities borrower suffers financial losses, it is possible that the borrower will not be able to honour his obligations to the Fund in this connection (default risk).
If the securities borrower provides the Fund with collateral in connection with the lending transaction, this collateral is subject to collateral risk.

Securities lending transactions can also entail operational risks such as posting errors and errors in the delivery of the lent securities. If the borrower of the securities makes use of the borrowed securities, this can entail the risk that the securities borrower will be unable to purchase the securities in question on the market upon expiration of the lending agreement due to a lack of liquidity, for example, and that the securities in question can therefore not be returned (liquidity risk).

**t) Collateral risk**

If third parties provide collateral to the Fund, this collateral is subject to the typical investment risks (such as market, credit, currency, interest rate, and counterparty risk), including the risk that it will not be possible to liquidate a position at an acceptable price in good time (liquidity risk), the risk that is associated with the safekeeping of the collateral (custody risk), and the operational risk that is associated with collateral management such as errors in the calculation of the required collateral.

**It is expressly noted that specific risks may be associated with derivative products, including:**

**a) The time-limited rights that are acquired may lapse or may decrease in value.**
**b) The risk of loss cannot be determined, and may exceed collateral provided under the transaction.**
**c) Transactions intended to preclude or limit the risks may be impossible to execute, or may only be possible at a price that results in a loss.**
**d) The risk of loss may rise when the obligations from such transactions or the consideration to be provided under the transaction is denominated in a foreign currency.**

The following additional risks may be encountered in transactions with OTC derivatives:

a) Problems with the sale of OTC financial instruments to third parties, as there is no organised market for them; settling the obligations that have been entered into can be difficult or may entail significant costs because of the individual agreement (liquidity risk);
b) The economic success of the OTC transaction can be put at risk by the default of the counterparty (counterparty risk).

The development of global stock markets in recent years has shown that significant price corrections are possible after massive price gains, especially for investment funds that invest in equities. Such price developments are also possible in the future. This means that significant price fluctuations can be expected for this Fund because choosing the optimal time to buy and sell securities is extremely important in such a volatile segment. It is impossible to predict the development of the capital markets or the development of the individual issuers. Earnings achieved in the past are not a guarantee that similar earnings can be achieved in the future. The Management Company strives to minimise the risk inherent to investing in securities while at the same time to maximise earnings potential. However, no guarantee can be given for the anticipated success of an investment. Express note is made of the increased risk associated with an investment in this Fund.

In this, special attention is paid to risk diversification. The exact investment limits are governed by §§ 73 ff InvFG 2011.

**This description does not take the investor's individual risk profile into account; the investor should seek personal professional advice if necessary.**

**Loans**
Short-term loans of up to 10% of the fund assets may be taken out.
This can cause the risk of the Fund to rise to the same extent.

**Delegation of tasks**
The Management Company notes that it has delegated tasks to a firm with which it is closely associated, an associated company pursuant to Article 4 (1) 38 of Regulation (EU) No. 575/2013.

**Processing of transactions**
The Management Company expressly states that it can have transactions for the Fund completed through a firm with which it is closely associated, an associated company pursuant to Article 4 (1) 38 of Regulation (EU) No. 575/2013.

**13. Valuation principles**

The value of a share class shall be determined by dividing the total value of the share class including earnings by the number of issued shares.
When issuing shares of a specific class for the first time, the value of the share shall be calculated on the basis of the value of the Fund as a whole. Subsequently, the value of a share class shall be determined on the basis of the value of the net fund assets assigned to that share class.

The custodian bank shall determine the total value of the Fund on the basis of the prices of the securities, money market instruments, and subscription rights contained in the Fund plus the value of the financial investments, cash and cash equivalents, account balances, claims, and other rights held by the Fund, less any liabilities.

The prices of the individual assets shall be calculated as follows:

- The value of assets that are traded on exchanges or other regulated markets is generally calculated on the basis of the latest available closing prices.

- If an asset is not traded on an exchange or a regulated market or if the price does not reflect the actual value (e.g. in the case of very limited liquidity), it is valued using valuation models.

- Shares in a UCITS or UCI are generally valued at the most recent return prices or, in the case of exchange traded funds (ETFs), at the latest available closing prices.

- Forward exchange agreements are valued by the Management Company using current market prices.

Assets are generally valued at their market prices. Less liquid assets for which no market prices are available are valued using valuation models. With the exception of forward exchange agreements, models are only used in collaboration with a qualified and independent external service provider. The valuation models that are employed are approved by the management of the Management Company and are regularly reviewed for plausibility by the responsible organisational unit of the Management Company.
If, in extraordinary cases, neither a price nor a valuation model is available, the Management Company will decide on how to proceed in collaboration with the Valuation Committee, which is made up of representatives of Erste Group Bank AG and Erste Asset Management Group.

Investors should note that contingent claims, such as claims in connection with a securities class action, will only be reflected in the calculated value of the Fund following their actual settlement due to the uncertainty associated with such claims. After it becomes known that bankruptcy proceedings have been initiated, the price of the affected securities is set to zero unless the Management Company determines that a different value is appropriate in individual cases. Claims from bankruptcy proceedings will only be reflected in the calculated value of the Fund following their actual (partial) settlement due to the uncertainty associated with such payments. In the event of such a retroactive payment, the historical calculated value will be corrected. If such payments or other payments are received after the liquidation of the Fund, these sums will be donated to reputable charity organisations.

**14. Calculation of the selling or issue price and the payout or redemption price of the share, especially:**

- **Method and frequency of the calculation of these prices**
- **Information on the costs associated with sale, issue, return, or payout**
- **Information on the method, place, and frequency of the publication of these prices**

The most recent published prices will generally be used to calculate the price of the Fund. If a large portion of the Fund's assets is composed of shares in other investment funds, the most recent prices published for the sub-funds will be used.

**Issue premium**
An issue premium will be included in the calculation of the issue price to cover the costs incurred in share issue. The premium for covering the issue costs is **up to 5.0%** of the value of a share. When the shares are only held for a short period, this issue premium can reduce or even negate the Fund's performance. For this reason, it is recommended that the shares be held for a longer period.

**Rounding of the issue and return prices**
The issue price will be rounded up to the next full cent after the calculation of the share price. The return price is the share value.

**Publication of the issue and return prices**
The value of a share, the issue price, and the return price will be calculated by the custodian bank on every Austrian exchange trading day except for bank holidays and published in a business or daily newspaper that is published within Austria and has sufficient circulation and/or in electronic form on the website of the issuing Management Company.

**Costs for share issue and return**
Shares will be issued and accepted for return by the custodian bank at no additional charge except for the calculation of the issue premium for the issue of share certificates. Shares shall be redeemed at the current share value at no additional charge.

The extent to which individual investors are charged additional fees for the purchase and return of share certificates depends on the individual agreements between the investor and the credit institution managing his security deposit account, and is therefore not under the influence of the Management Company.

**15. Information about the method, amount, and calculation of the fees to be paid by the Fund to the management company, custodian bank, or third parties and the compensation to be paid to the management company, custodian bank, or third parties by the Fund to cover costs incurred**

**Administrative costs**
The Management Company shall receive an **annual** fee for its administrative activities of **up to 1.8%** of the fund assets, which shall be accrued on a daily basis and calculated using the month-end values adjusted for the accrued fees.

The Management Company shall be entitled to apply a sliding management fee scale at its own discretion. No scale is applied at this time.

The costs for the introduction of new share classes for existing investment funds shall be assessed against the share price of the new share classes.

**Other costs**
In addition to the fees to which the Management Company is entitled, the following costs and expenses must be covered by the Fund:

**a) Transaction costs**
This includes the costs incurred in the purchase and sale of assets in the fund portfolio, provided that these costs can be allocated directly to the Fund and provided that they are not taken into account by way of transaction cost inclusion in the price of the asset.
Transaction costs also include the costs for the reporting of derivative financial instruments and for the central clearing of OTC derivatives (pursuant to Regulation (EU) 648/2012 [EMIR]).

**b) Costs for the financial auditor and tax representation**
The fee paid to the financial auditor depends on the volume of the Fund and also on its investment principles. Costs for tax representation for the Fund in foreign countries can also be charged to the Fund.

**c) Publication costs (including supervisory costs)**
This includes the costs incurred in the publication of information that must be made available by law to Shareholders in Austria and abroad. In addition, all costs charged by supervisory authorities (such as costs in connection with supervisory reporting obligations) and costs resulting from compliance with legal sales requirements in countries in which the Fund is sold may be charged to the Fund as permitted by the applicable legal regulations. This includes the costs incurred for the authorisation of the Fund by foreign authorities (especially translation costs, registration fees, costs for document notarisation, etc.).
The costs for the creation and use of a permanent data medium (except in cases where this is prohibited by law) are also included.

**d) Costs for the custodian bank**
The Fund will be charged customary securities account fees, costs for coupon collection, and customary fees for the safekeeping of foreign securities and financial instruments in other countries, if applicable (securities account fees). The Fund will also be charged a monthly fee for the other services rendered by the custodian bank, especially the tasks listed in section III, including the tasks that have been delegated to it (custodian bank fee).

**e) Costs for external consulting that are not included in the administration fee**
If external consultants other than those listed under item 16. are employed for the Fund, all costs incurred in this connection will be reported under this item and charged to the Fund.

**f) Costs for licences, ratings, and research**
Expenses for the Fund, particularly for licences (e.g. licences required for investment such as for financial indices, benchmarks, derivative-free benchmark portfolios for calculating the VaR, and licences required for the Fund's designation), for ratings (if ratings are used to evaluate the creditworthiness and assess the risk of an asset), and for research, financial analyses, and market and price information systems that are employed for the benefit of the Shareholders, can be charged to the Fund at the discretion of the Management Company, provided that the interests of the Shareholders are protected.

**g) Costs for the exercise of voting rights**
In the case of an investment in equities, the Management Company can delegate the exercise of voting rights on these equities to third parties, which can result in additional costs.

The items above can be found under "Fund result" in the section of the current annual report titled Income Statement and Changes in Fund Assets.

**Disclosure of full holdings**
The investor is entitled to request a complete list of the fund assets (full holdings) from the Management Company. For the purposes of protection against competitor companies, a full holding can only be disclosed for the assets held by the Fund one month prior to the filing of the request. This shall not apply when the investor is subject to legal reporting obligations that require the full disclosure of the current assets in the Fund (such as the quarterly reporting regulations for pension funds) or to the provision of information to group companies of the Management Company.

**Benefits**
The Management Company notes that it only accepts non-cash benefits (such as for research, financial analyses, market reports, participation in conferences, etc.) in connection with its administration of the Fund when they are used solely in the interests of the Shareholders. To this end, the Management Company can conclude agreements with trading partners under which part of the transaction costs can be credited and used to purchase such benefits from third parties, as well. For equities transactions, these non-monetary benefits amount to no more than 0.12% of the respective transaction total.

The Management Company aims to improve the quality of its management service by accepting these benefits.

The Management Company is permitted to make reimbursements (in the sense of commissions) from the administration fees that it receives. The payment of such reimbursements does not entail additional costs for the Fund.

Reimbursements (in the sense of commissions) paid by third parties are forwarded to the Fund after deduction of any associated costs and stated in the annual report.

**16. Information about external consulting firms or investment consultants if their services are made use of on a contractual basis and the fees for this are paid from the assets of the Fund**

The Management Company engages no external consulting firms or investment consultants whose fees are covered by the fund assets.

**17. Information about the measures taken for making payments to Shareholders, buying back or redeeming shares, and distributing information about the Fund**

Dividends are disbursed and shares are redeemed by the custodian bank (see section III). Dividends are forwarded to the Shareholders via the respective banks managing the Shareholders' securities accounts.

Additional payment and sales offices:

Romania: Banca Comerciala Romana S.A., Bld. Regina Elisabeta No. 5, sector 3, Bucharest and S.A.I. Erste Asset Management S.A., Boulevard Aviatorilor 92, Bucharest, sector 1

Czech Republic: Česká Spořitelna a.s., Olbrachtova 1929/62, CZ-14000 Prague 4

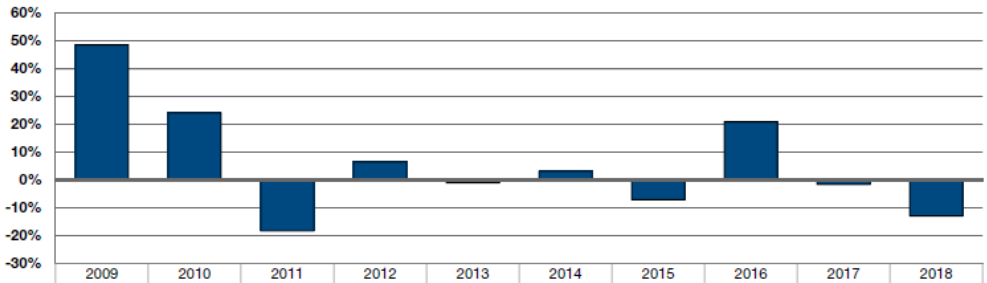
Hungary: Erste Befektetési Zrt. – H-1138 Budapest Népfürdő u. 24–26

All notices regarding share certificates are subject to § 136 InvFG 2011. The notices may be published
- By full printing in *Amtsblatt zur Wiener Zeitung*, or
- By making a sufficient number of copies of the notice available at the Management Company and the payment offices free of charge and printing the date of publication and the locations where the notice can be obtained in *Amtsblatt zur Wiener Zeitung*, or
- In electronic form on the website of the issuing Management Company.

If § 133 InvFG 2011 requires that Shareholders be informed about certain facts or activities, the Management Company will provide the information to the banks managing the Shareholders' securities accounts via the custodian bank, which must forward this information to the Shareholders.

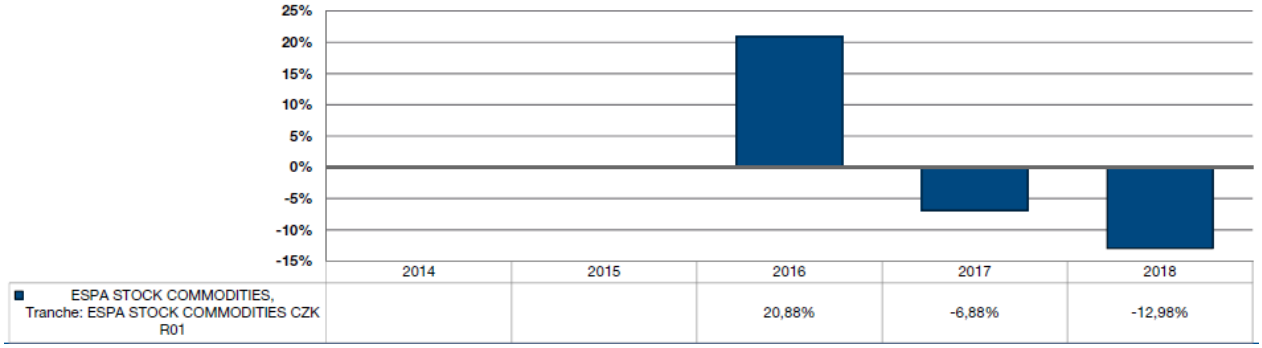
**18. Past performance of the Fund, if applicable**

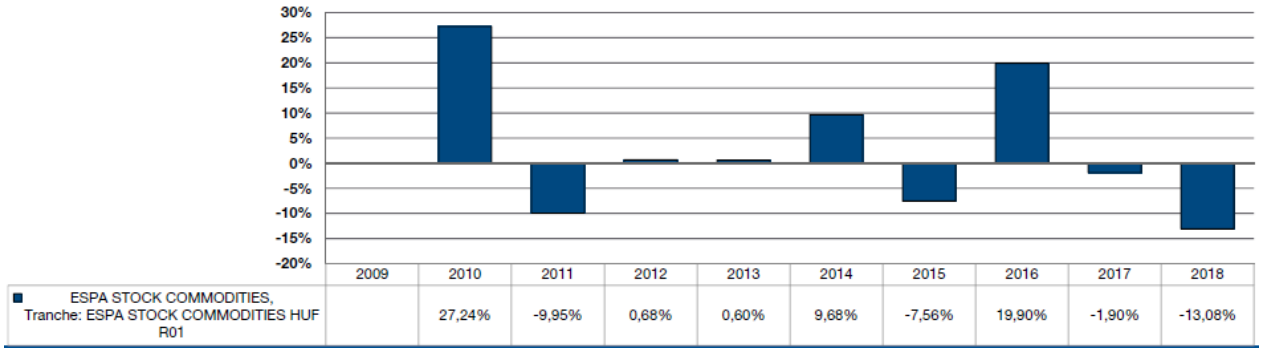
Reference date: 15.02.2019
Fund issue: 17.07.2006




| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|---|---|---|---|---|---|---|---|---|---|---|
| ESPA STOCK COMMODITIES, Tranche: ESPA STOCK COMMODITIES EUR R01 | 48,55% | 24,12% | -18,35% | 6,46% | -1,02% | 3,14% | -7,10% | 20,89% | -1,63% | -12,94% |

As of 28 November 2014, the dates for performance calculation before 31 December 2012 were retroactively standardised.




The past performance shown here is not a reliable indication of future performance.

The performance is calculated by the Management Company according to the OeKB method, based on data provided by the custodian bank (using any available indicative values when the payment of the redemption price is suspended). The calculation of the performance does not include individual costs such as the issue premium, the return fee, other fees, commissions and other expenses. These would reduce the performance if they were included.
Notice for investors with a different functional currency than the fund currency: The yield can rise or fall as a result of currency fluctuations.

For information on the current value, please see the key investor document or the most recent product information sheet for the Fund. These documents can be obtained in German at the website www.erste-am.com. If shares are sold outside of Austria, the key investor document will also be provided on this site in further languages, if applicable.

## 19. Profile of the typical investor for whom the Fund is designed

The Fund is intended for growth- and risk-oriented investors who especially wish to achieve capital growth by investing in higher-risk assets. In light of the high earnings potential that is associated with the investment, investors must be aware of and in a position to accept high value fluctuations and correspondingly high potential losses. In order to assess the risks and opportunities associated with the investment, investors should have sufficient experience and knowledge of investment products and capital markets, or should seek competent investment advice.

A generally recommended holding period for shares in this Fund can be found in the key investor document under “Objectives and Investment Policy”.

## 20. Voting rights policy

The Management Company exercises the membership and creditor rights associated with the assets of the managed investment funds independently and exclusively in the best interests of the investors and the integrity of the market.
In all matters that could have a long-term impact on the interests of the investors, the Management Company as a responsible shareholder must exercise voting rights independently and exclusively in the best interests of the Shareholders or must delegate this to a third party with explicit instructions for how to exercise these rights.
To this end, it may rely on information that it receives from the custodian bank, the portfolio manager, the company, or third parties, or that it learns from the press.
The Management Company is always prepared to provide information about the exercise of its membership and creditor rights.
The Management Company must apply particular diligence and prudence when exercising voting rights in relation to associated companies. This applies in particular in relation to the custodian bank, to companies belonging to the same group, and to companies that can exercise a material influence over companies in the group.

The exercise of voting rights is an integral part of the management process. Quantitative and economic aspects are taken into account when exercising voting rights associated with securities from listed companies that are held by this Fund. The decision about whether it makes sense to cast a vote is made on the basis of the relative amount of the investment, the agenda items, and economic considerations.

**21. Principles for the best possible execution of trade decisions**

See Annex 2.

**22. Procedure for handling investor complaints**

More detailed information can be found on the website of the Management Company https://www.erste-am.at/de/private-anleger/wer-sind-wir/anlegerbeschwerden.

**23. Any costs or fees aside from those listed in item 15, broken down according to costs to be paid by the Shareholder and those to be paid from the assets of the Fund**

There are no costs beyond those specified in items 14 and 15.
The fees for the safekeeping of the share certificates are based on the agreement made between the Shareholder and the bank managing his securities account.

**24. Legal notice**

This prospectus was prepared in accordance with the currently valid Fund Terms and Conditions, which were approved by the Austrian Financial Market Authority (FMA). According to § 53 InvFG 2011, the Management Company is entitled to amend the Fund Terms and Conditions with the approval of the FMA and applying the legal period of notice, and to amend the prospectus accordingly with binding effect for all Shareholders. The Management Company is also entitled to elaborate on the Fund Terms and Conditions with further information in this fund prospectus within the scope permitted by law.

## SECTION III

## INFORMATION ABOUT THE CUSTODIAN BANK

### 1. Company, legal form; domicile and location of headquarters if this is not the same as the domicile

The custodian bank is Erste Group Bank AG (formerly Erste Bank der oesterreichischen Sparkassen AG), Am Belvedere 1, A-1100 Vienna. Trade register number: FN 286283f, court of registry: Vienna Commercial Court.

### 2. Primary business activity and duties of the custodian bank

Erste Group Bank AG assumed the function of custodian for the fund assets in accordance with the decision issued by the Financial Market Authority on 9 June 2006 and bearing the identifier GZ FMA-IF25 6833/0001-INV/2006. The appointment of the custodian bank and a change of custodian bank require the approval of the Financial Market Authority. This approval may only be granted when it can be assumed that the credit institution can guarantee the proper execution of the functions of the custodian bank. Notice of the appointment or change of the custodian bank must be published; the official decision documenting approval must be referenced in the notice.

Erste Group Bank AG is a credit institution under Austrian law. Its main business activity is the provision of current and savings accounts, the extension of loans, and securities brokerage.

It is tasked with holding the assets of the Fund that are eligible to be held in custody and with managing the accounts and portfolios of the Fund (§ 40 [1] InvFG 2011). It is also responsible for the safekeeping of the share certificates of the funds administered by the Management Company (§ 39 [2] InvFG 2011) as well as the technical processing of the issue and redemption of share certificates. In particular, it must ensure that in transactions involving the fund assets, the equivalent amount is transferred to the custodian bank immediately and that the earnings of the Fund are used in accordance with the legal regulations and the Fund Terms and Conditions.

Erste Group Bank AG employs sub-custodians. A list of these sub-custodians and information about any conflicts of interest can be found on the website of the Management Company at:
https://www.erste-am.at/de/private-anleger/wer-sind-wir/investmentprozess
Current information about the sub-custodians and any conflicts of interest will be provided to the investor at no charge upon request.

In addition, Erste Group Bank AG performs the following tasks pursuant to § 28 InvFG 2011:

- NAV calculation and fund accounting
- Dividend disbursement based on the decisions of the Management Company
- Settlement of contracts (including the sending of certificates)
- Recording of subscription and redemption orders, processing of subscription and redemption orders, and notification obligations

The fees to be paid to the Management Company for its administration of the Fund and the compensation to be paid to the Management Company for the costs it incurs in the management of the Fund must be paid by the custodian bank according to the Fund Terms and Conditions from the accounts that it manages for the Fund. The custodian bank is authorised to charge to the Fund the fees to which it is entitled for the safekeeping of the Fund's securities and for the management of the Fund's accounts. In this, the custodian bank is only permitted to act on the basis of instructions from the Management Company.

The Management Company notes that it has delegated tasks to a firm with which it is closely associated, an associated company pursuant to Article 4 (1) 38 of Regulation (EU) No. 575/2013.
Erste Group Bank AG and the Management Company are members of Erste Bank Group. Due to this fact, a conflict of interest may arise in terms of the charging of non-arm's length fees for services rendered by Erste Group Bank AG and in terms of the charging of non-arm's length transaction costs. The incurred fees and transaction costs are reviewed at regular intervals by the Management Company and renegotiated on the basis of market comparisons when the need arises. The applied fees may vary depending on the different fund categories (retail funds, special purpose funds). However, these differences are within the standard market ranges for such fund categories.

Current information about Erste Group Bank AG relating to the above items will be provided to the Shareholders upon request.

**Erste Asset Management GmbH**
**Electronically signed**

| | |
|---|---|
| Inspection information: | The electronic signatures of this document can be inspected at the website of Rundfunk und Telekom Regulierungs-GmbH. |
| Note: | This document was signed with two qualified electronic signatures. A qualified electronic signature fulfils the legal requirements of a hand-written signature, and in particular the requirements of the written form as defined in § 886 ABGB (§ 4 [1] Austrian Signature Act [Signaturgesetz]). |

## Annex 1 to the Prospectus

## All funds currently administered by Erste Asset Management GmbH´

UCITS RETAIL FUNDS

Alpha Diversified 3
DB PWM Global
DONAU STAR-FONDS
DWS (Austria) Vermögensbildungsfonds
E 4
ERSTE BOND CHINA
ERSTE BOND CORPORATE PLUS
ERSTE BOND DANUBIA
ERSTE BOND EMERGING MARKETS
ERSTE BOND EMERGING MARKETS CORPORATE
ERSTE BOND EMERGING MARKETS CORPORATE IG
ERSTE BOND EMERGING MARKETS CORPORATE IG (EUR)
ERSTE BOND EMERGING MARKETS CORPORATE SHORT TERM
ERSTE BOND LOCAL EMERGING
ERSTE DLUHOPISOVÝ FOND PERSPEKTIVNÍCH TRHŮ 2020
ERSTE ETHIK AKTIEN GLOBAL
ERSTE FIXED INCOME PLUS
ERSTE INTERINVEST G1
ERSTE RESPONSIBLE BALANCED
ERSTE RESPONSIBLE BOND
ERSTE RESPONSIBLE BOND EMERGING CORPORATE
ERSTE RESPONSIBLE BOND EURO CORPORATE
ERSTE RESPONSIBLE BOND GLOBAL IMPACT
ERSTE RESPONSIBLE RESERVE
ERSTE RESPONSIBLE STOCK AMERICA
ERSTE RESPONSIBLE STOCK DIVIDEND
ERSTE RESPONSIBLE STOCK EUROPE
ERSTE RESPONSIBLE STOCK GLOBAL
ERSTE RESPONSIBLE STOCK GLOBAL CZK
ERSTE TOTAL RETURN FIXED INCOME
ERSTE WWF STOCK ENVIRONMENT
ESPA ALPHA 1
ESPA ALPHA 2
ESPA ALTERNATIVE GLOBAL-MARKETS
ESPA BEST OF AMERICA
ESPA BEST OF EUROPE
ESPA BEST OF WORLD
ESPA BOND COMBIRENT
ESPA BOND CORPORATE BB
ESPA BOND DOLLAR
ESPA BOND DOLLAR CORPORATE
ESPA BOND EURO CORPORATE
ESPA BOND EURO MIDTERM
ESPA BOND EURO MÜNDELRENT
ESPA BOND EURO RENT
ESPA BOND EURO RESERVA
ESPA BOND EURO TREND
ESPA BOND EUROPE HIGH YIELD
ESPA BOND INFLATION LINKED
ESPA BOND INTERNATIONAL
ESPA BOND USA CORPORATE
ESPA BOND USA HIGH YIELD
ESPA ČESKÝ FOND FIREMNÍCH DLUHOPISŮ
ESPA ČESKÝ FOND STÁTNÍCH DLUHOPISŮ
ESPA CORPORATE BASKET 2020
ESPA D-A-CH Fonds
ESPA GLOBAL INCOME
ESPA MORTGAGE
ESPA PORTFOLIO BALANCED 10
ESPA PORTFOLIO BALANCED 30
ESPA PORTFOLIO BALANCED 50
ESPA PORTFOLIO BOND EUROPE
ESPA RESERVE CORPORATE
ESPA RESERVE DOLLAR
ESPA RESERVE EURO
ESPA RESERVE EURO MÜNDEL
ESPA RESERVE EURO PLUS
ESPA RETURN SYSTEM
ESPA SELECT BOND DYNAMIC
ESPA STOCK ASIA INFRASTRUCTURE
ESPA STOCK ASIA PACIFIC PROPERTY
ESPA STOCK BIOTEC
ESPA STOCK COMMODITIES
ESPA STOCK EUROPE
ESPA STOCK EUROPE EMERGING
ESPA STOCK EUROPE PROPERTY
ESPA STOCK GLOBAL
ESPA STOCK GLOBAL EMERGING MARKETS
ESPA STOCK ISTANBUL
ESPA STOCK JAPAN
ESPA STOCK RUSSIA
ESPA STOCK TECHNO
ESPA STOCK VIENNA
ESPA TARGET
FTC Gideon I
K 355
KOMMERZ 13
Merito Dynamic Real Return
PBMP EQUITY RESEARCH
PBMP-REAL ESTATE
PIZ BUIN GLOBAL
PREMIUM ASSET INVEST
PREMIUM SELECT INVEST
PRIVATE BANKING MANAGEMENT PROGRAM-BOND
RT Active Global Trend
RT Optimum §14 Fonds
RT Österreich Aktienfonds
RT Osteuropa Aktienfonds
RT Reserve Euro Plus
RT VIF Versicherung International Fonds
RT Vorsorge §14 Rentenfonds
SALZBURGER SPARKASSE SELECT DACHFONDS
SPARDA-RENT
SPARDA-VORSORGE-PLUS
sWaldviertel Bond
T 1750
T 1751
T 1851
T 1852
T 1900
TIROLDYNAMIK
TIROLEFFEKT
TOP-Fonds I „Der Stabile“ der Steiermärkischen Sparkasse
TOP-Fonds II „Der Flexible“ der Steiermärkischen Sparkasse
TOP-Fonds III „Der Aktive“ der Steiermärkischen Sparkasse
TOP-Fonds IV „Der Planende“ der Steiermärkischen Sparkasse
TOP-Fonds V „Der Offensive“ der Steiermärkischen Sparkasse
True Rock
UL Dynamický
UL Konzervativní
XT Bond EUR passiv
XT EUROPA
XT USA
YOU INVEST advanced
YOU INVEST active
YOU INVEST balanced
YOU INVEST progressive
YOU INVEST solid

AIF RETAIL FUNDS

Alpha Diversified 1
Alpha Diversified 2
DELPHIN TREND GLOBAL
ERSTE RESPONSIBLE MICROFINANCE
ES 1
ESPA SELECT BOND
ESPA SELECT INVEST
ESPA SELECT MED
PremiumPLUS MIDTERMPLUS
PRIVATE BANKING DYNAMIC
PRIVATE BANKING DYNAMIC PLUS
ESPA VORSORGE CLASSIC/08-09
K 350
KOMMERZ 17
PRB-VM
PremiumPLUS BONDPLUS
PremiumPLUS LONGTERMPLUS
TOP STRATEGIE classic
TOP STRATEGIE dynamic
UIA Austro-Garant
UIA Garantie-Spar-Fonds 3
VKB-Anlage-Mix Classic

PRO INVEST AKTIV
PRO INVEST PLUS
RT PIF dynamisch
RT PIF traditionell
RT Zukunftsvorsorge Aktienfonds
SAM-PF1
SAM-PF2
SAM-PF3
Solitaire-Total-Return Fonds
TOP STRATEGIE bond
WSTV ESPA dynamisch
WSTV ESPA Garantie
WSTV ESPA Garantie II
WSTV ESPA progressiv
WSTV ESPA traditionell

AIF SPECIAL PURPOSE FUNDS

Aktienportfolio 1
Aktienportfolio 3
APK Renten
APS Invest 2009
E 5
E 55
E 77
E 100
E 200
E 300
E 400
E 2016
EB 1
EB JR7X7 INVEST
EB JR7X7 REAL
EKA-KOMMERZ 14
EKA-KOMMERZ 16
F 2011 Global Invest
FRESE Privatstiftung
GO18
GUTENBERG RIH
Juventus
K 20
K 200
K 2536
K 402
K 408
K 411
K 412
K 414
K 645
K 2009
K 2015
K 2018
K 12000
K 739798
KOMMERZ 15
KV 2007
KVS Fonds
LM Fonds
MAS-USD-FONDS
M 1997
M2000
MF 42
OE1-1
OE1-2
POISTOVNA 1
POISTOVNA 2
Portfolio 4
Portfolio 28 A
Portfolio 29
RKF 2006
RT Donau
RT Panorama Fonds
RT Vorsorgeinvest Aktienfonds
RT 2
RT 3
RT 4
RT 7
s Europe
s Kapital-Fix 08/2019
s Kapital-Fix 12/2019
s Kapital-Fix 04/2020
s Lebens-Aktienfonds
s Sozialkapitalfonds
s Zukunft Aktien 1
s Zukunft Renten 1
SAFE
SF 29
SERLES 1
SK 1000
SOLIDUS ETHIK
SPARKASSEN 2
SPARKASSEN 4
SPARKASSEN 5
SPARKASSEN 8
SPARKASSEN 9
SPARKASSEN 19
SPARKASSEN 21
SPARKASSEN 26
SV Pensionsfonds
TIWAG-Vorsorge-Fonds
TIWAG-Vorsorge-Fonds II
U 100
UIA Austro-Garant 2 dynamisch
UIA Austro-Garant 2 konservativ
UIA Garantie-Spar-Fonds 2
VBV Aktien Dachfonds I
VBV Aktiendachfonds 2
VBV Emerging Markets Corporate
VBV Emerging Markets Equities
VBV HTM FONDS 2
VBV HTM FONDS 3
VBV Low Carbon World Equities
VBV TA Konzepte Dachfonds
VBV VK Aktiendachfonds
VBV VK Aktien Global ESG Fund
VBV VK HTM Fonds
VBV VK Sustainability Bonds
VIOLA08
VLV 3
WFF Masterfonds
WSTW II
WSTW III
YI active spezial

NOTE:
KESt-exempt non-dividend shares in funds registered for sale in foreign countries:
Certificates for KESt-exempt non-dividend shares in funds registered for sale in foreign countries will only be issued to persons who have submitted verification of the fact that they are not subject to unlimited tax liability in Austria and who undertake before purchasing the shares to return the shares at any point in time at which they become subject to unlimited tax liability in Austria.

**Erste Asset Management GmbH also administers the following investment funds through its branch in the Czech Republic – Erste Asset Management GmbH, pobočka Česká republika. These were issued under Czech law and are monitored by the Czech supervisory authority, Česká Národní Banka.**

UCITS RETAIL FUNDS

ČS fond životního cyklu 2020 FF - otevřený podílový fond
ČS fond životního cyklu 2030 FF - otevřený podílový fond
ČS korporátní dluhopisový - otevřený podílový fond
FOND ŘÍZENÝCH VÝNOSů - otevřený podílový fond
GLOBAL STOCKS FF - otevřený podílový fond
High Yield dluhopisový - otevřený podílový fond
LIKVIDITNÍ FOND - otevřený podílový fond
Privátní portfolio konzervativní dluhopisy - otevřený podílový fond
Privátní portfolio dynamické dluhopisy - otevřený podílový fond
Smíšený fond - otevřený podílový fond
Sporobond - otevřený podílový fond
Sporoinvest - otevřený podílový fond
Sporotrend - otevřený podílový fond
TOP STOCKS - otevřený podílový fond
TRENDBOND - otevřený dluhopisový podílový fond
KONZERVATIVNÍ MIX FF - otevřený podílový fond
VYVÁŽENÝ MIX FF - otevřený podílový fond
DYNAMICKÝ MIX FF - otevřený podílový fond
AKCIOVÝ MIX FF - otevřený podílový fond
YOU INVEST solid - otevřený podílový fond
YOU INVEST balanced - otevřený podílový fond
YOU INVEST active - otevřený podílový fond
STOCK SMALL CAPS - otevřený podílový fond

AIF RETAIL FUNDS

DLUHOPISOVÝ FOND - otevřený podílový fond
FOND FIREMNÍCH VÝNOSŮ- otevřený podílový fond
FOND STÁTNÍCH DLUHOPISŮ - otevřený podílový fond
Globální akciový FF - otevřený podílový fond
Institucionální akciový FF - otevřený podílový fond
MPF 10 - otevřený podílový fond
MPF 30 - otevřený podílový fond
OPTIMUM – otevřený podílový fond
Privátní portfolio AR AKCIE - otevřený podílový fond
Privátní portfolio AR REALITY - otevřený podílový fond
Privátní portfolio AR ALTERNATIVNÍ INVESTICE - otevřený podílový fond
UNIVERSUM - otevřený podílový fond

AIF SPECIAL PURPOSE FUNDS

Fond 2005 - otevřený podílový fond
IPF 10 - otevřený podílový fond
ČS PRIVATE EQUITY I - uzavřený podílový fond
IPF 25 - otevřený podílový fond
IPF 35 - otevřený podílový fond

## Annex 2 to the Prospectus

## Principles for the best possible execution of trade decisions for investment funds

### 1. Introduction

The Management Company shall act in the best interests of the investment funds under its administration when it executes trade decisions for the management of the portfolios of these funds and when it forwards orders for the execution of trade decisions to other parties for the management of the portfolios of these funds. In this, it shall do everything in its power to achieve the best possible result for the investment fund. The following principles for the best possible execution of trade decisions (best execution policy) apply to this end. These principles apply to the purchase and sale of financial instruments as part of the management of a fund.

### 2. Execution criteria

The following criteria are relevant for achieving the best possible result:

- Rate/price
- Costs
- Probability of execution and settlement
- Speed
- Type and scope of the order

The best possible result is not determined solely by the rate/price. The relative importance of the specified criteria is determined on the basis of the following factors:

- Objectives, investment policy, and specific risks of the investment fund
- Characteristics of the order
- Characteristics of the financial instruments covered by the order
- Characteristics of the places of execution

This is not an exhaustive list of all factors. Depending on the type and characteristics of the transaction, other factors including time criteria, volume criteria, and unforeseen events may also be relevant.

As the Management Company is obligated not only to execute trading decisions in the best manner possible, but also to act in the best interests of the investment funds under its management, all trading decisions must be made taking all relevant factors into account. This includes ensuring the best possible access to research services. To this end, the Management Company may enter into commission sharing agreements with trading partners under which part of the transaction costs billed are credited and can be used for the procurement of research services from third parties.

If the management of the Fund has been delegated to an external fund manager, this manager must apply a best execution policy and must execute all transactions in accordance with the principles contained in this policy.

### 3. Places of execution

Transactions can be executed through regulated markets, through multilateral trading facilities (MTFs), or through other means (including as over the counter [OTC] transactions). When executing trading decisions through trading partners, these execution principles and the existing broker lists are taken into account.

Transactions with bonds are generally completed through trading platforms or directly with the counterparties. Here, price, volume, and block criteria are specifically taken into account when making the decision. In cases of first-time issue, the probability of allocation is especially taken into account along with the criteria specified above. When deciding which counterparties are eligible as trading partners in general, various criteria including the reliability of quotes, processing, post-transaction service, and trading behaviour are taken into account.

For equities, exchange traded funds, and exchange traded bonds and certificates, liquidity is a major factor in making decisions. When the liquidity is high, the criteria of rate/price and speed are weighted more highly, while the criteria of type and scope of the order and probability of execution and settlement are weighted more highly when the liquidity is low.

OTC financial instruments, exchange traded derivatives, foreign currency transactions, and forward exchange agreements are usually processed through Erste Group Bank AG for technical reasons. Erste Group Bank AG will execute the buy and sell orders by way of trades for its own account. In these transactions, the price will vary depending on the market situation of the instrument in question. In this case, the best execution policy of Erste Group Bank AG will be applied.

## 4. Customer instructions relating to special purpose funds

If the customer expressly instructs that an order be completed on a specific market or platform, we will comply with these instructions. This best execution policy will not apply in this case, and the Management Company expressly notes that the best possible execution cannot be guaranteed for this reason.

## 5. Review of the fundamental parameters

The markets selected according to these principles are reviewed by the Management Company once per year and adapted as needed. A review is also completed when there is reason to believe that material criteria that made a specific market suitable according to these principles no longer apply.

**Amendment to the prospectus – explanation of amendments**

**The following material changes were made in this version:**

No amendments were made that could have an effect on an investor’s assessment of shares in the Fund.

Regarding previous changes likely to influence the valuation of shares in the investment fund, see pre-release.

# ESPA STOCK COMMODITIES

The Fund Terms and Conditions for **ESPA STOCK COMMODITIES**, mutual fund pursuant to the **Austrian Investment Fund Act (Investmentfondsgesetz; InvFG) 2011 as amended**, were approved by the Austrian Financial Market Authority (FMA).

The Fund is an undertaking for collective investment in transferable securities (UCITS) and is managed by Erste Asset Management GmbH (the "Management Company" in the following), which is domiciled in Vienna.

## Article 1
## Fund Shares

The partial ownership of the fund assets is evidenced by certificates having the characteristics of a bearer share.

The share certificates are depicted in global certificates for each share class. For this reason, individual share certificates cannot be issued.

## Article 2
## Custodian Bank (Depositary)

The custodian bank (depositary) appointed for the Fund is Erste Group Bank AG, Vienna.

The payment offices for share certificates are the custodian bank (depositary) and any other payment offices named in the prospectus.

## Article 3
## Investment Instruments and Principles

**The following assets may be selected for the Fund in accordance with the InvFG.**

**ESPA STOCK COMMODITIES is an equity fund that invests predominantly, in other words at least 51% of its assets, in stocks from companies in the materials and energy sectors in the form of directly purchased individual instruments, in other words not indirectly or directly through investment funds or through derivatives.**

**There are no restrictions with regard to the location of the issuer domicile. The Fund may purchase shares in companies with small market capitalisations or mid-sized market capitalisations as well as shares in large, strong, and important companies that are internationally known (blue chips).**

**The fund assets are invested in the following instruments in accordance with the investment focus described above.**

**a) Securities**

Securities (including securities with embedded derivative financial instruments) comprise **at least 51%** of the fund assets.

**b) Money market instruments**

Money market instruments may comprise **up to 49%** of the fund assets.

**c) Securities and money market instruments**

The Fund may purchase securities and money market instruments that are not fully paid up as well as subscription rights for these types of instruments and other financial instruments that are not fully paid up.

Securities and money market instruments may only be purchased for the Fund when they meet the criteria regarding listing or trading on a regulated market or a securities exchange pursuant to the InvFG.

Securities and money market instruments that do not meet the criteria described in the previous paragraph may comprise **up to 10%** of the fund assets **in total**.

**d) Shares in investment funds**

Shares in investment funds (UCITS, UCI) may comprise **up to 10%** of the fund assets per individual issue and may comprise **up to 10% in aggregate total**, provided that the target funds themselves (UCITS, UCI) do not invest more than **10%** of their fund assets in shares of other investment funds.

**e) Derivative financial instruments**

Derivative financial instruments can be used for hedging purposes and as part of the investment strategy, and may comprise **up to 49%** of the fund assets.

**f) Risk measurement method(s) of the Fund**

The Fund applies the following risk measurement method: **commitment approach**

The commitment value is determined according to § 3 of the 4th FMA Regulation on Risk Calculation and Reporting of Derivative Instruments (4. Derivate-Risikoberechnungs- und MeldeV) as amended.

**g) Demand deposits or callable deposits**

Demand deposits and callable deposits with a maximum term of 12 months may comprise **up to 49%** of the fund assets.

There are no minimum cash deposit requirements.

However, in the course of the restructuring of the fund portfolio and/or in the case of the justified expectation of impending losses experienced by securities, the Fund can hold a lower proportion of securities and a higher proportion of demand deposits or callable deposits with a maximum term of 12 months.

**h) Acceptance of short-term loans**

The Management Company may accept short-term loans for the account of the Fund **up to an amount of 10%** of the total fund assets.

**i) Repurchase agreements**

Does not apply.

**j) Securities lending**

Securities lending transactions may comprise **up to 30%** of the fund assets.

Investment instruments may only be purchased for the entire Fund and not for individual share classes or groups of share classes.

This does not apply to currency hedging transactions, however. Such transactions can also be concluded solely for a single share class. Expenses and income resulting from currency hedging transactions shall be allocated solely to the respective share class.

## Article 4
## Issue and Return Procedure

The share value shall be calculated in the currency of the respective share class.

The share value is calculated at the same time as the issue and return price.

**Issue of shares and issue premium**

The issue price will be calculated and shares issued on each Austrian exchange trading day with the exception of bank holidays.

The issue price shall be made up of the share value plus a premium per share amounting to **up to 5.0%** to cover the costs incurred by the Management Company in issuing the share, rounded up to the next equivalent sub-unit of the currency unit specified for the respective share class in the prospectus.

The Management Company shall be entitled to apply a sliding issue premium scale at its own discretion.

There is no limit on the issue of shares in principle. However, the Management Company reserves the right to temporarily or permanently suspend the issue of share certificates.

**Return of shares and return fee**

The return price will be calculated and shares redeemed on each Austrian exchange trading day with the exception of bank holidays.

The return price is the share value rounded down to the next equivalent sub-unit of the currency unit specified for the respective share class in the prospectus. No return fee will be charged.

Upon request by the Shareholder, his shares shall be redeemed at the current return price in return for the share certificate.

## Article 5
## Financial Year

The financial year of the Fund is from 1 March to the last day of February.

## Article 6
## Share Classes and Use of Earnings

The Fund features three different share classes and the corresponding certificates: dividend shares, non-dividend shares with capital gains tax withholding, and non-dividend shares without capital gains tax withholding, with certificates being issued for one share each and also for fractional shares.

Various share classes may be issued for this Fund. The creation of share classes and the issue of shares of a specific class shall be decided at the discretion of the Management Company.

**Use of earnings for dividend shares**

The earnings generated during the financial year (interest and dividends) less all costs can be distributed as deemed appropriate by the Management Company. Dividend disbursement may be suspended in the interests of the Shareholders. Dividends may also be disbursed at the discretion of the Management Company from earnings generated by the sale of fund assets, including subscription rights. Fund assets may be paid out in the form of dividends and interim dividends.
The fund assets may in no case fall below the legally stipulated minimum volume for termination as a result of dividend disbursements.

The amounts shall be paid to the holders of dividend shares **on or after 1 June** of the following financial year. The remaining amount shall be carried forward.

An amount calculated in accordance with the InvFG must also be paid out **on or after 1 June** to cover the capital gains tax assessed by the tax authorities on the dividend-equivalent earnings from the fund shares unless the Management Company provides suitable proof from the banks managing the corresponding securities accounts that the share certificates can only be held by Shareholders who are not subject to Austrian personal or corporate income tax or who meet the conditions for exemption from capital gains tax according to § 94 EStG at the time of payment.

**Use of earnings for non-dividend shares with capital gains tax withholding**

The earnings generated by the Fund during the financial year less all costs will not be paid out. In the case of non-dividend shares, an amount calculated in accordance with the InvFG must be paid out **on or after 1 June** to cover the capital gains tax assessed by the tax authorities on the dividend-equivalent earnings from the fund shares unless the Management Company provides suitable proof from the banks managing the corresponding securities accounts that the share certificates can only be held by Shareholders who are not subject to Austrian personal or corporate income tax or who meet the conditions for exemption from capital gains tax according to § 94 EStG at the time of payment.

**Use of earnings for non-dividend shares without capital gains tax withholding (KESt-exempt non-dividend domestic and foreign share class)**

The earnings generated by the Fund during the financial year less all costs will not be paid out. No payment pursuant to the InvFG will be made. The reference date for the exemption from KESt payment for the profit for the year for the purposes of the InvFG shall be **1 June** of the following financial year.

The Management Company shall provide suitable proof from the banks managing the corresponding securities accounts that the share certificates could only be held by Shareholders who are not subject to Austrian personal or corporate income tax or who met the conditions for exemption from capital gains tax according to § 94 of the Austrian Income Tax Act (Einkommensteuergesetz) at the time of payment.

If these requirements are not met at the time of payment, the amount calculated pursuant to the InvFG must be paid out by the credit institution managing the respective securities account.

## Article 7
## Management Fee, Compensation for Expenses, Liquidation Fee

The Management Company shall receive an **annual** fee for its administrative activities of **up to 1.8%** of the fund assets, which shall be accrued on a daily basis and calculated using the month-end values adjusted for the accrued fees.

The Management Company shall be entitled to apply a sliding management fee scale at its own discretion.

The costs for the introduction of new share classes for existing investment funds shall be assessed against the share price of the new share classes.

The Management Company shall be entitled to compensation for all expenses incurred in the administration of the Fund.

Upon liquidation of the Fund, the party processing the liquidation shall receive a fee in the amount of **0.5%** of the fund assets.

**Further information and details about this Fund can be found in the prospectus.**

**Annex to the Fund Terms and Conditions**

**List of exchanges with official trading and organised markets**
(As of September 2018)

**1. Exchanges with official trading and organised markets in the Member States of the EEA as well as exchanges in European countries outside of the EEA considered to be equivalent to regulated markets**

Every Member State must maintain a current list of the authorised markets within its territory. This list must be submitted to the other Member States and the Commission.

According to this provision, the Commission is required to publish a list of the regulated markets registered with it by the Member States once per year.

Because of lower entry barriers and specialisation in different trading segments, the list of "regulated markets" is subject to significant changes. For this reason, the Commission will publish an up-to-date version of the list on its official website in addition to the annual publication of a list in the Official Journal of the European Union.

**1.1. The currently valid list of regulated markets can be found at**

https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_upreg *

**1.2. The following exchanges are included in the list of regulated markets:**

| | | |
|---|---|---|
| 1.2.1 | Luxembourg: | Euro MTF Luxembourg |
| 1.2.2. | Switzerland: | SIX Swiss Exchange AG, BX Swiss AG |

**1.3. Recognised markets in the EEA according to § 67 (2) 2 InvFG:**

Markets in the EEA that have been classified as recognised markets by the respective supervisory authorities.

**2. Exchanges in European countries outside of the EEA**

| | | |
|---|---|---|
| 2.1. | Bosnia and Herzegovina: | Sarajevo, Banja Luka |
| 2.2. | Montenegro: | Podgorica |
| 2.3. | Russia: | Moscow (RTS Stock Exchange)<br>Moscow Interbank Currency Exchange (MICEX) |
| 2.4. | Serbia: | Belgrade |
| 2.5. | Turkey: | Istanbul (only "National Market" on the stock market) |

**3. Exchanges in non-European countries**

| | | |
|---|---|---|
| 3.1. | Australia: | Sydney, Hobart, Melbourne, Perth |
| 3.2. | Argentina: | Buenos Aires |
| 3.3. | Brazil: | Rio de Janeiro, Sao Paulo |
| 3.4. | Chile: | Santiago |
| 3.5. | China: | Shanghai Stock Exchange, Shenzhen Stock Exchange |
| 3.6. | Hong Kong: | Hong Kong Stock Exchange |
| 3.7. | India: | Mumbai |

*) To open the list, select "Regulated market" under "Entity type" in the column on the left side of the page and then click "Search" (or "Show table columns" and "Update"). The link can be changed by the ESMA.
When the expected withdrawal of the United Kingdom of Great Britain and Northern Ireland (GB) from the EU takes effect, GB will lose its status as an EEA member state and, in turn, the exchanges/regulated markets located there will also lose their status as EEA exchanges/regulated markets. In this event, we hereby inform you that the following exchanges and regulated markets located in GB shall be considered exchanges or recognised regulated markets in a third country that are expressly designated in the fund rules as defined by the InvFG 2011 and the UCITS Directive:
Cboe Europe Equities Regulated Market – Integrated Book Segment, London Metal Exchange, Cboe Europe Equities Regulated Market – Reference Price Book Segment, Cboe Europe Equities Regulated Market – Off-Book Segment, London Stock Exchange Regulated Market (derivatives), NEX Exchange Main Board (non-equity), London Stock Exchange Regulated Market, NEX Exchange Main Board (equity), Euronext London Regulated Market, ICE FUTURES EUROPE, ICE FUTURES EUROPE – AGRICULTURAL PRODUCTS DIVISION, ICE FUTURES EUROPE – FINANCIAL PRODUCTS DIVISION, ICE FUTURES EUROPE – EQUITY PRODUCTS DIVISION, and Gibraltar Stock Exchange.

**) In the event that Switzerland's stock market equivalence expires, SIX Swiss Exchange AG and BX Swiss AG are to be subsumed under item 2 "Exchanges in European countries outside of the EEA" until further notice.

| | | |
|---|---|---|
| 3.8. | Indonesia: | Jakarta |

| | | |
|---|---|---|
| 3.9. | Israel: | Tel Aviv |
| 3.10. | Japan: | Tokyo, Osaka, Nagoya, Kyoto, Fukuoka, Niigata, Sapporo, Hiroshima |
| 3.11. | Canada: | Toronto, Vancouver, Montreal |
| 3.12. | Colombia: | Bolsa de Valores de Colombia |
| 3.13. | Korea: | Korea Exchange (Seoul, Busan) |
| 3.14. | Malaysia: | Kuala Lumpur, Bursa Malaysia Berhad |
| 3.15. | Mexico: | Mexico City |
| 3.16. | New Zealand: | Wellington, Christchurch/Invercargill, Auckland |
| 3.17 | Peru: | Bolsa de Valores de Lima |
| 3.18. | Philippines: | Manila |
| 3.19. | Singapore: | Singapore Stock Exchange |
| 3.20. | South Africa: | Johannesburg |
| 3.21. | Taiwan: | Taipei |
| 3.22. | Thailand: | Bangkok |
| 3.23. | USA: | New York, NYCE American, New York Stock Exchange (NYSE), Philadelphia, Chicago, Boston, Cincinnati |
| 3.24. | Venezuela: | Caracas |
| 3.25. | United Arab Emirates: | Abu Dhabi Securities Exchange (ADX) |

**4. Organised markets in countries outside of the European Community**

| | | |
|---|---|---|
| 4.1. | Japan: | over the counter market |
| 4.2. | Canada: | over the counter market |
| 4.3. | Korea: | over the counter market |
| 4.4. | Switzerland: | over the counter market of the members of the International Capital Market Association (ICMA), Zurich |
| 4.5. | USA: | over the counter market (under the regulation of an authority such as the SEC, FINRA, etc.) |

**5. Exchanges with futures and options markets**

| | | |
|---|---|---|
| 5.1. | Argentina: | Bolsa de Comercio de Buenos Aires |
| 5.2. | Australia: | Australian Options Market, Australian Securities Exchange (ASX) |
| 5.3. | Brazil: | Bolsa Brasiliera de Futuros, Bolsa de Mercadorias & Futuros, Rio de Janeiro Stock Exchange, Sao Paulo Stock Exchange |
| 5.4. | Hong Kong: | Hong Kong Futures Exchange Ltd. |
| 5.5. | Japan: | Osaka Securities Exchange, Tokyo International Financial Futures Exchange, Tokyo Stock Exchange |
| 5.6. | Canada: | Montreal Exchange, Toronto Futures Exchange |
| 5.7. | Korea: | Korea Exchange (KRX) |
| 5.8. | Mexico: | Mercado Mexicano de Derivados |
| 5.9. | New Zealand: | New Zealand Futures & Options Exchange |
| 5.10. | Philippines: | Manila International Futures Exchange |
| 5.11. | Singapore: | The Singapore Exchange Limited (SGX) |
| 5.12. | Slovakia: | RM System Slovakia |
| 5.13. | South Africa: | Johannesburg Stock Exchange (JSE), South African Futures Exchange (SAFEX) |
| 5.14. | Switzerland: | EUREX |
| 5.15. | Turkey: | TurkDEX |
| 5.16. | USA: | NYCE American, Chicago Board Options Exchange, Chicago Board of Trade, Chicago Mercantile Exchange, Comex, FINEX, ICE Futures US, Inc., New York, Nasdaq PHLX, New York Stock Exchange, Boston Options Exchange (BOX) |