



**VIG CZECH SHORT TERM  
BOND  
INVESTMENT FUND**

**FUND RULES**

FUND MANAGEMENT COMPANY

**VIG Asset Management Hungary Closed Company Limited by Shares**  
(H-1091 BUDAPEST, ÜLLŐI ÚT 1.)

CUSTODIAN

**Erste Bank Hungary Ltd.** (1138 Budapest, Népfürdő utca 24-26.)

**EFFECTIVE AS OF:**

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## DEFINITION OF TERMS

<b>UCITS</b>	undertakings for the collective investment in transferable securities
<b>UCITS Fund Manager</b>	an investment fund management company managing one or more UCITSs as regular business
<b>UCITS Directive</b>	Directive 2009/65/EC on undertakings for collective investment in transferable securities
<b>Fund</b>	VIG Czech Short Term Bond Investment Fund
<b>Base currency</b>	HUF, i.e. Hungarian Forint. It is the currency in which the Fund records its assets. The Fund may even invest a portion of its assets in securities issued in a currency differing from its base currency.
<b>Crystallisation frequency</b>	the frequency at which the accrued performance fee, if any, becomes payable to the management company.
<b>Excess performance (relative return)</b>	the difference between the net performance of the investment unit series and the benchmark.
<b>Fund Management Company</b>	VIG Asset Management Hungary Closed Company Limited by Shares
<b>ÁKK</b>	Államadósság Kezelő Központ Zártkörűen Működő Részvénytársaság (Government Debt Management Agency Public Ltd in Hungary)
<b>High-on-High (HoH) model</b>	a performance fee model whereby the performance fee may only be charged if the NAV exceeds the NAV at which the performance fee was last crystallised.
<b>Hurdle rate</b>	a predefined minimum fixed rate of return.
<b>Investment Fund</b>	a collective investment form set up under the conditions defined in Act XVI of 2014 on collective investment forms and their managers
<b>Investment unit</b>	a transferable security issued in series by the Investment Fund as issuer in the manner and with formalities defined in the Collective Investment Act, providing receivables and other rights against the investment fund as defined in the fund rules of the investment fund
<b>Investor</b>	the holder of the investment unit or any other collective investment security
<b>Target country</b>	a country on the capital market of which the Fund makes investment or intends to

	make investment strategically
<b>Dematerialized security</b>	It is an aggregate of data created, recorded, transmitted and registered in electronic way, in the manner as defined in the Capital Market Act and in special law, containing the content requirements of a security in identifiable manner
<b>EU</b>	European Union
<b>EEA state</b>	any member state of the European Union and any other states being parties to the Agreement on the European Economic Area
<b>Supervisor</b>	National Bank of Hungary (earlier: Hungarian Financial Supervisory Authority)
<b>FIFO Principle</b>	the first purchase of a specific security in the portfolio is sold first
<b>Distribution day</b>	all business days in Hungary, except the events of suspension or interruption of the distribution, for which day the net asset value is assessed.
<b>Distributor</b>	The Fund Management Company and further dealers participating in the sale of Investment units. For current list see item 1.7 of the Fund rules.
<b>Distribution sites</b>	Sites appointed by the Distributor for sale of the Investment units of the Fund. The list of distribution sites is accessible at the website of the Fund Management Company: <a href="https://www.vigam.hu/">https://www.vigam.hu/</a>
<b>G20</b>	G20 is an organisation comprising the world's 19 largest economies and the European Union.
<b>Collective Investment Act</b>	Act XVI of 2014 on collective investment forms and their managers, and on the amendment of certain financial laws
<b>Fund rules</b>	a regulation containing special rules of the Fund, prepared pursuant to the Collective Investment Act, specifying the general contract conditions between the Fund Management Company and the Investors
<b>Auditor</b>	PricewaterhouseCoopers Könyvvizsgáló Kft.
<b>Publication sites</b>	websites <a href="https://www.vigam.hu/">https://www.vigam.hu/</a> and <a href="https://kozvetetelek.mnb.hu/">https://kozvetetelek.mnb.hu/</a>
<b>Custodian</b>	Erste Bank Hungary Ltd..
<b>Order</b>	Order to buy, redeem or switch investment units
<b>MNB</b>	National Bank of Hungary

<b>Net asset value</b>	value of assets in the portfolio of the investment fund, including receivables from lending, reduced by total liabilities encumbering the portfolio, including the accrued expenses
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>Civil Code</b>	Act V of 2013 on the Civil Code
<b>Own capital</b>	the own capital of the Investment Fund is equal, at the beginning, to the product of multiplication of the nominal value and the piece number of the investment units; in the course of its operation, own capital is identical with the aggregate net asset value of the Investment Fund
<b>Series</b>	In the name of an investment fund investment units can be issued that constitute one or more series, have the same nominal value within the same series and incorporate the same rights. The Fund rules and the Prospectus determines in details the characteristics of the individual series by which they deviate from each others.
<b>SFDR Regulation (Sustainable Finance Disclosure Regulation)</b>	Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector
<b>Taxonomy regulation</b>	Regulation (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 June 2020 establishing a framework for the promotion of sustainable investment and amending Regulation (EU) 2019/2088
<b>Prospectus</b>	a document prepared according to the Collective Investment Act for public issue of Investment units
<b>T day</b>	the date of placing an order for executing a transaction
<b>Capital Market Act</b>	Act CXX of 2001 on Capital Market
<b>Customer account</b>	an account kept for a customer, which is exclusively aimed at the execution of orders placed to the debit of the balance of the investment service, commodity exchange service and the payment based on the liability included in the security.

## **I. Basic information regarding the Investment Fund**

### **1. Basic data of the Investment Fund**

#### **1.1. Name of the Investment Fund**

VIG Cseh Rövid Kötvény Befektetési Alap

*English name: VIG Czech Short Term Bond Investment Fund*

*Czech name: VIG Fond Českých Krátkodobých Dluhopisů*

#### **1.2. Short name of the Investment Fund**

VIG Czech Short Term Bond Fund

#### **1.3. Seat of the Investment Fund**

H-1091 Budapest, Üllői street 1.

#### **1.4. Date of recording the Investment Fund and its registration number**

Date of recording the Fund: 12 January 2011

Registration number of the Fund: 1111-431.

#### **1.5. Name of the Investment Fund Management Company**

VIG Asset Management Hungary Closed Company Limited by Shares

#### **1.6. Name of the Custodian**

Erste Bank Hungary Ltd.

#### **1.7. Name of the Distributor**

VIG Asset Management Hungary Closed Company Limited by Shares

Conseq Investment Management, a. s.

#### **1.8. Operating form of the Fund (public), circle of the possible investors (trade investor or private investor)**

The Investment Fund is public.

Circle of the possible investors: both professional and private investors.

#### **1.9. Type of the Investment Fund (open-end or closed-end)**

The Investment Fund is open-end.

#### **1.10. Maturity period of the Investment fund (unlimited or limited); if the maturity period is limited, indicate the expiry date of the maturity**

The Investment Fund has an unlimited maturity period.

#### **1.11. Indicate whether the Investment Fund is a fund harmonized according to the UCITS Directive or to the AIFM Directive.**

The Investment Fund is harmonized according to the UCITS Directive.

**1.12. Number, marking of the series issued by the Investment Fund; indicate the characteristics of the individual series by which they deviate from each other**

<b>Series</b>	<b>Difference</b>
VIG Czech Short Term Bond Fund (Series A, CZK)	management fee rate, distributors, hurdle rate
VIG Czech Short Term Bond Fund (Series I, CZK)	management fee rate, distributors, hurdle rate

**1.13. Primary asset category type of the Investment Fund (securities or real estate fund)**

The Investment Fund is a securities fund.

**1.14. Indicate if the promise for protecting the capital of the Investment Fund and/or for the return is secured by a bank guarantee or a surety assurance (capital and/or return guarantee) or it is supported by the detailed investment policy of the Investment Fund (capital and/or return protection); state the item in the Fund rules that contains the conditions for it in details.**

Not applicable.

**2. Other basic information regarding the Investment Fund**

Distributors:

The Fund Management Company distributes all Investment Unit series of the Fund. The distributors listed in item 1.7 of the Fund rules can distribute the Investment Fund series of the Fund within the scope of their distribution contracts entered into with the Fund Management Company, according to their own Business Regulation.

Distributors shall determine the conditions for the distribution of the Fund in their own Business Rules, but these conditions may not contradict the provisions of the Fund Rules.

Distribution abroad:

Following the notification procedure of the Fund, the Investment unit series of the Fund become accessible even abroad. These Fund rules contain the special conditions for distribution abroad, which are highlighted in the relevant items.

**3. List of legislative rules relating to the management of investment funds, furthermore to the issue and distribution of investment units as well as those regulating the legal relationship between the fund and the investor**

Acts

- Act XVI of 2014 on collective investment forms and their managers, and on the amendment of certain financial laws (Collective Investment Act)
- Act V of 2013 on the Civil Code (Civil Code)
- Act XLVII of 2008 on the Prohibition of Unfair Business-to-Consumer Commercial Practices
- Act CXXXVIII of 2007 on Investment Firms and Commodity Dealers, and on the Regulations Governing their Activities
- Act LIII. of 2017 on the Prevention and Combating of Money Laundering and Terrorist Financing
- Act XXV of 2005 on Financial Service Contracts made through Distance Marketing

- Act CXX of 2001 on Capital Markets (Capital Market Act)
- Act CLV of 1997 on Consumer Protection

#### Government Decrees

- Government Decree No. 78/2014 (III.14.) on the investment and credit borrowing rules of investment funds
- Government Decree No. 79/2014 (III.14.) on organizational, incompatibility, business management and risk management requirements in relation to UCITS fund managers
- Government Decree No. 82/2010 (III.25.) on calculating and announcing deposit interest rates and returns on securities
- Government Decree No. 153/2009 (VII. 23.) on increasing the efficiency of consumer protection in the financial sector
- Government Decree No. 22/2008 (II. 7.) on the mandatory elements of the rules of business at business organisations providing investment services, auxiliary investment services and commodity exchange services
- Government Decree 284/2001 (XII.26.) on the Mode of the Generation and Forwarding of Dematerialized Securities and the Relevant Rules on Safety, as well as on the Opening and the Keeping of the Security Account, the Central Securities Account and the Customer Account

#### Decrees of the Minister of Finance and the Minister for National Economy

- Decree 16/2017 (VI.30.) of the Minister for National Economy on the product approval process to be used by the investment firm.
- MF Decree No. 6/2002 (II.20.) on the notification obligation of investment service providers, organisations engaged in clearing house operations and the stock exchange

#### Supervisory Authority Decrees

- Decree 46/2018. (XII: 17.) of the Hungarian Central Bank on the detailed rules concerning the form and method of managing complaints on financial organizations
- Decree 45/2018 (XII.17.) of the Hungarian Central Bank on the detailed rules of the minimum requirements pertaining to the development and operation of a filter system for the implementation of Act on the Prevention and Prevention of Money Laundering and Terrorist Financing for service providers supervised by the Hungarian Central Bank and on the implementation of restraint measures imposed by the European Union and the United Nations Security Council.

#### EU legislation

- Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (UCITS Directive)



- Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU
- Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU)
- COMMISSION DELETED REGULATION (EU) 2017/565 (April 25, 2016) on amending Directive 2014/65/EU of the European Parliament and of the Council with respect to organizational requirements and operating conditions of investment enterprises, as well as terms determined for the purpose of the Directive
- Commission Regulation (EU) No 583/2010 of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council as regards key investor information and special conditions to be met when providing key investor information or the prospectus in a durable medium other than paper or by means of a website
- SFDR Regulation (Sustainable Finance Disclosure Regulation) Regulation (EU) 2019/2088 of the EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 November 2019 on sustainability-related disclosures in the financial services sector
- Taxonomy regulation: Regulation (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 June 2020 establishing a framework for the promotion of sustainable investment and amending Regulation (EU) 2019/2088
- Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports
- Guideline 34-39-992 of the European Securities and Markets Authority (ESMA) of 5 November 2020 on performance fees in UCITS and certain types of AIFs
- Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports
- Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs)

The above list is not comprehensive, there are legislative provisions in effect that regulate the internal processes of the fund management activity and the distribution activity as well as the existing data notification, data supply obligations and other obligations arising from the exercising of the supervisory authority powers, in addition to the above listed legislative rules.

#### **4. Description of the most important legal consequences of the investment, including information on the jurisdiction, the applicable law and the existence or absence of any legislative acts that contain provisions on the recognition and implementation of judgements in the home country of the Fund**

The investment units are investment units issued by an open-end fund, i.e. Investors can buy (purchase) and sell them (redemption) in the course of distribution during the maturity period of the Fund. It is a requirement for doing so that the Investor disposes of a securities account at a Distributor of the Fund. As the Fund does not pay any return, the Investor can realize his profit on the margin between the purchase and redemption price. The purchase and redemption order is implemented on the basis of the prevailing net asset value (calculated according to these Fund rules).

The provisions of the business regulations of the Distributor and the legislative rules of the country written in them are authoritative to the opening and keeping of securities account, as well as to the execution of purchase and redemption orders.

At the time of issuance of these Fund rules, according to the relevant Business Regulation of the Fund Management Company, the Hungarian law is authoritative to these transactions, which is identical with the applicable law.

## **II. Information regarding investment units (by series)**

### **5. ISIN identification code of the investment units**

<b>Series</b>	<b>ISIN</b>
VIG Czech Short Term Bond Fund (Series A, CZK)	HU0000731781
VIG Czech Short Term Bond Fund (Series I, CZK)	HU0000731799

### **6. Nominal value of the investment units**

<b>Series</b>	<b>Nominal value</b>
VIG Czech Short Term Bond Fund (Series A, CZK)	1 CZK
VIG Czech Short Term Bond Fund (Series I, CZK)	1 CZK

### **7. Currencies of the investment units**

<b>Series</b>	<b>Currency</b>
VIG Czech Short Term Bond Fund (Series A, CZK)	HUF, i.e. Czech Koruna
VIG Czech Short Term Bond Fund (Series I, CZK)	CZK, i.e. Czech Koruna
VIG Czech Short Term Bond Fund (Series I, HUF)	HUF, i.e. Hungarian Forint
VIG Czech Short Term Bond Fund (Series P, PLN)	PLN, i.e. Polish Zloty
VIG Czech Short Term Bond Fund (Series R, HUF)	HUF, i.e. Hungarian Forint
VIG Czech Short Term Bond Fund (Series E, EUR)	EUR, i.e. Euro
VIG Czech Short Term Bond Fund (Series U, USD)	USD, i.e. American Dollar
VIG Czech Short Term Bond Fund (Series PI, PLN)	PLN, i.e. Polish Zloty

### **8. Method of creation of the investment units; information regarding issuance and sale**

The investment units are created in dematerialised form, they are not issued (printed) physically. The investment units are issued (generated) by KELER Central Depository Zrt. on the order of the Fund Management Company. The Fund can sell its investment units according to the own Business Regulation of the Distributor. The investment unit issued by the investment fund can be purchased by the Investors in the course of continuous distribution.

### **9. Method of certification of ownership and record-keeping of investment units**

To certification of ownership and method of record-keeping of the investment units Book Six of the Civil Code and Sections 138 to 146 of the Capital Market Act are applicable.

According to the provisions of the Capital Market Act, dematerialised securities can be acquired and transferred only in the form of debit or credit on a securities account. Pursuant to the Civil Code, the transfer of dematerialised securities requires a contract of transfer or other legal titles. The ownership of the Investment Units is certified by the account statement issued by the securities account manager of the Investor.

Unless proved the contrary, the person shall be considered to be the holder of the security on whose account the security is kept on records.

### **10. The rights of the investor provided by the investment unit, description about, how the Fund Management Company ensures fair treatment to the investors, and in the event that an investor is exceptionally treated or acquires right to have an exceptional treatment, description of the exceptional treatment, identification of the investor type to whom an exceptional treatment is provided, furthermore, if relevant, description of the legal and economic relationship with the Fund and the Fund Management Company; other information related to the relevant subject**

Holders of the investment units are entitled

- to redeem their investment units at daily asset value at the distribution site under the terms and conditions specified in the Fund rules of the Fund;
- to receive the prevailing version of the Fund rules, the Prospectus and the Distributor's Business Regulation in the offices of the Distributor;
- to receive the annual and semi-annual reports in the offices of the Funds;
- to inquire about the composition of the profit of the Funds;

The holders of investment units dispose of all further rights included in these Fund rules and the Prospectus as well as in rules of law.

The Fund Management Company does not make any distinction between the Investors, all investors have the same rights. The Fund Management Company ensure the fair treatment with investor in the manner that it treats the purchase and redemption orders of all investors under the same conditions in the way defined in these Fund rules. Accordingly, no single investor receives exceptional treatment against the other investors.

## **III. Investment policy and objectives of the Investment Fund**

**11. Description of the investment goals and specialisation of the investment fund, indicating the financial objectives (e.g. capital increase or income, geographical or sectoral specification)**

The Fund aims to increase the value of its assets under management and to provide investors with a higher yield than Czech bank deposits and short-term bonds over a period of 1 to 2 years.

**12. Investment strategy, methods of implementation of the objectives of the investment fund**

The Fund Manager selects portfolio elements in accordance with the above principles (Section 11). When making investment decisions, the tools of fundamental analysis and technical analysis are used, and the current market sentiment is also taken into account. The Fund primarily invests in discount treasury bills issued by the Czech State, sovereign bonds, bonds of quasi-sovereign companies, or bonds or deposit-like instruments issued by the Czech National Bank, the European Central Bank or the central bank of another Member State of the European Union. To a limited extent, the portfolio may include government securities, state-guaranteed bonds, corporate bonds (including those issued by financial institutions) and mortgage bonds with at least investment-grade credit rating. Investments may be made in Czech crowns or, to a limited extent, in other currencies. In the case of assets denominated in a currency other than Czech crowns, the Asset Manager shall strive to fully hedge foreign exchange risks (there cannot be a difference of more than 5% between the currency exposure of the derivative transaction and that of the asset to be hedged).

The Fund may enter into deposit and repo transactions, invest – to a limited extent – in units in collective investment undertakings, and derivatives may as well be used (for the purposes of hedging or building an efficient portfolio).

The modified duration of the Fund's portfolio may not exceed 2.5 years.

The Fund has no benchmark index.

The Fund does not constitute a money market fund authorised and operating in accordance with Regulation (EU) 2017/1131 on money market funds.

**13. Indicate the asset categories in which the Investment Fund can invest, with special reference to the fact whether the application of derivative transactions is permitted for the Investment Fund**

The Fund primarily invests in discount treasury bills issued by the Czech State, sovereign bonds, bonds of quasi-sovereign companies, or bonds or deposit-like instruments issued by the Czech National Bank, the European Central Bank or the central bank of another Member State of the European Union. To a limited extent, the portfolio may include government securities, state-guaranteed bonds, corporate bonds (including those issued by financial institutions) and mortgage bonds with at least investment-grade credit rating. Investments may be made in Czech crowns or, to a limited extent, in other currencies. In the case of assets denominated in a currency other than Czech crowns, the Asset Manager shall strive to fully hedge foreign exchange risks (there cannot be a difference of more than 5% between the currency exposure of the derivative transaction and that of the asset to be hedged).

The Fund may enter into deposit and repo transactions, invest – to a limited extent – in units in collective investment undertakings, and derivatives may as well be used (for the purposes of hedging or building an efficient portfolio).

**14. Maximum, minimum or planned proportion of the individual portfolio components**

The assets that may be held by the Fund, their intended proportions as a percentage of the Fund's net asset value:

ASSET CATEGORY	PLANNED RATIO
Debt securities issued or guaranteed by the Czech State	50-100%
Bonds or deposit-like instruments issued by the Czech National Bank, the European Central Bank or the central bank of another Member State of the European Union.	0-50%
Repo and reverse repo transactions; bank deposit (HUF/foreign currency); scriptural money	0-50%
Bonds issued by Czech quasi-sovereign companies	0-15%
Derivatives (currency swap/forward and futures contracts)	0-100%
Bonds with at least investment-grade credit rating issued or guaranteed by other EU, OECD or G20 Member Countries	0-35%
Other corporate bonds, bonds issued by financial institutions, and mortgage bonds with at least investment-grade credit rating	0-25%
Instruments denominated in a currency other than Czech crowns	0-40%
Units in collective investment undertakings	0-10%

**15. Any possible limitations of the investment policy and any techniques, assets or borrowing powers that can be used for the management of the investment fund, including agreements regarding use or limitation of use of leverage, re-use of guarantees and assets, and the highest applicable leverage amount**

Transactions between funds and portfolios managed by the Fund Manager

The portfolios managed by the Fund Manager (including affiliated companies) and the Funds may also enter into transactions with each other, in which case the Fund Manager shall act in accordance with the special provisions of its internal regulations in order to exclude potential conflicts of interest. Such transactions shall be initiated by the Fund Manager only if the transaction does not harm the interests of the parties to the transaction and complies with the principle of best execution for both parties. The Fund Manager always performs transactions between the managed portfolios and funds at a fair price and documents the price on a transaction-by-transaction basis.

General investment restrictions regarding the Fund

*Pursuant to Section 14 of Government Decree 78/2014:*

- (1) The Fund Management Company is not allowed to invest its own capital in Investment Units issued by the Fund.
- (2) The Fund Management Company is not allowed to buy for the Fund
  - a) securities issued by itself;
  - b) securities issued by affiliated companies of the Fund Management Company, except securities with public market making, including securities to be listed on the stock market.
- (3) The Fund is not allowed to buy financial instruments owned by the Fund Management Company and to sell financial instruments to the Fund Management Company.
- (4) The Fund has to document the market price prevailing at the date of making contract for the transaction in the case of contracts for transactions with affiliated companies of the Fund Management Company and other collective investment forms managed by the Management Company as well as in the case of transactions of portfolios between themselves.

Investment restrictions in relation to the assets of the Investment Fund

*Pursuant to Sections 8 to 11 of Government Decree 78/2014:*

- (1) An UCITS can invest
  - a) maximum 10 percent of its assets in transferable securities or money market instruments issued by the same issuer,
  - b) maximum 20 percent of its assets in deposits of the same credit institution.
- (2) The partner risk exposure based on OTC derivative transactions against other parties of the UCITS cannot be higher than 5 percent, and if the other party is a credit institutions defined in Section (1) f) of the Government Decree, it cannot be higher than 10 percent of its assets.
- (3) The total value of transferable securities and money market instruments of those issuers in which the value of each investment by the UCITS exceeds 5 percent of the assets of the UCITS cannot be higher than 40 percent of the assets of the UCITS. This does not apply to deposits effected in credit institutions subject to prudential supervisions and to OTC derivative transactions implemented with credit institutions subject to prudential supervision.
- (4) Irrespective of the individual limits for issuers described in (1) above, the aggregate risk exposure of the UCITS against an institution, which arises from investments in transferable securities or money market instruments issued by the relevant institution, from deposits at the relevant institution and from OTC derivative transactions entered into with the relevant institutions, shall not be higher than 20 percent of the assets of the UCITS.
- (5) Contrary to the limit described in (1) a) above, 35 percent limit can be applied in the event that the issuer or guarantor of the transferable securities or money market instruments is a member state, the local authority thereof, a third country or such an international body governed by public law, in which one or more EEA states are members. These securities and money market instruments need not to be taken into account for the purpose of application of the limit referred to in Subsection (3) above.
- (6) In contrast to the limit specified in point a) of paragraph (1), a limit of 25 percent may be applied in the case of mortgage bonds issued by a mortgage lender domiciled in Hungary and in the case of bonds issued before 8 July 2022 by a credit institution domiciled in an EEA State that is under state supervision and was established by force of law to protect the interests of the bondholders, provided that the proceeds from the issuance of the bonds are required by law to be invested in assets that are suitable for satisfying the claims on the bonds throughout the entire holding period and that, in the event of the issuer's liquidation, must be used in the first place for the repayment of the principal and the payment of any accrued interest, or in the case of bonds that are classed as covered bonds under the instrument of the EEA State's law that transposes Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU. Where a UCITS invests more than 5% of its assets in securities issued by an issuer covered by this paragraph, the total value of those investments may not exceed 80% of the assets of the UCITS. These securities

and money market instruments shall not be taken into account for the purposes of applying the 40% limit referred to in paragraph (3).

- (7) The limits provided for in (1)-(6) hereof cannot be consolidated, consequently, the investments in transferable securities and money market instrument issued by the same issuer as well as the investments in deposits and derivative assets placeable at undertakings shall not be higher than 35 percent of the asset of the UCITS.
- (8) Companies belonging to a group of undertakings in respect of consolidated annual statements or in line with the accepted international accounting standard, qualify as one person for the purpose of calculation of the limits mentioned in this Section, provided that the total value of investments in transferable securities and money market instruments of the same group of undertakings shall not exceed 20 percent of the assets of the UCITS.
- (9) Contrary to those stated in (1) a) above, the 20 percent limit is applicable in the event that the goal of the investment policy of the UCITS is to replicate the composition of such a stock or bond index where the composition of the index is properly diversified, represents a proper benchmark on the market to which it relates and the development of its value is published in a way understandable even for the public.
- (10) 35 percent limit can be applied for one issuer instead of the limit set out in (9) above if it is strongly determinant for the affected regulated markets and indices.
- (11) Contrary to the limits referred to in subsections (1)-(8) above, an UCITS may invest even 100 percent of its assets, with the permission of the Supervisory Authority, in various transferable securities and money market assets issued by an EEA member state, its local authority, a third country or an international organization, in which one or more member states are members. The Supervisory Authority may permit deviation if the investors of the UCITS receive the same level of protection as the investors of UCITS applying the limits defined in Section 8 and the UCITS has securities from six different issues, and it invests maximum 30 percent of its assets in securities belonging to a certain series.
- (12) Attention should be called to the permit mentioned in (11) above and those states, local authorities or international organizations issuing or guaranteeing securities, in the securities of which the UCITS invests more than 35 percent of its assets should be indicated by names in the Fund rules, reports and all other commercial communications of the UCITS.
- (13) An UCITS may invest maximum 20 percent of its assets in collective investment securities of a certain UCITS regulated in Section 2 (1) e) of this Decree, or in the securities of other collective investment forms.
- (14) The total value of the investment units of an investment fund not qualifying as UCITS and of other collective investment securities shall not exceed 30 percent of the assets of the UCITS.
- (15) If a UCITS invests in securities issued by any other collective investment form which is managed, directly or on the basis of a power of attorney, by the fund manager of the relevant UCITS or another investment fund manage in close relationship with the former, including the situation when the investment fund manager manages the relevant collective investment form as a subcontractor, no sales or redemption commission shall be charged to the relevant UCITS in relation to the investment or its cessation.
- (16) If a UCITS invest at least 20 percent of its assets in other collective investment forms, it is obliged to communicate in its prospectus the highest rate of fund management fees encumbering the other collective investment forms indicated as an investment goal in addition to its own management fee. Furthermore, the highest rate of the investment fund management fees encumbering the other collective investment forms indicated as actual investments in addition to its own management fee in the annual report of the UCITS.

Investment limits from the side of allowed assets

*Pursuant to Section 12 of Government Decree 78/2014:*

- (1) The UCITS shall not acquire a qualified influence in any issuer and shall not acquire an influence giving rise to public bidding obligation in any public limited company.
- (2) In addition to those mentioned in (1) above, an UCITS may acquire
  - a) maximum 10 percent of non-voting shares of an issuer,
  - b) maximum 10 percent of debt securities of an issuer,
  - c) maximum 25 percent of the collective investment securities of another UCITS or of the collective investment securities of any other collective investment form,
  - d) maximum 10 percent of the money market instruments of an issuing institution.
- (3) The limits defined in (2) above can be left out of consideration at the time of acquisition if the gross value of the debt securities or money market instrument or the net value of securities to be issued cannot be determined.
- (4) The limits specified in (1) and (2) above need not to be taken into consideration:
  - a) in the case of transferable securities and money market instruments issued or guaranteed by an EEA state or its local authority,
  - b) in the case of transferable securities and money market instruments issued or guaranteed by a third country,
  - c) in the case of transferable securities and money market instruments issued or guaranteed by such public international organizations in which one or more EEA states are members.
  - d) with regard to shares of companies incorporated in a third country which company primarily invests in securities of issuers with seat in the relevant state if, pursuant to the laws of the relevant state, such an ownership represent the only possible chance for the UICITS to invest in securities of issuers having their seats on the territory of the relevant state.
- (5) The deviation written in (4) d) above can only be applied if the investment policy of the undertaking having its operation on the territory of the third country complies with the investment limits of the UCITS and the regulation of their excess.

The Fund may draw leverage only within the limits allowed by law: The netted risk exposure of the investment fund shall not exceed the double of net asset value of the investment fund, i.e. the maximum value of the leverage that can be drawn is 2. The investment policy of the Fund does not contain any further restrictions.

#### **16. Foreign currency exposure of the portfolio**

Proportion of assets denominated in other currencies than the base currency: 0-40%

#### **17. If the capital and return pledges are supported by the investment policy of the investment fund, then describe the underlying planned transactions**

Not applicable.

#### **18. Borrowing rules**

The Fund may borrow money up to 10 percent of its assets for a shorter term than 3 months. The Fund is entitled to provide collateral for the borrowing of credit. The Fund cannot issue bonds or other debt securities. For the purpose of *Government Decree No. 78/2014*, the possibility of 15 days deferred payment for liabilities encumbering the Fund, granted by the issuer is not considered borrowing credit.

The Fund cannot provide cash loan and cannot warrant guarantee. This prohibition does not completely apply to purchase of liquid assets that had not been paid yet.

The Fund is not allowed to enter into naked short selling transactions.

The Fund is entitled to provide bail to its derivative transactions to the debit of its assets.



**19. The states, local authorities or international organizations issuing or guaranteeing securities in the securities the Fund invests more than 35 percent of its assets**

The Czech Republic, the Czech National Bank (CNB), the European Central Bank or the central bank of another Member State of the European Union.

**20. Presentation of the mapped index and the maximum of its deviation from the weight of the individual securities within the index**

Not applicable.

**21. The investment policy of the fund in which an investment fund investing in investment funds wants to invest more than 20 percent of its assets**

Not applicable.

**22. Name of the target UCITS and its part fund**

Not applicable.

**23. Other information regarding the relevant subject, such as information regarding settlement of underlying funds if the AIF is a fund of funds**

Complying with *Section 2 (1) c. of Government Decree No. 78/2014*, Annex 1 to these Fund rules contains the list of stock exchanges and trading platforms where those transferable securities and money market instruments are listed or distributed in which the Fund may invest on the markets of third countries.

Integration of sustainability risks into investment decisions:

*(disclosure as per Article 6 (1) a) of the SFDR):*

Within the frame of the management of the Fund's assets, the Fund Manager evaluates the potential investment instruments based on its own internal methodology, which evaluation is applicable to the relevant risks and their management as well. The Fund Manager describes its sustainable investment principles in its Sustainability Policy, which requires the identification of the relevant risks, together with their long-term sustainable development objectives as well as their consideration in making investment decisions. In making asset management decisions, the responsible portfolio managers review the findings of the sustainability risk assessments that are available for the potential investment instruments. As part of risk management activity sustainability risks are assessed together with other investment risks in relation to the level of expected returns and their sustainability.

The Fund does not intend to comply with Articles 8 and 9 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, i.e. it does not have any goal promoting environmental and/or social characteristics, and it is not intended to realise sustainable investments.

**24. Information regarding derivative transactions**

In these Fund rules derivative transaction means futures or forward deals for securities, for security-based standardised stock exchange derivatives, FX forward transactions, options and interest swap transactions, except REPO and reverse REPO deals for government debt securities. In the name of the Fund the Fund Management Company can enter into derivative transactions by observation of the legislative rules. The value of a derivative transaction can be identified on the basis of public price information in accordance with the frequency of net asset value calculation, furthermore, a derivative transaction, taking the

redemption conditions of investment units into consideration, can be closed and settled in due time at market price.

Pursuant to provisions relating to investment unit series of the Collective Investment Act, the Fund Manager can allocate its assets among the investment unit series in the case of transactions aimed at hedging of foreign currency risks, the purpose of which is to reduce the foreign currency risk of specific series of the Fund against the base currency of the Fund.

**24.1. If derivative transactions are used, information about the possibility of application of derivative transactions for hedging purposes or for the purpose of achievement of investment goals**

The Fund uses derivative transactions for coverage purposes as well as to effectively manage the portfolio, in order to achieve the investment goals.

**24.2. The possible circle of derivative products and derivative transactions**

The Fund can enter into derivative transactions for the following instruments:

- a) securities
- b) security-based standardised stock exchange derivative products
- c) interest rate
- d) foreign currency
- e) commodity market products, provided that the derivative transaction cannot be completed with physical output

Derivative transactions can be option deals, stock exchange forward deals, OTC FX futures as well as interest rate derivatives.

**24.3. Indicate the rule of law on the basis of which the investment fund exercised the right of deviation**

Not applicable.

**24.4. Investment limits relating to derivative transactions**

*Pursuant to Section 7 of Government Decree 78/2014:*

- (1) If the UCITS fund management company wants to enter into derivative transactions as well for the UCITS managed by it, the UCITS fund management company needs to apply such a procedure, which enables the monitoring and measuring of the risks of positions in the derivative transactions and their contribution to the total risk of the UCITS; in addition, it has to apply a procedure to precisely and independently measure the value of the OTC derivative transactions.
- (2) The UCITS Fund Management Company regularly communicates to the Supervisory Authority the information on the types of the derivative instruments, the risks and the quantitative restrictions as well as the methods selected for the assessment of risks related to the transactions implemented with the derivative instruments in relation each and every UCITS under its management. Aggregating these data, the Supervisory Authority makes them accessible to the European System Risk Board and the European Securities Markets Authority.
- (3) For the purpose of efficient portfolio management, the UCITS may apply techniques and tools regarding the transferable securities and money market instruments, under the conditions and within the limits set forth by the Supervisory Authority. A requirement for entering into derivative transaction is that they should aim at the efficient management of the portfolio. The application of derivative transactions shall not have the consequence to violate the investment rules and limits set out in the Fund rules of the UCITS.
- (4) The total (net) exposure of the UCITS to the derivative transaction cannot exceed the amount of net asset value of the UCITS. When calculating the exposure, the current market value of the instruments underlying the transactions, the risk of other party participating in the transaction (partner risk), the

presumable development of future market movements and the period available for closing the transactions must be taken into account.

- (5) The risk exposure of the UCITS in the individual instruments underlying the derivative transactions, also considering the netted risk exposure involved in the derivative transaction regarding the relevant instrument, shall not exceed the investment limits set forth in this Decree for the relevant tool. In application of this rule, index-linked derivative transactions need not to be taken into account, on the other hand, it shall also be taken into consideration if a transferable security or money market instrument contains derivative instruments.

#### **24.5. Netting rules of positions in the individual instruments**

The netting rules of positions in individual instruments of the Fund are as follows:

The Fund Management Company may net the Fund's non-derivative long (short) positions appearing in foreign currency or in investment instrument against its short (long) positions based on the same foreign currency or investment instrument as well as the derivative long and short positions appearing in the same underlying instrument against each other.

The positions appearing on the same underlying security can be netted if the following conditions are met at the same time:

- the issuers, the nominal interest rate and the date of expiry are identical, and
- the securities are denominated in the same currency.

Positions of a transferable security cannot be netted against an opposite position of a security to which the said security can be transferred.

Net position of a specific investment instrument means the surplus of the long (short) positions of foreign currencies, securities representing the same right as well as futures transactions, options, warrants for the same currency or investment instrument and maturity above the short (long) positions, and the sum of such net positions shall not be more than double of the Fund's own capital.

For the purpose of compliance with the limits relating to total netted risk exposure of the Fund, in accordance with the Fund's investment policy, transactions aimed at hedging foreign currency risks the purpose of which transactions is to reduce the foreign currency risk of the Fund's C and P series can be left out of consideration.

#### **24.6. Management of positions in the indices and other complex instruments**

Rules of managing positions in indices and other complex assets are the following: Index products may be broken down into individual shares based on the composition of the contract multiplier and the index, which may be netted with any identical shares in the portfolio or with derivatives on the same stocks. Complex derivatives can be considered broken down into elements when applying netting rules.

#### **24.7. Source of price information intended to use for evaluation**

Gains and losses on open positions at a given date are measured at the difference between the settlement price published for the given instrument for the given day, and, in the absence of such a price, the last, officially published settlement price, and the deal price. The Fund's assets should be measured using market pricing whenever possible. Failing this, the assets of the Fund will be valued in accordance with the legal requirements in force at the given time.

#### **24.8. If the characteristics of the derivative transaction in which the investment fund invests differ from the general characteristics defined for derivative transactions by law, call attention thereto, defining the characteristics and risks of the relevant derivative transaction**

Not applicable.

#### **24.9. Other information regarding the relevant subject**

Not applicable.

**25. Special provisions regarding real estate funds**

Not applicable.

**25.1. Indicate if the real estate fund invests in income producing real estates or in real estates to be selected for value increase purposes**

Not applicable.

**25.2. Indicate the function of the real estate (housing, commercial, industrial, etc.) in which the real estate fund invests**

Not applicable.

**25.3. Indicate the countries where the real estate fund invests**

Not applicable.

**25.4. Maximum of the value of intangible assets related to a real estate or real estates**

Not applicable.

**25.5. Maximum of the value of intangible assets related to a real estate or real estates in relation to all assets**

Not applicable.

**25.6. Maximum ratio of real estates under construction**

Not applicable.

**25.7. Risks relevant to real estate funds**

Not applicable.

**25.8. Mode of management of risks relevant to real estate funds, risk management strategy and main principles of its implementation**

Not applicable.

**25.9. In case of contribution in kind for the purpose of introduction prior to registration of the fund, detailed description of the real estates to be contributed**

Not applicable.

**IV. The risks**

**26. Description of the risk factors**

**Only the Investors are those who bear the risks and the possible losses arising from investment in investment units of the Fund**

Owing to the nature of the money and capital markets, investment in the investment units of the Fund is risky. As the losses arising from the risk of investment are entirely borne by the Investors, the assessment, consideration and assumption of the investment risks is the Investor's responsibility. Below we wish to call attention, not exclusively, to the risk factors arising from investments in the investment units of the Fund.

### Suspension of continuous distribution of Investment units of the Fund

If continuous distribution of the Fund is suspended, during the suspension the Investors of the Fund have not the possibility to redeem their existing investment units and to buy new investment unit from the Fund. The rules for continuous distribution and for the suspension of continuous distribution of the Investment Units are contained in Clause 43 of the Fund rules.

### Political and economic environment

The political stability of target countries of the investments of the Fund can change from time to time. The governments of the individual countries may make such decisions which may negatively influence the value of the Fund's investments acquired in these countries during its operation, and the exchange rate against the forint of the currencies applied for record-keeping of these investments. The policy and measures of the national banks of Hungarian and foreign governments as well as those of the individual target countries may have significant impact on the income of the Fund's instruments and on the business life in general, including on the performance of companies the securities issued by which may be, from time to time, in the Fund's portfolio. The economic growth, the position of external economy, the exchange rate policy, the volume of deficit and the interest level of the target countries influence, including may even unfavourably affect the net asset value of the Fund.

### Inflation, interest rates

As debt securities and other securities providing interest-type income can be included in the securities portfolio of the Fund, therefore the return generated by these influences the profit achieved by the Fund considerably. However, the return of such instruments always depends on market interest rates, which however develop in line with the inflation expectations. Changes in interest rates can even have detrimental effect on the net asset value of the Fund.

### Issuers of securities

Under unfavourable circumstances, the issuers of securities in the Fund's portfolio may produce bad economic results, they may go bankrupt or get under liquidation proceedings, which may affect the Fund's portfolio and the Investors detrimentally in the form of absence of return, price loss or low market value.

### Liquidity risk

Even though, as a result of the overall globalization, the international investment environment has basically the consequence of increasing the liquidity situation of the securities market, still, the liquidity of the Hungarian securities market does not reach the level of developed capital markets yet. The sale of certain components of the portfolio, especially in the case of longer term bonds, may find difficulties or is possible only at an unfavourable price. The liquidity risk may be a limiting factor if the available funds of the Fund are invested. In addition, the strongly fluctuating market demand and supply are able to increasingly influence the price of the securities, which has an impact on the price of the Investment units through the Fund's net asset value. The liquidity deficit may exercise an unfavourable impact on the Fund, the extent of which always depends on the prevailing capital market situation.

### Pricing risk

When an investor places an order regarding investment units, he does not know yet what will be their price at the execution of the order.

### Derivative transactions

On behalf of the Fund, the Fund Manager is allowed to enter into derivative transactions only for the purpose of achieving the investment goals formulated in the Fund rules, for investment assets. Due to their nature, the derivative transactions bear much higher risks, which can be reduced, but cannot be fully excluded.

#### Exchange rate risk

The exchange rates related to each other of the individual currencies change as a consequence of the economic situation and/or the development of demand and supply. As a result, the value of the Fund's instruments expressed in the individual currencies, converted to the base currency, may change, depending on the fluctuation of the exchange rate between the specific currency and the base currency. Therefore, in some cases the Investors buying the Investment units need to face certain risk of fluctuation of the exchange rates of currencies of individual securities composing the Fund's portfolio against the Fund's base currency.

#### Volatility of share prices

International and the domestic securities markets are characterised by large exchange rate fluctuations, which may also influence the Fund's net asset value unfavourably. The price gain that can be achieved on the shares may extremely raise the return of the Fund but, despite the most prudential analyses, we can calculate with a possible prices loss as well, which may negatively influence the profitability of the Fund. The Fund Management Company may mitigate the unfavourable effects by using hedge transactions.

#### Counterparty risk

There is a danger that, in case concluded derivative or other transactions, the counterparty fails or is unable to meet its obligations during the transaction.

#### Risk of termination of the Fund

The Fund Management Company is obliged to terminate a public open-end investment fund if the Fund's own capital does not reach twenty million forint through three months as an average.

#### Sustainability risk

Sustainability risk is an environmental, social or management incident or circumstance, the occurrence or the existence of which may have an actual or potential material negative effect on the value of an investment. Such sustainability risks are climate risks, transition risks or extra costs due to the use of fossil fuels.

Results of the assessment of the probable impact of the sustainability risk on the return of the offered financial product:

#### (disclosure as per Article 6 (1) a) of the SFDR):

The return of financial products offered by the Fund Manager, like that of investment funds, may be impacted by sustainability risks (e.g. climate risk, transition risk, extra costs due to the use of fossil fuels). These effects generally occur within a longer investment period, up to 10 years or more, and regarding their results, they may even have a significant impact on the return of a given financial product, thereby possibly deteriorating their performance. (For example, due to increased attention on environmental considerations, a company operating in a given sector, may be subject to a disadvantage if it fails to switch from a "traditional" operating model to a more modern and environmentally sustainable operation method). The above can typically impact the given company's market perception, and thus its market value in the long run, which factor is duly taken into account by the Fund Manager in the course of the asset selection decisions. The degree of sustainability risks may differ for each financial product, which the Fund Manager continuously monitors and duly informs investors, as required by law. In the case of the

Fund, the Fund Manager hereby informs investors that the portfolio does not fall into the category of a financial product that promotes specific environmental or social characteristics or a combination thereof as defined in the SFDR Regulation (EU 2019/2088) or a financial product aimed at a sustainable investment. In selecting the investments upon which this financial product is based, the Fund Manager does not take into account the specific EU criteria for environmentally “sustainable” business activities (Taxonomy Regulation, EU 2020/852), as this product does not intend to meet enhanced sustainability criteria.

### **26.1. Management of the Fund’s liquidity risk, redemption rights and description of redemption agreements made with the investors**

In relation to the Fund, the Fund Management Company applies a liquidity management system in order to track the Fund’s liquidity risk and that the liquidity profile of the investments of the Fund should comply with the Fund’s liabilities.

The Fund Management Company regularly performs stress tests, all under extraordinary liquidity terms and conditions, which enable them to evaluate and monitor the Fund's liquidity risk.

Only the Distributor concludes agreements with the Investors for purchase and redemption orders. The Fund is an open-end fund, consequently, the Investors can purchase the Fund’s Investment Units according to the provisions of these Fund rules, the Assignment Contract entered into with the Distributor and the Distributor’s Business regulations, during the continuous distribution, and they can redeem their Investment Units. The Fund Management Company may also act as a Distributor; in such a case, it notifies the Investors about the execution of the orders.

The confirmation of execution of the orders contains the essential information of purchase and redemption orders for investment units, at least the following information:

- identification data of the Fund Management Company
- identification data of the Investor
- date and time of acceptance of the order
- date of execution of the order
- the identification data of the Fund
- the amount invested/redeemed
- the rate of the distribution commission

## **V. Valuation of the assets**

### **27. Determination, place and date of publication of the net asset value, procedure to be followed if the net asset value was calculated incorrectly**

The net asset value of the Fund is calculated and published pursuant to *Sections 62 and 124 – 126 of the Collective Investment Act*.

The Fund’s net asset value and the net asset value of one Investment Unit shall be identified by investment unit series for each distribution day and it shall be published on the website of the Fund Management Company (<https://www.vigam.hu>), and must be made accessible to the Investors on the Distributor’s website.

The Fund's net asset value shall be calculated with taking into consideration the market price of securities in the Fund's portfolio as well as the value of liquid assets and the costs and liabilities encumbering the Fund.

Calculations of the net asset value shall be established by the Custodian for each distribution day. The Custodian shall carry out the valuation of the assets and liabilities and determine the Fund's aggregate net asset value and the net asset value of one collective investment security in accordance with the laws and the Fund's Fund rules. The net asset value of the given distribution day (T day, value date) shall be calculated and published on the next distribution date (T+1 day) following the given date (T day) . In the course of calculation, the Custodian shall perform the valuation by using the market price information of the given distribution day (T day) and the most recent market price information.

The Custodian shall determine the Fund's net asset value for one Investment Unit concerning the given distribution day (T day) in the manner that he divides the Fund's net asset value on the given distribution day (T day), excluding the issued investment units on the given distribution day (T day), by the piece number of Investment Units in circulation on the distribution date preceding the given distribution day (T - 1 day) and shall round the value resulted in this way to 6 decimals according to the general rules of rounding. When calculating the net asset value, the Custodian shall charge all foreseeable longer period expenses encumbering the Fund every day, pro rata temporis and shall debit them to the Fund. The unforeseeable costs shall be debited to the Fund at their due date. As from the beginning of the first distribution day following the registration of the Fund, the Fund Management Company shall publish the Fund's net asset value and its net asset value for one Investment Unit by investment unit series on its website for each distribution day. The Fund Management Company shall make available the Fund's net asset value and its net asset value for one Investment Unit to the Investors at the distribution sites.

**Process of calculation of the Fund's Net Asset Value**

+	Value of liquid assets (current account, bank deposit)
+	Market value of money and capital market instruments
+	Amount of receivables from securities transactions and distribution
-	Amount of liabilities in relation to securities transactions and distribution
+	Other receivables (dividend, currency exchange, etc.)
-	Other liabilities (accrued fees, currency exchange, commission fees, etc.)
-	Fixed expenses (auditor fee, advertisement fee)
=	Gross Asset Value
-	Variable costs relative to the Asset Value (fund management fee, custodianship fee, fee of main distributor)
-	Variable costs relative to the T - 1 day Net Asset Value (annual Supervision fee)
=	Asset Value before distribution
+ / -	Sum of T day distributions



= | Net Asset Value

In case of any error in the calculation of the Fund's net asset value, the error must be corrected retrospectively to the date of occurrence of the error at the date of the next determination of net asset value following the exploration of the error if the ratio of the error is more than **one per mille** of the net asset value of the investment fund. When correction is made, the net asset value has to be modified in accordance with the ratio of the error at the date of the occurrence of the error identified in relation to all days that was affected later by the error explored. The corrected net asset value shall be published. If the Fund's net asset value is determined falsely, in excess of the above error threshold, and as a result the customer and Fund suffers losses, they shall be compensated, unless the amount of the loss is lower than HUF 1,000.- per customer. The compensation shall in no way be charged on the Fund, it shall be borne by the Fund Management Company or the Custodian in proportion of their agreement.

In case of false net asset value, the corrected net asset value of the Investment Fund and the corrected net asset value of one Investment Unit shall be published on the website of the Fund Management Company (<https://www.vigam.hu>) at the next date of publication of the net asset value following the exploration of the error.

## **28. Valuation of the components of the portfolio, description of the evaluation procedure and description of the pricing method used in evaluation of the assets, including the methods applied in the evaluation in accordance with Section 38**

The evaluation of the components of the portfolio shall be performed by the Custodian according to the following rules:

1. *Current account of the relevant Fund:* the deserved but not settled transaction date closing balance of the assets on the account(s), increased with pro rata temporis interest, shall be inputed.
2. *Fixed-time deposit:* in the case of fixed-time deposits, the transaction date closing balance of the amount of the deposit, increased with the deserved but not settled pro rata temporis interest.
3. *Debt securities:*
  - a) The Hungarian government securities with shorter maturity than one year, offered first through auction, including securities with joint and several guarantee of the State, shall be evaluated at purchase price before their issue.
  - b) In the case of HUF denominated Hungarian government securities with a shorter period to maturity than 3 months, including securities with joint and several guarantee of the State, the market value shall be determined at present value calculated by using the 3 month reference return published by the ÁKK on the transaction date or on the last workday preceding the transaction date, and/or as the sum of the net price calculated for the transaction date and the interests accumulated by the transaction date.
  - c) *All other Hungarian government securities* shall be evaluated by using the average price (bid-ask average) published by the ÁKK with a date equivalent to the transaction date (in absence of the former, with the most recent date preceding that date. The yield to maturity calculated from the bid-ask average published by the ÁKK with a date equivalent to the transaction date (in absence of the former, with the most recent date preceding that) shall be considered the base of evaluation; the net and gross prices of the transaction date must be calculated with this return. In absence thereof, those written in item d) below are authoritative.

- d) *Other zero-coupon securities* shall be evaluated at present value calculated with returns counted on the basis of the most recent price from among those listed below. In the case of *other interest-bearing securities*, the most recent of the following net prices, increased with interests accumulated till the transaction date shall be taken into consideration for the evaluation. In the event that several most recent prices are published for them for the same date, then the selection of the data supplier shall be negotiated with the Fund Management Company. If both buy and sell bids are offered, the bid-ask average is applicable. If one of the two-side bids is missing for the relevant day, then bid-ask average cannot be counted for that day. In this case, the last calculable bid-ask average shall be applied.

The price communicated by a data supplier of the specific market of the security (*websites of Bloomberg, Reuters, trade organizations or media, stock exchange market making, Supervisory Authority announcements, national banks' official homepage*) for the transaction date (in lack thereof the last price preceding that day), including prices appearing in communications of the aforesaid data suppliers or in the market making systems communicated by them. For using the prices, the spread between the value date of the market making and the transaction date shall be taken into consideration, therefore the base of evaluation shall be the yield calculated from the market making price, and the prices of the transaction date shall be calculated by using this yield, taking the value dates into consideration.

If no price is accessible for the relevant security or the price determined on the basis of the above order of sequence does not properly reflect the approximate value of the relevant instrument in the opinion of the Fund Management Company, then it shall make a proposal to the Custodian for determination of the real value. The proposal of the Fund Management Company shall be based on publicly accessible or other properly documented information with regard to the relevant instrument. The Custodian shall use the best estimate of the Fund Management Company in the evaluation at his own discretion. The value estimated in this way can be used for evaluation for 30 days; after lapse of these 30 days, the Custodian shall reevaluate the instrument, taking the proposal of the Fund Management Company into consideration.

#### 4. *Shares:*

Shares shall be evaluated at the most recent of the prices specified below. In the event that several most recent prices are accessible for them for the same date, then the following order of succession must be taken into consideration. In case of admission to stock exchange trading, if no exchange deal was made for a certain share, that share shall be evaluated at purchase value.

- i. Valuation date closing exchange price of the typical stock exchange of the security.
- ii. The valuation date closing exchange price of secondary stock exchange of the security or of other regulated market.
- iii. The last bid-ask average preceding the evaluation, communicated by a data supplier of the specific market of the security (*websites of Bloomberg, Reuters, trade organizations or media*) that is also accessible by Custodian.
- iv. Bid-ask average of quotations of investment businesses.
- v. The price of the Fund's last deal for the relevant security.

#### 5. *Investment Units:*

- a) Investment units of an open-end investment unit shall be taken at the last asset value for on unit published by the Fund Management Company.
- b) In the case of investment units of a closed-end investment fund,

- if there was stock exchange market making within the past 5 days, the lowest of the stock exchange closing price or the latest published net asset value shall be taken into consideration;
- in lack of the former, the last net asset value published shall be taken into consideration.

6. *Valuation of investments abroad:*

The value expressed in foreign currency of instruments denominated in a currency deviating from the Fund's valuation currency (base currency, in which the net asset value of the Fund is calculated) shall be converted to the Fund's valuation currency by using the bid-ask average published on the transaction date, or in lack thereof, the latest published official bid-ask average. Conversion to the Fund's valuation currency shall always be made at the middle rates of exchange of the National Bank of Hungary or at the cross exchange rates counted from them.

7. *Collateralized repo and reverse repo transactions:*

- a) The value of a repo transaction is the market value of the security used as collateral, defined according to the appropriate valuation rules, and pro rata temporis (linear) part of the price spread of the transaction calculated for the valuation date.
- b) In case of reverse repo transactions, the transaction shall be valued divided to two parts. The underlying security shall be valued at the general market value determined according to the valuation rules conform to the security. And the payment liability above the sales price that results from the transaction shall be debited to the Fund pro rata temporis, using linear method.

8. *If a subscription or redemption order in excess of 10% of net asset value of the fund is placed on T distribution day, then the Custodian may decide upon request of the Fund Management Company that*

- it takes into consideration the instruments affected in the T day transactions during the valuation on T day at the average prices of the transactions entered into by the Fund, or
- it deviates from the above-mentioned valuation principle in the case of such securities, the liquidity of which or any other markedly influencing circumstance would result a strongly abnormal value.

Its purpose is that an abnormally valued security should not be able to affect the Fund's investors detrimentally owing to the spread between the average prices of transactions that became necessary because of an extreme cash flow compared to the size of the Fund and the closing prices of the same instrument, or owing to any unforeseeable circumstance.

The Fund Manager determines the valuation principles for the valuation of hard-to-value assets in accordance with the legal regulations in force at the given time. The process of reviewing individual valuations may include model-based pricing.

## **29. Valuation of derivative transactions**

1. *Option deals:*

The standardised stock exchange options are valued at the last stock exchange closing price. If a stock exchange closing price which is not older than 30 days is not available, then it shall be calculated with a method that also takes the book value and time value of the option. In lack thereof or in the case of OTC transactions, the option shall only be valued at the internal value, that is, in this case the value of the option is the higher value of the spread between the deal value

of the option deal and the last closing value of the instrument underlying the option transaction and zero.

2. *Stock exchange futures transactions:*

Profits and losses generated from open positions on the transaction date shall be evaluated at the spread between the settlement price published for the relevant instrument on the transaction date, or in lack of such data, between the last officially published settlement price and the price on the trade day.

3. *OTC forward dealings:*

Profits and losses generated from open positions on the transaction date shall be valued at futures prices calculated on the basis of interbank interests denominated in currencies of the relevant instrument. The interests used in the calculation shall be counted as the average of interbank interests valid according to two maturities that are nearest to the residual maturity, weighted by days.

4. *Interest Rate Swap::*

For valuation of an IRS transaction, the Fund Management Company calculates each of the fixed and variable interest-bearing rates of the transaction, using the discount factors counted from the market switch curve.

**30. Other information regarding the relevant subject**

Not applicable.

**VI. Information regarding income**

**31. Conditions and procedure for calculation of the income**

Not applicable.

**32. Income payment days**

Not applicable.

**33. Other information regarding the relevant subject**

The Fund does not pay any income to the charge of the capital increment, in accordance with the investment policy of the Fund, the total capital increment is reinvested. The Investors may realize the capital increment as the difference between the purchase price and redemption price of the Investment Units owned by them, i.e. as a profit.

## **VII. Promise for protection of the equity of the investment fund and for the return and guarantees for its fulfilment**

### **34. Promise for protection of the equity and for the return**

#### **34.1. Bank guarantee or surety assurance ensuring the fulfilment of promise for protection of the capital and for the return (capital and return guarantee)**

Not applicable.

#### **34.2. Investment policy supporting the promise for protection of the capital and/or for the return (capital and/or return protection)**

Not applicable.

### **35. Other information regarding the relevant subject**

Not applicable.

## **VIII. Fees and charges**

### **36. Amount of fees and charges encumbering the Investment Fund and method of charging thereof to the Fund**

#### **36.1. Amount, description of calculation, method of charging to the Fund and settlement of the fees and charges to be paid by the Investment Fund to the Fund Management Company**

The Fund Management Company charges a fund management fee for the management of its assets, the rate of which is the following in proportion of the transaction date asset value of the Fund's series:

<b>Series</b>	<b>Rate of fund management fee</b>
VIG Czech Short Term Bond Fund (Series A, CZK)	0,78%
VIG Czech Short Term Bond Fund (Series I, CZK)	0,53%

The Fund Management Company may deviate from the rate of fees specified in these Fund rules in a more favourable direction for the Investors. The rate of fee in ratio of the Asset Value on the relevant day (T day), calculated with the method described in the Net Asset Value Table in Clause 27 of the Fund rules. The Custodian charges the fund management fee on a daily basis. The Fund disburses a portion of the fund management fee under title Trailer Fee for Sales Activity, but as an aggregate, it does not increase the amount of the Fund Management Fee.

#### **Performance Fee**

The Fund Manager does not charge any performance fee in connection with the Fund.

#### **36.2. If they are paid by the Investment Fund directly, the sum, description of calculation, method of debiting to the Fund and settlement of the fees and amounts to be paid to the Custodian**

For implementation of the custodian activities in relation to the Fund, the Custodian charges a custody fee, which includes the costs involved in the safekeeping the securities in the Fund's portfolio, the

settlement of securities, the observation of investment limits and in the checking of the asset value. The rate of custody fee is 0,15%.depending on the amount of net asset value of the month preceding the relevant month. The rate of the fee is calculated on the relevant day (T day) asset value. The custody fee is calculated daily based on the Fund's latest published net asset value and is paid monthly against the Custodian's invoice within the term written in it.

**36.3. If they are paid by the Investment Fund directly, the sum, description of calculation, method of debiting to the Fund and settlement of the fees and amounts to be paid to other parties or third persons**

For the Main Distributor's activity related to the distribution of the Fund, the Fund pays a Main Distributor fee to the Fund Management Company, which coordinates the distribution activity, sums the Fund's distribution and implements the accounting of securities and money movements related to the distribution. For this activity the Fund pays 0.05% of Fund's relevant day (T day) asset value.

For implementation of the auditing activities in relation to the Fund, the Auditor charges an audit fee. The amount of this fee is agreed on an annual basis. The amount of the fee is agreed on an annual basis, its amount depends on the extent of responsibility, the required professional skill and on the time spent for the work. The Fund pays the audit fee at the dates agreed in an audit contract, against an invoice. The maximum audit fee of the Fund is 0.1% per annum of the Fund's assets of the previous day (day T-1).

According to the laws in effect, the Supervisory Authority charges a supervisory fee, which is also borne by the Fund. Its annual rate is 0.35 per mille of the average net asset value of the Fund on the effective date of present Fund Rules. The Fund Management Company does not debit the administrative service fees to be paid to the Supervisory Authority for the licensing procedures of the supervisory authority in relation to the Fund.

As regards the clearing house, sub-custodian safekeeping, transaction and other fees in effect, in case of Hungarian securities the fees charged by KELER Central Depository Zrt., and in case of foreign securities charged by the Custodian's sub-custodians and account-keeping institutions will be passed to the Fund. The amounts of these fees depend on the type, quantity of the deals made by the Fund, on the value and accounting method of the individual transactions.

**37. Other possible costs or fees encumbering the Investment Fund and the Investors (the highest amount of fees), except for the costs mentioned in Clause 36.**

The Fund Management Company passes the other direct costs incurred during the Fund's transactions to the Fund, if and where the Fund does not settle them directly with the service provider, including in particular the investment provider fees, the banking costs, the accounting costs, the expenses incurred in relation to keeping the Fund's accounts, furthermore, the marketing and other costs arisen in relation to the publication and information given to potential Investors as well as any other relevant cost relating to the operation of the Fund. The highest amount of fees encumbering the Fund for one business year is 0.50% of the Fund's net annual average asset value.

Due to purchase, maintenance and redemption of investment units, the Investors are charged with other fees and costs as well:

- The Distributor selected by the Investor charges distribution commissions during continuous distribution of the Fund's Investment Units, which are specified in the fee schedule of the Distributor. The rate of distribution commission is maximum 5% of the sum of the order.
- The financial institution selected by the Investor may charge various fees and commission for the services relating to investment units, such as fees and commissions in relation to the keeping for a

securities account, securities transfer fee, bank transfer fee, fee for withdrawal of cash, etc. These fees are specified in the fee schedule of the financial institution, the Fund Management Company has no information on them.

**38. If the investment fund invests at least 20 percent of its assets in other collective investment forms, the highest rate of fund management fees encumbering the other collective investment forms set as target of the investment**

Not applicable.

**39. Conditions and costs of switches between part-funds**

Not applicable.

**40. Other information regarding the relevant subject**

The costs are listed itemized in the semi-annual and annual reports. When determining the net asset value, the Fund Management Company debits all expenses that relate to a longer period and are precalculable to the relevant Fund gradually, if possible by using deferment. The Fund Management Company strives to achieve that the annual operating costs, without investment service fees, should not exceed 2% of the Fund's annual average equity capita.

**IX. Continuous distribution of investment units**

**41. Purchase of investment units**

**41.1. Acceptance, accounting, execution of purchase orders and deadline for their acceptance within a day**

In the period of continuous distribution, the Investors can acquire their Investment Units by conclusion of an agreement with the Distributor, giving assignment for purchase of Investment Units. To the deadline for acceptance of orders from Investors and to the rules of paying the purchase price by the Investors to the Distributor, the agreement between the two parties is authoritative, in relation to distribution both in Hungary and abroad. The business hours and the terms of business of the various Distributors may differ, and Investors should enquire about these from the respective Distributor.

**In its Business Regulation, the Distributor may set a minimum amount for purchase orders, which minimum amount may be different at each Distributor. The Distributor will not execute orders below the minimum amount.**

**41.2. Distribution accounting day for purchase orders**

Distribution accounting date is the day when the relevant order is accounted on the basis of the net asset value and the net asset value of one investment unit, that is, when it is calculated how many investment unit the relevant investor will receive when his purchase order is executed.

The Fund identifies the net asset value for all **Hungarian** workdays; it can deviate from this rule only in the events and manner defined in law, which means that, with the exceptions defined above, all Hungarian workdays are distribution (distribution accounting) days, for which days the investors can place purchase orders.

Purchase orders placed for investment units till 4:00 p.m. of distribution date, i.e. distribution accounting day (T day) are valid for accounting on T day, and orders received afterwards are already valid for accounting on T+1 day. This means that the distribution accounting day of orders received before the aforesaid deadline is T day, i.e. they will be accounted on the basis of prices valid on T day, while orders received after deadline are valid for distribution accounting on T+1 day.

The above-mentioned distribution accounting days apply also to **distribution abroad**, that is, orders received according to the above-mentioned deadlines are accounted.

### 41.3. Distribution execution day for purchase orders

Distribution execution day is the day when the purchase of securities ordered by the Investor is actually credited and the amount of the purchase order was credited to the Fund's account. In relation to **purchase orders**, the table below shows the distribution execution day of the Investment Units by series and the data in the table are to be understood for distribution days:

Series	Payment of money	Delivery of securities
A series	T+3	T+3
I series	T+3	T+3

In the case of **foreign distribution**, the monetary settlement of a series distributed in another country will differ from the value in the table above due to the time lag in the wire-transfer dates, meaning that the Fund will receive the money from the subscription 1 day later. Therefore, the payment in these cases will reach the Fund's account on day T+3. Furthermore, there may be trading days in Hungary that are non-trading days abroad (due to public holidays there), in which case the settlement of the order may be delayed by the number of intervening non-working days in that country.

## 42. Redemption of investment units

### 42.1. Acceptance, accounting, execution of redemption orders and deadline for their acceptance within a day

In the period of continuous distribution, the Investors can redeem their Investment Units by conclusion of an agreement with the Distributor, giving assignment for redemption of the Investment Units. To the deadline for acceptance of orders from Investors and to the rules for making the investment units to be redeemed available by the Investors to the Distributor, the agreement between the two parties is authoritative, in relation to distribution both in Hungary and abroad. The business hours and the terms of business of the various Distributors may differ, and Investors should enquire about these at the respective Distributor.

### 42.2. Distribution accounting day for redemption orders

Distribution accounting date is the validity date of the net asset value and the net asset value of one investment unit, on the basis of which the relevant order is accounted, that is, it is calculated what an amount the Investor will receive when his redemption order is executed.

The Fund identifies the net asset value for all **Hungarian** workdays; it can deviate from this rule only in the events and manner defined by law, which means that, with the exceptions specified above, all Hungarian workdays are distribution (distribution accounting) days, for which days the Investors can place redemption orders.



Redemption orders placed for investment units till 4:00 p.m., in the case of orders in the amount of 100 million HUF or more until 12:00 a.m. of distribution date, i.e. distribution accounting day (T day) are valid for accounting on T day, and orders placed afterwards are already valid for accounting on T+1 day. This means that the distribution accounting day of orders received before the aforesaid deadline is T day, i.e. they will be accounted on the basis of prices valid on T day, while orders received after deadline are valid for distribution accounting on T+1 day.

The above-mentioned distribution accounting days apply also to **distribution abroad**, that is, orders received according to the above-mentioned deadlines are accounted.

### 42.3. Distribution execution day for redemption orders

Distribution execution day is the day when the money for Investor's order was actually credited and the redeemed investment units are credited to the Fund's account. In relation to **redemption orders**, the table below shows the distribution execution days of the Investment Units by series and the data in the table are to be understood for distribution days:

Series	Payment of money	Delivery of securities
A series	T+3	T+3
I series	T+3	T+3

With regard to the opportunity provided for under Section 128(1) of Act XVI of 2014 on collective investment forms and their managers (Hungarian abbreviation: Kbfvtv), that is, the opportunity to treat assets that have become illiquid separately from other assets, the Fund Manager shall decide on whether to take this opportunity for specific assets on a case-by-case basis. Investment units that an Investor wishes to redeem (sell back to the Distributor) shall be redeemed in accordance with the agreement between the two parties, and shall be subject to the cut-off times for redemption. Upon receipt of the funds for the redeemed Investment Units, the cash withdrawal fee or transfer fee specified in the Distributor's latest terms of business shall be charged to the Investor.

valid business regulation shall be borne by the Investor.

In the case of **distribution abroad**, payment of a series of money redeemed in another country may differ from the values written in the above Table due to time lag of transfer days, in the manner that the Fund launches the transfer of the amount of redemption to the Distributor on the above-mentioned day, but, due to the surplus time of passing the border, the Distributor receives the amount later. Consequently, the date of launching the transfer is the date written in the Table, but the date of receipt of it on the Distributor's account is already T+4 days. Furthermore, in the event of such non-work days abroad which are distribution days, the implementation of distribution abroad may be deferred by the number of non-work days abroad, falling in between.

### 43. Detail rules on continuous distribution of investment units

The continuous distribution of the Fund can be interrupted for maximum 3 workdays. The Fund Management Company informs the Investors on the suspension in form of an extraordinary announcement.

The continuous distribution of the Fund may also be suspended by the Fund Management Company or the Supervisory Authority in the interest of the Investors. The Fund Management Company informs the Investors and the Supervisory Authority in form of an extraordinary announcement without delay.

The Fund Manager provides for the possibility of withdrawing a submitted order in accordance with Section 108(4) of the Collective Investment Act (Kbftv), if the trade date or the settlement date falls on a day of suspension or interruption of the sale or the redemption; the trade date and the settlement date shall then respectively be the first trading day and the first settlement day thereafter, on which the suspension of trading matching the direction of the order ceases

The rules of discontinuation or suspension of the Collective Investment Act, in particular Section 76 (2) b), Section 95 (2), Section 108 (1) and (4) as well as Sections 113-116 of the Collective Investment Fund contain provisions on the interruption or suspension of the continuous distribution.

#### **43.1. The maximum amount of distribution**

Not applicable.

#### **43.2. The procedure after the maximum amount of distribution is reached, exact conditions for restarting the sale**

Not applicable.

#### **44. Determination of the purchase and the redemption price of the investment units**

The purchase and the redemption price of one Investment Unit is the net asset value for one Investment Unit, which is counted rounded to 6 decimals for each distribution day.

##### **44.1. Method and frequency of calculation of the above prices**

The Custodian is obliged to calculate the Net Asset Value (distribution price) for one Investment Unit valid on T distribution accounting day on each T+1 distribution accounting day.

##### **44.2. Maximum rate of distribution commissions charged in relation to purchase and redemption of investment units and information of the fact that they are payable, partly or fully, to investment fund or the distributor or the fund management company**

During the continuous distribution of Investment Units of the Fund, the Distributor charges the following distribution (purchase/redemption) commissions. The payment of distribution commissions charged by the Distributor to the Investors is due at the performance. The Distributor may impose even a minimum fee regarding the amount of the commission, the value of which, cannot be higher than CZK 1300.

##### *Entry charge*

The entry charge is maximum 5.00% as percentage of the sum to be invested.

##### *Exit charge*

When Investment Units are redeemed, the Distributor may charge a redemption commission, which rate shall be maximum 3.50% of the sum to be redeemed.

The Distributor may determine the entry and exit charges **more favourably** for the Investors than the above rates according to its Fee and Expense Schedule. The distribution commission is due to the Distributor.

**If any holders of the Investment Unit(s) place a redemption order for the investment units of the same investment fund within 10 distribution days (T+10) after the date of the purchase order, then the Distributor charges a penalty charge of 2% in addition to the usual exit charge, which penalty charge is payable to the Fund. The time interval necessary for the calculation of the penalty charge shall be taken into consideration on the basis of the FIFO principle. In the case of redemption of R series, the Distributor does not charge any penalty charge.**

**45. Indicate the regulated markets where the investment units are listed and/or traded.**

Not applicable.

**46. Indicate the sates (distribution areas) where the investment units are distributed**

Hungary

Following the notification procedure of the Fund, the Investment unit series of the Fund are distributed in the European Union as well.

**47. Other information regarding the relevant subject**

**Switch of investment units**

In the period of continuous distribution of the Investment Units, the Investors have the possibility to switch their existing Investment Units to other investment units of other currency of an open-end investment fund managed by the Fund Management Company. Switch is only possible in the case of a Distributor, the Business Regulation of which contains provision on such types of transactions. The transferring or blocking of the investment units intended to be switched shall be implemented by the Investor towards the Distributor by taking the deadlines for switch into consideration on the basis of an agreement between the parties.

The deadline for placing switch orders for the Investment Units is 4:00 p.m. on T day, in case of orders in the value of HUF 100 million or more, this deadline is 12:00 a.m. of T day and orders placed afterwards are considered to be T+1 day orders. The distribution accounting date of orders received before the above-mentioned deadlines is T day and orders received after these deadlines are valid for distribution accounting on T+1 day. It is at the own discretion of the Fund Management Company whether, depending on the liquidity situation of the individual funds, it accepts orders received after lapse of the deadlines for T day distribution accounting day or not. According to the Distributor's Business Regulation, the time limit for acceptance of T day orders can be closed earlier than the above-mentioned deadlines.

The Distributor executes orders placed for switching of Investment Units in irrevocable form on the basis of net asset value for one Investment Unit valid for T day. The exchange price for one Investment Unit is the net asset value for one Investment Unit, which is counted rounded to 6 decimals for each distribution day.

**In its Business Regulation, the Distributor may set a minimum amount for switch orders, which minimum amount may be different at each Distributor. The Distributor will not execute orders below the minimum amount.**

In the case of a **switch order**, the Investor switches the Investment Units to be switched to Investment Units indicated as target of the exchange, without any payment. The distribution execution date of the Investment Units is determined by the distribution execution date valid for redemption of Investment Units to be switched, which is shown in the Table below for the series of VIG Czech Short Term Bond Fund; the data in the Table are to be understood for distribution days.

Series	Delivery of securities
A series	T+3
I series	T+3

During the continuous distribution of Investment Units of the Fund, the Distributor may charge the following switching charges. The payment of switching charges charged by the Distributor to the Investors is due at the execution of orders. The Distributor may impose even a minimum value regarding the amount of the charge, the value of which, cannot be higher than CZK 1300,

In the case of **distribution abroad**, the execution days of switching do not deviate from the days shown in the Table.

#### *Switching charge*

When switching the Investment Units, the Distributor may charge a switch commission, which can be maximum 3.50% as the percentage of the sum to be switched.

The Distributor may determine the switching charges **more favourably** for the Investors than the above values in its Fee and Expense Schedule. The distribution commission is payable to the Distributor.

**If any holders of the Investment Unit(s) places a purchase or switch order for the investment units of the same investment fund within 10 distribution days (T+10) after the date of the purchase or switch order, then the Distributor charges a penalty charge of 2% in addition to the usual exit or switching charge, which penalty charge is payable to the Fund. The time interval necessary for the calculation of the penalty charge shall be taken into consideration on the basis of the FIFO principle. In the case of redemption of R series, the Distributor does not charge any penalty charge.**

## **X. Information regarding the Investment Fund**

### **48. Past performance of the Investment Fund – such information can be included in the Fund rules or can be attached thereto**

The past performance of the Fund is no guarantee of the extent of future returns. The Fund's performance figures are not yet available for a full calendar year, and thus we cannot provide our investors with useful information on historical performance.

### **49. If, in the case of the relevant Fund, there is a possibility to withdraw investment units, its conditions**

Not applicable.

### **50. Circumstances giving rise to termination of the investment fund; impact of the termination on the rights of investors**

The rules regarding the termination of the Fund, the sale of the assets of the Fund and regarding the disbursement of the properties are described in Sections 75 to 79 of the Collective Investment Act.

### **51. Any further information on the basis of which the investors get guidance to make informed decisions on the investment possibilities**

The Fund Manager shall provide the following information to the Fund in accordance with the requirements of Regulation 2015/2365 of the European Parliament and of the Council of 25 November

2015 on the transparency of securities financing transactions and re-use and amending Regulation (EU) No 648/2012:

<p><b>General description of the securities financing transactions and total return swaps used and justification for their use</b></p>	<p>The Fund does not enter into full return swaps. A general description of the securities financing transactions (repo and reverse repo transactions) used by the Fund can be found in Sections 14, and 24 of the Management Regulations. The reason for concluding these transactions is compliance with the provisions of the investment policy.</p>
<p><b>Aggregate data for each type of securities financing transaction and total return swap</b></p>	
<p><b>Types of assets that can be used for transactions</b></p>	<p>Government securities</p>
<p><b>The maximum ratio of assets that can be used for transactions compared to the fund's assets under management</b></p>	<p>100%</p>
<p><b>The expected ratio of the assets available for each transaction compared to the assets under management of the fund</b></p>	<p>0-100%</p>
<p><b>Selection criteria for counterparties (including legal status, country of origin and minimum credit rating).</b></p>	<p>The criteria for the contracting parties are set out in the internal regulations of the Fund Manager. The counterparties are typically credit institutions and other financial institutions domiciled in EU or OECD countries. The Fund Manager may enter into transactions with counterparties with a credit rating recommended for investment at a higher amount, while counterparties with a credit rating not recommended for investment may enter into transactions at a lower amount.</p>
<p><b>Eligible Collateral: A description of the eligible collateral with respect to asset types, issuer, maturity, liquidity, and collateral diversification and correlation rules.</b></p>	<p>The criteria for acceptable collateral are set out in the Fund Manager's internal regulations. In the case of a repo transaction used by the Fund, the collateral is typically a Hungarian government security with a maturity of less than one year, the maturity of the transaction is typically 1-3 days. For a description of the loan transactions used by the Fund, see point 15 of the Management Regulations.</p>

<p><b>Valuation of collateral: a description of the collateral valuation methodology used and the rationale for its use, as well as information on whether it is valued at daily market value and a daily variable deposit is applied.</b></p>	<p>Collateral is valued on a daily basis in accordance with the valuation methodology detailed in the Fund's Management Regulations.</p>
<p><b>Risk management: a description of the risks associated with securities financing transactions, total return swaps and collateral management, such as operational, liquidity, counterparty, custodial and legal risks and, where applicable, the risk arising from the re-use of collateral..</b></p>	<p>In the event of a contracting party's non-delivery, there is a risk associated with the party, which the Fund Manager limits through credit rating-linked party limits set out in its internal regulations.</p> <p>Credit risk and liquidity risk arise in connection with the provision of collaterals, which is limited by the Fund Manager by restricting the scope of collaterals to government securities.</p> <p>The collaterals received will not be re-used by the Fund</p>
<p><b>Details of how the instruments used for securities financing transactions and total return swaps and the collateral received are held in custody (for example, at the custodian of the fund).</b></p>	<p>The assets used for securities financing transactions and the collateral received are deposited by the custodian of the fund.</p>
<p><b>Details of any restrictions (regulatory or voluntary) on the re-use of the collateral.</b></p>	<p>Not applicable</p>
<p><b>Yield-sharing strategy for securities financing transactions and total yield swaps: description of the income from securities financing transactions and total yield swaps returned to the collective investment scheme, as well as costs and fees incurred by the fund manager and third parties (e.g. at the lending agent). The prospectus or the information provided to the investors shall also indicate the nature of relationship between the management company and these parties..</b></p>	<p>Revenues (yields, fees, interest), cost and expenses arising from securities financing transactions incur entirely at the fund and are not shared with third parties</p>

**In compliance with Article 7(1) of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, the Fund Manager provides the following information:**

The Fund does not consider it as one of its objectives to make sustainable investments, and is not intended to promote environmental and social characteristics, i.e. it can be considered as a fund falling under Article 6 of the SFDR Regulation. The Fund considers sustainability risks relevant with respect to the value of its investments, however. Accordingly, it is particularly important as regards the sustainability risk to also consider Principal Adverse Impacts (PAIs) on sustainability factors.

With respect to the Fund, the Fund Manager takes into account the adverse impact of its investment decisions on sustainability factors; these can be measured with the principal adverse impact indicators. In the course of the management of the Fund, the Fund Manager integrates the principal adverse impact indicators into its investment decisions indirectly – through the so-called ESG rating –, evaluating them as risk factors.

In order to interpret the specific PAI indicators, they have to be put in the appropriate context, and the relevant index numbers – which may differ for each industrial sector – also have to be considered. Because of this, the MSCI ESG methodology takes into consideration the measurement of the major adverse impacts jointly with additional environmental, social and corporate governance factors, in a weighted manner, aggregating the data in the ESG rating. In the course of the management of the Fund, the Fund Manager – in addition to complying with the principles of exclusion – takes the MSCI ESG rating into account.

The consideration of the main adverse impacts on sustainability factors is built into the investment practice on two levels:

1. **Exclusion list:** The Fund Manager complies with the exclusion list defined by it. This means that the Fund does not invest in severely harmful industries that have PAI indicators that can be considered to be negative. This includes companies having significant heating coal exposure, companies engaged in the manufacture and sale of disputed weapons, tobacco companies, and companies that severely violate the UN Global Compact. The Fund Manager's exclusion principles prescribe the threshold values of exposures in industries resulting in exclusion, which exclusion principles are detailed in the Responsible Investment and Sustainability Policy. With regard to sovereign issuers, the state bonds of countries violating the UN Global Compact can be considered among the issuers defined in the exclusion policy.
  - The application of the exclusion list ensures that in its investment decisions, the Fund Manager takes into account the following PAI indicators:
    - Among the climate and other environment-related indicators:
      - PAI 4. Exposure to companies active in the fossil fuel sector
    - Among the indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters:
      - PAI 10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
      - PAI 14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).
2. **Consideration of PAI indicators via ESG data:** We rely on internationally embedded data providers for the ESG analysis and performance evaluation, and we apply the ESG rating methodology used by these data providers. Among the data providers, the Fund Manager takes the

MSCI's ESG rating as a basis, which can also be substituted by a similar internationally embedded service provider. **Measurement of sustainability criteria:** The ESG criteria include environmental, social and corporate governance factors, which, together, constitute the conditions of sustainable corporate operation. Our approach considers dual materiality important; this considers the material impact of corporate operation on the environment and society, and the effect of the ESG risk on the corporate value, also considered material. These ESG factors include the mandatory PAI indicators prescribed by the RTS, and additional industry-specific criteria. These measurements constitute the fundamental elements of the MSCI's methodology, the comprehensive index number of which is the *ESG rating*.

In accordance with the relevant legal provisions, the Fund Manager provides information regarding the development of the PAI indicators in its interim report.

The Fund Manager defines the manner of taking into account the principal adverse impacts on sustainability factors and the indicators considered in its Responsible Investment and Sustainability Policy. It publishes the key elements of this on its website, together with the due diligence and responsibility policy applied, available via the following link: <https://www.vigam.hu/fenntarthatosag/>

The information on the development of the principal adverse impacts on sustainability factors for each year is made available on the Fund Manager's website by 30 June of the next year: <https://www.vigam.hu/>

**In compliance with Article 7 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, the Fund Manager provides the following information:**

At present, the Fund's investments do not take into account the criteria concerning environmentally sustainable economic activities as defined by the European Union.

## **XI. Basic information on the cooperating organizations**

### **52. Basic information on the investment fund management company (company name, company form, company registration number)**

Name of the Fund Management Company: VIG Asset Management Hungary Closed Company Limited by Shares

Company registration number 01-10-044261

### **53. Basic information on the Custodian (company name, company form, company registration number), its responsibilities**

Name of Custodian: Erste Bank Hungary Ltd. (1138 Budapest, Népfürdő utca 24-26.) Company registration number: 01-10-041054

Pursuant to Section 62 (1) of the Kbtv., the Fund Manager shall assign a Custodian, who - pursuant to Section 62 (3) of the Kbtv. - can be an institution determined in Section 4 (1) 68, Subsection aa) of the Kbtv.



The Custodian shall perform the functions assigned to it by the Collective Investments Act (Kbftv.), and in particular by Sections 62-63, 75(5), 79(3), and 124-126 thereof.

The Custodian's contractual obligations are as follows:

- a) ensuring that the Fund's cash flows are properly monitored and that payments made by or on behalf of investors during the subscription of units in collective investment undertakings are received;
- b) ensuring that the Fund's cash balance is booked in one or more accounts opened in the name of the Fund in line with the principles laid down in Section 57 of Hungarian Act CXXXVIII of 2007 on Investment Firms and Commodity Dealers ("Bszk.") and maintained by an institution as defined in Section 60(1)(a) to (c) of that Act, or by an institution subject to effective prudential regulation and supervision which have the same effect as Union law and are effectively enforced and in accordance with the principles set out in Article 18(1)(a) to (c) of Directive 2006/73/EC implementing Directive 2004/39/EC of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive;
- c) ensuring the safe-keeping and custody of financial instruments held in custody and of documents certifying the rights derived from such financial instruments;
- d) managing the account dedicated to the registration of the Fund's securities, the securities account, the payment account, and the customer account;
- e) based on the information or documents provided and available external evidence, ascertaining, with respect to all other assets, whether the assets concerned are owned by the Fund and keeping up-to-date records of the instruments that are established to be owned by the Fund;
- f) executing the Fund Manager's instructions regarding the Fund's financial instruments, unless such instructions conflict with any statutory provision or the Fund's Management Regulations;
- g) carrying out the evaluation of assets and liabilities and determining the Fund's total net asset value and net asset value per collective investment unit;
- h) checking whether the Fund complies with the investment rules set out in the applicable legislation and in the Fund's Management Regulations;
- i) checking whether units in collective investment undertakings are sold, redeemed or canceled in accordance with the applicable legislation and the Fund's Management Regulations;
- j) ensuring that all compensation resulting from transactions involving the Fund's assets and from trade in units in collective investment undertakings is paid to the Fund within a deadline in line with customary market practice;
- k) checking whether the Fund uses its income in accordance with the applicable legislation and the Fund's Management Regulations;
- l) monitoring the Fund's cash flows based on the information provided by the Fund Manager.

**54. Basic information on the Auditor (company name, company form, company registration number), its responsibilities**

Name of the Auditor: PricewaterhouseCoopers Könyvvizsgáló Kft.

Company registration number: 01-09-063022

The Auditor carries out the tasks specified in the Collective Investment Act, including in particular in Section 135 (1) thereof.

Responsibilities of the Auditor:

- review of the accounting information disclosed in the Fund's Annual Report;
- tracking and controlling whether the Fund Management Company manages the Fund in compliance with the laws;
- in the events specified in the Collective Investment Act, providing information to the Supervisory Authority on the result of the above audit.

**55. Basic information (company name, company form, company registration number) on the consultant whose remuneration is paid from the assets of the investment fund**

Not applicable.

**56. Basic information on the Distributor (company name, company form, company registration number), its responsibilities**

VIG Asset Management Hungary Closed Company Limited by Shares

*Registration number: 01-10-044261*

Name of distributor: Conseq Investment Management, a. s.

Registration number: B 7153

The Distributor carries out the tasks specified in Sections 106-108 of the Collective Investment Act.

Responsibilities of the Distributor:

- It participates in the continuous distribution of the open-end investment units and, if necessary, in the primary offering of investment units (implementation of subscription process).
- On its website it makes continuously accessible the Fund's valid documents specified in the Collective Investment Fund, the Fund's regular information and extraordinary announcement, and, upon request, it surrenders on copy of them to the Investors free of charge.

**57. Basic information on the Real Estate Appraiser (company name, company form, company registration number)**

Not applicable.

**58. Information on the prime broker**

**58.1. Name of the prime broker**

Not applicable.

**58.2. Description of essential elements of the agreement made with the AIF primary broker, description of incompatibilities arising**

Not applicable.

**58.3. Description of the element of the agreement that may be concluded with the Custodian and that relates to the possibility of transferring and reusing the assets of the AIF as well as the description of information on the responsibility that may be passed to the prime broker**

Not applicable.

**59. Description of activities outsourced to third persons, presentation of the possible incompatibilities**

Name of the institution carrying out outsourced activities: Monolith Systemhouse International s.r.o ill. Monolith Rendszerház Informatikai Kft.

Headquarters of the institution carrying out outsourced activities: 1054 Budapest, Báthory utca 20. 3. em.  
4. ajtó

Outsourced activities: System support and development

Name of the institution carrying out outsourced activities: AEGON Magyarország Általános Biztosító Zrt.

Headquarters of the institution carrying out outsourced activities: 1091 Budapest, Üllői út 1.

Outsourced activities: IT Service Level Agreement and Cooperation Agreement (Service Level Agreement - Finance, Accounting, Risk Management, HR, Legal, Tax, Vehicles)

Name of the institution carrying out outsourced activities: Alapkezelő Rendszer Kft.

Headquarters of the institution carrying out outsourced activities: 9464 Und, Fülesei utca 11.

Outsourced activities: Jobs Recording System (ANYR) support and development

Name of the institution carrying out outsourced activities: ABN-Expert Kft.

Headquarters of the institution carrying out outsourced activities: 8000 Székesfehérvár, Orsovai utca 40.

Outsourced activities: Online system support and development

**60. In the case of UCITS, description of the Custodian's obligations, the possible incompatibilities, the tasks outsourced by the Custodian as well as a declaration about that the UCITS fund manager discloses, upon request, the information specified in Clause 53 and in this Clause to the investors.**

When carrying out its activity, the Custodian shall act fairly, at a high professional level, independently and bearing in mind the interests of the Fund and the Fund's investors. The Custodian's obligations are specified in Clause 53 of these Fund rules. The Custodian is not allowed to carry out such activities for the Fund that may cause incompatibilities among the Fund, the Fund's investors, the Fund Management Company and itself, unless the Custodian separates its custodianship activities from its other possible incompatible activities, and explores, manages, monitors and discloses the possible incompatibilities to the Fund's investors.

The Custodian may outsource certain tasks to third persons on the basis of a custodianship agreement if the requirements specified in the Collective Investment Act are met. The Custodian's responsibility is not influenced by the fact that it transferred certain custodian functions affecting the assets of the Funds to a third party.

The Fund Management Company makes the information specified in Clauses 53 and 60 of these Fund rules and in Point 8 of the Fund's Prospectus available to the investors by publishing the Fund rules and the Prospectus.

## Annex 1

Argentina	Hong Kong	Nigeria (Lagos)
Australia	Hungary (Budapest)	Norway (Oslo)
Austria (Vienna)	ICE-ICE Futures Europe	NYF-ICE Futures US Indices
Bahrain	ICF-ICE Futures Europe Financials	NYM - New York Mercantile Exchange
Bangladesh (Dhaka)	India	Offshore funds
Barbados	Indonesia (Jakarta)	Omon
Belgium (Brussels)	Iran	OSE-OSAKA Exchange
Belgrade Stock Exchange	Ireland	Pakistan (Karachi)
Bermuda (Hamilton)	Ireland (Dublin)	Panama (Panama city)
Botswana (Gabaron)	Israel (Tel aviv)	Paraguay (Asuncion)
Brazil (Sao paolo)	Italy (Milan)	Peru (Lima)
Bulgaria	Ivory Coast (Abidjan)	Philippines
Cayman	Jamaica (Kingston)	Poland (Warsaw)
CBT_Chicago Board of Trade	Japan	Portugal
Chicago Board Options Exchange	Jordan (Amman)	Romania
Chile	Kanada	Russia
China	Kazakhstan Stock Exchange	Seaq intl (London intl)
CME-Chicago Mercantile Exchange	Kenya (Nairobi)	Singapore
CMX-Commodity Exchange	Korea (Seoul)	Six swiss exchange
Colombia (Bogota)	Kuwait	Slovakia (Bratislava)
Costa Rica (San Jose)	Latvia	Slovenia (Ljubljana)
Croatia	Lebanon	South Africa (Johannesburg)
Cyprus	LIF-LIFFE	Spain (Madrid)
Czech Republic (Prague)	Lithuania	Sri lanka (Colombo)
Denmark (Copenhagen)	Luxembourg	Swaziland
Easdaq	Malawi	Sweden (Stockholm)
Ecuador	Malaysia (Kuala lumpur)	Switzerland
Egypt	Malta (Valetta)	Taiwan (Taipei)
EOP - Euronext Derivatives Paris	Mauritius (Port louis)	Thailand (Bangkok)
Estonia	Mesdaq	Trinidad (Port of spain)
Euro mn	Mexico	Tunisia (Tunis)
EUX-Eurex	MFM- MEFF Renta Variable	Turkey (Istanbul)
Finland (Helsinki)	Micex main	Uae
FNX-ICE futures US Currencies	Morocco (Casablanca)	Ukrainian Stock Exchange
France (Paris)	Namibia (Windhoek)	United Kingdom (London)
Germany	NASDAQ Capital Market	United States
Ghana (Accra)	Netherlands (Amsterdam)	Uruguay (Montevideo)
Greece (Athens)	New Zealand (Nzse)	

Venezuela (Caracas)

XETRA

(P) ATHEX  
 (P) Australian Securities Exchange Limited  
 (P) BATS Exchange  
 (P) BM&FBOVESPA  
 (P) Bolsas y Mercados Espanoles  
 (P) BVB Group  
 (P) CBOE Parent  
 (P) Chi-X  
 (P) CME Group  
 (P) Deutsche Borse  
 (P) Hanoi Exchange  
 (P) Hong Kong Exchange (HKEx)  
 (P) ICE Exchange  
 (P) JSE Ltd  
 (P) Korea Exchange  
 (P) London Stock Exchange Group  
 (P) MTS Group  
 (P) NASDAQ OMX  
 (P) Nordic Derivatives Exchange  
 (P) NYSE Euronext  
 (P) NYSE Liffe  
 (P) NYSE-Arca-Amex  
 (P) NYSE-Euronext-Liffe  
 (P) OLSO BORS ASA  
 (P) RTS Exchange  
 (P) SIX Group  
 (P) TMX Group  
 (P) TSE Group  
 (P) TSX Venture  
 (P) Wiener Borse  
 \*Dhaka Stock Exchange  
 \*Douala Stock Exchange  
 \*Iraq Stock Exchange  
 Abu Dhabi Securities Exchange  
 ACE Commodities and Derivatives Exchange of India  
 Agricultural Futures Exchange of Thailand  
 AIAF Mercado De Renta Fija  
 Aktie Torget  
 Alpha Trading Systems  
 Alpha Venture  
 Alternate Investment Market  
 Amman Stock Exchange  
 APX Power NL  
 APX Power UK  
 APX-ENDEX  
 ASX 24 (formerly Sydney Futures Exchange)  
 ASX PureMatch

Zambia

Zimbabwe (Harare)

Athens Derivatives Exchange  
 Athens Exchange Alternative Market  
 Athens Stock Exchange  
 Australian Securities Exchange  
 Bahamas International Securities Exchange  
 Bahrain Bourse  
 Bahrain Financial Exchange  
 Baku Stock Exchange  
 Baltic Exchange  
 Banja Luka Stock Exchange  
 Barbados Stock Exchange  
 Barcelona Stock Exchange  
 BATS Exchange Options Market  
 BATS Trading Europe  
 Bats Trading US  
 BATS Y Exchange  
 Beirut Stock Exchange  
 Belgrade Stock Exchange  
 Berlin Stock Exchange  
 Bermuda Stock Exchange  
 Berne Stock Exchange  
 Bilbao Stock Exchange  
 BlueNext  
 Bolsa de Comercio de Buenos Aires  
 Bolsa de Comercio de Santiago de Chile  
 Bolsa De Valores De Caracas  
 Bolsa de Valores de Colombia  
 Bolsa de Valores de Quito  
 Bolsa Electronica de Chile  
 Bolsa Electronica de Valores de Uruguay  
 Bolsa Nacional de Valores Costa Rica  
 Borsa Italiana  
 Boston Options Exchange  
 Botswana Stock Exchange  
 Bourse Regionale des Valeurs Mobilieres  
 BOVESPA  
 Bratislava Stock Exchange  
 Brazilian Mercantile and Futures Exchange  
 BSE India  
 Bucharest Stock Exchange  
 Budapest Stock Exchange  
 Buenos Aires Mercado De Valores  
 Bulgarian Stock Exchange  
 Burgundy  
 Bursa Malaysia  
 C2 Options Exchange

Canadian National Stock Exchange  
 Cape Verde Stock Exchange  
 Casablanca Stock Exchange  
 Cayman Islands Stock Exchange  
 CBOE Futures Exchange  
 CBOE Stock Exchange  
 Channel Islands Stock Exchange  
 Chi-X Australia  
 Chi-X Canada  
 Chi-X Europe  
 Chi-X Japan  
 Chicago Board of Trade  
 Chicago Board Options Exchange  
 Chicago Climate Futures Exchange  
 Chicago Mercantile Exchange  
 Chicago Stock Exchange  
 China Financial Futures Exchange  
 Clearing Corporation of India  
 CME Globex  
 Colombo Stock Exchange  
 COMEX  
 Continuous Market (SIBE)  
 Cyprus Stock Exchange  
 Dalian Commodity Exchange  
 Damascus Securities Exchange  
 Dar Es Salaam Stock Exchange  
 Deutsche Boerse Tradegate  
 Dubai Financial Market  
 Dubai Gold and Commodities Exchange  
 Dubai Mercantile Exchange  
 Dusseldorf Stock Exchange  
 Eastern Caribbean Securities Exchange  
 EDGA Exchange  
 EDGX Exchange  
 Egyptian Exchange  
 Electronic Futures Exchange (ELX)  
 Energy Exchange Austria  
 Equiduct Trading  
 Eris Exchange  
 Ethiopia Commodity Exchange  
 Eurex  
 Euro Global MTS  
 Euro MTF  
 EuroCredit MTS  
 EuroMTS  
 European Climate Exchange  
 European Energy Exchange  
 European Warrant Exchange  
 EuroTLX  
 FINRA ADF

First North Copenhagen	London International	NASDAQ OMX Armenia
First North Helsinki	London Metal Exchange	NASDAQ OMX BX
First North Iceland	London Stock Exchange	NASDAQ OMX Commodities Exchange
First North Stockholm	Lusaka Stock Exchange	NASDAQ OMX Copenhagen
Fish Pool ASA	Luxembourg Stock Exchange	NASDAQ OMX Futures Exchange
Frankfurt Stock Exchange	Macedonian Stock Exchange	NASDAQ OMX Helsinki
Fukuoka Stock Exchange	Madrid Stock Exchange	NASDAQ OMX Iceland
Georgia Stock Exchange	Malawi Stock Exchange	NASDAQ OMX PHLX
Gestore del Mercato Elettrico	Malta Stock Exchange	NASDAQ OMX PSX
Ghana Stock Exchange	Markit BOAT	NASDAQ OMX Riga
Global Board of Trade	Mauritius Stock Exchange	NASDAQ OMX Stockholm
Green Exchange	MBNK - Interregional Stock Exchange of Oil and Gas Industry	NASDAQ OMX Tallinn
GreTai Securities Market	MEFF Renta Variable	NASDAQ OMX Vilnius
Growth Enterprise Market	Mercado a Termino de Buenos Aires	NASDAQ Options Market
GXG Markets	Mercado Abierto Electronico	NASDAQ OTC
Hamburg Stock Exchange	Mercado De Valores Mendoza	National Commodity and Derivatives Exchange India
Hanoi Stock Exchange	MEXDER Exchange	National Spot Exchange of India
Hanoi UPCoM	Mexico Stock Exchange	National Stock Exchange
Hanover Stock Exchange	MFAO Olive Oil Exchange	National Stock Exchange of Australia
Hi-MTF	MICEX	National Stock Exchange of India
Ho Chi Minh Stock Exchange	Minneapolis Grain Exchange	New EuroMTS
Hong Kong Futures Exchange	Moldova Stock Exchange	New York Mercantile Exchange
Hong Kong Mercantile Exchange	Mongolian Stock Exchange	New York Stock Exchange
Hong Kong Stock Exchange	Montenegro Stock Exchange	New Zealand Exchange
ICE Futures Canada	Montreal Climate Exchange	NEX
ICE Futures Europe	Montreal Exchange	Nicaragua Bolsa Valores
ICE Futures US	MTS Austria	Nigerian Stock Exchange
Indian Commodity Exchange	MTS Belgium	Nile Stock Exchange
Indonesia Commodity and Derivatives Exchange	MTS Czech Republic	Nord Pool Spot
Indonesia Stock Exchange	MTS Denmark	Nordic Derivatives Exchange Finland
Instinet Canada Cross	MTS Finland	Nordic Derivatives Exchange Sweden
International Maritime Exchange	MTS France	Nordic Growth Market
International Securities Exchange	MTS Germany	Norwegian OTC Market
Irish Stock Exchange	MTS Greece	NYSE AMEX
Istanbul Gold Exchange	MTS Ireland	NYSE Arca
Istanbul Stock Exchange	MTS Israel	NYSE Arca Europe
Jamaica Stock Exchange	MTS Italy	NYSE BondMatch
Japan Securities Dealers Association	MTS Netherlands	NYSE Euronext Amsterdam
JASDAQ	MTS Portugal	NYSE Euronext Brussels
Johannesburg Stock Exchange	MTS Slovenia	NYSE Euronext Lisbon
Kansai Commodity Exchange	MTS Spain	NYSE Euronext Paris
Kansas City Board Of Trade	Multi Commodities Stock Exchange	NYSE Liffe Amsterdam
Karachi Stock Exchange	Multi Commodity Exchange of India	NYSE Liffe Brussels
Kazakhstan Stock Exchange	Munich Stock Exchange	NYSE Liffe Lisbon
Korea Freeboard	Muscat Securities Market	NYSE Liffe London
Korean Futures Exchange	N2EX UK Power Market	NYSE Liffe Paris
KOSDAQ	Nagoya Stock Exchange	NYSE Liffe US
KOSPI Stock Market	Nairobi Securities Exchange	Omega ATS
Kuwait Stock Exchange	Namibian Stock Exchange	OMEL Mercado de Electricidad
Lao Securities Exchange	NASDAQ Capital Market	
Lima Stock Exchange	NASDAQ Dubai	
Liquidnet Canada	NASDAQ Global Market	
Ljubljana Stock Exchange	NASDAQ Global Select	
London Bullion Market	NASDAQ InterMarket	

OMIP Operador De Mercado Iberico De Energia	Sapporo Securities Exchange	Tel Aviv Stock Exchange
One Chicago	Sarajevo Stock Exchange	Thailand Futures Exchange
Osaka Securities Exchange	Saudi Arabian Stock Exchange	The Stock Exchange of Thailand
OSLO AXESS	SBI Japannext	Tirana Stock Exchange
OSLO BORS	Scoach Switzerland	TMX Select
OTC Bulletin Board	Shanghai Futures Exchange	Tokyo AIM
OTC Markets	Shanghai Gold Exchange	Tokyo Commodity Exchange
Pakistan Mercantile Exchange	Shanghai Stock Exchange	Tokyo Financial Exchange
Palestine Securities Exchange	SharesPost Market	Tokyo Grain Exchange
Panama Stock Exchange	Shenzhen Stock Exchange	Tokyo Stock Exchange
PEX Private Exchange	Sibiu Monetary Financial and Commodities Exchange	TOM MTF
PFTS Stock Exchange	Sigma X ATS	Toronto Stock Exchange
Philippine Stock Exchange	SIGMA X MTF	TriAct Canada
PLUS Markets	SIM VSE	Trinidad and Tobago Stock Exchange
Polish Power Exchange	Singapore Exchange	TSX Venture Exchange
Port Moresby Stock Exchange	Singapore Mercantile Exchange	Tunis Stock Exchange
Power Exchange Central Europe	SIX Swiss Exchange	Turkish Derivatives Exchange
Power Exchange India Limited	SIX Swiss Exchange Europe	Turquoise
Powernext	Slovak Power Exchange	Uganda Securities Exchange
Prague Stock Exchange	South African Futures Exchange	Ukrainian Stock Exchange
PURE Trading	South Pacific Stock Exchange	United Stock Exchange
Qatar Exchange	St. Petersburg International Mercantile Exchange	Valencia Stock Exchange
Quote MTF	St. Petersburg Stock Exchange	Vienna Stock Exchange
RASDAQ Market	Stuttgart Stock Exchange	Warsaw Stock Exchange
Ringgit Bond Market	Swaziland Stock Exchange	XETRA
Rosario Futures Exchange	Taiwan Futures Exchange	XETRA International Market
Russian Trading System	Taiwan Stock Exchange	Zagreb Stock Exchange
Rwanda Stock Exchange		Zhengzhou Commodity Exchange
		Zimbabwe Stock Exchange