

# Pre-contractual information in the case of contracts for financial services concluded off premises or through distance sales, and client information about the investment firm and its services

## Preamble

Where contracts for financial services are concluded off premises or through distance sales, the investment institution – MorgenFund GmbH, Luxembourg branch (hereafter “Institution”) – is obliged to provide the consumer with information on a timely basis before conclusion of the contract pursuant to Article L. 222-14 of the Luxembourg Consumer Code (Code de la consommation). We are therefore providing you with the following information on contracts for financial services and on your right of cancellation where contracts are concluded off premises or through distance sales.

Enclosed you will also find information about the investment firm and its services for clients pursuant to Article 37-3(3) of the Law of 5 April on the financial sector in its applicable version (LFS) and Article 47 of Commission Delegated Regulation (EU) 2017/565.

## 1. General information about the Institution and the third parties acting for the Institution

### Name (company) and address for service:

MorgenFund GmbH, Luxembourg branch  
Parc d'Activite Syrdall 2  
18-20, rue Gabriel Lippmann  
L-5365 Munsbach  
Luxembourg

Tel.: +352 23645-020

Fax: +352 23645-025

Email: [customers.luxembourg@service.morgenfund.lu](mailto:customers.luxembourg@service.morgenfund.lu)

Internet: [www.morgenfund.com](http://www.morgenfund.com)

### Head of branch office:

Michael Thissen

### Legally authorized representatives (managing directors)<sup>1</sup>:

Rudolf Geyer,  
Matthias Bayer,  
Bernd Geilen

### Chairman of the supervisory board:

Dr. Kai Wilhelm Franzmeyer

### Public register of companies in which the Institution is registered:

Luxembourg Trade and Companies Register (RCS),  
number B269984

### Principal business activity of the Institution:

#### Investment services:

- Reception and transmission of orders in relation to one or more financial instruments (Article 24-1 LFS) – financial commission business
- Execution of orders on behalf of clients (Article 24-2) – investment brokerage
- Investment advice (Article 24-5 LFS and Article 1(6h) LFS)
- Underwriting of financial instruments and/or placing of financial instruments on a firm commitment basis (Article 24-6 LFS)
- Portfolio management (Article 24-4 LFS)
- Dealing on own account (Article 24-3 and Article 1(23-1) LFS)

#### Ancillary services:

- Safekeeping and administration of financial instruments for the account of clients (Annex II, Section C, Ancillary services (1.) LFS) – securities account-keeping
- Foreign exchange services (Annex II, Section C (4.) LFS)
- Advice to undertakings on capital structure, industrial strategy and related matters (Annex II, Section C (3.) LFS)

### Competent supervisory authority:

Commission de Surveillance du Secteur Financier  
Route d'Arlon, 283  
L-1150 Luxembourg  
(Internet: [www.cssf.lu](http://www.cssf.lu))

### Supplementary information on the client's intermediary/ the sales organisation of the client's intermediary:

Insofar as the client's intermediary/sales organisation of the intermediary acts for the client, it is not entitled to represent the Institution. The client's intermediary/sales organisation

<sup>1</sup> The current managing directors are stated in the public register of companies (RCS/Registre de commerce et des sociétés).

of the client's intermediary is not an agent and/or representative of the Institution. The Institution assumes that, prior to conclusion of the contract, the client has been provided with information and/or, if applicable, advice specific to them and the investment in accordance with their level of experience and knowledge of the financial services availed of. This also applies to subsequent orders.

## **2. General information about the contract**

Languages in which the terms of contract and this pre-contractual information are communicated as well as the languages in which the Institution, with the consumer's consent, undertakes to communicate for the duration of the contract:

The terms of contract and the pre-contractual information are communicated in the German language.

Communication with the Institution is in German.

Formation of the contract:

- *Securities account-keeping*

The client declares to the Institution their intention to conclude a securities account agreement – such declaration being binding on the client – by furnishing necessary information in the securities account-opening application, signing the application, successfully completing an identity verification, and sending the application to the Institution. The securities account agreement between the client and the Institution comes into being upon acceptance of the application by the Institution (e.g. by post or email).

Alternatively, the securities account agreement may also be concluded online/digitally. The securities account agreement is concluded via an online process. The client makes an offer in writing to enter into a securities account agreement via the online application. The securities account agreement only comes into being once the Institution confirms acceptance of the offer in writing (e.g. email or letter) to the client.

Conclusion of the contract for the securities account involves both an agreement on the main rights and obligations of the Institution in relation to securities account-keeping in accordance with the "General Terms and Conditions for Securities Accounts of MorgenFund GmbH, Luxembourg branch", any special terms and conditions and the "Schedule of Fees and Services for MorgenFund securities accounts in Luxembourg" as well as the MiFID II disclosure requirements.

- *Financial commission business*

The client may place orders with the Institution that fall within the scope of financial commission business. The client's placement of an order with the Institution constitutes the offer to conclude financial commission business. The order is accepted by way of execution of the transaction.

- *Investment advice*

The client may request advice on matters of investment in financial instruments (investment advice). The Institution provides investment advisory services by telephone only. The investment advisory contract comes into being as follows:

The client makes the Institution a verbal offer to conclude the investment advisory contract by telephoning to request advice in relation to financial instruments. The Institution accepts the offer by providing the client with investment advice by telephone.

## **3. Main features of the (financial) service and details concerning payment and performance**

### **3.1. Main features of securities account-keeping**

*Safekeeping and administration*

The purpose of the securities account is the safekeeping and administration of investments in the form of securities. The Institution keeps the client's investments in direct or indirect safe custody in the securities account. Only units of investment funds and exchange-traded funds (ETFs) may be kept in the securities account. Units of funds of different financial investment management companies may be kept. The current funds that are eligible for safekeeping in a securities account with the Institution are published on its website at [www.morgenfund.com](http://www.morgenfund.com) and the list may be requested from the Institution at any time. Foreign investments are generally kept in the relevant fund's domestic market or in the country where the purchase was made. The Institution informs its clients of the country in which it keeps the investments in the relevant securities account statement.

*Fulfilment*

The Institution fulfills its obligations under the securities account agreement by providing and keeping the securities account. This includes, in particular, the issuing of an annual securities account statement. The details of fulfilment of safekeeping and administration are provided in sections 2 to 10 of the "General Terms and Conditions for Securities Accounts of MorgenFund GmbH, Luxembourg branch".

*No securities account monitoring/No financial portfolio management*

The safekeeping and administration of investment assets by the Institution does not constitute financial portfolio management. For clients who only use securities account administration services, the Institution neither makes investment decisions nor monitors the investment assets in the securities account unless it is legally obliged to do so. The client has the exclusive right of disposal over the securities account, and the client is also responsible for monitoring the investment assets in the securities account.

### **3.2. Main features of investment fund transactions**

*Execution subject to conditions*

The Institution reserves the right not to accept or execute a client's order to execute an investment fund transaction, e.g. if mandatory information on the investment fund is not available, if the financial investment management companies have placed restrictions on sale or if supervisory authorities have put product bans in place. The investment funds that are currently eligible for purchase for a securities account depend on the Institution's range of products. On request, clients can obtain information on the range of funds offered

by the Institution by telephoning +352 - 23645 - 020 or emailing [customers.luxembourg@service.morgenfund.lu](mailto:customers.luxembourg@service.morgenfund.lu); alternatively, they can view the information on the Institution's website at [www.morgenfund.com](http://www.morgenfund.com). In addition, clients can obtain information from their intermediary/advisor on the investment funds that may be purchased. Information about the investment funds that are eligible for safekeeping in a securities account does not constitute advice or a recommendation from the Institution.

#### *Purchase and sale of investment funds*

The client can buy and sell units of investment funds and ETFs through the Institution provided that the fund units are in the Institution's investment universe. The client can purchase and sell investment fund units and ETFs in units and fractions of units in EUR under the scope of execution-only business pursuant to Article 24-2 LFS or under the scope of non-advised business pursuant to Article 24-1 LFS. The execution policies for the purchase and sale of units of investment funds and ETFs are part of the "General Terms and Conditions for Securities Accounts of MorgenFund GmbH, Luxembourg branch".

The Institution executes buy and/or sell orders for units of investment funds under the scope of financial commission business. The execution policies for the purchase and sale of units of investment funds and ETFs differ to some extent and are provided in section 4 of the "General Terms and Conditions for Securities Accounts of MorgenFund GmbH, Luxembourg branch".

#### *Financial commission business*

If the Institution executes client orders to buy or sell fund units (not ETFs) as commission agent, it concludes an execution transaction (buy/sell) in its own name for the account of third parties, possibly involving/engaging another commission agent (intermediate commission agent), with the management company. If the Institution executes client orders to buy or sell ETFs as commission agent, the ETF units are bought and sold over the counter in its own name for the account of third parties through a market maker (i.e. a securities trader who quotes binding buy and sell prices) in the form of a block order. Once an execution transaction is effected, payment and accounting take place within the deadlines applicable to that particular market. The investment funds traded are credited (buy) or debited (sell) to the client's securities account; similarly, the amount due will be debited or credited to the account nominated by the client.

The details of execution/fulfilment of financial commission business are provided in sections 3 and 4 of the "General Terms and Conditions for Securities Accounts of MorgenFund GmbH, Luxembourg branch".

The Institution notifies the client immediately after each purchase and sale in the form of a securities statement.

#### *Non-advised business pursuant to Article 24-1 37-3(4) LFS*

The client has the option of placing orders with the Institution to buy/sell investment funds under the scope of non-advised business without receiving prior advice and a recommendation from the Institution. The Institution executes transac-

tions for "complex" funds (e.g. Alternative Investment Funds (AIF)) under the scope of non-advised business in accordance with Article 37-3(5) LFS.

Under its non-advised business, the Institution will use the information obtained from the client about their knowledge and experience in trading certain types of financial instruments or investment services in order to assess whether the client has the necessary knowledge and experience to be able to evaluate the risks involved with the type of financial instruments or investment service (appropriateness).

The Institution collects the information necessary for the appropriateness assessment at the securities account opening stage. It is the client's responsibility to make full and accurate disclosures and also to voluntarily report any changes relevant to non-advised business.

If the Institution concludes, based on the client's disclosures, that the investment fund the client wants is not appropriate for the client, it will inform the client. Such information can be communicated in standardised form. If the Institution does not receive the necessary information, it has the right not to open the securities account.

#### *Execution-only business pursuant to Article 24-2 LFS*

The client has the option of placing orders with the Institution to buy/sell investment funds within the scope of execution-only business without receiving prior advice and a recommendation from the Institution. The Institution executes transactions for "non-complex" funds within the scope of execution-only business in accordance with Article 37-3(6) LFS.

If the Institution executes client orders for the client as execution-only business, it is not obliged to carry out an appropriateness assessment, i.e. the Institution does not assess whether the client has the necessary knowledge and experience and is able to adequately understand and evaluate the risks involved with non-complex investment fund units.

In addition, when executing orders as execution-only business, the Institution does not carry out a suitability assessment in accordance with Article 37-3(4) LFS.

#### *Distribution commissions*

The Institution grants/receives and retains monetary and non-monetary benefits in connection with investment fund transactions for securities accounts. The client can find details on this in the information on dealing with conflicts of interest as well as in section 12 of the "General Terms and Conditions for Securities Accounts of MorgenFund GmbH, Luxembourg branch".

### **3.3 Main features of investment advice**

The Institution's range of services also includes the provision of investment advice to natural persons on the acquisition of units of investment funds and ETFs.

#### *Type of investment advice*

The LFS distinguishes between independent investment advice and non-independent investment advice. In the case of non-independent investment advice, the Institution may

not accept any non-monetary benefits from a third party that is not the recipient of the service or engaged as such by the client. Where monetary benefits are accepted, which is only permitted under certain circumstances, they must be paid out to the client in full as soon as reasonably possible after receipt. The provider of the investment advice may only be remunerated by the client. In addition, in the case of independent investment advice an adequate range of financial instruments available on the market must be considered; these must be sufficiently diversified in terms of type and issuer or provider and are not limited to financial instruments that the advising investment firm itself issues or offers or whose providers or issuers are closely affiliated with the investment firm or are otherwise legally or commercially so closely connected with it that the independence of the advice could be jeopardised.

However, in the case of investment advice in connection with financial instruments that does not constitute independent investment advice, the Institution may accept benefits if permitted to do so by the LFS (in particular pursuant to Article 37-2(1) LFS). In addition, the LFS contains no legal provisions on what range of financial instruments available on the market must be considered.

In this context, the client should note that the Institution **does not currently offer any independent investment advice** within the meaning of the LFS. The Institution receives and retains monetary and non-monetary benefits in connection with investment fund transactions. The client can find details of this in the information on dealing with conflicts of interest as well as in section 12 of the "General Terms and Conditions for Securities Accounts of MorgenFund GmbH, Luxembourg branch". Before providing investment advice the Institution will inform the client of the existence, nature and amount of the benefit that it receives and retains or pays, or, if the amount cannot be determined, the nature and means of calculation. The Institution shall provide the client with further information on benefits on request.

#### *Necessary client information and suitability assessment*

When providing investment advice, the Institution is obliged to obtain from the client all information about

- their knowledge and experience in trading certain types of financial instruments or investment services,
- their investment objectives, including risk tolerance and any sustainability preferences, as well as
- their financial situation, including their ability to bear losses, that is required in order to recommend investment funds that are suitable for the client and, in particular, match the client's risk tolerance and ability to bear losses.

Suitability is determined by whether the specific product recommended to the client

- matches the client's investment objectives, including that person's risk tolerance and any sustainability preferences,
- whether the client can afford the resulting investment risks, in accordance with that person's investment objectives, and

- whether the client can understand the resulting investment risks in light of their knowledge and experience.

The suitability assessment is carried out to enable the Institution to act in the client's interests when providing investment advice. It is based on the information the client discloses to the Institution. The disclosure of full and accurate information is therefore essential for the Institution to be able to provide investment advice. The Institution will request the client information; however, it is the client's responsibility to make full and accurate disclosures and also to report any changes in their circumstances of relevance to the provision of investment advice. If the Institution does not receive the necessary information, it must not recommend any financial instruments in the context of an investment advisory service.

#### *Suitability statement*

Following the provision of investment advice, and before executing an investment fund transaction, the Institution shall provide the client with a statement of the suitability of the investment recommendation (suitability statement) on a durable medium. In this suitability statement, the Institution will state the advice provided and explain how it matches the client's preferences, investment objectives and other features. If the contract of purchase or sale of an investment fund is entered into by means of distance communication which does not allow prior provision of the suitability statement, the Institution shall, by way of exception, provide the client with the suitability statement immediately after contract conclusion if the client has consented thereto and the Institution has offered the client the option of delaying execution of the transaction to enable the client to receive the suitability assessment before conclusion of contract.

#### *No regular assessment of suitability*

Within the scope of its investment advisory service, the Institution is not obliged to carry out regular assessment of the suitability of the investment funds or regular reports on the suitability of the investment funds, and nor does it do so. The client themselves should therefore monitor the securities account as well as the investments they keep in the securities account.

#### **4. Prices and costs, as well as other important aspects**

Total price of the financial services, including all related price components as well as all taxes paid through the Institution or, if no exact price can be quoted, the basis for calculating the price, which enables the consumer to check the price:

Depending on the securities account model, an annual fee is charged for the securities account. There is no separate fee for investment advice. The client can find the fee amounts in the Schedule of Fees and Services. The client can also access the latest Schedule of Fees and Services for MorgenFund Securities Accounts in Luxembourg on the Institution's website at [www.morgenfund.com](http://www.morgenfund.com).

For non-advised services, the Institution receives trail commissions on the respective portfolio of fund units from the financial investment management companies concerned. Furthermore,

front-end loads are charged in some cases. The client can find details of this in the information on dealing with conflicts of interest as well as in section 12 of the "General Terms and Conditions for Securities Accounts of MorgenFund GmbH, Luxembourg branch".

Any additional costs as well as information on potential further taxes or costs not paid through the Institution or charged by it:

Further costs (e.g. front-end loads, redemption fees, regular fees) and taxes may arise when investing in units of investment funds as well as when ending such investments. Income from investment units and their sale, including redemption, are generally taxable. Information on the costs and taxes to be borne by the investor is given in the latest prospectus for each investment fund. Depending on current tax law (domestic or foreign), capital gains tax and/or other taxes may arise – for example, on the payment of income or capital gains – which are remitted to the relevant tax authorities and therefore reduce the amount to be paid to the client.

Tax treatment depends on the individual client's personal situation and may be subject to future change. Should questions arise, the client should consult their tax authority or a tax advisor. This applies in particular if the client is liable for tax abroad.

All specific additional costs to be borne by the consumer for the use of distance communication if such additional costs are charged by the Institution:

No specific and additional costs are charged by the Institution for the use of distance communication (e.g. telephone, internet, postage costs). The client bears their own communication costs (e.g. telephone, internet, postage costs).

Existence or non-existence of a right of cancellation as well as the conditions, details of exercise, in particular the name and address of the person in respect of whom the cancellation is to be made, and the legal consequences of cancellation, including information on the amount to be paid by the consumer in the event of cancellation in accordance with Article L.222-18(1) and L.222-19 of the Luxembourg Consumer Code for the service provided:

On conclusion of the securities account agreement as well as on acquisition of units of investment funds, the client has a right of cancellation, of which the Institution informs the client at the end of this pre-contractual information document.

If applicable, the information that the financial service relates to financial instruments, which, because of their specific properties or operations involved, carry special risks or the price of which depends on fluctuations in the financial market, over which the Institution has no control, and that past income is not an indication of future income:

Investment fund transactions involve risks due to their specific characteristics. The following specific risks should be noted (however, an investment fund's prospectus always prevails in this regard):

- Price change risk/Risk of decline in value: The value of a unit or the value of the assets held in the investment fund

fluctuates and can fall. This can be due to e.g. equity and bond market risks, exchange rate and interest rate risks, credit and volatility risks as well as political risks. If a client sells units of an investment fund at a time when the value of the assets held in an investment fund has fallen relative to the value at the time of acquisition, the client will incur the resulting loss in value.

- Exchange rate risk;
- Interest rate risk;
- Counterparty risk;
- Risk of total loss: The client may lose some or all of the amount invested.

The price of a security may fluctuate in the financial market, over which the Institution has no control. Past income (e.g. interest, dividends) and gains are not an indication of future income or gains.

Furthermore, there may be risks associated with collective custody, in particular with securities held in custody abroad. Comprehensive information is included in the brochure "Basic information on investments in funds" which the client can request from the Institution and which is made available before or when the securities account is confirmed as opened. The Institution notifies the client that this information does not constitute investment advice but is simply intended to help the client reach their own investment decision.

Reports of services provided:

- *Securities account-keeping*

The Institution notifies the client of the investment fund holdings in their securities account on a quarterly basis by putting the report in the client's online mailbox or sending it by post. The client can obtain a list of the investment fund holdings in the securities account at any time upon request.

- *Financial commission business*

The Institution sends the client a statement no later than the first business day after a securities transaction. In the case of regular client orders (e.g. savings plans), the Institution sends the client information on the transactions effected at least every six months. The client can obtain information on the status of their order at any time upon request.

- *Investment advice*

In relation to reports provided to clients for investment advice, we refer you to the information in section 3.3 of this pre-contractual information document.

Information on conflicts of interests:

The Institution may be subject to conflicts of interests as a result of its activities and has taken steps to ensure that any conflicts of interests that exist in individual cases do not adversely affect clients' interests. Details are given in the "Conflict of Interest Policy".

Minimum term of contracts whose subject is an ongoing or regular service:

No minimum terms for the securities account agreement are agreed with the client.

Conditions of termination of contract:

Termination must be in writing. The securities account agreement can be terminated by the client at any time with immediate effect. Ordinary termination of the securities account agreement by the Institution is possible subject to a one-month notice period. The right to extraordinary termination for good cause remains unaffected. No penalties are agreed with the client.

Applicable law on which the Institution bases the establishment of relations with the consumer prior to conclusion of contract:

Luxembourg law applies to the establishment of relations prior to conclusion of the securities account agreement.

Law applicable to the contract:

Luxembourg law applies to the securities account agreement. There is no agreement on jurisdiction for clients who are consumers within the meaning of Article L.010-1.(1) of the Luxembourg Consumer Code.

Out-of-court dispute resolution:

Without prejudice to the right of recourse to the courts, the parties have recourse to an extra-judicial body for dispute resolution.

The application for arbitration must be submitted to the office of the arbitration body in writing with a brief outline of the facts and the documents necessary to understand the dispute (e.g. correspondence, terms of contract, cost calculations):

in the event of disputes, the parties may consult the legal department for consumer protection/financial crime of the Commission de Surveillance du Secteur Financier at the following address:

283, route d'Arlon  
L-2991 Luxembourg

Tel: +352 26251-2574 or +352 26251-2904  
Fax: +352 26251-2601

and by email to [reclamation@cssf.lu](mailto:reclamation@cssf.lu)  
Internet: [www.cssf.lu](http://www.cssf.lu)

The right of direct recourse to the courts remains unaffected.

• **ODR platform**

The European Commission provides a platform for online dispute resolution out of court (referred to as the ODR platform) at <http://ec.europa.eu/consumers/odr/>.

Information on the existence of a guarantee scheme or other system of compensation – existence of a voluntary deposit guarantee scheme:

The Institution belongs to the investor compensation scheme Entschädigungseinrichtung der Wertpapierhandelsunternehmen (EdW), 10117 Berlin-Mitte (EdW website: [www.e-d-w.de](http://www.e-d-w.de)). There is no voluntary deposit guarantee scheme.

Time limit, if any, on the period of validity of the information provided, e.g. the period of validity of time-limited offers, in particular in relation to the price:

The information provided by the Institution (version: 1 September 2022) applies until further notice.

Luxembourg, 31 July 2023

## Cancellation policy for contracts concluded off premises and for distance contracts for financial services

### 1. Cancellation of the securities account agreement

#### CANCELLATION POLICY

##### Section 1

##### Right of cancellation

You may cancel your agreement **within 14 days by means of a clear statement, without giving a reason**. This period begins upon conclusion of the agreement and after you **have received** the terms of contract including the General Terms and Conditions **as well as all information listed under section 2 below** on a durable medium (e.g. letter, fax, email). **To meet the cancellation deadline, the sending of the cancellation on time suffices** provided the statement is on a durable medium.

The cancellation must be sent to:

MorgenFund GmbH, Luxembourg branch  
Parc d'Activite Syrdall 2  
18-20, rue Gabriel Lippmann  
L-5365 Munsbach Luxembourg  
Email: [customers.luxembourg@service.morgenfund.lu](mailto:customers.luxembourg@service.morgenfund.lu)

##### Section 2

##### Information required for the cancellation period to begin

The information within the meaning of section 1 sentence 2 comprises the following:

1. the identity of the Institution; the public register of companies where the legal entity is registered must

also be stated as well as the registration number or equivalent;

2. the Institution's principal business activity and the supervisory authority responsible for its licence;
3. the identity of the Institution's representative in the European Union member state in which the consumer resides, if such a representative exists, or a commercial entity other than the Institution, if the consumer has business relations with this entity, and the capacity in which this entity acts in respect of the consumer;
4. the Institution's address for service and any other address relevant to the business relationship between the Institution and the consumer; in addition, the name of the authorised representative in the case of legal entities, partnerships or groups of persons;
5. the main features of the financial service as well as information about how the agreement came about;
6. the total price of the financial service, including all related price components as well as all taxes paid through the Institution or, if no exact price can be quoted, the basis for calculating the price, which enables the consumer to check the price;
7. any additional costs as well as information on potential further taxes or costs not paid through the Institution or charged by it;
8. the information that the financial service relates to financial instruments, which, because of their specific properties or operations involved, carry special risks or the price of which depends on fluctuations in the financial market, over which the Institution has no control, and that past income is not an indication of future income;
9. the time limit on the period of validity of the information provided, e.g. the period of validity of time-limited offers, in particular in relation to the price;
10. details concerning payment and performance;
11. all specific additional costs to be borne by the consumer for the use of distance communication if such additional costs are charged by the Institution;
12. the existence or non-existence of a right of cancellation as well as the conditions, details of exercise, in particular the name and address of the person in respect of whom the cancellation is to be made, and the legal consequences of cancellation, including information on the amount to be paid by the consumer in the event of cancellation for the service provided, insofar as the consumer is obliged to pay compensation;
13. the minimum term of the contract, where the subject thereof is an ongoing or regular service;
14. the conditions of cancellation of contract, including any penalties;
15. the member states of the European Union on whose law the Institution bases the establishment of relations with the consumer prior to conclusion of contract;

16. a contractual clause concerning the law applicable to the contract or the competent court;

17. the languages in which the terms of contract and the pre-contractual information stated in this cancellation policy are communicated as well as the languages in which the Institution, with the consumer's consent, undertakes to communicate for the duration of this contract;

18. information on whether the consumer can avail of an out-of-court complaints and redress procedure, to which the Institution is subject, and, if so, the requirements for accessing it;

19. the existence of a guarantee scheme or other system of compensation not within the scope of the Law of 5 April 1993 on the financial sector, as amended.

### Section 3

#### Consequences of cancellation

In the event of effective cancellation **the performance rendered by both parties must be returned**. You are obliged to **pay compensation** for the service rendered up until cancellation if you were informed of this legal consequence before stating your intention to enter into a contract and you expressly agreed to the commencement of counter-performance before the end of the cancellation period. If an obligation to pay compensation exists, this can result in you having to fulfil the contractual payment obligations for the period of time up until cancellation. **Your right of cancellation lapses** prematurely if the contract **is performed in full by both parties at your express wish** before you have exercised your right of cancellation. **Obligations to refund payments must be met within 30 days**. The period begins for you upon sending your statement of cancellation and for us upon its receipt.

#### Special notes

If you cancel this contract, you are no longer bound by any contract connected with this contract if the connected contract concerns a service provided by us or a third party on the basis of an agreement between us and the third party.

#### End of cancellation policy

## 2. Right of cancellation pursuant to section 305 of the German Investment Code (KAGB – only applies to German clients)

If units or shares of an open-ended investment fund are purchased on the basis of verbal negotiations outside of the permanent business premises of the party selling the units or shares or brokering their sale, the purchaser is entitled to cancel their purchase agreement in writing within a period of two weeks by notifying the management company or a representative within the meaning of section 319 of the German Investment Code (right of cancellation); this applies even if the party selling the units or shares or brokering their sale does not have any permanent business premises. In the case of distance contracts within the meaning of section 312c of the German Civil Code (BGB), when purchasing financial services whose price is dependent on fluctuations in the financial market (section 312g(2) sentence 1 no. 8 of the German Civil Code), no right of cancellation exists.

To meet the deadline, sending the statement of cancellation on time suffices. The statement of cancellation must be made in respect of the addressees in the paragraph above (management company or a representative thereof within the meaning of section 319 of the German Investment Code), stating the name of the person cancelling; reasons need not be given. The cancellation period does not start until the copy of the application to conclude the contract has been delivered to the purchaser or a bought note has been sent to them containing information

on the right of cancellation such as the present information. If the start of the period is in dispute, the seller bears the burden of proof.

No right of cancellation exists if the seller proves that either the purchaser is not a consumer within the meaning of section 13 of the German Civil Code or if the seller called on the purchaser at the latter's prior invitation pursuant to section 55(1) of the German Trade Regulation Act (Gewerbeordnung) for the purpose of the negotiations that led to the sale of the units or shares.

If the contract is cancelled and the purchaser has already made payments, the financial investment management company, the EU management company or the foreign AIF management company is obliged to repay any costs the purchaser paid – incrementally as the purchased units are transferred back, if necessary – plus an amount corresponding to the value of the units or shares paid for on the day after receipt of the cancellation.

The right to cancellation cannot be waived.

The foregoing applies mutatis mutandis to the sale of units or shares by the investor.

### **End of cancellation policy**

Valid from: September 2022