

General Terms and Conditions for Securities Accounts of MorgenFund GmbH, Luxembourg branch

Section 1

Basic principles governing the business relationship between the client and MorgenFund GmbH, Luxembourg branch (hereinafter referred to as the "Institution")

1. Scope of application and amendments to these General Terms and Conditions, the Special Terms and Conditions for Individual Business Relationships, and the Fee and Service Schedule

(1) Scope of application

The General Terms and Conditions (hereinafter also referred to as the "Terms and Conditions") apply to all aspects of the business relationship between the client and the Institution. The relevant Fee and Service Schedule and the Special Terms and Conditions for Individual Business Relationships, and any exceptions and/or additions to these General Terms and Conditions shall also apply; these are agreed with the client when the securities account is opened or an order placed.

(2) Amendments

(2.1) Amendment proposal

The Institution is entitled to make amendments to these General Terms and Conditions, the Special Terms and Conditions, and the Fee and Service Schedule, specifically in the event of changes to the legal and/or regulatory environment, market practices or conditions, and will announce/propose these to the client (e.g. in PDF format) in a durable medium. Amendments to the General Terms and Conditions, Special Terms and Conditions, and the Fee and Service Schedule shall be proposed to the client in writing (e.g. in PDF format) in a durable medium no less than one month before their proposed date of entry into force. Amendments are proposed and made available to the client in accordance with the rules of point 2, "Communication channels and language", of these Terms and Conditions via the communication channels agreed with the client, i.e. for example by making these available in the client's online mailbox and/or via electronic messaging (email) and/or, where permissible under law, on the Institution's website (www.morgenfund.com) or on another website indicated to the client.

(2.2) Acceptance by the client

The client is deemed to have agreed to these amendments unless opposition is raised within the timeframe cited above ("deemed consent"). The Institution may, at its own discretion, end the client relationship if the client does not agree to the amendments.

(2.3) Termination rights of the client in the event of deemed consent

If the Institution applies the principle of deemed consent, the client is entitled to terminate the agreement subject to amendment without notice or charges before the proposed time at which such amendments come into force. The Institution will specifically inform the client of this termination right in its amendment proposal.

2. Communication channels and language

(1) Communication language

German is the definitive language for this contractual relationship and for any communication between the client and the Institution during the term of the agreement. Unless otherwise agreed with the client, all client documentation and information will be made available in German. Deeds and other documentation shall be made available in German, unless otherwise agreed with the Institution; certified translations of any foreign-language documents shall be provided at the request of the Institution.

(2) Communication channels

The Institution is entitled to make all relevant documentation, notices, client information and agreements available to the client for consultation, download, printing or saving in electronic format, i.e. in the client's online mailbox and/or via electronic messaging (email) and/or, where permissible under law, on the Institution's website (www.morgenfund.com) and/or on another website indicated to the client. During the term of the agreement, the client is entitled to request any relevant documentation, notices, client information and agreements in written/text format, which may be subject to charges in accordance with the applicable Fee and Service Schedule.

If the client and Institution have not agreed on any electronic communication channels (e. g. online mailbox, email, website of the Institution or another website indicated to the client by the Institution), all relevant documentation, notices, client information and agreements will be sent to the client in written format.

(3) Client categories

The Institution classifies the client as a retail client within the meaning of Article 1 (4) of the Luxembourg Law of 5 April 1993 on the financial sector, as amended (hereinafter "LFS").

1. Securities account agreement/Purpose of the business relationship

(1) Securities account agreement

The client makes an application to the Institution to open a securities account by sending the Institution a fully completed securities account application form which the Institution receives.

The client is required to provide the Institution with precise details of their identity at the start of the business relationship, in accordance with the stipulations in the application form. The Institution may request additional details and documents for identification or other purposes at the start of and throughout the course of the business relationship, providing this is necessary in order to fulfil its legal duties (in particular as regards applicable Luxembourg rules/laws/regulations on anti-money laundering) or within the framework of the business relationship.

The Institution will establish the securities account agreement only once the client has submitted a securities account application form and provided full proof of identity/identity verification.

The Institution reserves the right to refuse the application to open a securities account without providing reasons.

(2) Subject of the business relationship

The securities account is an account in which investment fund units (hereinafter referred to primarily as “units”, “investment funds” or simply “funds”) can be held in custody. The subject of the business relationship is the custody and administration of investment fund units for others, the purchase and sale of such units and other ancillary activities closely related to the cited activities. The purchase and sale of investment fund units is carried out on a commission basis pursuant to Articles 24-6 and 24-7 LFS: the purchase or sale of financial instruments in one's own name for the account of third parties.

2. General rules for securities transactions

(1) Restriction to units distributed by the Institution

The Institution only carries out securities transactions for clients within the meaning of Section 2, point 1, in units that are distributed by the Institution, i.e. units included in the Institution's range of funds. These are units in domestic and/or foreign funds that are authorised for public distribution. An overview of the funds distributed by the Institution is available upon request to the Institution or can be consulted at www.morgenfund.com. The Institution reserves the right to decline to hold in custody or acquire the units of certain

investment funds (e. g. if market timing/late trading/front running is suspected) or certain management companies.

(2) Sales documentation available on the website/sent by post to clients upon request

The applicable sales documentation for the investment funds and exchange-traded funds (hereinafter referred to as “ETFs”), which currently includes the Key Information Documents (KIDs¹) for investing in packaged retail and insurance-based investment products (PRIIPs²), the current sales prospectus including the management regulations/articles of incorporation, and the most recent annual and semi-annual report, is made available to clients on the website of the Institution (www.morgenfund.com) before the securities account is opened and the order placed. The sales documentation may be sent by email or post if expressly requested by the client.

The client herewith agrees that information that must be made available in a durable medium may be provided in a medium other than paper.

The client herewith agrees that the aforementioned applicable sales documentation for the investment funds and exchange-traded funds, specifically the Key Information Documents (KIDs) for packaged retail and insurance-based investment products (PRIIPs), will be made available **on the website of the Institution** (www.morgenfund.com) before the securities account is opened and the order placed.

3. Information on risks and price fluctuations in securities transactions

Securities transactions are subject to special risks due to their specific characteristics. The following specific risks should be noted:

- Risk of price changes/risk of fall in unit price;
- Credit/issuer risk (risk of default/insolvency of issuers);
- Counterparty risk;
- Exchange rate risk;
- Interest rate risk;
- Risk of total loss.

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 investing in investment funds”, which the client can request from the Institution or which the Institution makes available to the client when the opening of the securities account is confirmed. 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.

¹ KIDs: Key Information Documents. Pre-contractual basic information sheets for retail investors to help them understand and compare the basic characteristics and risks of PRIIPs.

² PRIIPs: Packaged retail and insurance-based investment products. Packaged investment products for retail investors and insurance-based investment products which are subject to investment risk. Within the meaning of Regulation (EU) No 1286/2014 (the “PRIIPs Regulation”), “packaged” means all investment products and agreements where client monies are invested in capital markets indirectly rather than directly or the amount repayable is otherwise linked to the performance of certain securities or indices.

4. Sales/distribution restrictions/Exclusion of US citizens and US persons

The Institution reserves the right to reject a securities account application if the potential client is prohibited by distribution/sales restrictions from acquiring the funds to be deposited there and offered by the Institution. Such distribution/sales restrictions apply specifically to the sale of funds in the US or to US persons. The funds offered by the Institution are not eligible for distribution in the US and/or to US persons. US persons are persons who are US citizens or green card holders, and persons with fixed/permanent residency in the US and/or with a US postal address. This also applies to any authorised representative of the client meeting the aforementioned criteria. US persons may also be partnerships or corporations organised under the laws of a US state, territory or possession. The funds' sales prospectuses may include sales/distribution restrictions for other countries and citizens, etc.

Clients must inform themselves of any sales/distribution restrictions applicable to the relevant funds.

The client must inform the Institution immediately if they become a US person during the course of the business relationship.

5. General information concerning execution policies

(1) General

The Institution executes securities transactions in accordance with its applicable execution policies. The execution policies form an integral part of these Terms and Conditions and are deemed to have been agreed with the client when the securities account agreement is concluded. The Institution is entitled to amend the execution policies in accordance with regulatory requirements. The Institution will inform the client of any amendments to the execution policies. Further details on the execution policies are governed by Section 4, "Execution policies for the purchase/sale of investment fund units and ETFs", of these Terms and Conditions.

(2) Review of the execution policies

The execution policies are reviewed by the Institution on a regular basis and at least annually. A review is also carried out in the event of key changes in the market environment that cause an adverse impact and necessitate an adjustment to the execution policies. Any key amendments made to execution policies are published regularly on the website at www.morgenfund.com. In addition, a regular review is carried out of the effectiveness of the internal provisions in ensuring compliance with the policies, of execution quality, and of the appropriateness of the selected trading counterparties.

The Institution does not currently offer additional execution channels or execution channels other than those described in these Terms and Conditions.

6. Physical units

The deposit and delivery of physical units is excluded. Only investment fund units approved for collective safe custody or a similar form of custody can be held in a securities account.

Section 3

Rules on the purchase and sale of units

1. General rules on the purchase and sale of investment fund units (including ETFs)

With the exception of ETF units, the issue and redemption of units (purchase and sale) is carried out in accordance with the conditions established by the management company and published in the sales prospectus of the relevant investment fund.

The Institution is entitled to verify the eligibility of the client before executing a transaction order (purchase/sale).

The Institution may also make concluding and executing securities transactions dependent on the receipt of certain client declarations (e. g. within the meaning of the Luxembourg Anti-Money Laundering Law ("AML Law")); such declarations may be requested once or regularly by the Institution.

The Institution will only accept purchase/sale orders for units if the units of the relevant fund are distributed by the Institution and no other restrictions prevent this (e.g. lock-up periods). If an order is not executed, the client will be informed immediately.

The Institution may refuse to carry out securities transactions until an agreement on a reference bank account has been concluded with the client or if up-to-date client information/data within the meaning of the AML Law is not available.

2. Placement of transaction orders (purchase and sale of units)

Orders for the purchase/sale of units may be placed via the following channels in accordance with the provisions described below.

- (1) Online
- (2) In writing/by fax
- (3) Transfer/direct debit
- (4) Telephone

Purchase/sales orders cannot currently be placed by email.

(1) Online

If an online securities account is available (with the option of placing orders using electronic channels via the online securities account in accordance with the "Special Terms and Conditions for Online Securities Accounts and Electronic Mailboxes"), purchase/sales orders can be placed online using the personal security features and authentication instruments (PIN/TAN procedure) agreed with the Institution. The "Special Terms and Conditions for Online Securities Accounts and Electronic Mailboxes" shall also apply.

(2) In writing/by fax

The client may place orders for the purchase/sale of units in writing or by fax.

In principle, orders may only be placed using one of the forms provided by the Institution. The form is available on the Institution's website (www.morgenfund.com) or will be sent to the client upon request.

(3) Purchase orders by transfer/direct debit

Purchase orders may also be placed by transfer to the escrow account of the Institution or using one of the Institution's purchase forms with direct debit from a bank account provided by the client, providing that the client has given the Institution a valid SEPA direct debit mandate. If the client has not yet provided the Institution with a valid SEPA direct debit mandate, the client must provide the Institution with a new SEPA mandate for the direct debit; otherwise the order cannot be executed.

(4) Telephone

The client may place orders for the purchase/sale of units by telephone.

Information concerning purchase and/or sales orders placed by telephone or electronically:

For purchase and/or sales orders placed by telephone or electronically, the Institution is legally obliged to record all such conversations and electronic communication and to retain these for five years, or for seven years if so requested/instructed by the responsible supervisory authority. The Institution takes measures to safeguard the confidentiality of the spoken word. At any time during the aforementioned retention period, the client may request a copy of the recordings made in accordance with legal requirements in connection with order communication from the Institution.

3. Availability of information on costs and fees (hereinafter referred to as "ex-ante cost information")

(1) Availability of ex-ante cost information before order placement

(a) Online

Unless otherwise agreed below, the Institution will make ex-ante cost information available **before** order execution in the online mailbox of client, providing the method used to place the order allows for ex-ante cost information to be made available in advance (e. g. online orders). If ex-ante cost information can only be made available to the client after order placement, the rules under paragraph 2 below shall also apply to online orders.

(b) Telephone

The client can request ex-ante cost information by telephone **before** order placement and receive the information before order execution (e. g. via email or online mailbox). If ex-ante cost information can only be made available to the client after order execution, the rules under paragraph 2 below shall also apply to orders placed by telephone.

(2) Availability of ex-ante cost information after order placement

Consent to ex-ante cost information being made available after order placement

If the client places an order using distance communication methods (e. g. in writing, by fax, transfer, direct debit and, where offered by the Institution, email), the Institution herewith expressly informs the client that **ex-ante cost information cannot be made available in advance** for this type of order placement.

In such cases, the client herewith consents to the Institution making available or sending ex-ante cost information immediately after order execution, either printing this information on the invoice, or sending it electronically or in writing, if so expressly requested by the client. Accordingly, the Institution assumes that clients using this means of order placement have agreed to receiving the ex-ante cost information immediately after order execution.

Clients have the option of postponing order execution until they have received the cost information. **If clients wish to receive ex-ante cost information prior to transaction execution, they must expressly inform the Institution accordingly.** In such cases, the Institution will not execute the order upon receipt but will first send clients the ex-ante cost information. **Clients must then submit a new order to the Institution if they still wish to execute this order.** Clients are expressly informed that the process of sending ex-ante cost information followed by a new order placement will result in a delay in executing the order.

The Institution also informs clients that when placing an order using distance communication methods (e. g. in writing, by fax, transfer, direct debit or by telephone), it is **also** possible to receive the ex-ante cost information **in advance by telephone.**

4. Information required for purchase and sales orders

If the client does not provide all of the following information when placing an order, the order cannot be executed by the Institution; the Institution will immediately inform the client accordingly. In this case, the client must provide the Institution with a new order containing all of the necessary information.

(1) Purchase orders

Purchase orders must include a complete securities account or portfolio number provided by the Institution. They will then be treated as a purchase order for the corresponding fund units.

Providing that the order can be clearly allocated, the Institution will execute the securities transaction immediately, at the latest on the following business day, taking account of the conditions of the relevant investment fund (see the sales documentation of the relevant fund).

If a purchase order is made in the form of a transfer for the purchase of units before the opening of the relevant securities account with the Institution is confirmed, the purchase order

will be executed immediately after the securities account has been opened. If the securities account cannot be opened, the transferred amount will be returned to the client.

The Institution requires a SEPA direct debit mandate from the client if monies for the purchase of securities are to be collected via direct debit. The client (debtor) will be informed on a timely basis of the presentation of the direct debit mandate and of the corresponding mandate reference.

(2) Sales orders

If a sales order is for the redemption of all units held in a securities account, then only the securities account number is required.

Any sales orders for the redemption of units in individual funds must be accompanied by details of the complete investment fund number.

Any sales orders for a specific value amount will be treated by the Institution as orders for the redemption of a corresponding number of units. Any sales orders for the redemption of all units in a portfolio and the closure of the portfolio must be accompanied by details of the complete portfolio number.

5. Unit price/time of execution

(1) Purchase/unit price

The Institution executes the purchase of securities for clients on a commission basis. The unit price consists of the net asset value of the units plus the relevant distribution commission³ (unit price) plus any applicable transaction costs.

(2) Sale/redemption of units/redemption price

Client orders for unit redemptions are executed by the Institution on a commission basis. Units are redeemed at the net asset value of the units less any applicable redemption discount (redemption price) together with any applicable transaction costs.

(3) ETF purchase/sale

Client orders for the acquisition and redemption of ETFs are executed on a commission basis. For ETFs, the Institution calculates the purchase/sale value to the client as the market price (the bid/offer price of the market maker) plus/minus any ETF transaction costs if applicable.

(4) Settlement terms for securities transactions (processing/time of execution/valuation date)

a) Orders for securities transactions are processed by the Institution immediately, at the latest on the business day following receipt of the⁴ order by the Institution. Processing means the input of purchase, sales and exchange orders into the Institution's system (order input). In the event of exceptions requiring a specific review by the Institution (e. g. in probate cases), orders are input at the latest on the second business day following receipt.

b) For purchase orders by transfer, the date of receipt is the date of the credit advice on the escrow account of the

Institution with full client details. If the date of receipt is not a business day for the Institution, the next business day of the Institution is deemed to be the date of receipt.

c) The time of execution for the transaction and the relevant unit price are based on the Institution's order cut-off time, which is in turn based on the order cut-off times of the management companies of the relevant funds and an appropriate processing time for the Institution. The order cut-off times of the management companies are published in the sales documentation of the relevant funds.

d) For orders placed online before the cut-off time of the relevant fund, the order will be forwarded by the Institution on the same day – where applicable using an intermediate commission agent – to the relevant management company or to a market maker. For orders placed online after the cut-off time of the relevant fund, the order will be forwarded by the Institution on the following business day – where applicable using an intermediate commission agent – to the relevant management company or to a market maker. When orders are placed via a different channel (e. g. in writing/by fax) there may be differences in the timing of order forwarding due to the required processing/input times in the Institution's system.

The day on which the relevant management company or their custodian or market maker books the order with the Institution (time of execution) determines the unit/market price used for the relevant units. The time of execution and the unit/market price used for execution are therefore outside of the control of the Institution. If a securities transaction is not executed, the Institution will immediately inform the client.

e) If the net asset value/unit price of an investment fund is not fixed daily or if there are no trades on a specific trading day (e. g. due to public holiday rules), the transaction is executed on the next business day on which a net asset value/unit price is fixed or trading is resumed.

f) Savings and withdrawal plans are booked on the date determined by the client, providing that the Institution has received all the necessary information on this date. If the date chosen by the client for booking is not a business day, the order will be booked at the subsequent unit/market price on the next business day or following business day.

6. Currency for payments and distributions/ currency conversion

Payments by the client to the Institution must always be made in the currency of the relevant investment fund. Payments made in a different currency will be converted into the currency of the relevant investment fund by the Institution at the prevailing exchange rate. Further details on this matter are defined in the Fee and Service Schedule.

Distributions in the form of transfers by the Institution to the client are in principle made in EUR, unless the client has expressly instructed the Institution otherwise.

³ The maximum distribution commission may not exceed the percentage rate of the maximum applicable subscription fee specified in the current sales prospectus for the respective fund

⁴ Business days are all working days except Saturday, 24 and 31 December, and statutory holidays in the Grand Duchy of Luxembourg.

7. Units/fractions of units

If a payment made by the client is not sufficient for the acquisition of a full unit, the Institution will credit a fraction of a unit rounded to four decimal places.

If transfer (delivery) of the units to a third-party account-keeping agent is requested, only full units can be transferred and any fractions of units are sold and the corresponding amount paid into the reference bank account or a designated external bank account of the client (see Section 11 below for further details).

8. Combination of client orders

The purchase/sales/exchange orders of several clients may be consolidated per fund/ETF into a combined fund order and subsequently transferred by the Institution to the management company or intermediate commission agent and/or market maker.

9. Allocation and deletion of client orders

If particular circumstances make it impossible for the Institution to execute purchase and sales orders, e.g. if specific funds are no longer issuing new units, orders may be executed based on a proportional allocation (partial execution) or deleted. The client will be informed immediately in the event of partial execution or deletion of an order.

10. Reference bank account/external bank account

Credit balances, e.g. from sales, can be paid into the client's designated external reference bank account or into an external bank account expressly indicated by the client in the written order. An external bank account can only be indicated in the original order submitted in writing. Given the importance of the external reference bank account, any changes require written notice or can be made online by the client (if/when this service is offered online by the Institution). The Institution will only accept a client's application to set up or change an external reference bank account if the reference bank account is in the client's name and is managed for the client's own account.

In principle, the reference bank account must be with a domestic and/or foreign credit institution within the Single Euro Payments Area (SEPA) and with settlement processes that comply with unified SEPA rules. SEPA direct debits can only be debited to SEPA bank accounts in countries where banks accept the SEPA Direct Debit Core procedure.

If the client provides an external bank account other than that of the reference bank account, the Institution does not check whether the external bank account provided is in the name of the client. This risk is borne by the client.

11. Appropriateness assessment for complex fund units⁵/ Allocation to a personal security account risk class/ Non-execution of orders

The Institution is obliged to carry out an appropriateness assessment on clients placing orders to purchase complex fund units (see Section 4, point 3: "Non-advisory business

pursuant to Article 24-2 LFS when executing orders in complex fund units"). Once the Institution has received information on the client's knowledge and experience, it will allocate a personal security account risk class to the client (unless this has been established previously). The Institution reserves the right to refuse to execute orders if the security account risk class of the client does not match the risk class of the investment fund units to be purchased. In such cases, the Institution will immediately inform the client. If the client nevertheless wishes to continue with the order, the order can be resubmitted. If the client has not provided the Institution with the information required to carry out an appropriateness assessment, the Institution reserves the right to refuse to execute the order and to inform the client that it has been unable to carry out an appropriateness assessment. If the client nevertheless wishes to continue with the order, the order can be resubmitted.

Section 4

Execution policies for the purchase/sale of investment fund units and ETFs

1. Executions on a commission basis

(1) Purchase and sale of investment fund units (excluding ETFs)

The Institution executes purchase and sales orders for domestic and foreign units on a commission basis, i.e. in its own name for the account of the client. It executes a transaction (purchase/sale transaction) in its own name for the account of a third-party with the management company, or places an order with a third-party commission agent (intermediate commission agent) to execute the transaction.

(2) Purchase and sale of ETFs

The Institution executes purchase and sales orders for ETFs on a commission basis, i.e. in its own name for the account of the client over the counter through a market maker (i.e. a securities trader quoting binding bid and offer prices) in the form of a block order.

The following execution policies apply to the execution of orders placed by the client with the Institution for the purchase or sale of ETFs. The Institution will not accept instructions on the execution channel from the client in accordance with paragraph 3 of this point 1. The Institution accords the greatest importance to the price-competitive execution of ETF orders. The execution channels described below are therefore used to execute ETF orders.

ETF orders are executed using **Clearstream Banking AG** as intermediate commission agent, which uses Société Générale S.A. (Frankfurt branch) as market maker.

For ETFs, the Institution combines total purchase and sales orders received by 2:30 pm (CET) on each stock market trading day. The Institution then places a purchase or sales order for each ETF with the intermediate commission agent.

⁵ This refers to complex financial instruments. These Terms and Conditions refer solely to complex funds/fund units. Complex financial instruments are financial instruments which require clients to have in-depth knowledge and for which there is no liquid market with market prices or issuer-independent prices, or which have conditions that make it difficult for investors to understand the accompanying risk, e.g. derivative instruments such as forward transactions, options and swaps.

The intermediate commission agent is entitled to forward the orders to a market maker.

The executions take place over the counter.

(3) Client instructions

The Institution will not accept client instructions regarding the execution channel. The Institution does not offer other or additional execution channels.

The Institution herewith notifies the client that executing an order via a stock market or another execution venue similar to a stock market could result in a better price on a case-by-case basis. Execution transactions are subject to the applicable legal provisions and terms and conditions for securities trading at the execution venue.

2. Execution-only business pursuant to Article 24-2 LFS when executing orders in non-complex fund units

The Institution executes client orders for non-complex fund units solely at the instigation of the client as execution-only business. The Institution herewith informs the client that, for execution-only business carried out at the instigation of the client, an appropriateness assessment is not performed by the Institution pursuant to Article 37-3 (5) and (6) LFS. This means that when executing orders as execution-only business, the Institution does not verify whether a client's investment decision is appropriate to their circumstances, i.e., whether the client has the necessary knowledge and experience and is in a position to properly understand and assess the risks in connection with non-complex 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. This means that the Institution does not check and assess whether a client's investment decision corresponds to their knowledge and experience of transactions in certain financial instruments, financial situation including the ability to bear losses, investment objectives and risk tolerance.

The Institution assumes that, where necessary and in advance of any investment decision, the client has sought advice and/or explanations from an investment broking advisor (where one exists) and has received adequate explanations and advice in accordance with legal provisions regarding investments and investors (e. g. with regards to the target markets of the fund, and costs and benefits).

3. Non-advisory business pursuant to Article 37-3 (5) LFS when executing orders in complex fund units

The Institution executes client orders for *complex fund units solely as non-advisory business* in accordance with Article 37-3 (5) LFS. To execute the order, the Institution must carry out an *appropriateness assessment* in accordance with Article 37-3 (5) LFS.

To carry out this appropriateness assessment, the Institution will compare the knowledge and experience indicated by the client (or their authorised representative) of transactions in complex fund units with the order placed by the client (or authorised representative).

If the investment decision taken by the client (or authorised representative) does not match their knowledge and experience of the relevant complex fund units, the Institution will notify the client (or authorised representative) accordingly. This may be communicated in standardised form.

When executing orders as non-advisory business, the Institution does not carry out a *suitability assessment* in accordance with Article 37-3 (4) LFS. This means that the Institution does not check and assess whether a client's investment decision corresponds to their financial situation including their ability to bear losses, investment objectives and risk tolerance.

The Institution assumes that, where necessary and in advance of any investment decision, the client has sought advice and/or explanations from an investment broking advisor (where one exists) and has received adequate explanations, information and advice in accordance with legal provisions regarding investments and investors (e. g. with regards to the target markets of the fund, and costs and benefits).

4. Asset management exclusion

The Institution herewith notifies the client that asset management services do not form part of this securities account agreement.

The Institution shall not be liable for any failure by one of the client's intermediaries in its duty to provide explanations, information and advice. If the Institution provides the client with any information in excess of its legal duty to provide information, such as market commentaries, charts, etc., this does not constitute investment advice and serves solely to facilitate the client's investment decision.

Section 5

Unit register, ownership, co-ownership, collective safe custody

1. Unit register, ownership, co-ownership

If the body responsible for issuing units maintains a register, the Institution will be registered therein as the owner on behalf of the client. If only the ultimate beneficiary can be included in this unit register, the Institution will have the units registered in the client's name. In this case, the units acquired are the property of the client and are not held on a fiduciary basis. If fractions of units cannot be issued in an investment fund by the body responsible for issuing units and the client is personally entered in the unit register of the investment fund, the client acquires co-ownership of an existing joint securities account of all owners of fractions of units with the Institution.

2. Collective safe custody

The Institution can place the units in collective safe custody for the client.

Section 6

Acquisition and custody abroad

The Institution acquires units of foreign investment funds abroad and these are held in custody abroad with a foreign, third-party custodian. Custody is governed by the legal provisions and practices of the place of custody and the applicable terms and conditions of the foreign custodian(s). The Institution shall, with due discretion and regard for the client's interests, establish ownership or co-ownership of the units or a similar comparable legal status in the country of custody, and hold this legal status on a fiduciary basis for the client. The Institution will issue the client with a securities account credit note indicating the foreign country in which the securities are located (country of custody).

The Institution only requires the client's delivery claims from the securities account credit notes issued to match the cover holdings it maintains abroad. The cover holdings consist of units of the same category held in custody for clients and the Institution in the country of custody. The client therefore bears a proportion of any economic and legal disadvantages and damages that may affect the cover holdings as a result of force majeure, riots, war, natural catastrophe or other third-party attacks for which the Institution cannot be held responsible abroad, or in connection with domestic or foreign sovereign acts. If the client has to bear any disadvantages or damages to the cover holdings pursuant to this Section, the Institution is not obliged to reimburse the purchase/unit price to the client.

The Institution herewith informs the client that foreign laws may require disclosure of the client's name. The Institution will provide foreign bodies with the relevant information where this is obligatory.

Section 7

Distributions/fund liquidations/target-date funds/fund mergers

1. Distributions

(1) Automatic reinvestment of distributions

Distributions – where applicable with the deduction of withholding tax – will be automatically reinvested by the Institution in units of the relevant investment fund, without a specific client order ("automatic reinvestment"). This shall not apply to investment funds for which the Institution and the client have reached an alternative agreement or if the client has instructed the Institution otherwise. Automatic reinvestment is processed and executed immediately after the distribution is credited to the Institution's account on the business day on which the Institution is in possession of all required information, at the latest on the next business day.

Amounts are automatically reinvested at the relevant unit price or execution price (for ETFs) at the time the transaction is carried out; a distribution commission is not charged.

If automatic reinvestment is not possible for an investment fund (e. g. as the fund is no longer issuing units), distributions – where applicable with the deduction of withholding tax – are invested by the Institution for the client in accordance with the rules in point 3 "Investments in money market funds or bond funds for clients".

(2) Reinvestment veto

The client can veto reinvestment on a one-off or permanent basis and request payment of the distribution. The Institution must be informed of the reinvestment veto and the request for payment at least eight business days before the date of the distribution or the distribution may be automatically reinvested.

(3) Currency/reinvestment in other funds

Reinvestment via the purchase of units in the distributing fund are made in the relevant fund currency. Reinvestment via the purchase of units in a different fund to the distributing fund is not possible.

2. Fund liquidations/target-date funds/fund mergers

(1) Fund liquidations/target-date funds

Once the Institution becomes aware of a fund liquidation or a target-date fund reaching expiry, it has the right to block transactions in the fund that is in liquidation or the target-date fund prior to the time of liquidation/expiry. The Institution will inform any affected clients accordingly, provided it receives this information from the relevant management company on a timely basis.

If the management company is proposing an alternative fund to the fund in liquidation, the Institution will inform clients accordingly and indicate a deadline by which clients can place an order with the Institution to reinvest the liquidation proceeds in the alternative fund. The client may also place an order with the Institution to pay out the liquidation proceeds. Unless the Institution receives an order from the client on a timely basis to reinvest or pay out the liquidation proceeds or the proceeds upon expiry of the target-date fund, those proceeds will be reinvested in a money market fund or short-term bond fund listed in the Fee and Service Schedule in accordance with point 3 below, "Investments in money market funds or bond funds for clients".

The amount to be paid out is calculated with the deduction of any withholding tax payable, on the date of expiry for a target-date fund and on the date of liquidation for a fund liquidation, including the share of income on the business day on which the Institution is in possession of all information required for the calculation.

If a distribution or credit is made before or after the fund liquidation or the expiry of a target-date fund and the relevant fund is already blocked for reinvestments, the Institution will invest the amount transferred on the client's behalf in units or fractions of units of a money market or short-term bond fund in accordance with point 3 below, "Investments in money market funds or bond funds for clients".

(2) Fund mergers

If the Institution is informed of an imminent fund merger, it is entitled to block the fund for transactions before the merger date.

If the management company decides to transfer a fund into another fund as part of a funds merger, the Institution will transfer the units to the acquiring fund designated by the management company.

The merging fund will be blocked for transactions from the merger date until the full transfer of the fund units. The Institution must be in receipt of all the required information from the custodian in order to book the units to the client's securities account.

If a distribution is made from the merging fund **before** the fund merger and the merging fund is already blocked for purchases, the Institution will reinvest the distribution in accordance with point 3 below, "Investments in money market funds or bond funds for clients".

If a distribution is made from the merging fund after the merger date, the Institution will invest the distribution in units in the acquiring fund.

The fund merger shall be carried out using the conversion ratio determined by the management company into units of the acquiring fund designated by the management company. The Institution must be in receipt of all necessary information/documents to make a corresponding booking in the client's securities account, where applicable after the deduction of any taxes payable.

(3) Late/missing information from the management company

If the Institution is not aware of a fund liquidation/merger until after the event, it shall not be liable for any resulting execution delays or failures and/or transactions executed at a later time, and will not compensate the client for any resulting damages/disadvantages.

3. Investment in money market or bond funds for clients

The client is herewith informed and **agrees** that if the Institution receives money from a management company for the client's account, which cannot be reinvested in accordance with the above rules in point 1, "Distributions" or point 2, "Fund liquidations/target-date funds/fund mergers", the amount transferred shall instead be invested for the client's account in units or fractions of units in a money market or short-term bond fund (bond fund investing predominantly in bonds with short residual maturities, hereinafter "short-term bond funds"). Investment shall be made in the currency of denomination of the transfer received by the Institution for the client into the investment fund included in the Institution's Fee and Service Schedule as the money market or short-term bond fund for investments in the relevant currency. The Institution will book the units and any fractions of units of the relevant money market or short-term bond fund to the client's securities account.

The client's agreement to investment in money market or short-term bond funds specifically covers cases cited in point 1, "Distributions", and point 2, "Fund liquidations/target-date funds/fund mergers", of this Section 7.

The money market or short-term bond funds listed in the Fee and Service Schedule for the investment of the cited fund assets, in the relevant currency, can be changed at the discretion of the Institution (Article 1591 of the Luxembourg Civil Code) providing that, in the opinion of the Institution, this is in the interest of clients given market conditions and the conditions for the relevant fund assets published in the sales prospectus.

Section 8

Statements of account and securities account statements/reversals and corrections

1. Statements of account and securities account statements

The Institution sends the client a statement no later than the first business day after execution of a securities transaction (purchase/sale). If the client acquires units through regular deposits (savings plan), the Institution will send the statement in the form of a half-yearly securities account statement. The client will receive a quarterly statement in any quarter in which there have not been any securities transactions and thus no other statements have been received.

The Institution will also send the client an annual securities account statement.

2. Reversals and corrections

The Institution can reverse incorrect bookings at any time, providing it is entitled to rebook an entry against the client (reversal). In this case, clients cannot object that they have already used the monies that were credited incorrectly. The Institution will immediately inform the client of any reversals booked. A reversal is booked retrospectively on the business day on which the incorrect booking was posted. Reversals may also be made by the Institution as a result of correction notices received from a management company.

Section 9

Joint securities accounts/securities accounts for minors/ powers of disposal on the death of a client/powers of attorney

1. Joint securities account

(1) Powers of disposal

Each owner of a joint securities account has the power of disposal without the involvement of the joint owner (an "EITHER/OR securities account"), unless one or all of the owners together have instructed the Institution to the contrary in writing (e. g. by letter, fax or email) (an "AND securities account").

(2) Joint and several liability

All owners of a joint securities account are jointly and severally liable vis-à-vis the Institution for all liabilities of the joint securities account, whether such liabilities were entered into jointly or individually, i.e. each owner is liable for ensuring full payment to the Institution. However, the Institution is only entitled to payment once. The Institution may, at its discretion, request payment from each debtor/securities account owner in full or in part. All debtors/securities account owners remain liable for payment until the debt has been settled in full.

(3) Re-registrations

Re-registrations from a joint securities account to an individual securities account are not possible.

2. Securities accounts for minors

Securities account holders who are minors are represented by their legal representative(s) in accordance with the rules established when the securities account was opened. Unless rules to the contrary were established at the time the securities account was opened, securities accounts for minors are in principle managed with joint powers of disposal (AND securities account), i.e. each legal representative has only joint powers of disposal until express notification from all legal representatives to establish individual powers of disposal. Legal representatives have only joint powers of disposal from the time that any individual power of disposal of a legal representative is revoked.

3. Powers of disposal on the death of a client

Following the death of a client, any person claiming to be the legal heir of the client vis-à-vis the Institution must provide the Institution with appropriate proof of their inheritance claim. If the Institution is provided with a copy or certified copy of the last will and testament together with the relevant probate documents, it is entitled to regard the heir or executor designated therein as authorised, to grant them power of disposal and in particular to transfer assets to them, thereby discharging its obligations. This does not apply if the Institution knows that the person named therein does not have the power of disposal (e.g. if the will is subject to a challenge or is invalid) or if the Institution is unaware of this due to negligence. Powers of disposal granted during the client's lifetime and remaining valid after death, or pow-

ers of disposal granted in the event of death, shall remain in force vis-à-vis the Institution until effectively revoked.

4. Powers of attorney

If a power of attorney is granted for a securities account, the agent(s) has/have sole power of disposal over the securities account (individual power of disposal) unless the securities account holder has issued other instructions. The agent(s) is/are not entitled to appoint sub-agents or to transfer the power of attorney. For a joint securities account, irrespective of the right of disposal, the power of attorney must be granted jointly by both securities account owners. For a securities account for a minor, a power of attorney must be jointly granted by all legal representatives. The Institution must verify the identity and document each agent in accordance with legal provisions. The power of attorney shall lapse if a single securities account holder revokes it in writing to the Institution.

Section 10

Information and rules for open-ended real estate funds

1. Information

The following rules apply to investments in open-ended real estate funds. Details can be found in the relevant fund's sales documentation.

Delivery/transfer to an external securities account is not possible for units of open-ended real estate funds for which an irrevocable redemption statement has been issued.

Issue and redemption prices for open-ended real estate funds are not required to be established on each stock market day and are often only established infrequently but at least annually in accordance with the sales documentation of the relevant open-ended real estate fund.

The specifications of open-ended real estate funds mean that sales proceeds may be paid to clients with delays of several weeks in some cases.

2. Rules on the purchase and sale of units in open-ended real estate funds

(1) Purchase of units in open-ended real estate funds

The client can purchase units in open-ended real estate funds via the order placement channels offered by the Institution (hereinafter also referred to as "order channels") in accordance with Section 3, "Rules on the purchase and sale of units".

If daily unit purchases in an individual open-ended real estate fund are not possible due to the provisions of its sales prospectus or management regulations, any orders must be received by the Institution at least two business days before the relevant order cut-off time indicated in the sales prospectus or management regulations of the relevant real estate fund. The purchase is made at the unit price (plus distribution commission) determined on the next valuation date.

(2) Sale of units in open-ended real estate funds

A sale of units in an open-ended real estate fund requires a full written order on a form provided by the Institution for this purpose.

The Institution will not execute sales orders that are incomplete or contain errors.

Redemption of units acquired before 22 July 2013:

For real estate investment funds acquired before 22 July 2013, redemptions may not exceed EUR 30,000 per calendar half-year (**allowance**). For redemptions in excess of EUR 30,000 per calendar half-year, redemptions are only permissible after a minimum holding period of 24 months. In addition, an **irrevocable redemption statement** with notice of 12 months must be provided in such instances.

Redemption of units acquired after 22 July 2013:

For real estate investment funds acquired after 22 July 2013, unit redemptions are only allowed after a minimum holding period of 24 months. In addition, an **irrevocable redemption statement** with notice of 12 months must be provided.

Once the irrevocable redemption statement has been issued, the securities may **no longer** be transferred out of the securities account or otherwise disposed of.

Once the client's sales order has been received by the Institution it cannot be revoked (irrevocable redemption statement).

If the irrevocable redemption order is for a euro amount (amount order), the Institution calculates the number of units corresponding to this amount on the basis of the last available redemption price and returns these units to the management company of the relevant open-ended real estate fund at the requested time (but at the earliest after expiry of the minimum legal holding period).

The Institution has no influence on price movements in the redeemed units. The sales proceeds are calculated on the basis of the redemption price established by the management company of the open-ended real estate fund on the day the units are redeemed and may thus be higher or lower than the amount requested by the client. Unless the special management regulations of the open-ended real estate fund provide for fixed redemption dates, the earliest possible date for the redemption statement is the day following expiry of the minimum holding period.

For redemption statements that do not specify a redemption date, the units will be redeemed on the earliest possible redemption date following expiry of the minimum holding period, subject to the redemption notice period.

(3) Reinvestment of income distributions

In principle, income distributions are reinvested in accordance with the rules of Section 7, "Distributions/fund liquidations/target-date funds/fund mergers", of these Terms and Conditions. This does not apply if the client has issued an irrevocable redemption statement for units in an open-ended real estate fund. It is not possible to reinvest income dis-

tributions in holdings of open-ended real estate funds for which an irrevocable redemption notice has been issued.

Additional information can be found in the purchase/sale forms provided by the Institution.

Section 11

Fees and expenses/offsetting options of the Institution

1. Fee and Service Schedule

A fee may be charged for administering the securities account. Details can be found in the Institution's Fee and Service Schedule.

If the client and the Institution enter into securities transactions, the charges detailed in the Fee and Service Schedule at the time of such transactions shall apply. The Institution will provide the client with an up-to-date Fee and Service Schedule at any time upon request.

2. Order for the exchange of units

Where expressly permitted by the Institution's Fee and Service Schedule, an exchange of units is possible on the terms defined therein. Otherwise, an order to exchange units is treated as a sale order followed by a purchase order. This separation means that special terms cannot be granted for an exchange.

3. Offsetting or sale of units to cover fees, expenses and costs of the Institution

(1) Offsetting or sale of units

The Institution may offset fees, expenses and costs with payments due to the client, e.g. via deductions to sales proceeds payable on the sale of units. Fees, expenses and costs may also be covered by the sale of units or fractions of units held in the securities account for the corresponding amount. The order in which such unit sales are carried out is governed by paragraph 2 below. Units or fractions of units in investment funds with special redemption conditions or an obligatory minimum investment amount are excluded from sale.

(2) Order for the sale of units

The sale will be carried out in accordance with the following system:

- a) If the client holds money market or short-term bond funds listed in the Fee and Service Schedule in their securities account, the Institution will sell the units and fractions of units of these funds first to cover the fees, expenses and costs due. Changes to the money market or short-term bond funds are made in accordance with Section 7, point 3, paragraph 3.
- b) If the money market and short-term bond funds within the meaning of (a) above that are held in the securities account are insufficient, the Institution will then sell units or fractions of units of other investment funds held in the securities account in the order of the investment fund numbers, starting with the lowest investment fund

number. Investment fund numbers are allocated by the Institution and consist of a sequential number, the client's securities account number and an additional sequential number. The lowest investment fund number is based on the first sequential number in the investment fund number. If the sales proceeds of a unit or fraction of a unit is higher than the amount due, the Institution will sell a unit or fraction of a unit of the investment fund with the next highest investment fund number.

- c) Units or fractions of units in investment funds acquired by the client prior to 1 January 2009 and held in the "passive securities account" will only be sold in the order described in (a) – (b) if other securities account holdings are insufficient to cover the outstanding amount due. The passive securities account is a sub-account of the securities account. Investment funds held in custody in a passive securities account are shown separately by the Institution in the securities account statement.

(3) Payment request by the Institution

If the total securities account holdings are insufficient to cover the fees, expenses and costs or if the holdings cannot be sold and/or collection from the client's reference bank account is not possible, e.g. if there is not a valid SEPA direct debit mandate, the Institution will issue the client with a payment request. This shall also apply if the sales proceeds from a unit or fraction of a unit exceed the amount due and there are no other units or fractions of units held in the client's securities account that are available for sale.

(4) Collection of fees from the external reference bank account

The Institution reserves the right to change the procedure for collecting securities account administration fees in the future and to collect such outstanding fees using a valid SEPA direct debit mandate on the client's external reference bank account instead of through unit sales as described in paragraph 2 of this Section 11.

4. Fees and expenses

(1) Fees in business with consumers

The level of fees for the regular services provided by the Institution to consumers, including the level of charges in excess of the agreed fees for the primary service, can be found in the Fee and Service Schedule. Unless otherwise agreed, the fees detailed in the Fee and Service Schedule for primary services at the time the consumer subscribes for such primary services shall apply. Any agreement between the Institution and a consumer for an additional fee for an ancillary service must be made explicitly, even if this ancillary service is listed in the Fee and Service Schedule. Unless otherwise agreed, legal provisions shall apply to remuneration for any services provided on behalf of the consumer which are not covered by the Fee and Service Schedule and which, based on the circumstances, can only be expected in return for remuneration.

(2) Fees in business with clients who are not consumers

The level of fees for standard services provided by the Institution to clients who are not consumers can be found in the Fee and Service Schedule, to the extent that the Fee and Service Schedule covers standard services to clients who are not consumers, e.g. business clients. Unless otherwise agreed, the fees detailed in the Fee and Service Schedule for services at the time the client who is not a consumer subscribes for such service shall apply. Furthermore, unless otherwise agreed and unless prohibited by legal provisions, the Institution shall determine the level of interest rates and fees at its own discretion (Article 1591 of the Luxembourg Civil Code).

(3) Non-chargeable services

The Institution shall not charge a fee for services that it is obliged to provide under law or as a result of a contractually agreed ancillary service or that it carries out in its own interest, unless this is permissible under law and is charged in accordance with legal provisions.

(4) Amendments to fees for services typically used on a permanent basis

Changes to the fees for services typically used by clients on a permanent basis as part of the business relationship (e.g. securities account administration) shall be proposed to the client in writing no less than two months before their proposed date of entry into force. If the client has agreed to an electronic communication channel with the Institution as part of the business relationship (e.g. an online securities account), amendments can also be proposed via this channel. The rules in Section 1, point 1, paragraph 2, "Amendments", of these Terms and Conditions shall also apply.

(5) Reimbursement of expenses

The Institution's entitlement to be reimbursed expenses is governed by legal provisions.

Section 12

Information concerning the receipt or provision of benefits as well as the waiver of the provision of benefits

In compliance with legal provisions on the acceptance and provision of benefits (e.g. commissions) in accordance with the provisions of the Law of 5 April 1993 on the financial sector (LFS), as amended, specifically Article 37-2 (1), the Institution herewith informs the client of the following rules and issues contained therein:

1. Receipt of distribution commissions

On the basis of distribution agreements in connection with executing/settling securities transactions (e.g. commission-based business) concluded with/for the client, the Institution receives revenue-based and portfolio-dependent payments from the respective management companies

that set up funds, which pay these as distribution fees to the Institution in respect of the distribution of investment assets/funds.

In this way the Institution receives “ongoing distribution commissions/trail commissions” from the management companies on the client’s fund portfolio booked in the securities account. These are recurring, portfolio-dependent fees that are paid by fund management companies to the Institution for the duration of the period for which fund units are held in the client’s securities account. The amount of the ongoing distribution commissions is calculated as a proportion of the respective value of the fund units held in the securities account and is at present – depending upon the management company and the type of fund – generally between 0.3% and 0.9% (on average 0.7%). No ongoing distribution commission is generally paid for ETFs.

The ongoing distribution commission is used by the Institution to improve the quality of its services (e. g. to expand its extensive technical infrastructure and service tools).

No additional costs arise for the client as a result of the provision of the ongoing distribution commission to the Institution, as these ongoing distribution commissions are paid to the Institution out of the management commission of the relevant fund (contained in the fund portfolio).

2. Non-cash benefits

The Institution may be provided with small non-cash benefits by management companies (e. g. in the form of participation in seminars or other training events and/or marketing subsidies). The Institution may also provide such benefits – where the client is not a “MorgenFund retail client”⁶ of the Institution – to the client’s intermediary or the intermediary’s distribution organisation or its IT service provider.

3. Grant of distribution commission/ ongoing distribution commission

Where the client is not a “MorgenFund retail client”, the Institution provides the client’s intermediary or the intermediary’s distribution organisation or its IT service provider with a full or partial distribution commission as well as a pro rata temporis fee (ongoing distribution commission) under the terms of distribution agreements. The distribution commission is granted by the Institution inter alia for brokerage and advisory activity. The ongoing distribution commission is granted by the Institution for the maintenance of information and support services.

The maximum distribution commission may not exceed the percentage rate of the maximum applicable subscription fee specified in the current sales prospectus for the respective fund. The amount of the ongoing distribution commissions is calculated as a proportion of the respective value of the fund units held in the client’s securities account and is at present – depending upon the management company and the type of fund – generally between 0.3% and 0.9% (on average 0.7%).

No additional costs arise for the client as a result of the provision of the distribution commissions or the ongoing distribution commission, as these are paid by the Institution out of the distribution commissions collected by the Institution or out of the management commission of the relevant fund (contained in the fund portfolio).

4. Other commissions

The Institution has the right to pay introducing partners a fee that is dependent on the number of securities accounts introduced and/or the size of portfolios. This fee may be structured as a fixed or variable fee, and may be paid out on one occasion or as an ongoing fee for the duration of the business relationship. No costs arise for the client as a result of the payment of this fee.

Further information concerning the benefits received and granted by the Institution is contained in the standardised cost information and in the Conflict of Interest Policy and is available from the Institution upon request.

If the order was placed or the transaction concluded following the provision of investment advice by the Institution, notification is provided unsolicited along with the advice.

The client herewith agrees that the Institution may receive and retain ongoing distribution commissions paid by the management companies, providing that the Institution is entitled under applicable regulatory provisions to receive and retain ongoing distribution commissions.

In derogation of any applicable legal rules, the Institution and the client herewith agree that the Institution may receive and retain the aforementioned benefits and, if one exists, may grant these to the client’s intermediary, their distribution organisation or IT service provider, providing this is permitted under legal and regulatory provisions; the client shall not be entitled to claim restitution of the benefits presented above from the Institution and/or the client’s intermediary and/or their distribution organisation and/or IT service provider.

Section 13

Liability principles/provision of evidence

1. Liability of the Institution/ contributory negligence of the client

(1) Liability principles

In the fulfilment of its obligations, the Institution is liable for any fault of its employees and any persons it engages to fulfil those obligations. If the client’s negligent behaviour (e. g. a breach of one of its obligations listed in Section 15, “Obligations to cooperate”, of these Terms and Conditions) contributes to any damages caused, the principles of contributory negligence shall be used to determine the extent of the damages to be borne by the Institution and client, respectively.

⁶ These are clients who were not introduced to the Institution by a distributor/distribution organisation.

(2) Forwarded orders

For orders that are typically executed by the Institution mandating a third party to carry out the order, the Institution fulfils the order by forwarding it to the third party in its own name (forwarded order). For example, this applies to the custody of units abroad or the use of an intermediate commission agent for the execution of securities transactions for the client. In such cases, the liability of the Institution is restricted to the careful selection and instruction of the third party.

(3) Disruption to operations

The Institution shall not be liable for damages as a result of force majeure, riots, war and natural catastrophes or other events outside of its control (e. g. strikes, pandemics, lock-outs, traffic disruption, domestic or foreign sovereign acts).

2. Provision of evidence

The client and the Institution herewith expressly agree that, to the extent necessary and appropriate and in derogation of the provisions of the Luxembourg Civil Code, the Institution may use as evidence all means permissible in commercial matters such as witness statements, sworn depositions, electronic recordings, taped recordings and the presentation of other relevant documentation.

Section 14

Information on securities transactions

1. Forwarding information

If information is published in the Wertpapier-Mitteilungen (financial journal) relating to the client's securities, or if the Institution receives such information from issuers (a management company launching a fund) or from its foreign custodian/sub-custodian, it will transmit this information to the client if this information could have a significant impact on the legal position of the client and is necessary in order to protect the client's interests. The Institution will therefore provide information on the following in particular:

- Legal tenders and exchange offers;
- Changes to the management regulations;
- Fund mergers or fund liquidations;
- Voluntary bids and exchange offers; and
- Restructuring procedures.

Such information will, for example, be posted in the online mailbox. The client may not be informed if the Institution does not receive the information on time, or if the measures to be taken by the Institution cannot be justified on economic grounds because the costs outweigh the potential claims.

2. Information on securities transactions

The master and price data for securities and other information made available in the system is taken from publicly accessible sources and third parties which the Institution considers reliable. The Institution's data providers do not

accept any responsibility for the data and information they make available being complete, accurate and up-to-date. The provision of data does not constitute investment advisory services or an investment recommendation. Accordingly, the Institution likewise does not accept any responsibility and/or liability vis-à-vis the client for the data/information being complete, accurate, up-to-date and available at all times, except in the event of gross or intentional negligence on the part of the Institution.

Section 15

Client's obligation to cooperate

1. Notification of changes

The client must immediately notify the Institution of any changes to their name, tax situation and address, and the cancellation or amendment of any power of representation (in particular, a power of attorney) vis-à-vis the Institution, in order to ensure that business can be properly processed. This obligation to notify the Institution also applies if the power of representation is entered in a public register (e. g. in the trade register) and its cancellation or amendment is recorded in this register. Furthermore, the client may be legally obliged to provide notification of other changes, in particular in connection with applicable Luxembourg anti-money laundering rules/laws/regulations. The Institution is entitled to require evidence of any changes that have been registered.

2. Clarity of orders

Orders must be unambiguous. Any orders that are not clearly formulated may require queries, which can cause delays. The client must ensure that their details, in particular the securities account number, portfolio number or investment fund number, ISIN or WKN, and currency are accurate and complete. The Institution will only carry out a transaction if the intention of a client's written instructions or similar is unambiguous. The Institution is entitled to return any amounts deposited unless their intended purpose is unambiguous. Order changes, confirmations or duplications must be clearly identified as such.

The Institution reserves the right to refuse to execute an order on the grounds of anti-money laundering or fraud protection, e.g. in the event of signature anomalies or other suspicious issues.

3. Verification of notifications from the Institution and objections

The client must verify the accuracy and completeness of statements of account/securities account statements, order execution notices and statements, and information on expected payments and remittances (advices) immediately, and raise any objections immediately.

The client must verify the accuracy and completeness of (online) securities account statements and other (online) notices immediately, and notify the Institution of any objections regarding the accuracy or completeness of these doc-

uments within six (6) weeks of receipt (e.g. in the online mailbox). If the client provides notification of objections in writing, the objections must be sent within the six-week period. The documents are deemed to have been approved by the client unless an objection is raised by the cited deadline. The Institution will specifically inform the client of this in the aforementioned statements and/or notifications.

4. Informing the Institution of missing notifications

The client must immediately inform the Institution of any expected notifications, e.g. (online) securities account statement/extract, etc., that are not received. This duty to inform the Institution also applies to other expected notifications (in particular securities account statements/securities settlement statements) that are not received. For example, the annual securities account statement should be received by clients by the end of April of the following year.

5. Other notification obligations

The Institution ensures that documents, data and information regarding clients and beneficial owners, their business activity and, where required, the origins of the assets are updated at appropriate intervals in accordance with the requirements of applicable Luxembourg anti-money laundering rules/laws/regulations. Information on the origin of assets includes details on the client's employment status (e.g. employee, self-employed, pensioner) and the sector in which the client is professionally active (e.g. commerce, construction, public sector). Clients are obliged to assist the Institution in collecting this information to the best of their ability.

Section 16

Liens/assignment/pledges

1. Agreement of a lien

(1) Agreement on the lien

The client and the Institution herewith agree that the Institution acquires a lien on all securities/units in investment funds held in custody in the securities account and on other assets held in custody at the Institution.

(2) Secured claims

The lien serves as security for all existing, future and contingent claims against the Institution from the business relationship. If the client has assumed liability vis-à-vis the Institution for the debts of another of the Institution's clients (e.g. as guarantor), the lien shall serve as security for any debts arising from the assumption of liability only from the due date of such debts. The Institution may utilise the units subject to the lien, without issuing prior warning or notice of default to the client, in accordance with all legally permissible methods.

(3) Exceptions to the lien

If other monies or securities come into the power of disposal of the Institution with the stipulation that they may only be used for specific purposes, the lien shall not apply to these

securities. This also applies to securities held in custody abroad for the client by the Institution.

(4) Interest and dividend coupons

If securities are subject to the Institution's lien, the client is not entitled to demand the release of the interest and dividend coupons on these securities.

2. Assignment/pledges

Claims of the client that are not based on money cannot be assigned to third parties (assignment exclusion). The assignment exclusion does not apply if the Institution does not have an interest worthy of protection in the assignment exclusion, or if the client's legitimate interest outweighs the Institution's interest worthy of protection in the assignment exclusion. Claims of the client against the Institution from the securities account agreement may be pledged.

3. Limitations on the right of offset for a client who is not a consumer

A client who is not a consumer can only offset claims of the Institution against counter-claims which are undisputed or established in law.

Section 17

End of the business relationship/termination rights

1. Termination rights of the client

(1) Standard termination

The client can terminate individual parts or the full business relationship at any time unless a fixed term or other termination rules has/have been agreed.

(2) Extraordinary termination (without notice)

If a fixed term or other termination rules has/have been agreed for part or for the full business relationship, termination without notice is only possible by citing good cause which makes it unreasonable for the client to continue the business relationship with the Institution, having regard to the legitimate interest of the Institution.

2. Termination rights of the Institution

(1) Standard termination

The Institution can terminate individual parts or the full business relationship with notice of one month unless a fixed term or other termination rules has/have been agreed.

(2) Extraordinary termination (without notice)

The Institution can terminate individual parts or the full business relationship without notice by citing good cause which makes it unreasonable for the Institution to continue the business relationship with the client, having regard to the legitimate interest of the client. If the good cause consists of a breach of a contractual obligation, termination is only permissible if the breach has not been remedied after expiry of an appropriate period granted for such purpose or after a warning has been issued, unless this can be dispensed with given the specifics of the individual case.

3. Form of termination

Termination shall be in writing.

4. Consequences of termination

Once the termination becomes effective, the units will be delivered to the client or sold as instructed. Upon sale, the equivalent value of the units will be transferred to the client's reference bank account or to an external bank account notified to the Institution by the client in writing.

5. Automatic deletion of the securities account

The Institution is entitled to close the client's securities account without notifying the client of termination if no securities have been held in the securities account for more than 15 months.

Section 18

Applicable law/place of jurisdiction

1. Applicable law/place of jurisdiction

Luxembourg law shall apply to the business relationship between the client and the Institution. There is no jurisdiction clause in the contract.

2. Applicable law and place of jurisdiction for commercial and public-sector clients

(1) Application of German law

Luxembourg law shall apply to the business relationship between the client and the Institution.

(2) Jurisdiction for domestic clients

For commercial clients, if the disputed business relationship relates to the operations of their commercial enterprise, the Institution is entitled to bring action against such clients before its competent court or before a different competent court; this shall also apply to legal entities in the public sector and public-sector funds. Such clients may only bring action against the Institution before the Institution's competent court.

(3) Jurisdiction for foreign clients

The jurisdiction agreement shall also apply to foreign clients carrying on a comparable commercial activity abroad, and to foreign institutions that are comparable to domestic legal entities in the public sector or a domestic public-sector fund.

Section 19

Complaints and alternative dispute resolution procedure

1. Complaints body

(1) Institution

The client can contact the Institution in writing or by email at any time using the service addresses/telephone numbers and email addresses indicated on the website.

2. Out-of-court dispute resolution/ dispute resolution procedure

Commission de Surveillance du Secteur Financier

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 26 251-2574 or +352 26 251-2904

Fax: +352 251-2601

and by email to reclamation@cssf.lu

Internet: www.cssf.lu

Section 20

Investor compensation scheme

1. Scope of protection

The Institution belongs to the investor compensation scheme Entschädigungseinrichtung der Wertpapierhandelsunternehmen (EdW), 10117 Berlin-Mitte (EdW website: www.e-d-w.de).

EdW offers retail/small investors minimum protection for their claims in securities transactions with member institutions. EdW provides compensation in accordance with the German Investor Compensation Act (*Anlegerentschädigungsgesetz* – "AnlEntG") if a securities trading company that is an EdW member is in financial difficulties and is no longer able to meet its liabilities to clients from securities transactions.

The German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – BaFin) establishes when these conditions have been met and publishes this in the Federal Gazette (*Bundesanzeiger*).

Compensation per investor amounts to 90% of the investor's receivables from securities transactions with the relevant institution, up to a maximum of EUR 20,000. Compensation is not available for amounts denominated in currencies other than the euro or the currency of an EU member state. Further grounds for exclusion are governed by section 3 (2) AnlEntG.

2. Scope of application and further details

Further details of the protection afforded via EdW and on the legal background can be viewed on the EdW website at www.e-d-w.de/die-edw. There is no voluntary deposit guarantee scheme.

Section 21

Provisions concerning the Transfer of Data

In accordance with statutory provisions, including the requirements of supervisory law, on the outsourcing of business processes and services, the Institution may outsource particular tasks or activities either entirely or in part to associated entities or members of the same group or to another permitted sub-contractor specified in Annex A (in addition to any other permitted sub-contractors agreed upon between the parties from time to time) (hereinafter: “**outsourcing**”).

With the approval of the Institution, permitted sub-contractors may further outsource the services outsourced to them to other service providers (hereinafter: “**sub-outsourcing**”).

Permitted outsourcers are not necessarily subject to supervision by the Commission de Surveillance du Secteur Financier (**CSSF**) and may be based in Luxembourg or abroad, either inside or outside the European Union.

Any service provided by the Institution on an outsourced or sub-outsourced basis shall be provided in accordance with Luxembourg legal and administrative provisions governing the outsourcing of services and under the terms of a service agreement. The Institution shall be liable for compliance with all obligations incumbent upon it under Luxembourg legal and administrative provisions.

Permitted sub-contractors shall either be subject to a statutory duty of confidentiality or be contractually obliged to uphold confidentiality by the Institution.

The client accepts that the Institution, including its executive officers, managers and employees, may pass on particular data relating to the investor (“**data**”) to permitted sub-contractors within the ambit of such outsourcing or sub-outsourcing.

The data shall include inter alia:

- for natural persons: first name and surname, date of birth, home address, tax domicile, business address, profession, nationality, telephone number, tax ID and copies of identity

cards or passports of any legal representatives, authorised representatives or other persons (such as beneficial owner, where applicable);

- for legal persons and legal entities: name, legal status, date of incorporation, registered office, principal business activity, nationality, registration number and contact data as well as any other information concerning any natural persons related to the client, such as legal representatives and beneficial owners;
- general information concerning the client, e.g. financial resources;
- information concerning any business relationship with the Institution or other MorgenFund entities, including the respective conditions, etc.;
- any other information concerning the client or other persons associated with them that is held by the Institution.

The list of specific outsourcing agreements concluded by the Institution that provide for the sharing of data with permitted sub-contractors, as well as the country in which the permitted sub-contractor is based, can be seen in Annex A.

Annex A constitutes an integral part of the contractual documentation.

The client hereby consents to the outsourcing or sub-outsourcing and related sharing of data with permitted sub-contractors. The client also accepts that neither the Institution nor the permitted sub-contractor shall bear any liability for losses, damage or costs arising in relation to the sharing of data with permitted sub-contractors, save in the event of gross negligence or wilful misconduct.

The Institution may amend this Section and the Annex from time to time, subject to a one-month notice period. The client is deemed to have agreed to the amendment of this Section and Annex A unless opposition is raised within the timeframe cited above. The Institution may end the client relationship if the client does not agree to the amendments.

Valid from: May 2025

Name of the authorised sub-contractor	Registered office of permitted sub-contractors	Services provided on an outsourced or sub-outsourced basis
MorgenFund GmbH	Germany	IT core and front-end platform services IT infrastructure services IT services for end users
MorgenFund GmbH	Germany	Client administration and business processing
MorgenFund GmbH	Germany	Target market determination, bank management, finance and accounting, sales and corporate management
MorgenFund GmbH	Germany	Lettershop and related services
MorgenFund GmbH	Germany	Investor identification and anti-money laundering measures, Internal control functions (e. g. compliance services, internal audit, risk management, data protection), Regulatory reporting, Legal device
MorgenFund GmbH	Germany	Call centre services

**Applicable only to German clients:
right of cancellation pursuant to section 305 of the German Investment Code (Kapitalanlagegesetzbuch – “KAGB”) on the purchase/sale of fund units/undertakings for collective investment in transferable securities (UCITS)/ alternative investment funds (AIF)**

If units 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 fund units 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 their representative within the meaning of section 319 KAGB.**

This right of cancellation applies even if the party selling or brokering the fund units does not have any permanent business premises.

If this is a distance contract within the meaning of section 312 (c) of the German Civil Code (Bürgerliches Gesetzbuch – “BGB”), pursuant to section 312 (g)(2) sentence 1 no. 8 BGB, no right of cancellation exists when purchasing financial services whose price is dependent on fluctuations in the financial market.

To meet the deadline, sending the statement of cancellation on time suffices. The cancellation must be in writing and include details of the person making the statement; reasons are not required.

The two-week withdrawal period will not commence until the copy of the application to conclude the contract has been given to the buyer or an invoice has been sent or made available, which includes information on the right of withdrawal that satisfies the requirements of section 246 (3) and (2) of the Introductory Act to the German Civil Code (*Einführungsgesetz zum Bürgerlichen Gesetzbuch – “EGBGB”*). If the start of the period is in dispute, the seller bears the burden of proof.

The right of cancellation does not exist if the seller can prove that the purchaser acquired the fund units as part of their business operations (i.e. the purchaser is not a consumer within the meaning of section 13 BGB) or if the seller called on the purchaser at the latter's prior invitation pursuant to section 55 (2) of the German Trade Regulation Act (*Gewerbeordnung – “GewO”*) for the negotiations that led to the sale of the fund units.

If the contract is cancelled and the purchaser has already made payments, the 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 fund units on the day after receipt of the cancellation.

The right to cancellation cannot be waived.

The foregoing applies mutatis mutandis to the sale of fund units by the client.

For units in a closed-end fund, the right of cancellation is governed by the BGB.

Valid from: May 2025