

# KEY INVESTOR INFORMATION



This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## Raiffeisen Index Premium Derivative Fund "A" series

(ISIN: HU0000703707)

Fund Manager: Raiffeisen Befektetési Alapkezelő Zrt., a member of the Raiffeisen Bank Group

### Objectives and investment policy

The objective of the Raiffeisen Index Premium Fund is to achieve maximum capital growth while restricting any potential loss in the fund's value, by selecting from a wide range of asset classes.

The fund may invest in derivative transactions, the units of other investment funds, shares and interest-bearing assets, and may even hold short positions designed to profit. The fund is following a strategy starting from May 18, 2020 that the maximum possible loss of the fund would not exceed 34,9% in a year with a good chance.

The fund is a reinvesting fund, meaning that it reinvests the income it generates.

Derivative instruments may be used for hedging purposes and, in addition, as a part of the investment strategy.

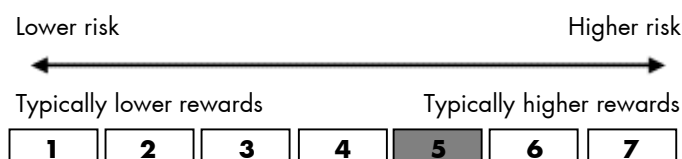
In accordance with the intentions of the Fund Manager, the leveraged position undertaken by the fund through derivative instruments has a moderate impact on the fund's performance (and on the fluctuation of the trading price).

The units of the fund may be purchased and redeemed on any trading day. All working days are trading days except for those that are designated by the distributor as trading holidays – in accordance with the statutory provisions – or on which trading is suspended due to extraordinary circumstances.

This form of investment is best suited to investors with a middling risk appetite, who have an average risk-bearing capacity.

Recommendation: this fund may not be appropriate for investors who plan to withdraw their money within 5 calendar years.

### Risk and reward profile



- The indicator that serves as the basis for the above mentioned risk rating is based on the risk measure applicable in the case of absolute return funds. On this basis, the fund was classified under risk category 5.
- The classification of the fund under category 5 based on the risk/reward profile is attributable to the fund manager's endeavour that the fund's investments are selected in a way that the maximum possible loss of the fund would not exceed 34.9% in a year under the value-at-risk approach.
- The past data used for the calculations are not necessarily reliable indicators of the fund's future risk profile.
- The designated risk/reward profile is not guaranteed to remain unchanged, and the categorisation of the fund may shift over time.
- Not even the lowest category can guarantee a risk free investment.

The following are the risks that are not taken into account when assigning the risk category, but that are of significance in terms of the fund:

**Credit risk:** Some of the fund's assets are invested in bonds and/or money market instruments (directly or in the form of

credit derivatives). There is a risk that the issuers may become insolvent (or that their credit quality deteriorates), and that these bonds and/or money market instruments (or credit derivatives) lose their value in part or in full.

**Liquidity risk:** There is a risk that a given position cannot be sold in time at an adequate price. This risk may lead to the suspension of redemptions of the investment fund units.

**Counterparty risk:** If the counterparties participating in the transactions concluded by the Fund Manager on behalf of the Fund do not perform their obligations in full, this may negatively affect the Fund's net asset value and the price of the investment fund units.

**Operational risk:** There is a risk of loss caused by a disturbance in internal procedures/systems or by external events (for example, natural disasters). Safekeeping carries a risk of loss in respect of the fund's assets that may be caused by the insolvency of the custodian or sub-custodian or the violation or abuse of its obligation to act prudently.

**Risk arising from the use of derivative transactions:** The fund may use derivative transactions not only for hedging purposes but also as an active investment tool, as a result of which the risk of fluctuations in the fund's unit price increases.

**Model risk:** In extreme market conditions changes in the fund's unit price may be higher than projected by the used risk management model.

## Charges

The fees paid to the fund serve to cover the costs of the fund's operation and include the costs of marketing and distribution. These charges reduce the potential growth of the investment in the fund.

### One-off charges taken before or after you invest

|                  |              |
|------------------|--------------|
| Entry charge     | maximum 3%   |
| Exit charge      | maximum 4%   |
| Switching charge | maximum 0,5% |
| Surrender fee    | 2%           |

This is the maximum that might be taken out of your money before it is invested or before the proceeds of your investment are paid out.

### Charges taken from the fund over a year

|                |       |
|----------------|-------|
| Ongoing charge | 1.52% |
|----------------|-------|

### Charges taken from the fund under certain specific conditions

|                 |      |
|-----------------|------|
| Performance fee | None |
|-----------------|------|

The entry, exit and switching fees indicated are the maximum percentage values. Instead of the percentage fee, a fixed fee may be charged, which is equal to a maximum of HUF 3,000

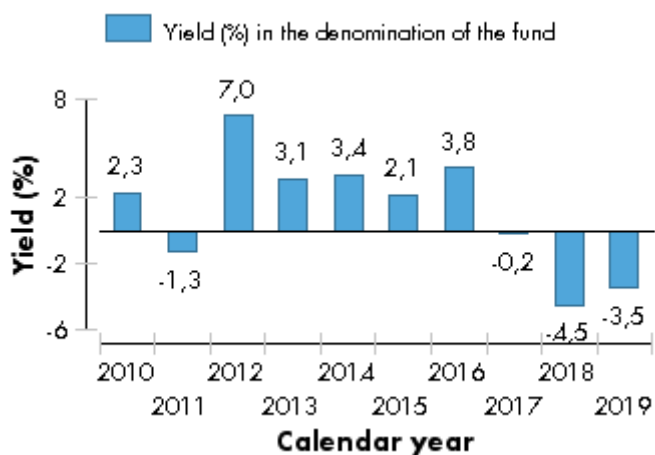
in the case of entry and exit charges and HUF 1,500 in the case of the switching charge. In certain cases the fees may be lower than these; please ask your financial advisor's assistance in this matter! A switching fee may be charged if the proceeds from the redemption are used for purchasing units of another investment fund that is managed by the fund manager. A surrender fee may be charged upon the redemption of the investment fund units, in the cases specified in the management regulations.

The data regarding ongoing charge is based on the last year's expenses, for the year ending in 2018. 12., and the value of this charge may vary from year to year. The ongoing charge do not include mandate fees, commissions and transfer charges related to securities trading, except for the entry and exit fees charged when the fund invests in other collective investment securities.

Additional information about fees can be found on pages 68-75 of the fund management regulations at the following link:

<https://alapok.raiffeisen.hu/aktualis/tajekoztato>

## Past performance



- The diagram is only of limited use as a guide to future performance.
- The yields have been calculated on the basis of the net asset value per investment fund unit, before deduction of any entry, exit, switching or surrender fees.
- The fund was launched in 2005.
- Due to the change in fund's VaR limit in May, 2020, performance prior to that date is not representative.
- The data in the diagram illustrate the fund's yields in forint.

## Practical information

- The fund's custodian is Raiffeisen Bank Zrt.
- The fund's key investor information (in both English and Hungarian), the prospectus and management regulations, the daily net asset value of the fund, the reports that serve to provide regular information (annual and semi-annual reports, monthly portfolio reports) as well as the official announcements on the fund (in Hungarian) may be viewed and/or obtained free of charge at the place of distribution and at the fund manager's registered office, as well as at the fund's publication site. Prior to making an investment decision, please review the documents related to the fund.
- The fund's publication site: the fund manager's website ([alapok.raiffeisen.hu](http://alapok.raiffeisen.hu)), as well as the [www.kozzetetelek.hu](http://www.kozzetetelek.hu) website.
- The fund's prospectus and management regulations are available at: <https://alapok.raiffeisen.hu/aktualis/tajekoztato>
- The fund's annual and semi-annual reports are available at: <https://alapok.raiffeisen.hu/aktualis/jelentesek>
- The tax laws of the member state where the fund's registered seat is located may affect the investor's personal tax position.
- Raiffeisen Befektetési Alapkezelő Zrt. may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the fund. No claim may be enforced solely on the basis of the key investor information document, unless the information contained therein is misleading, inaccurate or not consistent with the other sections of the fund's prospectus.

This fund is authorised in Hungary and regulated by the National Bank of Hungary. Raiffeisen Befektetési Alapkezelő Zrt. is authorised in Hungary and regulated by the National Bank of Hungary. This key investor information is accurate as at March 17, 2020.