

Key Investor Information

This document provides you with key information about this investment product. It is not a marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

PRODUCT

Name: INCOME CAPITAL - Dividend Quality & Growth Global (#MXGG) (“Fund”)

Manufacturer: INCOME CAPITAL MANAGEMENT S.R.O. - Rybná 716/24, Staré Město, 110 00 Praha 1 (CZ)

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You are about to purchase a product that is not simple and may be difficult to understand.

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Objectives and Investment Policy

The Fund aims to provide a stable and sustainable stream of dividends, balancing moderate growth and controlled risk through the use of global high-dividend quality ETFs, European REITs, and a low-risk EUR bond allocation.

The initial portfolio allocation is:

- 50% High Dividend ETFs
- 20% Global Growth ETFs
- 20% High Dividend Stocks
- 5% Cryptocurrencies ETFs
- 5% Precious Metals / Commodities

The portfolio is actively monitored and rebalanced annually or when market conditions require. Additionally, it is important to note that the Fund is registered and operates under the authority of the Czech National Bank and adheres to relevant regulations. This regulatory framework ensures that the fund conducts its operations in accordance with established standards, providing an additional level of transparency and protection for investors. The Fund’s commitment to regulatory compliance underlines its dedication to maintaining the highest standards of integrity and responsibility in managing investors’ assets.

Fund Strategy

The main elements of the investment strategy are described below:

Diversification Principles:

- Geographic diversification: Global exposure across North America, Europe, Asia-Pacific, developed and emerging markets, minimizing dependence on any single country or sector.
- Sector diversification: Inclusion of various sectors (financial, industrial, technology, energy, utilities, healthcare, consumer goods, real estate).
- Dividend frequency diversification: Use of ETFs/REITs with different distribution schedules (monthly, quarterly, semiannual) to distribute the income flow and reduce seasonality.
- Yield diversification: Combination of high dividend yield (with higher risk) and more stable/constant dividend securities.
- Asset class diversification: Along with global high dividend stocks, also includes European REITs (real estate) and a short-term corporate EUR bond allocation for stability.

Dynamic Allocation Approach:

Led by a management team experienced in global markets, the Fund adopts a flexible allocation model. Portfolio weights may be adjusted in response to market condition changes, macroeconomic indicators, or sector trends. For example, equity exposure can increase during periods of strong growth, while commodity holdings may be expanded during inflationary or volatile periods. This active oversight aims to seize opportunities while managing downside risk.

Fundamental and Technical Analysis:

The investment process integrates both fundamental and technical perspectives.

- Fundamental analysis focuses on corporate earnings evaluation, balance sheet strength, dividend sustainability, sector positioning, and macroeconomic factors such as interest rate trends, inflation data, and geopolitical developments.
- Technical analysis examines price trends, momentum indicators, and historical patterns to determine optimal entry and exit points for portfolio positions.

This dual approach ensures investment decisions are informed by both long-term value considerations and short-term market dynamics.

Thematic and Sector Opportunities:

Within the ETF allocation, the Fund may include thematic exposures such as technology, healthcare, clean energy, or infrastructure when these sectors show solid fundamentals and favorable growth prospects. Similarly, stock selection favors companies with resilient dividend policies and competitive advantages in their sectors.

Risk Management and Rebalancing:

Risk is actively monitored through diversification across geographical areas, sectors, and asset types. The Fund applies strict position limits and conducts periodic stress tests to assess portfolio resilience in adverse scenarios. The portfolio is rebalanced at least annually—or more frequently if market conditions justify—to realign allocation with target risk/return profiles.

Instruments and Tools

UCITS-compliant ETFs and ETPs listed on European exchanges:

- The Fund uses Exchange-Traded Funds (ETFs) and Exchange-Traded Products (ETPs) that comply with UCITS regulations (Undertakings for Collective Investment in Transferable Securities). These instruments offer investors access to a wide range of asset classes, ensuring liquidity and regulatory compliance on major European markets, selected meticulously to align with the strategic objectives of the fund.

Direct stocks listed on major regulated exchanges:

- Investors can access individual stocks on leading global exchanges, carefully selected for their stability and growth potential. This approach allows targeted exposure to high-performing companies, supported by in-depth analysis to optimize returns and minimize volatility.

Commodities through physical replication ETFs:

- The fund offers exposure to commodity markets via physical replication ETFs holding tangible assets such as gold, silver, or oil. This method guarantees tangible value and serves as an inflation hedge, with the fund applying thorough due diligence to select ETFs offering reliability and transparency.

Annual portfolio rebalancing and risk monitoring:

- To maintain alignment with investment objectives and adapt to evolving market conditions, the fund carries out an annual portfolio rebalancing process. This involves adjusting asset allocations to optimize performance and mitigate risks. Additionally, ongoing risk monitoring is implemented using advanced analytical tools to identify and address potential vulnerabilities, ensuring a proactive and resilient investment strategy.

Risk and Reward Profile

The fund's investment strategy is designed to balance moderate returns with a controlled risk level, appealing to investors seeking stability with some growth potential. This approach is supported by a diversified multi-asset allocation aimed at protecting against market-specific downturns.

Risk Indicator: Medium-Low

- The fund's risk profile is classified as Medium-Low, reflecting a strategy favoring steady returns with reduced volatility compared to equity-focused investments. This classification considers the fund's diversified approach, distributing risk across different asset classes and sectors, minimizing the impact of individual market shocks.

Volatility: Medium-Low

- The fund exhibits a Medium-Low volatility level, attributable to its balanced asset allocation and careful instrument selection. This controlled volatility ensures price fluctuations remain manageable, offering a smoother investment experience while maintaining growth opportunities.

Investment Horizon: 5 years

- The fund is designed for a 5-year investment horizon, allowing enough time for the strategy to mature and produce steady returns. This timeframe supports the fund's focus on long-term stability and gradual capital appreciation, aligning with the needs of investors with moderate risk appetite.

Capital Protection

- No formal capital guarantee, but risk is mitigated through diversification across asset classes and sectors. While the fund does not provide a formal capital guarantee, it employs robust risk mitigation techniques to safeguard investor capital. Diversification across a broad range of asset classes—such as equities, ETFs, and commodities—and multiple sectors helps reduce exposure to single points of failure. This strategic diversification, combined with ongoing risk assessments, aims to shield the portfolio from significant losses, though investors should be aware that some risk is inherent in all investments.

Market Volatility

- The fund operates in markets that may experience periods of volatility influenced by economic cycles, geopolitical events, or sector-specific developments. Although such volatility can create return opportunities, it also introduces uncertainty.

Mitigation

- The fund uses dynamic asset allocation and hedging techniques to navigate volatile periods, ensuring the portfolio remains resilient. Regular reviews and adjustments help align the fund with prevailing market conditions, providing a buffer against sudden changes.

Liquidity Risk

- Some investments within the portfolio may face liquidity challenges, especially in less active markets or during economic stress. This could limit the fund's ability to execute transactions at optimal prices.

Mitigation

- The fund manager maintains a liquidity management plan, including selecting highly liquid assets where possible and maintaining cash reserves. This strategy helps ensure the fund can meet market demands, though liquidity constraints may arise in extreme conditions.

Operational Risk

- The fund relies on internal processes and third-party service providers, which introduces the potential for operational disruptions such as errors in trade execution or system outages.

Mitigation

- Robust internal controls, regular audits, and contingency planning are in place to minimize operational risks. The fund also collaborates with reliable service providers to enhance dependability, although investors should remain aware of these potential challenges.

Investors are encouraged to evaluate their risk tolerance and investment objectives in light of this Medium-Low risk profile. While the fund's strategies aim to provide stable returns over a 5-year horizon, investors should undertake their own due diligence and consider consulting financial advisors to ensure alignment with their personal financial goals.

Communication

Transparent and effective communication is a cornerstone of the Fund. The Fund recognizes the importance of keeping investors informed and engaged throughout their investment journey. This section outlines communication practices supporting our commitment to clarity and responsiveness:

Investor-Initiated Change Communications:

- For requests involving communication and/or changes (such as reinvestment of profits, additional periodic contributions, extraordinary contributions, payments, suspensions, etc.), the Investor is required to submit written notice with a 30-day notice period.

Regular Updates:

- Investors can expect regular updates, including periodic reports and commentary on fund performance, market insights, and any relevant developments. These updates aim to provide a comprehensive overview of the fund's activities and performance.

Investor Relations Team:

- An investor relations team is available to respond to questions, provide assistance and offer customized support. Investors are encouraged to contact this team for any clarifications or guidance they may need.

Timely Notifications:

- In the event of significant developments or changes affecting the fund, timely notifications will be communicated to investors, ensuring they are promptly informed of material updates that may impact their investment decisions.

Feedback Mechanism:

- The fund values investor feedback. A dedicated channel will be established to receive and address investor feedback, fostering a collaborative and responsive relationship.

By implementing these communication practices, the Fund aims to nurture a transparent and interactive relationship with its investors, promoting trust and confidence in the management of their investments.

Minimum Investment

The Fund welcomes investors with varying financial capacities by establishing two types of investors. This section describes the details related to participation in the fund:

Qualified Investors:

In accordance with regulatory definitions and applicable securities laws, individuals or entities classified as Qualified Investors must meet a minimum investment knowledge level. This knowledge is assessed through a detailed onboarding questionnaire completed by each investor.

The minimum investment for investors residing in the Schengen area is €25,000 (twenty-five thousand euros), and €50,000 for all others until 31/12/2025.

From 01/01/2025, the minimum investment will be €50,000 for all investors.

Existing investors of other INCOME CAPITAL MANAGEMENT funds must reach the minimum threshold by summing all their active investments.

Non-Qualified Investors:

In contrast to Qualified Investors, Non-Qualified Investors do not meet the minimum investment knowledge level. The Fund has the discretion to reject Non-Qualified Investors.

Compliance Checks

Compliance Verification Process:

Compliance checks play a crucial role in the full onboarding procedure and are conducted strictly following established regulatory standards. The fund attaches great importance to earning and maintaining investor trust by demonstrating a constant commitment to upholding the highest standards of integrity and compliance.

Through these meticulous compliance checks, the fund not only ensures adherence to regulatory requirements but also fosters a transparent and reliable relationship with its valued investors.

KYC (Know Your Customer):

The KYC process involves collecting and verifying client information to ensure compliance with regulatory standards. This process helps establish the investor's identity, assess their risk profile, and maintain the integrity of the investment platform.

AML (Anti-Money Laundering):

AML compliance checks are designed to detect and prevent activities related to money laundering and other financial crimes. These checks include monitoring financial transactions and implementing measures to protect the fund from illicit activities.

PEP (Politically Exposed Person):

The compliance process for PEPs consists of procedures and due diligence measures implemented by financial institutions and other regulated entities to identify, evaluate, and manage risks associated with individuals who hold or have held prominent public positions.

Duration and Lock-in Period

Investors commit to a minimum investment period of 60 months during which their capital is locked.

Early termination is possible starting from the 36th month of the contract or any reset and/or renewal date (whichever occurs last).

A 30-day notice period applies. Termination fees are applicable according to the scheme described in the section Costs and Charges.

Profits and Additional Contributions

During the 60-month duration period, any profits earned, if applicable, may be distributed annually to investors.

Investors benefit from the flexibility to optimize their investment by reinvesting any profits or through additional contributions, allowing incremental growth of their existing investment.

If an investor opts for profit reinvestment or additional contributions, note that the investment term is reset to the initial investment maturity date.

This feature offers investors the opportunity to capitalize on their returns.

Recognizing the dynamic nature of financial planning, the fund actively encourages investors to regularly review their investment objectives and contributions.

This proactive approach ensures that investors can align their investment strategy with evolving financial goals, promoting a strategic and adaptable investment experience.

Hypothesis 1

Investment	€ 125.000					
Year 1	8%	€135,000.00				
Year 2		8%	€145,800.00			
Year 3			8%	€157,464.00		
Year 4				8%	€170,061.12	
Year 5					8%	€ 183,666,01

In this scenario, the hypothetical return is €58,666.01, equal to +46.93%.

Hypothesis 2

Investment	€ 125.000					
Year 1	10%	€137,500.00				
Year 2		10%	€151,250.00			
Year 3			10%	€166,375.00		
Year 4				10%	€183,012.50	
Year 5					10%	€201,313.75

In this scenario, the hypothetical return is €76,313.75, equal to +61.05%.

Costs and Fees

The Fund is committed to providing investors with a transparent and cost-effective investment experience. As part of this commitment, the fund has adopted a zero entry fee policy.

This means investors will not bear any expenses when making an initial investment in the fund.

Although the fund does not charge an entry fee, it is important to note that investors will be subject to KYC, PEP, AML compliance checks and possibly other fees as described herein.

These checks are essential components of the onboarding process and conform to regulatory requirements.

Zero Entry and Management Fees:

The decision to eliminate the entry fee aims to facilitate investor accessibility, ensuring that the entry cost does not represent a barrier to participation.

By waiving the entry fee, the fund seeks to offer a more inclusive investment opportunity for a wide range of investors.

Performance Fee:

The fund incorporates a performance fee mechanism designed to apply exclusively to net profits, ensuring fees are charged only on realized gains. This performance fee is variable and subject to the specific investment level chosen by the investor. The indicative performance fee percentage is 30%. However, the Fund may vary this percentage, upward or downward, without prior notice to investors.

Structuring the fee this way guarantees investors that expenses are directly linked to the fund's successful performance, aligning the fund's interests with those of its investors.

The variable nature of the performance fee further personalizes the investment experience, providing a graduated fee structure reflecting the specific risk and return profile associated with each investment level.

To avoid misunderstanding, the performance fee is not charged "in addition" to the investor's hypothetical profits, and the indicated expected profit range in the investment strategy should be considered net for the investor.

Compliance Checks (KYC, PEP, AML):

Fees related to compliance checks will be borne directly by investors during the onboarding process.

Compliance check expenses amount to €50 per year and may vary based on factors including nationality, residence, and investor status.

Early Termination Fee:

Although the minimum investment period is set at 60 months, during which the capital remains locked, the fund acknowledges circumstances requiring early investment termination.

To accommodate diverse investor needs, early termination is allowed starting from the 36th month of the initial investment.

To ensure transparency and fair treatment, the following termination fees apply based on invested capital plus any reinvested profit coupons, periodic automatic contributions (PAC), and additional contributions (Total Amount):

- For each month short of fulfilling the 60-month commitment, a penalty of 0.75% on the Total Amount will be applied.

Examples:

Invested capital: €125,000.00

Compound profit after 36 months: €32,464.00

Total amount after 36 months: €157,464.00

Early termination fee after 36 months: $(1.5\% \times 23) = 17.25\% = €27,555.20$

Ongoing Fees

Incorporated in the underlying ETFs TER (average ~0.25–0.50% p.a.)

These are fees charged by the Depositary Bank.

No additional management fee is charged by the Fund.

The Fund reserves the right to add, modify, or alter any Costs and Charges, including but not limited to Early Termination Fees, at its discretion.

This flexibility allows the Fund to adapt its policies in response to changing market conditions, regulatory requirements, or other relevant factors.

Investors will be duly informed of any changes to ensure transparency and maintain a clear understanding of terms associated with early termination.

Documents for Consideration:

Potential investors are strongly encouraged to carefully review the full offering memorandum, prospectus, and related documents before making any investment decisions.

These documents provide a wealth of detailed information, including the fund's complex investment strategy, potential risk factors, associated fees, and other critical considerations.

This thorough review equips investors with the necessary information to make informed decisions consistent with their financial goals and risk tolerance.

Disclaimer:

This document is exclusively for informational purposes and does not constitute an offer or solicitation to buy or sell securities.

It is crucial to recognize that all investments entail inherent risks and that past performance does not guarantee future results.

Therefore, investors are strongly advised to seek independent financial advice before making any investment decisions.

This prudent approach ensures investors receive personalized guidance considering their unique financial circumstances, goals, and risk tolerance.

The Investor acknowledges that all information they become aware of, directly or indirectly, including any Partners or third parties (including Vendor Services and Products), is provided independently by the respective parties without the Fund having any role in this regard except where expressly indicated.

For avoidance of doubt, the Fund does not guarantee profits and indicates that capital loss is possible; if anyone concludes otherwise based on personal experience, those are entirely personal events not endorsed by the Fund.

In this spirit, the Investor agrees to indemnify and hold harmless the Fund, its officers, directors, and employees from any losses (including legal expenses) arising from any known conflicts of interest not brought to the Fund's attention.

This document consists in a total of 7 (seven) pages.