



## Notification for sales partners

### **Date of migration to BNP Paribas S.A., Luxembourg branch:**

1 November 2024

### **What factors need to be considered BEFORE the changeover:**

In order to ensure a smooth process in general, a trade freeze will be initiated. The freeze will begin on 28 October after the cut-off at 14:00. This means that the last trade date before the changeover will be 29 October, and the last settlement will be 31 October.

We would like to point out to our sales partners that it is essential to implement all settlements in good time on 31 October (for Clearstream orders by 12:00 noon at the latest)! Flossbach von Storch and our colleagues at DZ PRIVATBANK S.A. are available as contact partners and will be happy to assist you with the technical implementation.

The freeze will be maintained until the day of the changeover. FvS has agreed with the new registrar and transfer agent, BNP Paribas, that contrary to the usual procedure, orders will be accepted at the new agent until 14:00 on 1 November 2024 for trade date 4 November (settlement date 6 November).

Important: all orders submitted to DZ PRIVATBANK S.A. during the trade freeze will not be forwarded and will be rejected with reference to the future registrar and transfer agent.

During the trade freeze, orders can be sent to BNP as the future transfer and registrar agent. These will be executed on trading day 4 November. Orders via SWIFT will be confirmed as received via MT509.

BNP will write to all register account holders at the end of September with their new register account numbers and inform them of the new contact details.

### **Which points are relevant in addition to the changeover from DZ PRIVATBANK S.A. to BNP Paribas S.A.?**

In addition to several minor points that may be less important for our clients (see above), FvS has decided to adjust the fee structure.

### **Will fees be increased with the change of depositary?**

No, they won't. Although the fee structure will change, the overall burden on fund investors will not.

We used the ongoing costs of the past three years as a comparison, whereby the following two points were particularly important to us:

- It should not be more expensive for clients.
- It should be easy to understand and transparent for clients.

The changeover is intended to help clients anticipate their ongoing costs more accurately. The main components consist of the management fee, the central administration fee and the Luxembourg 'taxe d'abonnement'.

As a result, fluctuations affecting the ongoing costs are almost completely cancelled out.

### **What exactly is changing?**

The fee model will be changed from a model with many individual fees/costs to a model with a handful of fee components. Currently, for example, the funds are invoiced individually for the costs of the safe-keeping of the assets or the annual audit by the auditor. In future, these costs will be borne by the Management Company. The Management Company will receive a 'central administration fee' for this.

Most of the fees will be reflected in the central administration fee and the management fee, which is similar to the concept of an 'all-in' fee.

### **Which fees are not included?**

The above-mentioned fees do not include costs incurred in connection with the purchase and sale of securities, taxes incurred and legal/tax advice. Taxes cannot be reliably estimated – they may change at any time. A conflict of interest could arise regarding transaction costs and legal/tax advice.

Regarding taxes, the following two types are particularly relevant:

- a. The Luxembourg tax d'abonnement is a tax levied quarterly on special assets and amounts to between 0.01% p.a. and 0.05% p.a. of the respective sub-fund assets.
- b. Withholding taxes levied by the respective countries on capital gains from securities, among other things.

In the overall context, these costs represent only a small part of the cost burden.

### **Other changes include:**

- An increase in the equity allocation to 80% for the Flossbach von Storch - Global Quality and Flossbach von Storch - Dividend sub-funds.
- An adjustment of the risk management procedure for Flossbach von Storch - Global Convertible from absolute VaR to the commitment approach.
- Adjustment of the valuation logic of investments in Asia and Oceania to the last known price at the time of valuation.