

Key investor information document

This document provides you with key information about the investment product. It is not marketing material. The information is required by the law in order 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

NOVA Green Energy otevřený podílový fond REDSIDE investiční společnost, a.s., NID: 8080238305, is a fund of qualified investors (an alternative investment fund) denominated in CZK (ISIN: CZ0008474673). Securities are registered on the regulated market.

The Fund is managed and administrated by the **REDSIDE investiční společnost, a.s.**, IČ: 242 44 601 with its registered office at V Celnici 1031/4, Praha 1 (hereinafter „REDSIDE“).

Further information may be found on www.redsidefunds.com or by telephone at 220 500 757.

The Fund is recorded in the list of open-ended funds kept by Česká národní banka (hereinafter „ČNB“).

A depository of the Fund is UniCredit Bank Czech Republic and Slovakia, a.s.

This message was created on 1. April 2019.

The product of your consideration is not simple and may be difficult to understand

What is this product?

Type of product

The product is an open-ended mutual fund of qualified investors.

Investment Policy of the Fund

Regarding the risk of asset types, in which the Fund predominantly invests, the Fund is a capital unprotected special fund of qualified investors with a focus on both direct and indirect investments in new projects and business plan development, particularly in the energy sector specializing in the segment of small and medium enterprises working in the field of the electrical energy production mainly from renewable resources of energy (photovoltaic energy, energy from wind, hydro and biomass and other) while the revenues from the investment will be generated from interests from the loans provided and by a share in profit achieved from the projects and business plans.

As an additional type of investments, the Fund will make investments using investment instruments of both domestic financial market and foreign financial markets, including investments in evaluable rights and receivables.

The Fund was established on 29 January 2013 for an indefinite period of time.

Typical investor

Investments in the Fund are mainly suitable for qualified investors with above-average experience in the field of alternative investments. The Investor should have a mid-term time horizon of the investment.

What are the possible risks and yield potential?

Summary risk indicator						
1	2	3	4	5	6	7
← lower risk			higher risk →			

On the basis of obligation from European regulation and comparison with similar products on the Czech market we classified this product as 3 out of 7.

- In order to determine the summary risk indicator, we used available data of comparable investment funds on the Czech market.
- The summary risk indicator is lower owing to the fact that the value of the Fund is depended on the development of operating parameters of individual energy projects with a state-guaranteed return. The costs of the projects consist of debt service and operating costs such as service and maintenance, repairs, insurance, rent, etc.
- The most prominent risk is the regulatory risk, meaning the risk of state intervention in legislation, which sets the state-support for sustainable use of renewable resources.
- The Fund warns the investors that the value of the investment in the Fund may both rise and fall and that the return of the original investment is not guaranteed. The performance of the Fund in the past is not indicative of the same or higher performance in the future.

Other relevant risks that may have an impact on the value of the investment in the Fund

Operation risk: loss as a result of deficiencies in or failure of internal processes or human factor caused by external events.

The risk of insufficient liquidity: being such that certain asset of the Fund will not be sold in time for a reasonable price and that the Fund as a result for that will not be able to fulfil its obligations resulting from a request for the redemption of securities issued by the Fund or that the redemption of securities issued by the Fund may be suspended.

Regulatory risk: the risk of a change in laws and regulation regarding guaranteed return from the production of green electricity.

Currency risk: means that the value of the investment may be influenced by a change in a foreign exchange rate.

Performance Scenarios

The below performance table anticipates that the investment product will be held at least 5 years with an investment of 1.000.000 CZK.

		1 year	3 years	5 years
Favourable scenario	The value of an investment after costs	995 220	1 203 885	1 383 486
	Average annual yield	-0,48 %	6,80 %	7,67 %
Moderate scenario	The value of an investment after costs	984 807	1 179 538,54	1 342 136
	Average annual yield	-1,52 %	5,98 %	6,84 %
Unfavourable scenario	The value of an investment after costs	968 496	1 126 108	1 243 900
	Average annual yield	-3,15 %	4,20 %	4,88 %
Stress scenario	The value of an investment after costs	944 998	1 046 113	1 100 145
	Average annual yield	-5,50 %	1,54 %	2,00 %

- The scenarios presented illustrate how your investment could perform under different scenarios of fulfillment of energy and financial projects within the Fund. Annual appreciation takes account of maximum amounts of entering and exiting fees.
- The figures shown include all the costs of the product itself but may not include all the costs that you pay to your advisor or distributor. These figures do not take into account your personal tax situation.

What happens if REDSIDE is unable to pay out?

The assets of the Fund are legally distinct from the REDSIDE and other funds (or fund of funds). In case of the withdrawal of the REDSIDE's authorizations for management of the Fund, the management of the Fund will be transferred to another investment company. It may also lead to the liquidation of the Fund or to the cessation of its operations. In this case, REDSIDE will be obliged to deliver the current value of an investment to the fund's investors. As a consequence, if REDSIDE fails, the insolvency administrator will ensure the transfer of the Fund's management to another investment company or the liquidation of the Fund. Further reasons for Fund liquidation are stated in the Fund's Statute.

The Investment company is entitled to suspend the redemption of securities issued by the Fund for 3 months at maximum. This information will be addressed to ČNB and publicly disclosed on our website www.redsidefunds.com. Commitments between you and the Fund or REDSIDE are not covered by a system of remuneration or safeguards for investors.

If you consider REDSIDE not to abide by the contract or to act contrary to legislation, you may follow REDSIDE's complaint procedure. In case of dissatisfaction of the complaint handling process you could make a complaint to our supervisory authority ČNB or exercise the right to a judicial remedy.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, on-going, incidental, direct and indirect costs. The stated figures assume you invest 1.000.000 CZK.

Cost over time			
Moderate scenario	Redemption after 1 year	Redemption after 3 years	Redemption after 5 years
Total costs	99 735	87 372,82	132 283,28
(%) out of an investment	119,98 %	38,26 %	33,61 %

The person selling you or advising you about this product may charge additional costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Cost composition

This table shows the impact of individual costs on anticipated annual yield which is possible to reach at the end of a recommended holding period of the product.

One-off fees

Entry fee (surcharge)	max. 3 %	The impact of the costs you pay when entering your investment. It is the highest sum that may be charged to the investor. The final sum is depended on the individual agreement.
Exit fee (deduction) during the first 24 months	max. 5 %	The impact of the costs of exiting your investment.
Exit fee (deduction) after the first 24 months	0 %	

Cost paid during the year

Maximum cost rate	1,95 %	The impact of the costs of our purchases and sales of underlying assets together with the management costs of your investment.
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Costs paid under special conditions

Performance fee	30 % in excess of 7 % performance of the Fund	Performance fee, which belongs to a manager of the Fund, in case of an excess of the target profit.
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What is the holding period of investment? May I withdraw my money prematurely?

A recommended holding period of the product: 5 years or longer.

A minimum holding period of an investment is 3 years.

The units are redeemed every workday for the current value of a given month determined by the statute of the Fund. The redemption of units is possible anytime since the launch of the Fund.

To redemption of units is allied exit fee in accordance with the current statute of the Fund.

How can I lodge a complaint?

If you are not satisfied with the product you may follow REDSIDE's complaint procedure.

A complaint can be filed:

- via e-mail : info@redsidefunds.com
- or postal address: REDSIDE investiční společnost a.s. V Celnici 1031/4, 110 00 Praha 1
- a phone link each workday from 8 am to 6 pm: 222 500 757
- in person or in written form to headquarters REDSIDE investiční společnost, a.s., V Celnici 1031/4, 110 00 Praha 1

Further details of the complaint handling process are stated in the complaint procedure available on our website www.redsidefunds.com.

In case of dissatisfaction of complaint handling process, you could make a complaint to our supervisory authority:

Česká národní banka
web: www.cnb.cz
phone number: 224 411 111
email: podatelna@cnb.cz

Other relevant information

On the request, you will be provided with the statute of the Fund in electronic or printed form. Statutes of every fund as well as updated key investor information documents can be found on our website www.redsidefunds.com.