

TRUSTSTONE

REAL ESTATE SICAV

REAL ESTATE SICAV

Prospectus
with Investment Regulations and Articles of Association

July 2020



1.2.2 Delegation of fund management

The administration of the Real Estate SICAV, which has been formed as an externally managed SICAV, is delegated to SOLUFONDS SA, Signy-Avenex, as the fund management company ("Fund Management Company").

Since June 2010, the amount of the corporate capital of the Fund Management Company amounts to CHF 5.7 million. Its corporate capital is divided into registered shares and is fully paid-up. The share capital of SOLUFONDS SA is held by a diversified group of Swiss professionals coming from the banking, financial, real estate and wealth management fields, all already active in various capacities in funds under Swiss law or foreign funds authorised for distribution in Switzerland.

The members of the Board of Directors of SOLUFONDS SA are as follows:

- Mr Michel Dominicé, President
Senior Associate of Dominicé & Co. – Asset Management
- Mr Michel Abt, Vice President
Associate Lawyer of the law firm FBT Avocats SA
- Mr Pierre Parodi, Director
- Mr Yann de Méhérenc de Saint Pierre, Director
Managing Partner of CITADELLE Sàrl
- Mr Arno Kneubühler, Director
CEO of PROCIMMO SA

The members of the Management of SOLUFONDS SA are as follows:

- Ms Andreea Stefanescu CEO
- Mr Steven Wicki Business Development & Client Services
- Ms Isabelle Tisseur Shared Services
- Mr Marcus Eberlein Operations

Subject to the inalienable powers and duties of the Board of Directors and the competence of the General Meeting of Shareholders of the Real Estate SICAV, the latter body has delegated its administration extensively to the Fund Management Company.

The latter is therefore responsible as an administrative body for the general administrative tasks that are necessary in relation to the management of the Real Estate SICAV and are required by the Act and the Ordinance, in particular risk management, set-up of the internal control system (ICS), and compliance (Art. 64 para. 1 let. f OPCC).

Moreover, in the context of the aforesaid delegation, the real estate SICAV has in particular delegated the following other tasks to the Fund Management Company:

- calculating the net asset value
- determining issuance and redemption prices
- keeping accounts
- operating the IT system
- other administrative and logistical tasks (tax statements for the Real Estate SICAV and its compartments, refunds of withholding taxes, etc.)
- legal and tax advice to the extent required by the Real Estate SICAV.

The investment decisions of the Real Estate SICAV are also delegated to the Fund Management Company (see section 1.3 below).

A contract entered into between the Real Estate SICAV and the Fund Management Company governs the proper performance of the delegated tasks. The Fund Management Company is, in particular, empowered to sub-delegate some of these tasks to third parties.

1.3 Delegation of investment decisions

The investment decisions of the Swiss Real Estate 1 Compartment are delegated by the Real Estate SICAV to the Fund Management Company and sub-delegated by the Fund Management Company to Patrimonium Asset Management AG in Baar, acting by delegation as the Investment Manager for the real estate SICAV (Investment Manager). Contracts entered into between the Real Estate SICAV and the Fund Management Company, and by the Fund Management Company and the Investment Manager respectively, govern the performance of the sub-delegated tasks.

The Investment Manager has, in particular, the following main tasks:

- implementing the investment strategy as decided by the Board of Directors of the Real Estate SICAV for the Compartment;
- preparing investment opportunities;
- carrying out financial analyses in relation to real estate properties or projects;
- identifying and selecting acquisitions of real estate properties or real estate projects;
- making investment and divestment decisions in accordance with the investment strategy, the sub-delegation contract with the Fund Management Company, and the internal processes of the Real Estate SICAV;
- conducting the negotiations and handling the process of acquisition of real estate properties or projects, and supervising general contractor contracts;
- deciding and supervising programmes of building works (for example, restructuring, construction, extension and maintenance);
- implementing the asset enhancement strategy of the Real Estate SICAV;
- obtaining funding;
- preparing and carrying out due diligence procedures for acquisitions;
- supervising the operating management of the real estate properties.

The Investment Manager further undertakes to communicate directly to the Fund Management Company all investment decisions and to submit to the latter, on a regular basis, a report on the valuation of the real estate properties and projects in which investments are made by the Real Estate SICAV and any other information necessary for the Fund Management Company to enable it to check the compliance of the investments made by the Investment Manager with the Articles of Association and the Investment Regulations of the Real Estate SICAV.

1.4 Delegation of other partial tasks

Technical management (in particular, planning, construction and renovation) and administrative management (in particular, declarations, and monitoring of compliance with regulations) of the real estate properties as well as the coordination of the property management agencies are entrusted to the Manager by sub-delegation of the Fund Management Company.

Moreover, rental management (in particular, calls and receipts for rents and charges, and recovery of rents and charges), technical management (in particular, maintenance and works) and administrative management (in particular, management of leases, accounting and insurance) of the real estate properties will be entrusted to property management agencies meeting the requirements set by the Manager and the Fund Management Company.

The list of property management agencies will be provided in the Annual Reports of the Real Estate SICAV.

The terms of performance of the mandate are set out in separate contracts.

1.5 Investment objective

TrustStone real estate SICAV is a real estate SICAV whose sole aim is to maintain the long-term value of its investments and the appropriate distribution of the income earned from them, by creating a dynamically managed portfolio of real estate assets.

In order to achieve its objective, “Swiss Real Estate 1” invests in a diversified portfolio of residential and commercial properties throughout Switzerland and may set up construction projects. The Real Estate SICAV focuses on properties intended for use as rental housing and offering a reasonable ratio between their intrinsic qualities and their rental value, as well as a stable occupancy rate.

1.6 Unavoidable risks

The main risks facing the Real Estate SICAV and its “Swiss Real Estate 1” Compartment are the following: dependence on economic developments, shifts in supply and demand on the Swiss real estate market, limited liquidity on the Swiss real estate market, in particular for major real estate projects, changes in capital market and mortgage rates, subjective valuation of the real estate properties, risks inherent in the construction of buildings, environmental risks (including among other things, contaminated sites), uncertain evolution of competition on the real estate market, changes in laws or regulatory requirements, and possible conflicts of interest.

As a reflection of these risks, the value of the Shares can either increase or decrease. Consequently, the investor may, in some cases, earn less than what he or she has committed financially.

1.7 Typical investor profile

This Compartment of the SICAV is suitable for qualified investors within the meaning of Art. 10 para. 3 and 3ter LPCC and Art. 5 of the Federal Act on Financial Services (“LSFin”) (which replaces the former Art. 10 para. 3bis LPCC, repealed on 01.01.2020) with a medium/long term investment horizon, primarily seeking a regular income. Such shareholders accept temporary fluctuations in the price of their Shares.

1.8 Relevant tax-related requirements concerning the Real Estate SICAV

The Real Estate SICAV is governed by Swiss law. By virtue thereof, the Real Estate SICAV is not subject either to income tax or to capital tax. Real estate SICAVs with direct ownership of property constitute an exception. According to the Federal Act on Direct Tax, income from direct property ownership is subject to taxation at the level of the Compartment concerned. They are, instead, exempt from tax at the shareholder level. Capital gains from direct property ownership are also taxable only at the Compartment level.

A refund of federal withholding tax levied at the Compartment level on Swiss income may be claimed in full by the Real Estate SICAV.

Income and capital gains earned abroad may be subject, as the case may be, to the withholding taxes applicable in the country where the investment is made. As far as possible, refund of such taxes will be requested by the Real Estate SICAV, on the basis of double taxation agreements or specific agreements, in favour of shareholders domiciled in Switzerland.

Distributions of the income of the Compartment (to shareholders domiciled in Switzerland and abroad) are subject to the federal withholding tax (a tax charged at the source) of 35%. Income and capital gains from direct property ownership as well as capital gains from the divestiture of participations and other assets distributed by separate coupon are not subject to withholding tax.

Shareholders domiciled in Switzerland can obtain a refund of the withholding tax paid by reporting the corresponding income in their tax return or by submitting a separate refund request.

Shareholders domiciled abroad may request a refund of federal withholding tax on the basis of a double taxation agreement, if any, existing between Switzerland and their country of domicile. In the absence of such an agreement, the refund of withholding tax cannot be obtained.

Distributed income and/or interest on the sale or return of shares is not subject in Switzerland to EU savings tax.

The tax explanations provided above are based on the current legal situation and practice. Any

changes in legislation, jurisprudence and the practice of the tax authority remain explicitly reserved.

Taxation and other tax consequences for shareholders in the event of ownership, purchase or sale of shares refer to the requirements of the tax law of the investor's country of domicile. The tax consequences for an investor may therefore vary from one country to another. Potential investors are consequently required to obtain information from their tax consultants or accountants on the tax consequences affecting them. The real estate SICAV may in no way be held responsible for the individual tax consequences affecting the investor in relation to the purchase, sale or holding of the shares of the Compartment of the Real Estate SICAV.

The Real Estate SICAV is qualified as a non-reporting financial institution for the purposes of automatic exchange of information within the meaning of the Common Reporting and Due Diligence Standard (CRS) of the Organisation for Economic Cooperation and Development (OECD) for financial account information.

The Real Estate SICAV is registered with the US tax authorities as a Registered deemed-compliant FFI within the meaning of sections 1471 -1474 of the US Internal Revenue Code (Foreign Account Tax Compliance Act, including the relevant texts "FATCA").

1.9 Exercise of the rights attached to the status of member or creditor of the company

The Real Estate SICAV exercises the rights attached to its status as member or creditor of the company relating to the "Swiss Real Estate 1" Compartment acting independently and exclusively in the interest of shareholders. On request, shareholders can obtain from the Real Estate SICAV information on the exercise of the rights attached to the status of member or creditor of the company.

For ongoing routine business, the Real Estate SICAV is free to exercise the rights attached to the status of member or creditor of the company or to delegate them to the custodian bank or to third parties.

For all other aspects that could have a lasting effect on the interests of shareholders, in particular in the context of the exercise of the rights attached to the status of member or creditor of the company by the Real Estate SICAV in its capacity as shareholder or creditor of the custodian bank or other related legal entities, the Real Estate SICAV exercises the right to vote itself or gives explicit instructions thereon. In this case, it can rely on the information that it receives from the custodian bank, the portfolio manager, the company or third parties or that it learns from the press.

The Real Estate SICAV is free to waive or to exercise the rights attached to the status of member or creditor of the company.

INFORMATION CONCERNING THE CUSTODIAN BANK

The Real Estate SICAV has appointed as its custodian bank Banque Cantonale Vaudoise ("BCV"). BCV was established by decree of the Grand Council of Vaud on 19 December 1845. Its duration is unlimited. It is a company limited by shares governed by public law. Its registered office and General Management are located at Place St-François 14, Lausanne (Switzerland). The bank may have subsidiaries, branches, agencies and representative offices.

BCV has 170 years of experience. It has nearly 2,000 employees and more than 60 points of sale in the canton of Vaud. The stated purpose of BCV is to operate as a universal local bank. As such, it contributes, in the various regions of the canton of Vaud, to the development of all sectors of the private economy and the financing of the tasks facing communities and public corporations as well as to the satisfaction of mortgage loan needs in the canton. For this purpose, it handles, for its own account or that of third parties, all the usual banking transactions (Article 4 LBCV and Article 4 of its Articles of Association). It operates mainly in the canton of Vaud. In the interest of the Vaud economy, it is authorised to operate elsewhere in Switzerland or abroad. In its capacity as a cantonal bank, it has the mission, notably, to dedicate particular attention to the development of the cantonal economy, according to the principles of sustainable development based on economic, ecological and social criteria.

The custodian bank may entrust the custody of the assets of the compartment to a third party or to a central securities depository in Switzerland and abroad, provided that appropriate safekeeping is ensured. Regarding financial instruments, their custody may be entrusted only to a third party or to a central securities depository subject to supervision. An exception to this rule concerns mandatory safekeeping in a place where delegation to a third party or a central securities depository subject to supervision is not possible, in particular because of binding legal requirements or the terms of the investment product itself. In the event that the execution of a task is delegated to a third party, the custodian bank is liable for any damage caused by that third party, unless it proves that it has taken in relation to choice, instruction and supervision, all the care required by the circumstances.

Collective and third-party custody has the effect that the Real Estate SICAV no longer has individual ownership of the deposited securities, but only joint ownership thereof. Moreover, if the third party or the central securities depository is not subject to supervision, it may not meet the organisational requirements applicable to Swiss banks.

The custodian bank is registered with the US tax authorities as a Model 2 IGA within the meaning of sections 1471 – 1474 of the US Internal Revenue Code (Foreign Account Tax Compliance Act, including the relevant texts, hereinafter “FATCA”).

INFORMATION CONCERNING THIRD PARTIES

1.10 Payment domiciles

The payment service function is performed by the custodian bank.

1.11 Audit company

The audit company is PricewaterhouseCoopers SA, Geneva

1.12 Experts in charge of estimates and valuations

The Real Estate SICAV must have the value of the real estate properties that it wishes to buy or sell estimated by at least one independent expert. The Real Estate SICAV needs to verify whether the probable costs of construction projects are appropriate and consistent with the market. Once the works are completed, the Real Estate SICAV has the market value of the real estate property estimated.

At the end of each financial year, the Real Estate SICAV has the market value of all the real estate properties it owns valued by experts.

With the authorisation of the supervisory authority, the Real Estate SICAV has appointed the following experts:

- CBRE (Geneva) SA, in Geneva, persons in charge: Mr Sönke Thiedemann and Mr Yves Cachemaille.
- Wüest Partner AG, in Zurich and at the Geneva branch, persons in charge: Ms Ellen Hoérée and Mr André Perronnet.

The experts in charge of estimates and valuations have many years of experience in providing services related to the real estate sector, such as real estate valuations, complex analyses of the real estate market, benchmarking, calculation of real estate indices and global IT solutions in the field of mortgage or portfolio management. A contract entered into between the Real Estate SICAV and the experts governs the proper performance of their mandate.

The Real Estate SICAV has also appointed the companies CBRE (Geneva) SA in Geneva and Wüest Partner AG, in Zurich and at the branch in Geneva, where the people in charge are respectively Mr Sönke Thiedemann and MrYves Cachemaille and Ms Ellen Hoérée and Mr André Perronnet, with the authorisation of the supervisory authority, as the experts in charge of estimates and valuations. These companies are outstanding for their long experience in real estate estimates and valuations for real estate investment funds under Swiss law. The precise terms and conditions of performance are set out in the mandate concluded between the Real Estate SICAV and these companies.

OTHER INFORMATION

1.13 Useful info

Security and ISIN number:	48796160 and CH0487961606
Financial year:	from 1 April to 31 March
Duration:	indefinite
Unit of account:	CHF
Shares:	Entrepreneurial Shares: Registered Shares: Investor Shares: Registered Shares The shares are not issued physically but are recorded using accounting systems.
Distribution of proceeds:	With regard to the Investor Compartment, proceeds are distributed within the 4 months following the closing of the financial year.
Market maker activity:	<p>In compliance with applicable regulations (in particular, the Federal Act on Collective Investment Schemes and stock market regulations), the Fund Management Company ensures, through a bank or a securities dealer, the regular off-market trading of Investor Shares.</p> <p>The Real Estate SICAV has entrusted this market maker activity to BCV, but without granting exclusivity to that bank. The Real Estate SICAV is free to enter into other agreements with other banks or securities dealers. The terms and conditions relating to this activity are set out in a specific agreement between the Real Estate SICAV and BCV in compliance with the applicable legal provisions.</p> <p>The Real Estate SICAV publishes in its publication medium the market value of the Compartment's assets and the resulting asset value of the units of the Shares at the same time that it communicates this information to the bank or the securities dealer handling the trading of the shares on or off the stock market.</p> <p>Contact person for regular off-market trading: Trading room: BCV 021 212 40 54.</p>
Control of investors:	The custodian bank ensures the control of the investors authorised to invest in this SICAV. At the time of each subscription, the investor must complete and sign the certificate provided by the custodian bank confirming that he or she is a qualified investor within the meaning of the LPCC.

Contact point for the custodian bank:

Banque Cantonale Vaudoise
Place Saint-François 14
CH-1001 Lausanne
Immo Desk phone: +41 21 212 40 96
E-mail address: immo.desk@bcv.ch

1.14 Conditions of issuance, redemption and trading of Shares

The issuance of Shares is possible at any time. Shares may be issued only in tranches. The Real Estate SICAV must propose the new Shares in priority to shareholders except in the case of contributions in kind. The Real Estate SICAV determines the number of new Shares to be issued, the subscription ratio for existing shareholders, the issuance method for the preferential right and the other conditions, in a separate issuance prospectus.

The shareholder may request the repayment of his or her Shares for the end of a financial year by giving twelve months' prior notice. Under certain conditions, the SICAV management may allow the early repayment of Shares for which repayment was requested, during a financial year. If the shareholder wants early repayment, he or she must request it in writing at the time of notification. Ordinary repayment and early repayment take place within three months after the closing of the financial year.

The net asset value of the SICAV is calculated at the market value at the end of the financial year and at the time of each issuance of Shares.

The redemption price of the Shares is calculated on the asset value calculated for the purposes of redemption, less the incidental expenses incurred on average by the compartment for the sale of the part of the investments corresponding to the redeemed Shares and less the redemption commission.

The issuance price is calculated as follows: net asset value calculated for the purposes of issuance, plus the incidental expenses (transfer duties, notary fees, brokerage fees in line with the market, commissions, taxes, etc.), incurred by the Compartment on average by the investment of the amount paid, plus the issuance commission. The amount of the incidental expenses and the issuance commission is shown in ch. 4.4 below.

The redemption price is calculated as follows: net asset value calculated for the purposes of redemption, less the incidental expenses incurred on average by the Compartment for the sale of the part of the investments corresponding to the redeemed Shares and less the redemption commission. The amount of the incidental expenses and the redemption commission is shown in ch. 4.4 below.

The issuance and redemption prices are rounded to CHF 0.01. Payment is made each time 2 bank working days after the valuation day (value date 2 days).

Shares are not issued in the form of securities, but are recorded in accounting systems.

The Real Estate SICAV may at any time suspend orders for subscription or conversion of Shares.

The Real Estate SICAV ensures regular off-market trading of the Shares of the Compartment through Banque Cantonale Vaudoise, but without granting exclusivity to that bank.

The Real Estate SICAV is free to enter into other agreements with other banks or securities dealers. The terms and conditions relating to this activity are set out in a specific agreement between the Real Estate SICAV and BCV in compliance with the applicable legal provisions. In this context, the Custodian Bank provides a point of contact for investors and keeps an inventory of the orders transmitted to it. The Custodian Bank makes its best effort, in collaboration with the Real Estate SICAV, to ensure that technical arrangements are in compliance with the applicable standards as well as the proper execution of the various orders received.

The Real Estate SICAV publishes in its publication media the market value of the fund assets and the resulting net value of the Shares the same time when it communicates this data to the bank entrusted with regular off-market trading of the Shares or to the securities dealer appointed for this purpose.

The SICAV delegates to the Custodian Bank its obligations regarding due diligence in matters of money laundering and the financing of terrorism, in relation to the activity of subscription of Shares.

1.15 Exchange of Shares for Shares of another Share class

The Real Estate SICAV is empowered to instruct Shareholders who no longer meet the conditions for holding a particular class of Shares to return their Shares within 30 calendar days or to transfer them to a person who meets the required conditions or to exchange them for Shares of another class for which they do meet the conditions. If the Shareholder does not comply with this request, the Real Estate SICAV may proceed with a forced exchange into another Share class of this Compartment, or, if that is not possible, a forced redemption of the Shares in question.

1.16 Remuneration and incidental expenses

1.16.1 Remuneration and incidental expenses charged to Shareholders (extract from § 18 of the Investment Regulations) at the time of buying and redeeming units (as a % of the fund's net assets)

Issuance commission	3.00% max. of the NAV of the newly issued units
Redemption commission	5.00% max. of the NAV of the newly issued units

1.16.2 Remuneration and incidental expenses charged as and when necessary to the fund's assets

Management commission	1.20% max. of the NAV
Custodian Bank's commission	0.05% max. of the NAV
Custodian Bank's commission on the payment of income	0.25% max. of the gross amount distributed
Other kinds of remuneration and incidental expenses	See § 19 of the Investment Regulations

1.16.3 Payment of retrocessions and granting of discounts

The Real Estate SICAV and its agents do not pay any kind of retrocession to third parties to remunerate the activity of distribution of fund units in Switzerland or from Switzerland.

The Real Estate SICAV and its agents do not grant any discounts, in the context of distribution in Switzerland or from Switzerland, to reduce the expenses and costs accruing to investors and charged to the Real Estate SICAV.

1.16.4 Commission sharing agreements and soft commissions

The Real Estate SICAV has not entered into any commission sharing agreements.

The Real Estate SICAV has not entered into any soft commission agreements.

1.16.5 Investments in linked collective investment schemes

If the Real Estate SICAV acquires Shares or units in other collective investment schemes managed directly or indirectly by the person or company to which the investment decisions are delegated (asset manager), or which are managed by a person or company linked with this asset manager within the framework of a shared management or control framework, or through a substantial direct or indirect participation, the Real Estate SICAV may not debit to the Compartment any issuance or redemption commissions of the linked target funds.

1.17 Publications by the real estate SICAV

Further information on the real estate SICAV can be found in its latest Annual Report.

More recent information can also be found on the Internet (www.truststone.ch).

The Prospectus together with the Investment Regulations and Articles of Association and the Annual or Semi-Annual Reports can be requested free of charge from the registered office of the Real Estate SICAV, the Fund Management Company and all distributors by any shareholder.

In the event of an amendment to the Articles of Association and the Investment Regulations, a change of Fund Management Company or Custodian Bank as well as the liquidation of the Real Estate SICAV, a publication is made by the latter on the electronic platform of Swiss Fund Data AG (www.swissfunddata.ch) subject to an additional publication in the Swiss Official Gazette of Commerce (SOGC) when this is required mandatorily by the Code of Obligations.

Price are published for all classes of Shares at the time of each issuance and redemption of Shares, but at least once a month, on the electronic platform of Swiss Fund Data AG (www.swissfunddata.ch) and on www.solufonds.ch.

1.18 Insurance of the real estate properties

The real estate properties which are owned by the Real Estate SICAV are, in principle, insured against the risks of fire and water damage, as well as against any damage due to important causes involving civil liability. Loss of rental income caused by fire and water damage is included in this insurance coverage. However, the real estate properties are not insured for claims due to earthquakes and their consequences, with the exception of real estate properties located in a sensitive area.

1.19 Restrictions on sales

When issuing and redeeming Shares of this Real Estate SICAV abroad, the provisions in force in the country in question have precedence. The Real Estate SICAV is not currently authorised for distribution in other countries and does not plan to request such authorisations.

This Prospectus is not addressed to persons subject to legislation prohibiting their access because of their nationality, status or domicile. The Real Estate SICAV has not and will not file in the United States of America, with the Securities and Exchange Commission, an application for authorisation to offer or sell to the public its Shares under the terms of the "Securities Act of 1933". The Real Estate SICAV is not and will not be registered under the terms of the "Investment Company Act of 1940" as amended. This Prospectus must not be distributed and the Shares of the real estate SICAV must not be offered, sold or delivered (i) in the United States of America or in any of its territories or possessions or regions under its jurisdiction, (ii) or to US Persons as defined in the Securities Act of 1933.

The Real Estate SICAV may prohibit or limit the sale, transmission and transfer of Shares to natural or legal persons in certain countries or territories.

1.20 Detailed provisions

All other information on the Real Estate SICAV, such as the valuation of the compartments, the indication of all kinds of remunerations and all kinds of incidental expenses charged to the Shareholder and the Compartments and the use of the result are specified in detail in the Investment Regulations.

1.21 Contact

TrustStone real estate SICAV

En Courta-Rama 10,
1163 Etoy

Done in Etoy, [date]

The Board of Directors

Edouard Dubuis
Vice President

Jean-Yves Rebord
Director

Fund Management Company for approval

Signy, [date]

Andreea Stefanescu
CEO

Isabelle Tisseur
Executive Committee Member

Custodian Bank for approval

Lausanne, [date]

Luc Byrde

Philippe Zufferey

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TRUSTSTONE
REAL ESTATE SICAV

2nd Part: Investment Regulations

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Definitions

“Investor compartment”

Hereafter referred to as “compartment”

“Entrepreneurial compartment”

Hereafter referred to as “entrepreneurial compartment”

“Swiss Real Estate Fund (individual fund) in the form of an open-ended investment company (SICAV)”

Hereafter referred to as “Real Estate SICAV”

“Investor share”

Hereafter referred to as “share”

“Shareholder investor”

Hereafter referred to as “shareholder”

“CHF”

Swiss franc

I Overview

§ 1 Name and registered office of the company, fund management company, custodian bank and asset manager

1. Under the name "TrustStone real estate SICAV" an externally managed open-ended investment company (SICAV) of the "real estate fund" type ("Real Estate SICAV") was formed within the meaning of Articles 36 ff. in conjunction with Articles 58 ff. of the Federal Act on Collective Investment Schemes of 23 June 2006 ("LPCC") and is divided into the following compartments:
 - Entrepreneurial compartment
 - Swiss Real Estate Compartment 1
2. The headquarters of the Real Estate SICAV is at En Courta-Rama 10, 1163 Etoy.
3. The custodian bank is Banque Cantonale Vaudoise "BCV", Place Saint-François 14, 1001 Lausanne.
4. The Real Estate SICAV delegates the administration, including distribution and investment decisions and other additional tasks to the fund management company SOLUFONDS SA, 7a rue des Fléchères, 1274 Signy.
5. The Funda Management Company delegates decisions concerning investments and distribution to Patrimonium Asset Management AG, Zugerstrasse 74, 6340 Baar.
6. Pursuant to Art. 10 para. 5 LPCC, the supervisory authority has accepted, at the request of the Real Estate SICAV and with the agreement of the custodian bank, that the following requirements do not apply to this fund:
 - the obligation to prepare a semi-annual report;
 - the obligation to issue a simplified prospectus;
 - the obligation to issue shares for cash and, in the event of contributions in kind, to offer them in priority to shareholders (cf. § 17.1 and § 17.9) ;
 - the limit according to which, in the event of pledging of real estate and pledging of rights of pledge in accordance with Art. 65 para. 2 LPCC, all real estate may be charged on average only up to one-third of its market value (cf. § 14.2);
 - the investment restriction that sight and time deposits may be invested up to a maximum of 20% of the fund's assets with the same bank in accordance with Art. 79 OPCC (cf. § 8 ch. 3).
7. As part of the launch of the Swiss Real Estate Compartment 1, TrustStone SA transfers its assets to TrustStone real estate SICAV in accordance with Article 69 LFus against the issue of 275,737 investor shares.

II General Information

§ 2 Legal relations

1. The legal relations between the shareholders and the Real Estate SICAV are governed by these Investment Regulations, the Articles of Association of the Real Estate SICAV and the provisions in force of the Act on Collective Investment Schemes and the Act on Companies Limited by Shares.

§ 3 Tasks and responsibilities of the Real Estate SICAV

1. The Real Estate SICAV may delegate investment decisions and other tasks to ensure their appropriate management. It mandates only persons sufficiently qualified to ensure the proper execution of the delegated tasks; it investigates and supervises these persons and monitors performance of the mandate.

Administration may be delegated only to an authorised management body within the meaning of Art. 28 ff. LPCC and also includes the distribution of the Real Estate SICAV. In addition, the externally managed real estate SICAV delegates asset management to the same fund management company.

Investment decisions may be delegated only to asset managers subject to recognised supervision.

Where foreign law provides for an agreement for cooperation and exchange of information with foreign supervisory authorities, the Real Estate SICAV may delegate investment decisions to an asset manager abroad only if such an agreement has been concluded between FINMA and the foreign supervisory authorities concerned by such decisions.

2. The SICAV and its agents are subject to the duties of loyalty, diligence and information. They act independently and exclusively in the interests of shareholders. They shall take the organisational measures necessary for the exercise of impeccable management. They guarantee transparent accounts and provide appropriate information on the compartment they administer. They shall inform investors of all fees and expenses charged to them directly or indirectly and their allocation; they shall inform investors in a comprehensive, realistic and understandable manner of the remuneration for the distribution of collective investments in the form of commissions, brokerage commissions or other financial benefits.
3. The Real Estate SICAV may regroup compartments with other compartments of itself or another SICAV within the meaning of Articles 36 ff. LPCC, in accordance with the provisions of § 24 or dissolve them in accordance with the provisions of § 26.
4. The Real Estate SICAV may jointly manage (through pooling) the assets of parts or all of the assets of different compartments of itself or of other SICAVs within the meaning of Articles 36 ff. LPCC, when they are deposited with the same custodian bank. There are no additional costs for shareholders as a result of this. Pooling does not create any joint and several liability between the participating compartments. The company is able to identify at any time the assets held in the pool by the various participating compartments. The pool does not constitute its own assets.

5. The Real Estate SICAV is entitled to the fees provided for in § 18 and 19, to be released from commitments entered into in the proper performance of its duties and to be reimbursed for the costs incurred in the performance of these commitments.
6. The Real Estate SICAV may not acquire real estate securities from its entrepreneurial shareholders, their agents or natural or legal persons close to them, nor may it sell them without the prior consent of the supervisory authority, whether for acquisitions in cash or in kind.

The supervisory authority may, for good cause, grant exemptions from the prohibition on transactions with related parties where the exemption is in the interest of shareholders and, in addition to the valuation of the SICAV's permanent experts, an expert in charge of the valuation, independent of the above-mentioned experts and their employer, the SICAV and the custodian bank, confirms that the purchase price and sale price of the property value, as well as the transaction costs, are in line with the market.

At the end of the transaction, the Real Estate SICAV draws up a report containing information on the various real estate securities taken over or transferred and their value on the reference date of the takeover or transfer, the appraisal report of the permanent experts, as well as the report on the market conformity of the purchase price or sale price drawn up by the independent expert within the meaning of Article 32a, paragraph 1, letter c, OPCC.

The audit firm confirms to the Real Estate SICAV, as part of its audit, that the special duty of loyalty in the case of real estate investments is complied with.

In its annual report, the SICAV mentions the authorised transactions with related parties.

7. Further details concerning the delegation can be found in the prospectus or the articles of association.

§ 4 Custodian bank

1. The custodian bank is responsible for the custody of the company's assets, in particular unsecured mortgage notes and shares in real estate companies. It issues and repurchases shares and manages payment transactions on behalf of the Real Estate SICAV. It may have accounts maintained by third parties for the day-to-day administration of real estate securities.
2. The custodian bank guarantees that the countervalue will be transferred to it within the usual time limits in the event of transactions relating to the SICAV's assets. It shall inform the latter if the countervalue is not repaid within the usual time limits and shall require the counterparty to replace the asset in question, insofar as this is possible.
3. The custodian bank manages the required registers and accounts in order to be able to distinguish at any time between the assets in custody and the various collective investments.

The custodian bank verifies the ownership of the Real Estate SICAV and manages the corresponding registers when the assets cannot be kept.

4. The custodian bank and its agents are subject to the duties of loyalty, diligence and information. They act independently and exclusively in the interests of shareholders. They shall take the organisational measures necessary for the exercise of impeccable management. They guarantee transparent accounts and provide appropriate information on the Real Estate SICAV or the compartment they administer. They shall inform shareholders of all fees and expenses charged to them directly or indirectly and their allocation; they shall inform shareholders in a comprehensive, realistic and understandable manner of the remuneration for the distribution of collective investments in the form of commissions, brokerage commissions or other financial benefits.
5. The custodian bank may entrust the custody of the compartments to a third party or to a central securities depository in Switzerland or abroad, provided that appropriate custody is ensured. It shall ensure that the third party or central securities depository it has mandated:
 - a) has adequate organisation, financial guarantees and technical qualifications required for the type and complexity of the assets entrusted to it;
 - b) is subject to regular external audit to ensure that the financial instruments are in its possession;
 - c) keeps the assets received from the custodian bank in such a way that the custodian bank can identify them at any time and unequivocally as belonging to the fund's assets, by means of regular checks of the consistency between the portfolio and the accounts;
 - d) comply with the requirements applicable to the custodian bank regarding the performance of the tasks delegated to it and the prevention of conflicts of interest.

The custodian bank shall be liable for any damage caused by the agent, unless it can prove that it has taken all the care required by the circumstances in terms of choice, instruction and supervision. The prospectus shall contain explanations of the risks inherent in the transfer of custody to a third party or a central securities depository.

As regards financial instruments, their custody within the meaning of the preceding paragraph may be entrusted only to a third party or to a central securities depository subject to supervision. An exception to this rule is mandatory safekeeping in a place where delegation to a third party or a central securities depository subject to supervision is not possible, in particular because of binding legal requirements or the terms of the investment product itself. Shareholders must be informed, by means of the prospectus, of the custody by a third party or by a central securities depository not subject to supervision.

6. The custodian bank ensures that the Real Estate SICAV complies with the law, the Articles of Association (excluding provisions relating to the legal regime for companies) and the Investment Regulations. It verifies that the calculation of the net asset value and the issue and redemption prices of the shares, as well as the decisions relating to investments, comply with the law, the Articles of Association and the Investment Regulations and that the result is used in accordance with the Investment Regulations and the Articles of Association. The custodian bank is not responsible for the choice of investments made by the real estate SICAV within the limits of the investment requirements.

7. The custodian bank is entitled to the commissions provided for in § 18 and 19, to be released from commitments entered into in the proper performance of its tasks and to be reimbursed for the costs incurred in the performance of these commitments.
8. The custodian bank, its agents and closely related natural or legal persons may not acquire or transfer any real estate securities of the SICAV.

The supervisory authority may, for good cause, grant exemptions from the prohibition on transactions with related parties where the exemption is in the interest of shareholders and, in addition to the valuation of the SICAV's permanent experts, an expert in charge of the valuations, independent of the above-mentioned experts and their employer, the SICAV, the fund management company and the custodian bank, confirms that the purchase price and the sale price of the real estate property, as well as the transaction costs, are in conformity with market conditions.

The audit firm confirms to the Real Estate SICAV, as part of its audit, that the special duty of loyalty in the case of real estate investments is complied with.

§ 5 Shares and share classes

1. Shares are not issued in the form of securities, but are recorded in accounting systems. The shareholder is not entitled to require the issue of a share or certificate.
2. In accordance with Article 5 of its Articles of Association, the Real Estate SICAV may create, eliminate or regroup share classes.
3. The compartment is not subdivided into share classes.

§ 6 Shareholders circle

1. The shareholders' circle is reserved for qualified investors pursuant to Art. 10 para. 3, 3bis and 3ter LPCC and Art. 5 LSFIn. Any provisions to the contrary in the Articles of Association remain reserved.

The Real Estate SICAV jointly with the custodian bank guarantees that shareholders comply with the requirements relating to the shareholders' circle.

2. The Real Estate SICAV may limit or prohibit under certain conditions the acquisition, holding and transfer of shares or share classes for compartments. These limitations or conditions are explained in more detail in the prospectus or the articles of association.
3. Shareholders are provided at all times with information on the basis used for calculating the net asset value of the shares. When they wish to obtain detailed information on specific transactions of the Real Estate SICAV, such as the exercise of rights arising from membership or creditor status, or on risk management, the Real Estate SICAV also provides them at any time with the information requested. Shareholders may request the court at the place of the registered office of the Real Estate SICAV that the audit company or other expert examine the facts that require verification and submit a report to it.

III Investment policy guidelines

A Investment principles

§ 7 Compliance with investment guidelines

1. In selecting the various investments and in order to implement the investment policy in accordance with § 8, the Real Estate SICAV complies with the following principles and limits in terms of a weighted risk allocation. These principles and limit rates apply to the compartment estimated at market value and must be complied with at all times. This compartment must comply with the investment limits two years after the end of the subscription period (launch), subject to the five-year period provided for in § 14.
2. Where limits are exceeded as a result of market fluctuations, the volume of investments must be reduced to the permissible rate within a reasonable period of time, taking into account the interests of shareholders.

§ 8 Investment policy

1. The Real Estate SICAV invests the compartment in real estate securities throughout Switzerland.
2. Investments of this compartment are authorised as investments in the following:
 - a) in buildings and their accessories.

By buildings, we mean here:

- residential homes defined as buildings used for residential purposes;
- commercial buildings;
- mixed-use buildings;
- property ownership by floor (condominiums under Swiss law);
- buildable land (including buildings to be demolished) and buildings under construction; undeveloped land must be equipped and immediately constructible, and must be subject to a valid building permit. Construction work must begin before the expiry of the validity period of the building permit.
- buildings under a building lease (including buildings and surface easements).

The usual co-ownership of buildings is authorised provided that the real estate SICAV is able to exercise a preponderant influence, in other words if it holds a majority of the co-ownership shares and votes.

- b) in holdings in real estate companies whose sole purpose is the acquisition and sale, or the rental and outright lease of their buildings, and in claims against such companies, provided that the compartment holds at least two-thirds of their capital and votes.
- c) in shares in other real estate funds (including the *Real Estate SICAV*) as well as in real estate investment companies or certificates, which may be traded on an exchange or other regulated market open to the public.

If the real estate SICAV acquires units in other collective investment schemes, which are managed directly or indirectly by the SICAV itself or by a company to which it is linked as part of a management or control community, or by a significant direct or

indirect participation ("linked target funds");, it may not charge the compartment any issuance or redemption fees of the linked target funds.

d) in mortgage notes and other contractual real estate pledge rights.

The buildings are registered in the land register in the name of the Real Estate SICAV, with a statement that they are part of the relevant compartment.

3. The entrepreneurial compartment may invest up to 100% of its assets in the investor compartment or under the conditions of Art. 83 OPCC. The minimum contribution will be maintained at all times by the entrepreneurial shareholders. The SICAV may also invest 100% of the entrepreneurial compartment in sight and term assets with the same bank. This limit will take into account both cash and investments in assets held with banks.
4. The Real Estate SICAV may have buildings constructed on behalf of the compartment. In this case, it may, during the period of preparation, construction or renovation of the buildings, credit the income statement of the compartment with an interim interest at the market rate for building land and buildings under construction; the cost must not, however, exceed the estimated market value.

§ 9 Guarantee of short-term liabilities and available assets

1. To guarantee its liabilities, the Real Estate SICAV must maintain an adequate share of the compartment in the form of short-term transferable securities serving a fixed interest rate or in the form of short-term available assets. It may hold these transferable securities and other assets in the compartment's unit of account as well as in other currencies in which the commitments are denominated.
2. Commitments are defined as appropriations contracted, current commitments and all commitments arising from the reported shares.
3. Short-term securities serving a fixed interest rate are defined as debt securities up to 12 months of maturity or residual maturity.
4. Short-term available assets are defined as cash on hand, postal or bank sight and time deposits up to 12 months' maturity, as well as firm credit limits granted by a bank up to 10% of the compartment's net assets. Credit limits must not exceed the maximum limit of pledges allowed under § 14, ch. 2.
5. Securities serving a fixed interest rate up to 24 months of maturity or residual maturity may be held to secure the financing of construction projects.

B Investment techniques and instruments

§ 10 Securities lending

The Real Estate SICAV does not lend securities.

§ 11 Repurchase and reverse repurchase transactions

The Real Estate SICAV does not carry out repurchase or reverse repurchase transactions.

§ 12 Derivative financial instruments

The Real Estate SICAV does not carry out derivatives transactions.

§ 13 Borrowing and lending

1. The Real Estate SICAV may not grant loans on behalf of the compartment, with the exception of claims against real estate companies of the compartment, mortgage notes and other contractual real estate pledge rights.
2. The Real Estate SICAV may use loans on behalf of the compartment.

§ 14 Pledge rights on real estate

1. The Real Estate SICAV may charge the properties with pledge rights and give them as security.
2. For a period of 5 years after the launch of the investor compartment, all buildings may be charged on average only up to half of their market value.
3. After 5 years, after the launch of the investor compartment, all buildings may be charged on average only up to one-third of their market value.

In order to preserve liquidity, in the event of a request for repayment or an opportunity to purchase buildings, the rate at which all buildings may be charged may be temporarily and exceptionally increased to half of their market value if investors' interests are preserved. In this case, the audit company must take a stand on the conditions in accordance with Art. 96, para. 1bis, OPCC, when auditing the real estate SICAV.

C Investment restrictions

§ 15 Risk allocation and restrictions

1. Investments should be allocated according to the properties, their use and age, the nature of the buildings and their location.

2. Investments must be spread over at least ten properties. Groups of dwellings built according to the same construction principles and adjacent parcels are considered as a single building.
3. The market value of a property may not exceed 25% of the compartment's assets.
4. The Real Estate SICAV also complies with the following investment restrictions relating to the assets of the compartment:
 - a) buildable land, including buildings to be demolished, and buildings under construction: up to 30%;
 - b) buildings under a building lease: up to 30%;
 - c) mortgage notes and other contractual real estate pledge rights: up to 10%;
 - d) shares in other real estate funds and real estate investment companies: up to 25%;
 - e) the investments referred to in letters a) and b) may not together exceed 40%.

IV Calculation of the net asset value and issuance and redemption of shares and experts in charge of estimates

§ 16 Calculation of the net asset value and use of experts in charge of estimates

- 1a) The compartment has its own net asset value per share, provided that several share classes are issued, and for each share class respectively.
- 1b) The net asset value of the compartment is determined at its market value at the end of the financial year and at the time of issuance of each share, in Swiss francs.
2. The Real Estate SICAV has the market value of the properties belonging to the compartment estimated by independent experts at the end of each financial year and at the time of the issue of shares. For this purpose, the Real Estate SICAV mandates at least two natural persons or one legal entity as experts in charge of the estimates, with the approval of the supervisory authority. The visit of the buildings by the experts in charge of the estimates must be repeated at least every three years. The Real Estate SICAV has the buildings it wishes to acquire or sell estimated in advance. In the case of sales, a new estimate is unnecessary as long as the existing estimate is less than 3 months old and conditions have not changed substantially.
3. Investments traded on an exchange or other regulated market open to the public must be valued at the price paid at the current market prices on the day of the main market. Other investments or investments for which no current market price is available must be valued at the price that could be obtained if they were sold carefully at the time of the valuation. In order to determine the market value, the Real Estate SICAV applies in this case appropriate valuation models and principles that are generally recognised in practice.
4. Open-ended collective investments are valued at their redemption price or net asset value. If they are regularly traded on an exchange or other regulated market open to the public, the Real Estate Investment Trust may value them in accordance with Number 3.

5. The value of short-term securities serving a fixed interest rate that are not traded on an exchange or on a regulated market open to the public is determined as follows: the valuation price of such investments is adjusted successively to the redemption price, starting from the net purchase price, with the resulting calculated investment return being maintained constant. In the event of significant changes in market conditions, the valuation basis for the various investments is adjusted to the new market performance. In the absence of a current market price, reference is generally made to the valuation of money market instruments with identical characteristics (quality and location of the issuer, currency of issue, maturity).
6. Postal or bank balances are valued with their receivable amount plus accrued interest. In the event of significant changes in market conditions or creditworthiness, the valuation basis for term bank assets is adjusted to the new circumstances.
7. The properties are valued for the real estate SICAV in accordance with the current SFAMA Directive for real estate funds.
8. Undeveloped land and buildings under construction are valued according to the market value principle. The real estate SICAV has buildings under construction valued at market value at the end of the accounting year.
9. The net asset value of a share results from the market value of the compartment, less any liabilities of the compartment and any taxes probably levied in the event of the compartment's liquidation (property taxes and, where applicable, transfer taxes), divided by the number of shares issued in this compartment. The result is rounded to 0.01.

§ 17 Issuance, redemption and exchange of shares and trading

1. Shares may be issued at any time, but only in tranches. The real estate SICAV must propose the new shares in priority to the former shareholders, except in the case of a contribution in kind (cf. § 17.9).

At the time of their first issuance, all shares have the same net issuance price calculated in the reference currency. The right remains reserved for rounding when issuing share classes denominated in various currencies, as well as differences arising from changes in currency exchange rates before the day of their first issuance.

2. Shareholders may request the redemption of their shares and their repayment in cash by the end of an annual financial year with 12 months' notice.

When shares are terminated during the financial year, the Real Estate SICAV may redeem them early after the end of the financial year, provided that:

- a) the shareholder has requested it in writing as part of the redemption request;
- b) all shareholders who have requested early repayment can be satisfied.

The ordinary repayment as well as the early repayment take place within a maximum of 3 months after the end of the financial year.

In addition, the Real Estate SICAV ensures the regular trading of the shares of the compartment on or off the stock exchange through a bank or securities dealer. The prospectus regulates the details.

3. The prospectus governs the details of the exchange of shares for shares of another class of the same compartment.
4. The issuance and redemption price of the shares is determined on the basis of the net asset value per share in accordance with § 16. When issuing and redeeming shares, an issuance commission in accordance with § 18 may be added to the net asset value, or a redemption commission in accordance with § 18 may be deducted from the net asset value. The incidental expenses for the purchase and sale of investments (transfer duties, notary fees, duties, market-based brokerage fees, commissions, fees, etc.) incurred by the real estate fund as a result of the investment of the amount paid or the sale of the corresponding reported part are charged to the compartment's assets.
5. The Real Estate SICAV may suspend the issue of shares at any time and refuse applications for subscription or exchange of shares.
6. In the interest of all shareholders, the Real Estate SICAV may temporarily and exceptionally suspend the redemption of shares:
 - a) when a market, which forms the basis for the valuation of a significant part of the compartment, is closed, or when trading on such a market is limited or suspended;
 - b) when an emergency of a political, economic, military, monetary or other nature occurs;
 - c) when, due to restrictions imposed on currency traffic or other transfers of assets, the activities concerning the compartment are paralysed;
 - d) when a large number of shares are redeemed and as a result the interests of other shareholders may be significantly affected.
7. The Real Estate SICAV shall immediately communicate its suspension decision to the audit company, the supervisory authority and the shareholders in an appropriate manner.
8. As long as the repayment of the shares is deferred for the reasons listed in ch. 6, letters a) to c), no shares are issued.
9. In principle, the issuance and redemption of shares are carried out in cash. The Board of Directors of the SICAV may authorise an investor to make a contribution in kind to the compartment, instead of a cash payment, if he makes such a request in conjunction with the delivery of his subscription form.

The SICAV's Board of Directors alone decides and approves such a transaction only if it complies in all respects with the investment regulations and investment policy in force for the compartment and if it provides a financial advantage for investors over a cash acquisition. If the payment in the form of investments in lieu of cash results in additional costs, these are charged to the investor. Each contribution of investments in kind must be verified by two independent experts in charge of the estimates (see § 16 ch. 2). When the Swiss Real Estate 1 compartment is launched, all properties transferred from TrustStone SA must be subject to a dual appraisal as provided for in § 3 ch. 6.

The contribution may be made only for an equivalent value corresponding at most to the average of these two appraisals and provided that they do not differ by more than 10% from the market value. The management prepares a report detailing all the investments contributed and showing their market value on the transfer date and the number of shares transferred as consideration, as well as the amount, if any, paid in cash representing the redemption of fractions of shares in the case of fractional shares. In each individual case,

the custodian bank checks compliance with the duty of loyalty, as well as the simultaneous valuation of both the investments to be contributed and the corresponding shares. Any reservations or disputes shall be immediately notified to the audit firm. All such transactions must be reported in the annual report.

V Remuneration and incidental expenses

§ 18 Remuneration and incidental expenses charged to the shareholders

1. When shares are issued, an issuance commission in favour of the entrepreneurial compartment, the custodian bank, the management and/or distributors or other agents in Switzerland and abroad, together representing a maximum of 3% of the net asset value, may be charged to the shareholder. The actual rate applied is shown in the prospectus.
2. When redeeming shares, a redemption fee in favour of the entrepreneurial compartment, the custodian bank, the management and/or the distributors or other agents in Switzerland and abroad, representing jointly at most 5% of the net asset value, may be charged to the shareholder. The actual rate applied is shown in the prospectus.

§ 19 Remuneration and incidental expenses charged to the compartment

1. For the management of the compartment and the real estate companies, asset management and distribution of the compartment, the Real Estate SICAV charges the compartment a maximum annual fee of 1.2% of the net asset value, but at least CHF 450,000, which is charged to the compartment's assets pro rata when calculating the net asset value and is paid annually (management fee).

The actual rate of the management fee applied is shown in the annual reports.

2. For the custody of the compartment's assets, the handling of the compartment's payment transactions and the other tasks of the custodian bank listed in § 4, the custodian bank charges the compartment a maximum annual fee of 0.05% of the net asset value of the compartment's net assets, but at least CHF 30,000, which is charged pro rata at each calculation of the net asset value and is paid annually (custodian bank fee). For the custody of securities and unsecured mortgage notes, the custodian bank also charges the compartment a fee of CHF 120 per position.

The actual rate of the custodian bank's fee applied is shown in the annual reports.

3. For the payment of the annual income to shareholders, the custodian bank charges the compartment a commission of a maximum of 2.5% of the gross amount distributed.
4. In the event of the dissolution of the Swiss Real Estate 1 compartment, the SICAV will charge a liquidation fee of a maximum of 0.5% of the gross amount distributed.
5. The Real Estate SICAV and the custodian bank are also entitled to reimbursement of the following expenses inherent in the execution of the investment regulations:
 - a) the costs of buying and selling real estate investments, in particular standard market brokerage fees, lawyer's and notary's fees, transfer taxes;

- b) the fees charged by the supervisory authority for the formation, modification, dissolution or regrouping of compartments;
 - c) the annual emoluments of the supervisory authority;
 - d) the audit firm's fees for the annual audit and for certificates issued in connection with the incorporation, modification, dissolution or regrouping of compartments;
 - e) the fees of legal and tax advisors in connection with the formation, modification, dissolution or regrouping of compartments, as well as with the general defence of the interests of the compartments and their shareholders;
 - f) notary's fees and commercial register registration fees of holders of an authorisation within the meaning of the legislation on collective investments;
 - g) the costs of publishing the compartment's net asset value and all costs incurred in communicating to investors, including translation costs, provided that they are not attributable to the Real Estate SICAV's misconduct;
 - h) the costs of printing legal documents and the annual reports of the compartments;
 - i) the costs incurred for the possible registration of the compartments with a foreign supervisory authority, in particular the fees received by the foreign supervisory authority, translation costs and compensation paid to the representative or payment service abroad;
 - j) costs relating to the exercise of voting or creditor rights by the compartment, including the fees of external advisors;
 - k) fees and expenses related to intellectual property rights deposited in the name of the compartment or licensed by it;
 - l) the remuneration of the members of the Board of Directors of the SICAV and the costs of civil liability insurance;
 - m) all costs incurred for extraordinary measures taken by the Real Estate SICAV, asset manager or custodian bank to defend the interests of shareholders;
 - n) costs related to off-exchange (or over-the-counter) trading of shares.
6. The Real Estate SICAV may also charge the following incidental expenses to the fund's assets under Art. 44 CISA in conjunction with Art. 62b and 37, para. 2, OPCC:
- a) for its actions during construction, renovation and transformation works, the Real Estate SICAV charges the compartment a commission of a maximum of 3% of the construction costs, provided that a third party has not been appointed;
 - b) for its actions during construction, renovation and transformation of buildings (project development, site monitoring, representation of the project owner), the Real Estate SICAV charges the compartment a commission up to the usual commission charged by the Swiss Society of Architects (SIA) which takes into account the remuneration of third parties;

- c) for its actions when buying and selling buildings, the Real Estate SICAV charges the compartment a fee of a maximum of 3% of the purchase or sale price, provided that a third party has not been appointed;
 - d) as a management fee for the various properties, the Real Estate SICAV debits a maximum of 5% of the annual gross rental income to the compartment, provided that a third party has not been appointed;
 - e) the costs/fees of the independent experts in charge of estimates and any other experts and costs related to appraisal work;
 - f) expenses/commissions in connection with a capital increase and intermediation for the organisation of the on or off-exchange market for shares;
 - g) legal and judicial costs in connection with the defence of claims in favour of the SICAV or claims against it;
 - h) operational costs of property management for salaries, social benefits and public law taxes relating to security, heating, janitorial and other functions, as well as the provision of services and infrastructure.
 - i) the services of provided by real estate companies to members of their administration management and staff are deducted from the remuneration to which the fund management company is entitled under § 19.
7. In addition, the compartment shall bear all incidental expenses resulting from the management of the compartment for the purchase and sale of investments, in particular customary brokerage fees, commissions, taxes and duties. These costs are deducted directly from the cost or sale value of the investments concerned. The compartment also bears the costs of examining and maintaining the quality standards of physical investments.
8. The services provided by real estate companies to members of their administration, business management and staff are deducted from the remuneration to which the real estate SICAV is entitled under § 19.
9. The Real Estate SICAV and its agents do not pay retrocessions in order to remunerate the activity of distributing shares and do not grant discounts in order to reduce the fees and expenses payable by the shareholder and charged to the compartment.
10. The management fee for the target funds in which it is invested may amount to a maximum of 1%. The maximum management fee rate for the target funds in which it is invested must be indicated in the annual report, taking into account any discounts and retrocessions.
11. If the real estate SICAV acquires units in other collective investment schemes, which are managed directly or indirectly by the SICAV itself or by a company to which it is linked as part of a management or control community, or by a substantial direct or indirect participation ("linked target funds"), it may not charge the compartment any issue or redemption fees of the linked target funds.

VI Reporting and control

§ 20 Reporting of the accounts

1. The compartment's currency of account is CHF.

2. The annual financial year runs from 01.04. to 31.03, and for the first time to 31 March 2020.
3. The Real Estate SICAV publishes an audited annual report of the Real Estate SICAV, or of the compartment respectively, within four months of the end of the financial year.
4. The shareholder's right to information under the Articles of Association remains reserved.

§ 21 Audit

The audit company verifies that the Real Estate SICAV complies with the legal and regulatory requirements, and those under its Articles of Association, as well as the rules of conduct of the Swiss Funds & Asset Management Association SFAMA. A summary report of the audit firm on the published annual accounts is included in the annual report.

VII Use of the results

§ 22 Use of the results

1. The compartment's net profit is distributed annually to shareholders no later than four months after the end of the financial year, in Swiss francs.

In addition, the Real Estate SICAV may make interim distributions from investment income.

Up to 30% of the net proceeds may be carried forward. However, capital gains earned from the disposal of properties and rights may be distributed by the company or withheld in whole or in part for reinvestment, or a distribution may be waived and the net proceeds may be carried forward if:

- The net proceeds for the current financial year and income carried forward from previous financial years amount to less than 1% of a compartment [or class of shares] and if
 - the net proceeds for the current financial year and income carried forward from previous financial years amount to less than one unit of the accounting unit of a compartment.
2. Capital gains earned from the disposal of properties and rights may be distributed by the fund management or withheld for reinvestment.

§ 23 Publications of the Real Estate SICAV

1. The Real Estate SICAV's publication medium is the printed or electronic medium mentioned in the prospectus. The change of a publication medium is to be communicated in the publication media.
2. In particular, the following items are published in the publication medium: the decision to change the custodian bank, the creation, elimination or regrouping of share classes and the liquidation of the Real Estate SICAV or the compartment in accordance with the provisions of the legislation on collective investment schemes. Amendments required by law, which do not affect the rights of shareholders or which relate exclusively to form, may be excluded

from the requirements governing publications and declarations with the authorisation of the supervisory authority.

3. Through the notice convening the general meeting of shareholders, the SICAV shall inform the shareholders in writing of: a) the amendments to the investment regulations and articles of association that have been examined by FINMA; and b) those that FINMA has deemed to be in compliance with the law by indicating the addresses from which the content of the amendments may be obtained free of charge.
4. The Real Estate SICAV publishes the issuance and redemption prices or the net asset value with the specification “commissions not included”. Prices must be published at least once a month. The weeks and days on which publications are made must be indicated in the prospectus.
5. The Articles of Association, the Investment Regulations as well as the Prospectus and the respective Annual Reports may be obtained free of charge by shareholders from the Real Estate SICAV and all distributors.

IX Restructuring and dissolution

§ 24 Regrouping

1. With the approval of the shareholders and in compliance with the provisions of the Articles of Association, or the laws in force, the Real Estate SICAV may regroup compartments by transferring the assets and liabilities of the acquired compartment to the acquiring compartment at the time of the regrouping. The shareholders of the compartment being acquired receive shares of the acquiring compartment with a corresponding value. Subject to the applicable legal provisions, the acquired compartment shall be dissolved without liquidation at the time of the regrouping, and the articles of associations or investment regulations of the acquiring compartment shall also apply to the acquired compartment.
2. The compartments may be grouped together only if:
 - a) the Articles of Association permit it;
 - b) the corresponding compartments are in principle in agreement with the following provisions:
 - investment policy, investment techniques, risk diversification and investment risks,
 - the use of the net proceeds and capital gains earned from the disposal of properties and rights,
 - the nature, amount and calculation of all remuneration, issuance and redemption commissions and incidental expenses for the purchase and sale of investments (usual market brokerage fees, commissions, taxes and duties) that may be charged to the compartment or shareholders,
 - the conditions of redemptions,
 - the duration of the compartment and the conditions for its dissolution;
 - c) the valuation of the assets of the participating compartments, the calculation of the exchange ratio and the transfer of assets and liabilities are carried out on the same day;
 - d) there are no costs for either the compartment or the shareholders.

The provisions concerning § 19, ch. 4 remain reserved.

3. The supervisory authority may authorise the suspension of the repayment of shares for a fixed period of time, if it may be expected that the regrouping will take more than one day.
4. At least one month before the planned publication, the companies concerned shall submit the planned amendments to the articles of association or the investment regulations as well as the proposed regrouping to the supervisory authority for verification, together with the regrouping plan. The regrouping plan shall contain information on the reasons for the regrouping, the investment policy of the participating compartments and any differences between the acquiring fund and the acquired fund, the calculation of the exchange ratio, any differences in terms of remuneration, any tax consequences for the compartments or companies, and the position of the audit firm competent under the LPCC.
5. The audit company of the acquiring compartment shall immediately verify the correct progress of the regrouping and shall express its views thereon in a report to the company and the supervisory authority.
6. The company of the acquired compartment shall promptly notify the supervisory authority of the completion of the regrouping, and the companies concerned shall publish notification of the execution of the regrouping, the confirmation by the audit firm that the transaction has been properly completed and the exchange ratio in the publication media of the participating funds.
7. The company of the acquiring compartment shall mention the regrouping in the next annual report and in any semi-annual report published beforehand. A revised closing report must be drawn up for the compartment being acquired if the regrouping does not take place on the ordinary closing date of the financial year.
8. The above provisions are applicable subject to other legal provisions.

§ 25 Adoption of another legal form

1. The restructuring of the SICAV may be carried out as follows :
 - a) By regrouping assets and liabilities by transfer;
 - b) By conversion of the SICAV into another legal form;
 - c) By a transfer of the assets within the meaning of Articles 69 to 77 of the Merger Act of 3 October 2003.

A restructuring operation may be entered in the Commercial Register only after approval by FINMA.

§ 26 Duration of the Real Estate SICAV or compartment and dissolution

1. The Real Estate SICAV is set up for an indefinite duration.
2. The Real Estate SICAV or the compartment may be dissolved by a unanimous decision of the holders of the entrepreneurial shares.
3. The real estate SICAV or the compartment may be dissolved by decision of the supervisory authority, in particular if it does not have, at the latest one year after the expiry of the

subscription period (launch) or a longer period, granted by the supervisory authority at the request of the board of directors of the Real Estate SICAV, net assets of at least CHF 5 million (or equivalent).

4. If the entrepreneurial shareholders have decided to dissolve the company, the Real Estate SICAV or the compartment may be liquidated without delay. If the supervisory authority has ordered the dissolution of the real estate SICAV or the collective compartment, they must be liquidated without delay in accordance with the legal provisions. The payment of liquidation proceeds to shareholders is entrusted to the custodian bank. If the liquidation extends over a longer period, the liquidation proceeds may be paid in successive instalments. The Real Estate SICAV must obtain the authorisation of the supervisory authority in order to be able to proceed with the final repayment.
5. After the decision to dissolve, the Real Estate SICAV or the compartment may no longer issue or redeem shares.
6. Shareholders are entitled to a proportional share of the proceeds of liquidation. Entrepreneurial shareholders are paid off in a later rank.
7. The real estate SICAV shall inform the supervisory authority without delay of the dissolution and shall publish notification thereof in its publication medium.

X Amendment of the investment regulations

§ 27 Amendment of the investment regulations

1. The general meeting of shareholders of the Real Estate SICAV or the compartment is competent, in accordance with Article 18 of the Articles of Association, to amend the investment regulations, insofar as the amendment is not required by law, concerns the rights of shareholders or is not of a purely formal nature.
2. Amendments to the investment regulations approved by the supervisory authority shall be communicated to the shareholders as indicated in the prospectus published in accordance with § 23. In this communication, the Real Estate SICAV informs the investors of the changes to the investment regulations that are examined and checked for their compliance with the law by FINMA.

XI Liability

§ 28 Liability

1. The compartment is exclusively liable for its own commitments. In contracts with third parties, the limitation of liability to this compartment must be communicated.
2. Liability for all company assets in accordance with Art. 55 and 100 CO remains reserved in any case.

XII Applicable law and jurisdiction

§ 29 Applicable law and jurisdiction

1. The Real Estate SICAV is subject to Swiss law, in particular the Federal Act on Collective Investment Schemes of 23 June 2006, the Ordinance on Collective Investment Schemes of 22 November 2006 and the FINMA Ordinance on Collective Investment Schemes of 21 December 2006 and the Swiss Code of Obligations.

In accordance with the possibilities offered by the transitional provisions of the new Federal Act on Financial Institutions of 15 June 2018 (status on 1 January 2020), in particular its Article 74, and of the new Federal Act on Financial Services of 15 June 2018 (status on 1 January 2020), in particular its article 95, the Real Estate SICAV has not yet adapted these investment regulations to the new law with the exception of the repealed articles.

All disputes relating to the company's business are heard by the ordinary courts at the place of the registered office of the Real Estate SICAV. The right of shareholders to appeal to the supervisory authority remains reserved, in accordance with the legislation on collective investments.

2. For the proper interpretation of the investment regulations, the French language version has precedence.
3. These investment regulations were approved by the General Meeting of Shareholders on 4 February 2020, and by the supervisory authority on 27 July 2020.
4. These investment regulations replace the investment regulations of 10 September 2019.
5. When approving the investment regulations, FINMA examines only the provisions within the meaning of Articles 35a, paragraph 1, letters a to g, OPCC, and checks their compliance with the law.

For TrustStone real estate SICAV
Etoy, [date]

Edouard Dubuis
Vice President

Jean-Yves Rebord
Member

For the Fund Management Company
Signy, [date]

Andreea Stefanescu
Executive Director

Isabelle Tisseur
Member of the Executive Board

For the custodian bank
Lausanne, [date]

Luc Byrde

Philippe Zufferey