

Mattioli Woods Structured Products Fund, a subfund of CBK SICAV aiming to provide exposure to the payoff profile of structured products. This Special Part forms part of the Prospectus and should be read in the context of and together with the General Part of the Prospectus.

Words and expressions defined in the General Part of the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Special Part.

1 Issue Date

Shares in the “Mattioli Woods Structured Products Fund” (the “**Subfund**”) will first be issued on the “**Launch Date**”. The Subfund has an unlimited term.

2 Investment Objective

The Fund's objective is to generate capital growth over the medium to long term (the “**Investment Objective**”).

There is no guarantee that the Subfund's investment objective will be achieved. The Subfund's performance is described in the annual reports as well as the key investor information document. It must be noted in this regard that historical performance data cannot predict future performance. Therefore, the future performance of the Subfund may be less or more favourable than its past performance.

3 The Portfolio

The Subfund is an actively managed fund which aims to provide the performance of a risk diversified portfolio (the “**Portfolio**”) of structured products. The objective of the Portfolio is to deliver consistent returns regardless of the conditions in equity and other markets.

The portfolio will be constructed incorporating a range of factors such as implied and realised volatility, correlation, market outlook and other relevant technical indicators.

The Investment Advisor will analyse these factors by creating model portfolios of potential structured products and the results of market scenario testing with varying assumptions. Taking this analysis into account, the investment manager will decide how to finalise and realise the various parameters with market counterparties.

When deciding on gaining exposure to a particular structured product (either by entering into a total return swap or investing directly in a structured note), the objective of such investments will be to generate a positive capital return in the medium to long term and diversify the risks of the Portfolio. In this regard the Portfolio will aim to gain exposure to a number of different structured products and investments will generally be made with the intention of holding these until maturity. The maturities will generally range between 3 and 7 years at the initial purchase date of each structured product and some investments will have an early redemption option based on the performance of the specified financial indices or financial instruments. The types of structured products selected will vary over time depending on the market conditions and the subjective assessment of the Investment Manager and the Investment Advisor. Structured products are generally privately negotiated obligations where the principal and/or interest is determined by reference to the performance of a specific asset, basket of securities or equity index including without limitation common structures such as autocalls, call options, call spreads, put options, put spreads, autocalls, range accruals and digitals linked to financial indices, equities, baskets of equities and other financial instruments permitted under the UCITS Directive (please see the explanation of the terms in section “Definitions” in the General Part).

For the avoidance of doubt, the investor should note that the Subfund may not necessarily gain exposure to structured products through total return swaps, but may decide to invest directly into structured products via structured notes or certificates.

Further details on the types of structured products the Subfund invests in can be provided on request by the Investment Manager.

See “Risk Factors” below for a description of the specific risks associated with investing in structured products.

4 The Investment Policy

The Carrier Basket

In order to attain the Investment Objective the Subfund in compliance with the investment restrictions, will invest its assets in transferable securities and any other assets eligible under the 2010 Law. The Subfund will invest in blue chip equities, equity-related securities or financial derivative instruments which gain exposure (both long and short) to such securities indirectly, in money market instruments, sovereign bonds, corporate bonds, structured notes, collective investment schemes or financial derivative instruments (the "**Carrier Basket**").

The equities and equity-related securities purchased will be of companies located worldwide and may include, in the case of direct investment common stock, preferred stock and securities convertible into or exchangeable for such equities. Equity related securities are securities relating to market indices such as the FTSE 100, S&P 500, Eurostoxx 50, CAC 40, DAX or other financial Indices which are indices within the meaning of Art. 44 (1) of the Law in conjunction with Art. 9 of the Grand-ducal regulation of 8 February 2008, concerning certain definitions of the law of 20 December 2002 relating to undertakings for collective investment (as amended).

Derivative techniques, special techniques and instruments

The Subfund may also employ derivative techniques, such as the use of options, futures and swaps.

Total return swaps will be negotiated with swap counterparties on market conditions (the "**Swaps**"). The swap counterparties, which will include Commerzbank AG, shall post UCITS Directive eligible collateral, including equities and government bonds and provide for a collateralisation of the mark-to-market exposure of all of the Swaps entered into by the Subfund.

The Swaps may exchange the partial and/or complete performance of the Carrier Basket for the performance of each structured pay off. This is attained by the Subfund having to make a payment to the swap counterparty or receiving such a payment, depending on the performance of the Swaps. If the Subfund has to make a payment to the swap counterparty, such payment shall be made from the proceeds of and/or the partial or complete sale of the Carrier Basket.

Swaps may also be used if they provide exposure to a security or index position in a more cost-efficient manner than a direct investment in that security or index position.

The Subfund may apply special techniques and instruments as further described in the section which is headed “Special Techniques and Instruments” of the General Part of the Prospectus. The Investment Manager will use its discretion to determine which form of special techniques and instruments is most appropriate.

Up to 100% of the Net Asset Value of the Subfund may and is expected to be subject to securities lending transactions and/or reverse repurchase transactions and/or Swaps.

Additional Investments

In addition, taking into account the investment objective, investment policy and the investment restrictions, the Subfund may also hold cash on an ancillary basis and additionally invest in money market funds which comply with the UCITS Directive.

5 Investment Restrictions

The Subfund shall comply with the investment restrictions described in the section headed "Investment Policies and Restrictions" in the General Part of the Prospectus.

6 Investor Profile

An investment in the Subfund is suitable for those investors who are able and prepared to invest in a high risk Subfund, as described in greater detail under "Investor Profile" in the General Part.

The Subfund is suitable for investors with a long term investment horizon and a high risk tolerance adjusted for an investment in the global equity market.

7 Investment Advisor

Pursuant to an investment advisory agreement between the Investment Manager and Mattioli Woods plc (the "**Investment Advisory Agreement**"), Mattioli Woods plc has been appointed to act as the investment advisor to the Subfund (the "**Investment Advisor**"). The Investment Advisor is a company incorporated with limited liability in England and Wales with its registered office at MW House, 1 Penman Way, Grove Park, Enderby, Leicester, Leicestershire, LE19 1SY.

Mattioli Woods plc is one of the UK's leading providers of wealth management and employee benefit services, advising over 6,000 clients, and holds over £5 billion of assets under management, administration and advice (status: April 2016). Mattioli Woods plc is authorised and regulated by the Financial Conduct Authority: Financial Services Register (Number 220743).

The Investment Advisor shall provide certain investment advisory services in relation to the following:

- (a) the allocation of the property of the Subfund to the exposure to the structured products, the constituents and other parameters for each swap and or structured note transaction; and
- (b) the general day to day investment management of the Subfund including advising on matters such as cash management and facilitating subscriptions and redemptions into the Subfund.

The Investment Advisor shall advise the Investment Manager on an ongoing basis. The Investment Advisory Agreement is concluded for an indefinite period of time and may be terminated by the Investment Advisor with a period of notice of at least 6 months.

8 Risk Factors

Risk factors are described in more detail in the General Part of the Prospectus. In particular the following risks are relevant for the Subfund.

Particular risks in relation to equities

The Subfund shall invest in equities and these investments are associated with special risks, such as the risk that the relevant company may become insolvent, the risk that the share price will fluctuate or risks in connection with dividend payments by the issuing company. The performance of the shares depends significantly on the broader developments in the capital markets, which in turn depend on the general global economic climate and specific economic and political conditions. Shares in companies with low to medium market capitalisation may be subject to even higher risks (e.g. relating to their volatility or insolvency) than those with larger market capitalisation. Moreover, shares in companies with low market capitalisation may be extremely illiquid as a result of low trading volumes. Shares in companies which have their registered office or significant business operations in countries with limited certainty of law are subject to additional risks such as, for instance, government interventions or nationalisation. This may result in a total or partial loss in respect of the value of the

share and, thus, in losses for the Subfund. Since the equity exposure of the fund can be close to 100%, an appropriate risk capacity, risk tolerance and moderate investment horizon of the investor is required.

Specific risks in relation to swap transactions

Swap transactions are subject to the risk that the swap counterparty may default on its obligations. If such a default were to occur the Subfund would, however, have contractual remedies pursuant to the relevant swap transaction. Investors should be aware that such remedies may be subject to bankruptcy and insolvency laws which could affect a Subfund's rights as a creditor and as a result the Subfund may for example not receive the net amount of payments that it contractually is entitled to receive on termination of the swap transaction where the swap counterparty is insolvent or otherwise unable to pay the amount due. The net counterparty risk exposure the Subfund may have with respect to a single swap counterparty, expressed as a percentage (the "**Percentage Exposure**") (i) is calculated by reference to the Subfund's Net Asset Value, (ii) may take into account certain mitigating techniques (such as remittance of collateral) and (iii) cannot exceed 5% or 10% depending on the status of the swap counterparty, in accordance with and pursuant to the 2010 Law and the UCITS Directive. Investors should nevertheless be aware that the actual loss suffered as a result of a swap counterparty's default may exceed the amount equal to the product of the Percentage Exposure multiplied by the Net Asset Value, even where arrangements have been taken to reduce the Percentage Exposure to nil. As a matter of illustration, there is a risk that the realised value of collateral received by the Subfund may prove less than the value of the same collateral which was taken into account as an element to calculate the Percentage Exposure, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral or the illiquidity of the market in which the collateral is traded. Any potential investor should therefore understand and evaluate the swap counterparty credit risk prior to making any investment.

Portfolio turnover risk

High levels of portfolio turnover increase transaction costs and taxes and may lower investment performance.

Liquidity risk

Financial markets may move in an extreme fashion in certain circumstances and the value of an investment may move in a more extreme way than is relevant to its performance due to market circumstances. Market circumstances may also reduce the liquidity (ability to buy and sell) of an instrument in the market which could in certain circumstances affect the ability of the Fund to redeem shares.

Capital at risk

The Shares of the Subfund are not capital protected. Accordingly, investors may lose part or all of the capital originally invested by them.

Particular risks in relation to structured products

Holders of structured products bear risks of the underlying investments, index or reference obligation and are subject to counterparty risk. The Fund may have the right to receive payments only from the structured product, and generally does not have direct rights against the issuer or the entity that sold the assets to be securitized. Certain structured products may be thinly traded or have a limited trading market. In addition to the general risks associated with debt securities structured products carry additional risks, including, but not limited to: the possibility that distributions from collateral securities will not be adequate to make interest or other payments; the quality of the collateral may decline in value or default; and the possibility that the structured products are subordinate to other classes. Structured notes are based upon the movement of one or more factors, including interest rates, reference bonds and stock indices, and changes in interest rates and impact of these factors may cause significant price fluctuations. Additionally, changes in the reference instrument or security may cause the interest rate on the structured note to be reduced to zero.

Investments in structured products may involve additional risks than those resulting from direct investments in underlying assets. The Subfund will be exposed not only to movements in the value of the underlying asset including but not limited to currency (or basket of currencies), equity, bond, commodity index or any other eligible index, but also to the risk that the issuer of the structured product defaults or becomes bankrupt. The Subfund may bear the risk of the loss of its principal investment and periodic payments expected to be received for the duration of its investment in the structured products. In addition, a liquid secondary market may not exist for the structured products, and there can be no assurance that one will develop. The lack of a liquid secondary market may make it difficult for the Subfund to sell the structured products it holds. Structured products may also embed leverage which can cause their prices to be more volatile and their value to fall below the value of the underlying asset.

The return of a structured product investment may be less than a direct investment in the underlying(s). The structured product investment aims to provide a defined return which does not necessarily directly relate to the performance of the underlying(s). The value of any structured product investment will be initially impacted by any charges or costs that were built into it, for example bid-offer spreads. Subsequently, factors such as, but not limited to, movements in interest rates, the performance of the underlying(s), the creditworthiness of the swap counterparty and macro-economic factors will all affect the value of the contract / security.

Counterparty Risk

Counterparty Risk is the risk of default of the derivatives counterparty, which for exchange-traded derivatives is generally less than for privately negotiated derivatives ("over the counter derivatives", "OTC derivatives"). The Investment Manager must consider the creditworthiness of each counterparty to a privately negotiated derivative in evaluating potential counterparty risk. The counterparty risk may be reduced by the counterparty providing collateral in accordance with the applicable rules from time to time. The amount of collateral to be delivered will be at least equal to the value by which the relevant counterparty exposure limit has been exceeded. More information to the counterparty risk is described in the General Part in section "Risk Factors".

Exit risks

The secondary market price of the investments will depend on many factors including, but not limited to, the value and volatility of the underlying(s), expected interest and dividend rates, time remaining to maturity and the creditworthiness of the swap counterparty. Prior to maturity, the price of the investment may be less than the amount that the Subfund could receive if the investment is held to maturity.

Risks in connection with securities lending transactions

Special risks in connection with securities lending transactions are described in the General Part in section "Risk Factors".

Conflicts of Interest

It cannot be ruled out in connection with the composition of the assets of the Subfund that those will be composed in part or for the most part of derivative instruments issued by Commerzbank AG (e.g. also counterparty of the Swaps), who acts as the Calculation Agent, counterparty of the Swaps and the Investment Manager of the Subfund. Consequently, potential conflicts of interest are likely to arise.

Commerzbank AG has undertaken to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the interests of the Subfund and the shareholders are not unfairly prejudiced.

Investors should note that the Swaps will not be traded on an exchange. It is also possible that the underlying and/or the Protection Element consists of financial derivative instruments which are not dealt in on a regulated market (OTC derivatives), in which cases prices are determined by the Equity Derivatives trading unit of Commerzbank AG's central Corporates & Markets department. As Commerzbank AG

acts as Calculation Agent and the Investment Manager of the Subfund, it might be exposed to a conflict of interest as the value of the derivative instruments is based in part or, in extreme cases, totally on prices determined by the same entity even if such prices are reviewed by a different department within Commerzbank AG.

9 Determination of the Global Exposure and the Leverage Level

The global exposure and the leverage level of the Subfund are determined by using the absolute value-at-risk approach. The value-at-risk determines as a percentage the statistically expected maximum loss in value on all assets held by the Subfund which will not be exceeded with a predetermined probability over a certain holding period. The leverage level is limited to 250% and is determined on the basis of the total nominal amounts of the used derivatives. However the realised leverage level might be higher as the expected leverage level. The leverage level is calculated in accordance with the CESR's Guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS 10-788.

10 Conversion of Shares

Shareholders of the Subfund may not convert their Shares into Shares of another Subfund or from one Class into another Class.

11 Fees and Costs

The Subfund will pay the following fees as described in the Fund Overview below, which may differ for the different share classes of the Subfund.

The central administration agent, registrar and transfer agent, as well as principal paying agent of the Company will be entitled to receive an administration fee (calculated as a percentage of the Net Asset Value of the Subfund), up to the amount set out in the Fund Overview below, in respect of the services provided with respect to the Subfund, payable monthly in arrears to the Management Company which will allocate such fee to the different service providers for their administrative services rendered to the Company with respect to the Subfund.

The Management Company will be entitled to receive an annual management fee (calculated as a percentage of the Net Asset Value of the Subfund), up to the amount set out in the Fund Overview below. The fee is calculated on each Valuation Date and payable monthly in arrears.

As remuneration for its services, the Investment Manager shall receive an investment management fee out of the above annual management fee. The investment management fee remuneration of the Investment Manager shall be agreed from time to time, and shall be based on the Net Asset Value of the Subfund and calculated on each Valuation Date. The actual amount of the investment management fee paid by the Subfund will be disclosed in the annual financial reports.

The fees of the Investment Advisor are paid out of the Investment Manager's investment management fee.

The remuneration of the Custodian amounts to not more than 0.10% p.a. of the Subfund's Net Asset Value (plus transaction fees) payable to the Custodian monthly in arrears.

The Company also bears all other costs and expenses relating to its business activity which shall include, *inter alia*, the following:

Costs of operational management and supervision of the Company's activities, for tax (including the *taxe d'abonnement*), legal and auditing, financial reports and prospectuses, publication costs in relation to the convening of the general meeting, share certificates and the payment of dividends, registration fees and other costs

arising from or relating to reporting requirements to the authorities in the different jurisdictions, sales support, paying agents and representatives, fees and expenses of the Board of Directors of the Company, insurance premiums, interest, purchase and sale of securities, public charges, reimbursement of expenses to the custodian and all other contractual parties of the Company as well as the costs of publishing the Net Asset Value per Share and the Share prices. Where such cost and expenses and costs apply to all Subfunds equally, each Subfund is charged pro rata the costs corresponding to its volume share of the total assets of the Company. Where expenses and costs only apply to one or some of the Subfunds, the costs are charged to the relevant Subfund(s).

The Management Company, the Investment Manager or the Distributor, respectively, reserve the right to waive receipt of either all or any part of their respective fees to the benefit of the Subfund. Similarly the Investment Manager or the Distributor may at their sole discretion decide to bear any of the fees or expenses due by the Subfund, either by directly paying the relevant fees or expenses to the entity entitled thereto, or by reimbursing such amount to the relevant Subfund.

12 Share Classes

The Subfund, whose Base Currency is UK sterling will issue the following classes of registered shares:

Share Class	Initial issue price per share GBP	Minimum Investment Amount GBP	Minimum Holding Amount GBP	ISIN
R	1	1,000	1,000	[..]

The currency of the share class R is GBP.

13 Issue of Shares

R Shares, will be offered at an initial offer price per Share of £1.00. For further information, please see the section headed "Issue and Subscription for Shares" in the General Part of the Prospectus.

14 Dividend Policy

The Sub-fund is reinvesting, i.e. any dividends and other income will not be distributed but reinvested.

15 Fund Overview

Fund Classification	The Subfund is an actively managed fund which aims to provide exposure to the payoff profile of structured products.
Share Type	Registered Shares
Base Currency	GBP

Investment Manager	Commerzbank AG, London Branch, 30, Gresham Street, EC2P 2XY London, United Kingdom. The Investment Manager will be acting through its Commerzbank Corporates and Markets division (CBCM).
Investment Advisor	Mattioli Woods PLC, Leicester
Distributor	Commerzbank AG, London Branch, 30, Gresham Street, EC2P 2XY London, United Kingdom
Calculation and Publication Day	The Banking Day in London and Luxembourg that follows the Valuation Date
Subscription/Redemption Deadline	<p>Any subscription, repurchase and redemption applications that are received on a day that is also a Banking Day in the Relevant Jurisdiction as well as a Valuation Date will be considered on the next following Valuation Date provided that they are received by 5:00 p.m. (London time)</p> <p>Any applications received by the relevant office after the aforesaid deadline will be processed on the basis of the Net Asset Value per Share on the second following Valuation Date.</p>
Cut-off time	5:00 p.m., London time
Financial Centre	Luxembourg, London
Entry and Exit Charges	<p>Prior to subscription and redemption proceeds being paid on each Valuation Date an entry or exit charge of up to 1% may be deducted before the proceeds are paid to the shareholder or the Subfund. The charge is an anti-dilution levy for the protection of existing investors from the costs incurred when investments are purchased or sold as a result of investors investing or de-investing in the Subfund. The charges will be retained by the Subfund.</p> <p>Shareholders will be notified of the charges on the Website https://funds.commerzbank.com.</p>
Minimum Investment Amount	GBP 1,000
Minimum Holding Amount	GBP 1,000
Financial Year End	31 December
Annual Management Fee	Up to 1.00% p.a.
Investment Manager Fee	Up to 0.75% p.a. (included in the Management Fee)
Advisory Fee	Up to 0.55% p.a. (included in the Investment Manager Fee)

Administration Fee	Up to 0.25% p.a.
Custodian Fee	Up to 0.10% p.a.
Performance Fee	None
Information on portfolio composition and the Subfund's documents are available on the website https://funds.commerzbank.com/ .	