

Amendment to the information memorandums of the AeAM Dutch Mortgage Fund and the AeAM Dutch Mortgage Fund 2

16 February 2022

As of 16 February, Aegon Investment Management B.V. (“AIM”) in its capacity of manager of the AeAM Dutch Mortgage Fund (“DMF”) and the AeAM Dutch Mortgage Fund 2 (“DMF2”, together the “Funds”), amends the Information Memorandums, including the Terms and Conditions of Management and Custody and the Fund Specifications of the Funds. The updated information memorandums are published and available on the website: <https://www.aegonam.com/en/documents/>.

Special Redemption Procedure: (In)direct Investors

The Special Redemption Procedure was already available for Legal Successors, Group Entities, Replacement Investors and Indirect Investors. The last category is meant for investors who have an indirect investment in the Fund(s) via an investment in a Participant (the Participant qualifying as an alternative investment fund (AIF) or undertaking for collective investment in transferable securities(UCITS)) and that wish to convert its indirect investment into a direct investment in the Fund. This category is now amended to also allow the reverse, meaning current Participants are now also able to convert their (direct) investment in the Fund(s) to an indirect investment via another Participant (qualifying as AIF or UCITS). Amendments to accommodate this change are as follows:

The definition of Indirect Investor is amended to:

(In)direct Investor: an investor that qualifies as a Professional Investor which either has a direct investment in the Fund as a holder of Participations or which has an indirect investment in the Fund as it is an investor in an (alternative) investment fund (“AIF”) or an undertaking for collective investment in transferable securities (“UCITS”) (both as defined in the Wft), which AIF or UCITS is a Participant in the Fund;

Wording in paragraph 6.4.1 is amended to:

(In)direct Investors: a situation in which i) an investor wished wishes to convert its indirect investment in the Fund to a direct investment in the Fund or, ii) vice versa, the situation in which a Participant wishes to convert its (direct) investment in the Fund to an indirect investment by participating in the Fund via an investment in a Participant (the Participant would qualify as an alternative investment fund (AIF) or UCITS).

- i) In such a case an Indirect Investor would redeem from the relevant Participant (the AIF or UCITS) for a certain amount and via the special redemption procedure of the Fund the relevant Participant (the AIF or UCITS) would redeem from the Fund for that same amount and simultaneously the Indirect Investor would subscribe to the Fund for that same amount (or for the same amount of the Outstanding Committed Amount).
- ii) Or vice versa, the direct investor / participant would subscribe to the relevant Participant (the AIF or UCITS) for a certain amount and via the special redemption procedure of the Fund the direct investor / Participant would redeem from the Fund for that same amount while the relevant Participant (AIF or UCITS) simultaneously and for that same amount (or for the same amount of the Outstanding Committed Amount) subscribes to the Fund.

All references to the former definition “Indirect Investor” are replaced with “(In)direct Investor” throughout the entire Information Memorandum. In paragraph 6.4.1 and Article 6.7, where an additional sentence concerning the Indirect Investor was included, the sentence was slightly amended to reflect the amendment as described above.

Net Annual Return

In Appendix 1 the Net Annual Return of 2021 was included:

DMF: 0.87%

DMF 2: 2.03%

Leverage Gross Method

In the Fund Specifications of the Funds the permitted leverage based on the “gross method” is updated to 105% for DMF and 102% for DMF2 in line with the Alternative Investment Fund Managers Directive calculation method, by adding 100% of fund portfolio exposure to the respective 2% and 5% additional exposure limit. Note that the Funds can create additional exposure or borrow only on exceptional, temporary basis and the Funds do not invest in derivatives. A standard phrase with reference to derivatives has been removed to avoid confusion.

SFDR – biannual reporting

In the previous update of the Information Memorandums of the Funds wording was included in the Fund Specifications on the European regulation on sustainability-related disclosures in the financial services sector (“SFDR”). It was mentioned the mortgage originator would provide regular quarterly reporting, while it should say biannual reporting. This has now been corrected.