iShares
by BlackRock

iShares STOXX **Europe 600 Top 20** UCITS ETF (DE)

Equity-ETF

Full prospectus including Investment Conditions

BlackRock Asset Management Deutschland AG

December 2025

Names and addresses

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Designated Sponsor(s) for listing on the Frankfurt Stock Exchange.

can be checked under www.boerse-frankfurt.de

Market Maker for listing on the BX Swiss AG.

can be checked under www.bxswiss.com

Sales Prospectus including Investment Conditions

German Securities Code (WKN):

Name	WKN (GERMAN SECURITIES CODE):
iShares STOXX Europe 600 Top 20 UCITS ETF (DE)	**593394**

The most recent Sales Prospectus, the Key Information Document and the "General Investment Conditions" in conjunction with the "Special Investment Conditions" form the basis for the purchase or sale of fund units. The Investment Conditions are appended to this Sales Prospectus.

This Sales Prospectus is a legally prescribed sales document and is to be provided to those interested in acquiring a fund unit free of charge upon request along with the most recently published annual report and any semi-annual reports published since the annual report. In addition, the Key Information Document must be provided free of charge in good time before conclusion of the contract.

No information or statements deviating from this Sales Prospectus may be issued. Any purchase of units based on information or statements not contained in the Sales Prospectus or in the Key Information Document is at the sole risk of the investor. This Sales Prospectus is supplemented by the relevant latest annual report and any semi-annual reports published after the annual report.

All publications and promotional literature must be drawn up in German or must include a German translation. The Investment Management Company shall furthermore conduct all communication with its investors in German. Both the legal relationship between the investment management company and the investor and pre-contractual relationships are governed by German law. The Company's registered office is the place of jurisdiction for any legal actions by the investor against the investment management company. Investors who are Consumers (see the definition below) and live in another EU country may also bring legal action in the competent court of their place of residence. The enforcement of legal judgements is governed by the German Code of Civil Procedure (Zivilprozessordnung), or where applicable, the German Law on Foreclosures and Compulsory Administration (Gesetz über die Zwangsversteigerung und die Zwangsverwaltung), or the German Insolvency Regulation (Insolvenzordnung). Since the investment management company is subject to German law, rulings of German courts do not need to be recognised before they are enforced.

To exercise their rights, investors can take legal action in the ordinary courts or, where available,

can also attempt a procedure for alternative dispute resolution.

The investment management company has committed to participating in any dispute resolution procedures brought before a Consumer Arbitration Board. In the event of disputes, consumers can call upon the "Ombudsman for Investment Funds" of the Bundesverband Investment und Asset Management e.V. (BVI) as the competent Consumer Arbitration Board. BlackRock Asset Management Deutschland AG participates in dispute resolution procedures regarding its Funds before this Arbitration Board.

The contact details for the "Ombudsman for Investment Funds" are:

Büro der Ombudsstelle
BVI Bundesverband Investment und Asset Management e.V.
Unter den Linden 42
10117 Berlin
Telephone: +030 6449046-0
Fax: +030 6449046-29
E-mail: info@ombudsstelle-investmentfonds.de
www.ombudsstelle-investmentfonds.de

Consumers are natural persons who invest in the Fund for a purpose that is primarily associated with neither their commercial nor individual professional activity and who are therefore trading for private purposes.

In the event of any dispute arising from implementation of the provisions in the German Civil Code (BGB) concerning distance-selling contracts for financial services, the parties involved may contact the Arbitration Board of the Deutsche Bundesbank, P.O. Box 11 12 32 in 60047 Frankfurt/Main, tel.: 069 2388-1907 or -1906, fax: 069 2388-1919, schlichtung@bundesbank.de.

Participation in a dispute resolution procedure does not affect the right to resort to the courts.

The Sales Prospectus was drawn up in German and translated into several languages. Only the German version is legally binding.

Unless regulated differently in individual cases, all terms used in this Sales Prospectus correspond to those used in the German Investment Code (KAGB).

Restrictions on the issue of units:

The distribution of the information contained in this Sales Prospectus and the offer of the units described in this Sales Prospectus as part of a public sale are only permissible in countries in which a distribution licence has been granted.

In particular, units may not be distributed in the United States of America or to U.S. citizens. The Investment Management Company and/or the fund(s) described in this Sales Prospectus are not and will not be registered in accordance with the *United States Investment Company Act* of 1940, as amended. The units of the fund(s) have not been, and will not be, registered under the *United States Securities Act* of 1933, as amended, or the securities laws of any of the states of the United States. Units of the fund (s) may not be offered or sold within the United States nor to a U.S. person or for their account. Those interested in acquiring units may be required to declare that they are not a U.S. person and that they are neither acquiring units on behalf of U.S. persons nor for resale to U.S. persons. U.S. persons include natural persons if their place of residence is in the United States. U.S. persons may also be persons or corporations if they are, for example, incorporated under the laws of the U.S.A. or a U.S. state, territory or U.S. possession.

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Sales Prospectus

1. General provisions

The investment fund iShares STOXX Europe 600 Top 20 UCITS ETF (DE) (hereinafter referred to as "the Fund") is an investment fund pursuant to Directive 2009/65/EC of the European Parliament and the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (hereinafter "UCITS Directive") within the meaning of the German Investment Code ("**KAGB**"). It is managed by BlackRock Asset Management Deutschland AG (hereinafter referred to as the "Company").

Management of the Fund consists primarily of investing the capital that investors have deposited with the Company on their own behalf for the collective account of investors in various assets permitted under the KAGB, separated from the assets of the Company in the form of investment funds and in accordance with the principle of risk diversification. The business purpose of the Fund is limited to investment in accordance with a defined investment policy as part of a collective asset management approach using the funds deposited in it; operational functions and the active entrepreneurial management of assets held are excluded. The Fund does not form part of the bankruptcy estate of the Company.

The KAGB, its ordinances, the German Investment Tax Act ("InvStG") and the Investment Conditions, which govern the legal relationship between the investors and the Company, stipulate the kind of assets the Company may invest the investors' funds in and which provisions it must follow in making such investments. The Investment Conditions comprise a General and a Special part ("**General Investment Conditions" and "**Special **Investment Conditions**"). The application of the Investment Conditions to an investment fund is subject to the prior approval of the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – **BaFin**).

1.1. Sales documents and information disclosure

The Sales Prospectus, the Key Information Document, the Investment Conditions, and the current annual and semi-annual reports can be obtained free of charge from BlackRock Asset Management Deutschland AG, Lenbachplatz 1, 80333 Munich, Germany.

Additional information on the investment restrictions of this Fund, risk management methods and the latest developments concerning risks and returns of the most important categories of assets may be obtained in electronic form from the Company.

In addition, further information on the composition of the Fund portfolio or its performance can be found on the Company's website at www.ishares.com.

The Company considers many investment risks in its processes. In order to seek the best risk-adjusted returns for clients, the Company manages material risks and opportunities that could impact portfolios, including financially material Environmental, Social and/or Governance (ESG) data or other information, where available.

E, S and/or G data or information is defined as any data or information around E, S and/or G issues that could impact a company's ability to perform over time. Companies may self-identify ESG issues as financially material to their business models through external or financial reporting. A portfolio manager may identify ESG issues as financially material to the investment process because they impact company risk, opportunity, performance, volatility, etc. Examples of environmental issues include, but are not limited to, water use, land use, waste management and climate risk. Examples of social issues include, but are not limited to, human capital management, impacts on the communities in which a company operates, customer loyalty and relationships with regulators. Governance issues are anything related to the core means by which boards can oversee the creation of durable, long-term financial value.

BlackRock defines ESG integration to be the practice of incorporating financially material E, S and/or G data or information into firmwide processes with the objective of enhancing risk adjusted returns of clients' portfolios. See the BlackRock ESG Integration Statement for further information.

The Fund is an index fund which tracks its respective Underlying Index. The Fund is managed with a focus on minimizing its anticipated tracking error versus its Underlying Index. The Company may offer funds with sustainability objectives, which have either the objective to avoid certain issuers or gain exposure to issuers with better ESG ratings, an ESG theme, or to generate positive environmental or social impact (Sustainable Suite) by tracking their underlying indices. The Company also offers funds that do not have any sustainability objectives or other ESG criteria.

BlackRock considers the suitability of sustainability characteristics and risks of a fund when designing the fund and carrying out due diligence on its underlying index as part of index selection. After a fund is launched, BlackRock periodically reviews holdings in issuers that the firm considers to be particularly exposed to elevated E, S and/or G related financially material investment risks through their sector or business practices. As traditional index funds are managed to track an underlying index, BlackRock is restricted from making changes to the fund's portfolio which would deviate from its underlying index or increase its tracking error, notwithstanding the outcome of BlackRock's assessments of the exposure of the fund to sustainability characteristics and risks. Thus, sustainability characteristics and risks post launch of an index fund cannot influence individual security selection unless specifically incorporated into the underlying index.

BlackRock discloses portfolio-level ESG and sustainability related data that is publicly available on product pages of the BlackRock website where permitted by law/regulation so current and prospective investors and investment advisors can view sustainability-related information for a fund.

Unless otherwise stated in Fund documentation and included within the Fund's investment objective and investment policy, ESG integration does not change the Fund's investment objective or constrain the Company's investable universe, and there is no indication that an ESG or impact focused investment strategy or any exclusionary screens will be adopted by the Fund. Impact investments are investments made with the intention to generate positive, measurable social and /or environmental impact alongside a financial return. Similarly, ESG integration does not determine the extent to which the Fund may be impacted by sustainability risks. Please refer to "Sustainability risks" in the section risk warnings of this prospectus.

BlackRock undertakes investment stewardship engagements and proxy voting with the goal of protecting and enhancing the long-term value of the equity funds' assets. Experience shows that sustainable financial performance and value creation are enhanced by sound governance practices, including risk management oversight, board accountability, and compliance with regulations. We focus on board composition, effectiveness and accountability as a top priority. In our experience, high standards of corporate governance are the foundations of board leadership and oversight. BlackRock engages to better understand how boards assess their effectiveness and performance, as well as their position on director responsibilities and commitments, turnover and succession planning, crisis management and diversity.

BlackRock takes a long-term perspective in its investment stewardship work informed by two key characteristics of its business: the majority of its investors are saving for long-term goals, so it presume they are long-term investors; and the offered strategies vary in respect of investment horizons, which means BlackRock has long-term relationships with its investee companies.

For further detail regarding BlackRock's approach to sustainable investing and investment stewardship are available on the website at www.blackrock.com/corporate/sustainability and https://www.blackrock.com/corporate/about-us/investment-stewardship#our-responsibility.

The Fund described in this prospectus does fall under Art. 6 of the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("**SFDR**"). The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Principal adverse sustainability impacts ("**PAI**") (as set out in the Regulatory Technical Standards (RTS) under the SFDR) are considered as follows. Portfolio managers have access to a range of data sources, including PAI data, when making decisions on selection of investments. However, whilst BlackRock considers ESG risks for all portfolios and these risks may coincide with environmental or social themes as-sociated with the PAIs, the Fund does not commit to considering PAIs in driving the selection of its investments.

The Fund does not commit to investing more than 0% of its assets in sustainable investments with an environmental objective aligned with the Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 ("**Taxonomy Regulation**").

1.2. Investment Conditions and their amendments

The Investment Conditions are appended to this Sales Prospectus.

The Company may amend the Investment Conditions. Amendments to the Investment Conditions require the approval of BaFin. Amendments to the investment principles of the Fund also require the approval of the Supervisory Board of the Company.

All planned amendments shall be published in the Federal Gazette (Bundesanzeiger) and at www.iShares.de. Investors will additionally be informed via the institution maintaining their custody account by means of a durable medium (e.g. in hard copy or electronically) of any amendments that concern fees and the reimbursement of expenses that may be withdrawn from the Fund, or the Fund's investment principles or significant investor rights. This information includes the essential content of the proposed amendments, their background, the rights of investors in connection with the amendment and an indication about where and how additional information can be obtained.

The amendments shall take effect no earlier than the day after their publication in the Bundesanzeiger. Amendments to rules for fees and reimbursement of expenses shall take effect no earlier than four weeks after their publication in the Bundesanzeiger, unless an earlier date was specified with the consent of BaFin. Amendments to the current investment policies of the Fund also take effect no earlier than four weeks after their publication in the Bundesanzeiger and are only permitted under the condition that the Company offers investors the opportunity to exchange their units free of charge for units in other investment funds with comparable investment principles, insofar as such investment funds are managed by the Company or by another company that is part of the same Group, or the Company offers investors the opportunity to redeem their units without further costs.

2. Management Company

2.1. Company, legal form and registered office

The Fund is managed by BlackRock Asset Management Deutschland AG, a stock corporation formed and existing in accordance with the German Stock Corporation Act (AktG), whose registered office is in 80333 Munich, Lenbachplatz 1, Germany. The Company was incorporated on 23 October 2000.

BaFin has licensed BlackRock Asset Management Deutschland AG as a management company as defined in the German Investment Act ("**InvG**"). As such, the licence as a UCITS investment management company within the meaning of the KAGB is considered to have been granted. BlackRock Asset Management Deutschland AG was established in the legal form of a German public limited company (AG).

BlackRock Asset Management Deutschland AG has been authorised to manage Security Index Invest-

ment Funds since 22 December 2000. Since 30 July 2004, following its conformance with the German Investment Act, the Company has been authorised to manage UCITS-compliant investment funds and Mixed Investment Funds (non-UCITS-compliant security index investment funds) as well as externally managed investment stock corporations within the meaning of Section 94 Paragraph 4 InvG.

Since the entry into force of the KAGB the Company may therefore manage investment funds, including externally-managed investment stock corporations in accordance with the UCITS Directive. The Company has not applied for authorisation to act as an AIF investment management company in accordance with the KAGB.

2.2. Shareholders' equity, Supervisory Board and Management Board

The share capital of the Company is EUR 5 million and is fully paid up.

Liable equity amounts to EUR 67 million. No payments on subscribed shares are outstanding.

The Supervisory Board comprises three members:

- Ursula Marchioni,
  Head of Investment and Portfolio Solu-tions (IPS), EMEA
- Brett Pybus,
  Head of iShares EMEA Product Strategy and Global Co-Head of iShares Fixed Income ETFs and

  as an independent member of the Supervisory Board in accordance with Section 18 Paragraph 3 Sentence 1 KAGB
- Michael Rüdiger (Chairman),

  independent member of supervisory boards and boards of foundations, Utting am Ammersee.

The members of the Supervisory Board have unanimously appointed the following persons as members of the Management Board:

- Dirk Schmitz, born 1971, Chair of the Management Board of BlackRock Asset Management Deutschland AG, Chair of the Management Board of iShares (DE) I Investmentaktiengesellschaft mit Teilgesellschaftsvermögen, previously Head of Global Markets for Germany at Deutsche Bank AG,
- Maika Jahn, born 1983, BlackRock Director, member of the Management Board of iShares (DE) I Investmentaktiengesellschaft mit Teilgesellschaftsvermögen, Chief Operating Officer (COO) for the Company and for Germany, Austria & Eastern Europe, previously COO and Head of Business Development at DWS Investments,
- Harald Klug, born 1977, BlackRock Managing Director, member of the Management Board of iShares (DE) I Investmentaktiengesellschaft mit Teilgesellschaftsvermögen, Head of the Institutional Business Customers for Germany, Austria & Eastern Europe, previously Senior Vice President, Executive Office, PIMCO LLC, Newport Beach, CA, USA, and
- Peter Scharl (CFA), born 1977, BlackRock Managing Director, member of the Management Board of iShares (DE) I Investmentaktiengesellschaft mit Teilgesellschaftsvermögen, Head of the Index Products and Wealth (Retail) Division for Germany, Austria & Eastern Europe, previously Strategy Consultant at UniCredit and Allianz Global Investors.

3. Licensor and licence agreement

3.1. Licensor and licence agreement

The STOXX® Europe 600 Top 20 (hereinafter referred to as the "Underlying Index") is a registered trademark of STOXX Ltd. (hereinafter referred to as the "Licensor") and is thus protected against unauthorised use. The Licensor grants licences for the use of the Underlying Index as a benchmark for capital market products.

The Company has the right to use the Underlying Index of the Fund.

3.2. Disclaimer of liability by the Licensor

The Fund is not sponsored, promoted, sold or distributed by the Licensor. Aside from the licensing of the Underlying Index and the permitted use of the trademark in connection with naming the Fund, the Licensor has no connection whatsoever with the Company.

The Licensor gives no guarantee of the accuracy or the completeness of the Underlying Index and the data contained therein. It assumes no liability for errors, omissions or interruptions to the Underlying Index. The Licensor gives no direct or indirect guarantee concerning the results achieved by the Company through the use of the Underlying Index or of the other data contained therein. The Licensor provides no direct or indirect guarantee and assumes no liability as regards the marketability, suitability or use for a specific purpose of the Underlying Index or the data contained therein.

Notwithstanding any of the above, the Licensor shall wherever legally permissible not accept any responsibility for any damages caused by or in connection with the Underlying Index or the Fund it underlies. This disclaimer of liability also applies to indirect losses, special damages or consequential losses (including loss of profits) in relation to the Underlying Index or the Fund it underlies, even if the Licensor has been made aware of the assertion of such a claim.

No third party shall benefit from any contracts or agreements between the Licensor and the Company.

4. Depository

4.1. General information

The KAGB provides for the segregation of duties between the management and the custody of the Investment Fund. The Company has commissioned a credit institution as Custodian Bank of the assets of the Fund.

The Custodian Bank holds the assets in custody in blocked investment accounts or in blocked accounts. For assets that cannot be held in custody, the Custodian Bank will assess whether the Company has acquired ownership of these assets. It

monitors whether the rights of the Company over the assets comply with the provisions of the KAGB and the investment conditions. The investment in bank deposits with another credit institution is permitted only with the consent of the Custodian Bank. The Custodian Bank must give its consent if the investment is compatible with the Investment Conditions and the provisions of the KAGB. The Custodian Bank assumes in particular the issue and redemption of units of the Fund, it ensures that the issue and redemption of units and the calculation of the unit value meet the requirements of the KAGB and the Investment Conditions of the Fund, it ensures that the equivalent value for transactions executed for the joint account of the investors is placed in their custody within the usual period, it ensures that the income of the Fund is used in accordance with the provisions of the KAGB and the Investment Conditions, it monitors them or gives its consent to the taking up of loans on behalf of the Fund.

4.2. Company, Legal Form, Registered Office and Main Activities of the Custodian Bank

State Street Bank International GmbH, a German limited liability company under the German Act on Limited Liability Companies (GmbHG), which has its registered office at Brienner Str. 59, 80333 Munich, Germany, shall act as the Custodian Bank for the Fund. The Custodian Bank is a credit institution under German law. Its main activities are deposits and securities transactions.

The Company is neither directly not indirectly connected with the Custodian Bank under corporate law. In the view of the Company, there are therefore no conflicts of interest between the Custodian Bank and the Company.

4.3. Sub-custody

The Custodian Bank has delegated custody tasks in individual countries to another company (sub-custodian). The non-exhaustive list of sub-custodians for the various countries is currently as follows:

Country	**Name of Sub-Custodian**
Australia	HSBC Bank, Sydney
Denmark	Skandinaviska Enskilda Banken AB, Copenhagen
Germany (CBF)	State Street Bank International GmbH, Munich
Euroclear/United States of America	State Street Bank & Trust Company, Boston
Finland	Skandinaviska Enskilda Banken AB (Publ), Helsinki
France/Netherlands/ Belgium	BNP Paribas S.A., Paris
Greece	BNP Paribas Securities Services, S.C.A., Athens
Hong Kong	HSBC Ltd., Hong Kong
Israel	Bank Hapoalim B.M., Tel Aviv
Italy	Intesa Sanpaolo S.p.A., Mailan
Japan	HSBC Corporation, Tokyo
Canada	State Street Trust Company, Toronto
New Zealand	HSBC Bank, Auckland
Norway	Skandinaviska Enskilda Banken Securities Services, Oslo
Austria	UniCredit Bank Austria AG, Vienna
Poland	Bank Handlowy w Warszawie S.A., Warsaw
Romania	Citibank Europe plc, Bucharest
Sweden	Skandinaviska Enskilda Banken AB, Stockholm
Switzerland	UBS Switzerland AG, Zurich
Singapore	Citibank N.A., Singapore
Slovenia	UniCredit Banka Slovenija, Ljubljana
Spain	Citibank Europe PLC, Dublin
Czech Republic	Československá Obchodní Banka, A.S., Prague
Hungary	UniCredit Bank Hungary Zrt., Budapest
United Kingdom	State Street Bank & Trust Company, UK Branch, Edinburgh

Other sub-custodians in other countries may be requested free of charge at the Company or the Custodian Bank.
As part of its management function for the Fund, it may decide on the Fund's behalf to distribute the Fund across one or more sub-custodians. The Company itself is not connected to the sub-custodians under corporate law. There are no conflicts of interest between the Custodian Bank and the above sub-custodians.

4.4. Liability of the Custodian Bank

The Custodian Bank is, in principle, responsible for all assets that it holds in custody or that are held in custody by another institution with its consent. In case of loss of such an asset, the Custodian Bank is liable to the Fund and its investors, unless the loss is due to events beyond the control of the Custodian Bank. For damages that do not involve the loss of an asset, the Custodian Bank is liable only if it has been at least negligent in failing to comply with its obligations under the provisions of KAGB.

4.5. Additional information

The Company provides investors on request with information on the latest position of the Custodian Bank and its obligations, on the sub-custodians.

4.6. Conflicts of Interest

The Custodian Bank is part of an international group of companies and businesses that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts of interest arise where the Custodian Bank or its affiliates engage in activities under its contractual and/or regulatory obligations. Such activities may include: (i) providing nominee, administration, registrar and transfer agency, research, agent securities lending, investment management, financial advice and/or other advisory services; (ii) engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions either as principal and in the interests of itself, or for other clients. In connection with the above activities the Custodian Bank or its affiliates: (i) will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and are not bound to disclose to the Company, the nature or amount of any such profits or compensation including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount, or other benefit received in connection with any such activities; (ii) may buy, sell, issue, deal with or hold, securities or other financial products or instruments as principal acting in its own interests, the interests of its affiliates or for its other clients; (iii) may trade in the same or opposite direction to the transactions undertaken, including based upon information in its possession that is not available to the Company; (iv) may provide the same or similar services to other clients including competitors of the Company; (v) may be granted creditors' rights by the Company which it may exercise. The Company may use an affiliate of the Custodian Bank to execute foreign exchange, spot or swap transactions for the account of the Fund. In such instances the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the Fund. The affiliate will seek to profit from these transactions and is entitled to retain and not disclose any profit to the Company or the Fund. The affiliate shall enter into such transactions on the terms and conditions agreed with the Company. Where cash belonging to the Fund is deposited with an affiliate of the Custodian Bank being a bank, a potential conflict arises in relation to the interest (if any) which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker and not as trustee. The Company may also be a client or counterparty of the Custodian Bank or its affiliates. Up-to-date information on the Custodian Bank, its duties, any conflicts that may arise, the safe-keeping functions delegated by the Custodian Bank, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to investors on request.

5. Launch date, term and investment objective of the Fund

5.1. Launch date and term

The Fund was launched on 27 December 2000 and is of unlimited duration.

The investors own an equity interest in the assets of the Fund as co-owners in proportion to the number of units held. The investors have no authority over the assets. The units carry no voting rights.

5.2. Investment objective

The objective of the Fund is to achieve the same investment performance as the Underlying Index. For this purpose, it shall track the Underlying Index as closely and as completely as possible. The Investment Fund shall adopt a passive management strategy to achieve these objectives. In contrast to the active management approach, the Underlying Index is used as the basis for making decisions on the purchase and sale of assets and their respective weightings in the Fund. The passive management strategy and the trading of units on an exchange have the effect of limiting management fees and transaction costs charged to the Fund.

5.3. Achievability of the investment objective

No assurance can be given that the investment objective will be achieved.

One obstacle to replicating the performance of the Underlying Index is the fact that the Underlying Index is a statistical model based on certain assumptions. It is assumed, for example, that no transaction costs will be incurred when securities are purchased or sold. In addition, management fees and some tax payments are deducted from the fund unit prices, whereas they are ignored completely in the Underlying Index.

Detailed information about the Underlying Index may be obtained in printed or electronic form from the Company or from the Licensor.

6. Investment principles

6.1. General information

The Company may only acquire the following assets on behalf of the Fund:

a) Securities pursuant to Section 193 KAGB,
b) Money market instruments pursuant to Section 194 KAGB,
c) Bank accounts pursuant to Section 195 KAGB,
d) Derivatives pursuant to Section 197 KAGB,
e) Other investment instruments pursuant to Section 198 KAGB,
f) Investment units pursuant to Section 196 KAGB,

if they are oriented towards replicating the Underlying Index, while maintaining an appropriate risk diversification. Any restrictions on the eligibility result from the "General Investment Conditions" and the "Special Investment Conditions". The Underlying Index is recognised by BaFin and meets the following requirements of the KAGB:

– The composition of the index is sufficiently diversified,
– The index represents an adequate benchmark for the market to which it relates,
– The index is published in an appropriate manner.

In addition, and in accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council, the Licensor is entered with the European Securities and Markets Authority (ESMA) in a public register of administrators and benchmarks.

The ESMA public register of administrators and benchmarks can be consulted at www.esma.europa.eu.

In addition, the Company has drawn up a contingency plan in which it sets out measures it would take if the underlying index were to change significantly or cease to be provided.

Details of the equities included in the Underlying Index are also contained in the most recent annual report or semi-annual report published for the Fund.

Because of the relationship between the Fund and the Underlying Index and because certain issuer and investment limits may be exceeded as a result, the principle of risk diversification finds only limited application.

6.2. Description of the Index

The STOXX® Europe 600 Top 20 Index measures the performance of the 20 largest equities, by free-float market capitalisation, included in the STOXX® Europe 600 Index. This index includes companies from 17 developed European countries. The composition of the index is reviewed and rebalanced quarterly with extraordinary rebalances as required. The components are reviewed using filtering criteria, weighted on the basis of the free-float market capitalisation and the largest constituent's weight will be capped at 33% and any other securities will be capped at 18% in order to maintain diversification. The free-float market capitalisation is the market value of all shares of a company in free circulation available at any time. Further details on the Underlying Index (including its components) are available on the website of the index provider at www.stoxx.com.

6.3. Effects of index adjustments

In order to replicate the Underlying Index as closely as possible, the aim is that fund management shall replicate all changes in the composition and weighting of the Underlying Index for the Investment Fund.

Fund management may, at its discretion, determine the timeframes in which the Fund should be adjusted and whether an adjustment is appropriate in view of the investment objective.

6.4. Replication of the index and priority of direct duplication

To replicate the Underlying Index, only the following assets may be acquired:

– securities, including Depositary Receipts (particularly ADRs and GDRs), included in the Security Index or introduced to it following a change to the index (index securities),
– securities issued on the Underlying Index (index certificates),
– securities issued on individual stocks of the Underlying Index (certificates on individual securities),
– futures contracts on the Underlying Index (index futures),
– futures contracts on individual stocks of the Underlying Index (futures on individual securities),
– warrants on the Underlying Index (index warrants),
– warrants on individual stocks of the Underlying Index (warrants on individual securities), and
– investment fund units pursuant to Section 8 of the "General Investment Conditions".

In replicating the Underlying Index, within the meaning of a direct duplication of the index, priority shall be given to investments in index securities over investments in other assets listed above approved for use in replicating indices. The Underlying Index may only be replicated using assets that indirectly replicate the index for purposes of maintaining the investment restrictions listed in the second sentence under Point 9.2. Outside the limit of the duplication percentage laid down in Point 6.5 the Company, for the account of the Fund, may invest up to 5 percent of the value of the Fund in basic forms of derivatives as defined in Section 9 para. 2 of the General Investment Conditions, particularly future contracts on securities in the meaning of Section 5 of the General Investment Conditions, money market instruments in the meaning of Section 6 of the General Investment Conditions, investment fund units in the meaning of Section 8 of the Investment Conditions, recognised financial indices, interest rates, exchange rates or currencies which are not contained in the Underlying Index.

6.5. Duplication percentage

In order to replicate the Underlying Index, the duplication percentage must not be less than 95 percent of the total assets in the Fund as defined in Point 6.4. Futures contracts shall be included in the calculation of the duplication percentage with their weighted market risk using the simple approach in accordance with the regulation on risk management and risk measurement for the use of derivatives, securities lending and repurchasing agreements in investment funds pursuant to KAGB (hereinafter referred to as "DerivateV"). The duplication percentage reflects the proportion of the above-named securities, certificates, futures contracts, warrants and investment fund units in the Fund which matches the weighting of the Underlying Index.

6.6. Expected tracking error

The tracking error is defined as the annualised standard deviation of the difference between the returns of a fund and the underlying index. The expected tracking error of the Fund refers to the net monthly total returns of the Fund and the Underlying Index over a period of three years.

This figure is often of particular interest to investors who trade regularly with index investment assets and hold shares in investment funds only a few days or weeks. For long-term investors with a

longer investment horizon the tracking difference between the fund and the underlying index over the intended investment horizon is usually more important. The tracking difference measures the actual difference between the returns of a fund and the returns of the index (i.e., how accurately a fund replicates its underlying index). The tracking error, however, measures the increase and decrease of the tracking difference (i.e. the volatility of the tracking difference). Investors should take both figures into consideration when evaluating an index investment fund.

The tracking error may depend on the sampling methodology selected by the index investment fund. In general, historical data provide evidence that synthetic replication generates a lower tracking error than physical replication, but the same data also often suggest that physical replication generates a lower tracking difference than synthetic replication.

The expected tracking error is based on the expected volatility of the deviations between the returns of the Fund and the returns of the Underlying Index. Liquidity management, transaction costs for index adjustments as well as differences between the Fund and the Underlying Index in the valuation methodology and the valuation date may also have an effect on the tracking error and the difference between the returns of the Fund and the Underlying Index. The effects can be positive or negative depending on the underlying circumstances.

The Fund may also have a tracking error as a result of withholding taxes payable by the Fund on investment income. The extent of the tracking error resulting from withholding taxes depends on various factors such as refund requests made by the Fund to different tax authorities or tax relief for the Fund under a double taxation agreement.

The expected tracking error for the Fund is: 0.25%

Investors should note that these are only estimated values for the tracking error under normal market conditions and are therefore not to be understood as fixed limits.

7. Fair treatment of investors and unit classes

The Fund may comprise different unit classes, i.e. the issued units have different characteristics depending on the class to which they belong. The existing unit classes are listed in the "Overview of existing unit classes" before the "General Investment Conditions" in this Sales Prospectus.

The unit classes may particularly differ with respect to appropriation of income, issue premiums, redemption fees, management fees, minimum investment amount, currency of account, or a combination of these characteristics.

Due to the different setups, the economic result obtained by an investor with his investment in the Fund may vary, depending on the unit class of the units he has acquired.

This applies both to the returns obtained by the investor before income tax and to the returns after income tax. The purchase of assets is permissible only en bloc for the Fund as a whole, and not for a single unit class or groups of unit classes.

Nevertheless, the formation of additional unit classes does not affect the rights of investors who have acquired units in existing unit classes. The costs incurred in introducing a unit class may only be charged to the investors in this new unit class.

The Company shall treat the investors in the fund fairly. In managing its liquidity risk and in the redemption of units it may not prioritise the interests of one investor or group of investors over the interests of another investors or group of investors.

Please see "Settlement of issue and redemption of units" and "Liquidity management" on the method by which the company ensures the fair treatment of investors.

8. Investment instruments in detail

8.1. **Securities**

1. Provided that the "Special Investment Conditions" do not include any additional restrictions, the Company may, subject to Section 198 KAGB, only acquire securities,

   a) they are admitted for trading on a stock exchange in a member state of the European Union (EU) or in another state that is a party to the Agreement on the European Economic Area (EEA), or they are admitted for trading or included in another regulated market in one of these states,
   b) are admitted for trading exclusively on a stock exchange outside the member states of the EU or outside other states that are party to the Agreement on the EEA, or they are admitted for trading or included in another regulated market in one of these states, provided the choice of such stock exchange or regulated market is permitted by the German Federal Financial Supervisory Authority (BaFin).[1]

   New issues of securities may be acquired provided that their issue conditions require that admission to or inclusion in one of the stock exchanges or regulated markets mentioned in a) and b) above be applied for, and that the admission or inclusion takes place within one year after their issue.

2. In this context, the following are also considered securities

   a) Units in closed funds in contractual or legal form, subject to control by the unitholders (so-called corporate control), i.e. the unitholder must have voting rights in relation to the key decisions, as well as the right to control the investment policy through the appropriate mechanisms. The Fund must also be administered and managed by an entity that is subject to the regulations for the protection of investors, unless the fund is established in the form of a company and

[1] The list of stock exchanges is published on the BaFin website. www.bafin.de

the asset management activity is not carried out by another legal entity.

b) Financial instruments that are secured by other assets or linked to the performance of other assets. To the extent that components of derivatives are embedded in such financial instruments, further requirements apply before the Company may acquire these as securities.

3. The securities may only be acquired under the following conditions:

   a) The potential loss that the Fund could incur may not exceed the purchase price of the security. No additional payment may be required.

   b) A lack of liquidity of the securities acquired by the Fund must not result in the Fund no longer being able to meet the legal requirements for the redemption of units. This takes into account the legal option of suspending redemptions in certain cases (see section "Suspension of redemption of units" (Point 19.4)).

   c) A reliable valuation of the security through accurate, reliable and consistent prices must be available; these must be either market prices or have been provided by a valuation system that is independent of the issuer of the security.

   d) Adequate information on the security through regular, accurate and comprehensive market information on the security or, where applicable, the portfolio that belongs to it – as documented in the security – is available.

   e) The security is negotiable.

   f) The purchase of the security is consistent with the investment objectives and the investment strategy of the Fund.

   g) The risks of the security are appropriately captured by the risk management of the Fund.

4. Securities may also be purchased in the following form:

   a) Equities to which the Fund is entitled in a capital increase from Company assets,

   b) Securities that are acquired in the exercise of subscription rights belonging to the Fund.

5. Subscription rights are also considered to be securities in this context, provided the securities from which the subscription rights are derived could be included in the Fund.

6. The securities of the Underlying Index change from time to time (a "rebalancing"). The Company may adopt a variety of strategies when investing the assets of the Fund to bring it in line with the rebalanced Underlying Index. For example, for the Fund, which is an equity funds, where a specific security which forms part of the Underlying Index is not available or is not available for the required value or a market for such security does not exist or is restricted, or where acquiring or holding such security is not as cost or tax efficient as acquiring or holding a depository receipt, the Fund may hold depository receipts relating to such securities (e.g. American Depositary Receipts ("ADRs") and Global Depositary Receipts ("GDRs")).

8.2. Money market instruments

1. The Company may invest in money market instruments for the account of the Fund. Money market instruments are instruments normally traded on the money market as well as interest-bearing securities with a term or residual term of no more than 397 days at the time of their acquisition for the Fund. If their term is more than 397 days, their interest rate must be regularly adjusted to reflect current market conditions, at least once in each 397-day period. Money market instruments include instruments whose risk profile corresponds to the risk profile of this type of securities. Money market instruments may be acquired for the Fund:

   a) if they are admitted for trading on a stock exchange in a member state of the European Union or in another state that is a party to the Agreement on the EEA, or they are admitted for trading or included in another regulated market there,

   b) if they are admitted for trading exclusively on a stock exchange outside the member states of the EU or outside other states that are party to the Agreement on the EEA, or they are admitted for trading or included in another regulated market there, provided the choice of such stock exchange or regulated market is permitted by BaFin,

   c) if they are issued or guaranteed by the EU, the German Federal Government, an investment fund of the German Federal Government, a German federal state, another member state or another central, regional or local authority or by the central bank of an EU member state, the European Central Bank or the European Investment Bank, a non-EU member state or, in case of a federal state, by one of the members making up the federation, or by a public international body to which one or more EU member states belong,

   d) if they are issued by a company whose securities are traded on the markets referred to in a) and b),

   e) if they are issued or guaranteed by a credit institution that is subject to supervision that meets the criteria defined by EU law, or a credit institution that is subject to the prudential rules considered by BaFin as equivalent to those laid down in EU law, and which complies with such rules,

   f) if they are issued by other bodies and the respective issuer is

      i) a company with equity capital of at least 10 million euros, which prepares and publishes its financial statements according to the EU Directive on the annual accounts of limited liability companies,

      ii) a legal entity which, within a group of companies comprising one or more listed

companies, is responsible for financing this group, or

iii) an entity which issues money market instruments that are backed by liabilities through a line of credit granted by a bank. They are products in which loans from banks are securitised (asset-backed securities).

2. All the above money market instruments may only be acquired if they are liquid and their value can be determined accurately at any time. Money market instruments are considered liquid if they can be sold within a sufficiently short time with limited costs. In doing so, the Company's obligation to redeem units in the Fund at the request of investors and to be able to sell such money market instruments on short notice must be taken into account. An accurate and reliable valuation system must also exist for money market instruments which allows the determination of the net asset value of the money market instrument and that is based on market data or valuation models (including systems that are based on acquisition costs carried forward). The liquidity aspect of money market instruments is considered to be met if they are listed on a regulated market within the EEA or included in or listed on such a market or on a regulated market outside the EEA, provided that BaFin has approved the selection of this market. This does not apply, if the Company has evidence that argues against the sufficient liquidity of the money market instruments.

3. For money market instruments not listed on a stock exchange or admitted to a regulated market for trading (see above under c) to f)), the issue or issuer of such instruments must additionally be subject to regulations concerning deposit and investor protection. For example, information must exist for these money market instruments that is sufficient to allow a proper assessment of the credit risks associated with the instruments and the money market instruments must be freely transferable. Credit risks may be assessed via a credit assessment by a rating agency, for example. The following additional requirements apply to these money market instruments unless they are issued or guaranteed by the European Central Bank or the central bank of a Member State of the European Union:

   a) If they are issued or guaranteed by one of the bodies listed under c) (with the exception of the European Central Bank), there must be adequate information on the issue or the issuance programme or on the legal and financial situation of the issuer prior to the issue of the money market instrument.

   b) If they are issued or guaranteed by a credit institution subject to supervision in the EEA (see above under e)), there must be adequate information on the issue or the issuance programme or on the legal and financial situation of the issuer prior to the issue of the money market instrument; this information must be updated regularly and whenever a significant event occurs. In addition, data (e.g. statistics) on the issue or issuance programme must be available which allows the adequate assessment of the credit risks associated with the investment.

   c) If they are issued by a credit institution that is subject to prudential regulations outside the EEA that are considered by BaFin to be equivalent to those laid down in EU law, one of the following three conditions must be met: (i) The credit institution maintains an office in an OECD country that belongs to the so-called Group of 10 (the group of the most important major industrial countries - G10). (ii) The credit institution has at least an investment-grade rating. "Investment grade" is deemed to be a rating of "BBB" or "Baa" or better as part of a credit check by a rating agency. (iii) An in-depth analysis of the issuer can establish that the supervisory regulations applicable to the credit institution are at least as stringent as those of EU law.

   d) For other money market instruments not listed on an exchange or admitted to a regulated market for trading (see above under c), d) and f)), adequate information on the issue or the issuance programme and the legal and financial situation of the issuer prior to the issue of the money market instrument must be available, which is updated regularly and whenever a significant event occurs, and which is reviewed by a qualified, independent third party. In addition, data (e.g. statistics) on the issue or issuance programme must be available which allows the adequate assessment of the credit risks associated with the investment.

8.3. Bank accounts

No more than 5 percent of the value of the Fund may be invested in bank accounts with a maturity not exceeding 12 months. These bank accounts must be held on blocked accounts at a credit institution that has its registered office in a member state of the EU or another state that is a party to the Agreement on the EEA, or at a credit institution that has its registered office in a non-member state, provided that it is subject to the prudential rules considered by BaFin to be equivalent to those laid down in EU law. Unless specified otherwise in the "Special Investment Conditions", these bank accounts may be denominated in foreign currencies.

8.4. Derivatives

The Company may conduct transactions with derivatives for the Fund as part of the investment strategy. For purposes of efficient portfolio management, the Company may enter into derivative transactions on behalf of the Fund. This may on occasion increase the risk of loss for the Fund.

A derivative is an instrument whose price is linked to fluctuations in prices or the price expectations for other assets (underlying). The following details relate to both derivatives and financial instruments with a derivative element (hereinafter, referred to collectively as the derivatives).

To calculate the utilisation of the market risk limit, the Company applies the "simple" approach as defined in DerivativeV. They add up the total applicable amounts of all derivatives that lead to the increase of the investment level. The market value of the underlying will be taken as a basis for the total applicable amounts of derivatives and financial instruments with derivative components. The total applicable amounts for market risk through the use of derivatives and financial instruments with derivative components cannot exceed the value of the Fund's assets.

The Company may only regularly purchase derivatives if they can, on behalf of the Fund, acquire the underlying assets of such derivatives or if the risks represented by the underlying assets could have occurred through assets in the investment fund that the Company may acquire on behalf of the Fund. On behalf of the Fund, the Company may purchase:

- Basic forms of derivatives pursuant to Section 9 of the General Investment Conditions
- Combinations of these derivatives
- Combinations of these derivatives with other assets that may be acquired for the Fund

The Company can adequately and accurately detect and measure all market risks in the Fund which are based on the use of derivatives.

A negligible proportion of the investment strategy may be based on a "complex" strategy. The Company may also invest a negligible proportion in complex derivatives. A negligible proportion is assumed not to exceed 1% of the value of the fund based on the maximum loss.

8.4.1. **Futures contracts**

The Company may acquire futures contracts as defined in Point 6.4 on behalf of the Fund.

Futures contracts are agreements which unconditionally bind both contracting partners to buy or sell a certain volume of a given underlying security at a previously agreed price on a specified date (maturity date), or within a specified period.

8.4.2. **Option contracts**

The Company may conclude option contracts as defined in Point 6.4 on behalf of the Fund.

In option contracts, a third party is granted the right, in exchange for consideration (option premium), to request the delivery or acceptance of assets or the payment of a balancing adjustment at a previously agreed price (underlying price) on a specified date or at the end of a specified period, or to acquire the corresponding option rights.

8.4.3. **Swaps**

Within the investment principles, the Company may enter into

- interest-rate,
- currency,
- interest-currency, or
- credit default swaps transactions related to single underlying instruments (Single Name Credit Default Swaps).

Swaps are agreements whereby the payment flows or risks underlying the transaction are swapped between the contracting parties.

8.4.4. **Swaptions**

Swaptions are options on swaps. A swaption is the right, but not the obligation, to enter into a swap with precisely specified terms and conditions at a specified point in time or within a specified period. In all other respects the principles described in relation to option contracts apply. Only those swaptions consisting of the options and swaps as described above may be acquired for the account of this Fund.

8.4.5. **Credit default swaps**

Credit default swaps are credit derivatives enabling a potential volume of credit defaults to be transferred to other parties. In return for transfer of the credit default risk, the seller of the risk pays a premium to its contracting partner. The Company may only acquire on behalf of the Fund simple standardised credit default swaps which are used to hedge particular credit risks in the Fund. In all other respects the comments on swaps apply accordingly.

8.4.6. **Securitised financial instruments**

The Company may also acquire the financial instruments described above for the account of the Fund if these instruments are securitised. Transactions relating to only partially securitised financial instruments (e.g. bonds with warrants) may also be included. The statements concerning opportunities and risks also apply to such securitised financial instruments; however it should be noted that the risk of loss with securitised financial instruments is limited to the value of the security.

8.4.7. **Over-the-counter (OTC) transactions**

The Company may enter into derivative transactions for the account of the Fund that are either admitted for trading on a stock exchange or that are admitted to and included in another regulated market as well as over-the-counter (OTC) derivatives.

Derivatives that are not admitted for trading on a stock exchange or admitted to or included in another regulated market may only be transacted by the Company with suitable banks and financial institutions on the basis of standardised master agreements. For derivatives not traded on an exchange, the counterparty risk of a contractual party is limited to 5 percent of the value of the Fund. If the counterparty is a credit institution that has its registered office in the EU, in another state that is a party to the Agreement on the EEA or in a state that is not a member of either of those organisations but has a comparable level of supervision, the counterparty risk may total 10 percent of the value of the Fund. Derivative transactions traded other than on an exchange that are concluded with a central clearinghouse of a stock exchange or another regulated market are not included when determining these limits if the derivatives are valued daily at market prices with a daily margin settlement. Claims of the Fund against an intermediary are counted against the limits, however, even if the derivative is traded on an exchange or on another organised market.

8.5. **Other investment instruments**

The Company may the following other investment instruments within the meaning of Section 198

KAGB on behalf of the Fund, unless specified otherwise in the investment conditions:

a) Securities not admitted for trading on an exchange or admitted for trading on or included in another regulated market, but which, in principle, meet the criteria for securities. Notwithstanding the traded or admitted securities, the reliable valuation of these securities in the form of a valuation conducted at regular intervals must be available, which is derived from information from the issuer or from competent financial analysis. Adequate information about the non-approved or non-included securities must be available in the form of regular and accurate information on the security or, where applicable, on the portfolio for the Fund to which it belongs as documented in the security.

b) Money market instruments of issuers that do not satisfy the above requirements, if they are liquid and their value can be determined accurately at any time. Money market instruments are considered liquid if they can be sold within a sufficiently short time with limited costs. In doing so, the Company's obligation to redeem units in the Fund at the request of investors and to be able to sell such money market instruments on short notice must be taken into account. An accurate and reliable valuation system must also exist for money market instruments which allows the determination of the net asset value of the money market instrument and that is based on market data or on valuation models, such as systems that carry acquisition costs forward. The liquidity aspect of money market instruments is considered to be met if they are listed on a regulated market within the EEA or included in or listed on such a market or on a regulated market outside the EEA, provided that BaFin has approved the selection of this market.

c) New issues of shares whose planned admission to a stock exchange or another regulated market has not yet taken place and where the admission takes place within a year of the issue.

d) bonds that can be assigned at least twice after acquisition for the Fund and which were granted by one of the following bodies:

   i) the German Federal Government or one of its special-purpose entities, a German federal state, the EU or a member state of the Organisation for Economic Co-operation and Development (OECD),

   ii) another domestic local or regional authority, or a regional government or local or regional authority of another member state of the European Union, or another state that is a party to the Agreement on the EEA, provided that claims pursuant to the regulation on prudential requirements for credit institutions and investment firms can be treated in the same manner as a claim against the central government in whose territory the regional government or the local authority is established,

   iii) another authority or public body with a registered office in Germany or in another Member State of the EU or in another state that is a party to the Agreement on the EEA;

   iv) Companies that have issued securities that are admitted to trading on a regulated market within the EEA or on another regulated market which satisfies the key requirements of regulated markets as defined in the current version of the German Guidelines on Markets in Financial instruments (Richtlinie über Märkte in Finanzinstrumente), or

   v) other debtors, provided that one of the agencies listed in i) to iii) has guaranteed the payment of interest and principal.

8.6. **Investment fund units**

1. The Company may invest in units of other open-ended domestic and foreign investment funds on behalf of the Fund ("target funds").
2. The target funds may in accordance with their investment conditions or their Articles of Incorporation invest no more than 10 percent in units of other open-ended investment funds. The following additional requirements apply to so-called alternative investment funds (“AIF”):
   a) The target fund must be authorised under laws which provide that it is subject to supervision for the protection of the investors and that cooperation between BaFin and the supervisory authorities of the target fund is sufficiently ensured.
   b) The level of investor protection must be equivalent to the level of protection of an investor in a domestic UCITS, in particular with regard to the separation of the administration and custody of assets, borrowing and granting of loans as well as for short sales of securities and money market instruments.
   c) The business activity of the target fund must be reported in annual and semi-annual reports that enable an assessment to be made of the assets and liabilities, income and operations over the reporting period.
   d) The target fund must be a mutual fund in which the number of units is not limited in number and investors have a right to redeem the units.

   Within the applicable 10% investment limit, the Company may invest all or part of the Fund's assets in other funds managed by the Company or an affiliate of the Company.
3. Target funds may temporarily suspend the redemption of units in accordance with statutory requirements. In this event, the Company is prevented from redeeming units in the target fund upon payment of the redemption price at the management company or the Custodian Bank of the other target fund (see also the section "Risks associated with investing in investment units"). The Company’s website (www.iShares.de) provides information on whether and in what amount the Fund holds units of target funds that have currently suspended redemption.

9. Issuer and investment limits

9.1. **Issuer limits**

Unless specified otherwise in the investment conditions, the following issuer limits apply to the Fund.

1. The Company may invest up to 20 percent of the assets of the Fund in securities from a single issuer (debtor).
2. The limit specified in No. 1 may be increased to up to 35 percent of the value of the Fund for securities from a single issuer (debtor). An investment up to the limit specified in Sentence 1 above is permissible only for one individual issuer (debtor).
3. The Company may invest no more than 35 percent of the value of the Fund each in bonds, borrowers' notes and money market instruments of particular public issuers as defined in Section 206 Paragraph 2 KAGB.
4. The Company may invest up to 25 percent of the value of the Fund in mortgage bonds, municipal bonds and debentures issued by any bank domiciled in the EU or in the EEA, respectively. A prerequisite is that the assets assumed with the bonds are structured so that they cover the liabilities of the bonds for their entire term and are designated mainly for repayments and interest payments if the issuer of the bond defaults. If more than 5 percent of the value of the Fund is invested in such bonds from the same issuer, the total value of these bonds may not exceed 80 percent of the value of the Fund.
5. The Company may invest no more than 20 percent of the value of the Fund in a combination of the following assets:
   a) securities or money market instruments issued by one and the same institution,
   b) deposits at this institution,
   c) the weighted counterparty risk of the transactions entered into with this institution in derivatives.

   In the case of particular public issuers as defined in Section 206 Paragraph 2 KAGB, a combination of the assets specified in Sentence 1 may not exceed 35 percent of the value of the Fund.

   The respective individual upper limits remain unaffected in both cases.
6. For assets based on the Underlying Index, the market price of the index securities shall be attributed to the respective issuer limits on a pro rata basis. Futures contracts and option contracts shall be attributed to the issuer limits in accordance with Sections 23 Paragraph 1 DerivateV.

9.2. **Investment restrictions**

1. The Company may invest no more than 5 percent of the value of the Fund in bank accounts and money market instruments in accordance with the "General Investment Conditions". A minimum of 95 percent of the Fund must be invested in assets based on the Security Index, as defined in Point 6.4.
2. At least 85 percent of the value of the Fund is on an ongoing basis invested in shares that are permitted for official trading on a stock exchange or another organised market or included in these and which are not units in investment funds. In determining the volume of assets invested in the aforementioned shares, loans are to be deducted in proportion to the shares' portion of the value of all assets.
3. If the Fund is invested in investment fund units in accordance with Point 8.6, which are valued at least once a week, the Company will base its compliance with the equity fund capital participation quota by the Fund on the capital participation quotas published daily by the target investment funds and include them in the calculation of the equity fund capital participation quota for funds.
4. If in order to replicate the Underlying Index, the Company acquires index certificates or certificates on individual equities as defined in Point 6.4, no more than 10 percent of the value of Fund assets may be invested in such certificates as defined in Point 6.4, which are not admitted for official trading on a stock exchange or listed on a regulated market.
5. In order to replicate the underlying index the Company may invest up to 10 percent of the value of the Fund in units of other open-ended domestic and foreign investment funds (target funds) as defined in Point 8.6. In doing so, the Company may acquire on behalf of the Investment Fund no more than 25 percent of the issued units of another investment fund. In addition, the target funds may in accordance with their Investment Conditions invest up to 10 percent in units of other target funds.
6. The Company may invest up to 10 percent of the value of the Fund in other investment instruments pursuant to Point 8.5 on behalf of the Fund.

10. Collateral strategy

In derivatives transactions, the Company receives collateral on behalf of the Fund. The collateral is used to reduce the risk of default of the counterparty of such transactions in whole or in part.

10.1. **Types of eligible collateral**

If derivative transactions may be concluded for the Fund, the Company only accepts collateral that satisfies the following criteria set out in Section 27 Paragraph 7 DerivateV:

- Assets that may be acquired for the Fund in accordance with the KAGB,
- are highly liquid,
- are subject to valuation at least each exchange trading day,
- are issued by issuers with high credit ratings,
- are not issued by issuers who are themselves a party to the contract or a company belonging the group within the meaning of Section 290 of the German Commercial Code (Handelsgesetzbuch),
- they are reasonably risk-diversified in terms of countries, markets and issuers,
- are subject to no significant operational or legal risks in terms of their management and custody,
- will be deposited with a Custodian Bank that is subject to effective public supervision and that is independent of the guarantor or is legally protected in the event of the default of a party, if they are not transferred,
- can be reviewed by the Company without the consent of the guarantor,
- can be immediately sold for the Fund, and

- the guarantor is subject to legal provisions in the event of insolvency.

10.2. Level of collateral

Derivatives transactions must be sufficiently secured to ensure that the capital requirement for the default risk of each counterparty does not exceed 5 percent of the value of the Fund. If the counterparty is a credit institution that has its registered office in the EU, in another state that is a party to the Agreement on the EEA or in another state which has a comparable level of prudential regulation, the default risk may total 10 percent of the value of the Fund.

10.3. Strategy for discounting valuations (haircut strategy)

The Company has introduced a "haircut" strategy for each asset that it accepts as collateral. A haircut is a discount to the value of collateral which takes into account the deterioration of the valuation or the liquidity profile of the collateral over time. The haircut strategy takes into account the characteristics of each asset, including the creditworthiness of the issuer of the collateral, the price volatility of the collateral and the results of stress tests that can be performed as part of collateral management. Subject to the existing agreements with the counterparties, which may include minimum amounts for the transfer of collateral, it is the Company's intention that any collateral obtained be adjusted in accordance with the haircut strategy by a valuation discount at least equal to the counterparty risk.

The haircuts applied to collateral accepted follow the guidelines of the internal policies of the Company for the treatment of collateral.

10.4. Investment of cash collateral

Cash collateral in the form of bank deposits may be held in blocked accounts with the Custodian Bank of the Fund or, with its consent, at another financial institution. The reinvestment may only be made in high-quality government bonds or in money market funds with short maturity structures.

10.5. Custody of securities as collateral

The Company may on behalf of the Fund accept securities as collateral for transactions in derivatives. If these securities are provided as collateral, they must be held by the Custodian Bank. If the Company has received the securities as collateral for derivative transactions, they can also be held in custody at another location, one that is under effective public supervision and independent of the guarantor. Reuse of the securities is not permitted.

11. Leverage

Leverage describes any method by which the Company increases the level of investment of the Fund (leverage effect). Such methods include, in particular, the acquisition of derivatives, and borrowing. The option to use derivatives and engage in borrowing is presented in the sections Derivatives (Point 8.4) and Borrowing (Point 12).

The Company may use the methods described above to no more than double the market risk of the Fund. Short-term borrowing is not taken into account when calculating this limit. It limits the use of leverage in the Fund.

12. Borrowing

On behalf of all the investors, the Company may subscribe to short-term loans for amounts of up to 10 percent of the Fund, if the terms of the loan are at market rates and subject to approval of the conditions of the loan by the Custodian Bank.

13. Valuation

13.1. General rules for asset valuation

13.1.1. Assets admitted for trading on a stock exchange or traded on a regulated market

Assets admitted for trading on stock exchanges or admitted to another regulated market or included in such market as well as subscription rights for the Fund are valued at the last available traded price which ensures a reliable valuation, unless otherwise indicated under "Special valuation rules".

13.1.2. Assets not listed on stock exchanges or traded on regulated markets or assets without a tradable value

Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions, unless otherwise indicated under "Special valuation rules".

13.2. Special valuation rules for individual assets

13.2.1. Unlisted bonds and borrowers' notes

For the valuation of bonds not admitted for trading on an exchange or admitted to or included on another official market (e.g. unlisted bonds, commercial paper and certificates of deposit) and for the valuation of borrowers' notes the prices will be based on the prices agreed for comparable bonds and borrowers' notes and, where applicable, the prices of bonds from comparable issuers with a corresponding term and interest rate with, if necessary, a deduction to take into account the reduced saleability.

13.2.2. Money market instruments

In the case of the money market instruments in the Fund, interest and related income as well as expenses (e.g. management fees, custodian bank fees, auditors' fees, publication costs, etc.) shall be taken into account up to and including the day prior to the value date.

13.2.3. Option rights and futures contracts

The option rights belonging to the fund and the liabilities resulting from option rights granted to a third party which are admitted for trading on a stock exchange or admitted to or included in another regulated market are valued at the last available traded price which ensures a reliable valuation.

The same applies to claims and liabilities resulting from futures contracts sold on behalf of the Fund. The initial margins charged to the Fund shall be added to the value of the Fund, including the valuation gains and valuation losses determined on the exchange trading day.

13.2.4. Bank accounts, time deposits and investment units

Bank deposits are, in principle, valued at their nominal value plus accrued interest.

Time deposits are valued at the market price if the time deposit can be terminated at any time and repayment upon termination does not take place at the nominal value plus interest.

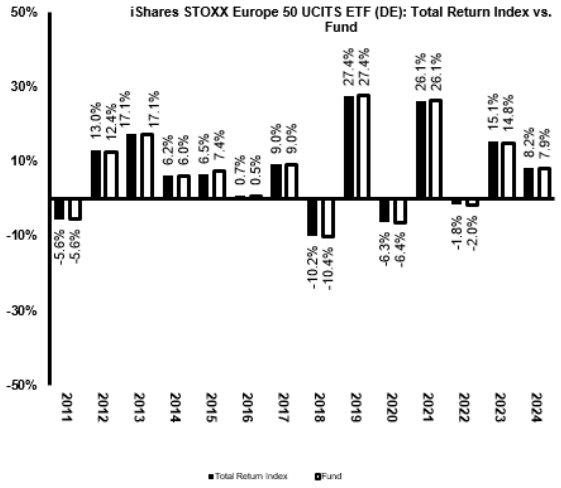
Investment fund units are generally valued at their last determined redemption price or the last available traded price which ensures a reliable valuation. If these values are not available, investment fund units are valued at their current market value, assessed with due care using appropriate valuation models and taking into consideration the current overall market situation.

13.2.5. Assets denominated in foreign currencies

Assets denominated in foreign currencies, where the fund has an alternative reference currency shall be converted to euros on a same-day basis, currently using the afternoon fix (17:00 CET) for the reference currency from "The WM Company".

14. Performance

The chart shows the performance of the Underlying Index and the Fund over the last 14 years from 01/01/2011.



Source: Bloomberg/BlackRock Asset Management Deutschland AG

Past performance of the Fund is not a predictor of the Fund's future performance.

The past performance presented above is in relation to the Fund under its old name and in relation to the replication of its previous underlying index, the STOXX® Europe 50 index.

15. Risk warnings

Before taking a decision on the purchase of units in the Fund, investors should read the following risk warnings along with the other information contained in this Sales Prospectus carefully and take this into account when making their investment decision. The occurrence of one or more of these risks taken by itself or together with other circumstances may adversely affect the performance of the Fund or the assets held in the Fund and thus also adversely affect the unit value.

If the investor sells units in the Fund at a point in time at which the value of the assets owned by the Fund has decreased in relation to the purchase price, the investor may receive only part of the capital invested in the Fund or none of it. The investor could even lose part or, in some cases, all of the capital invested in the Fund. No guarantee can be given that the Fund will increase in value. However, investor risk is limited to the amount invested. The investor will not be required to make any payments beyond the capital invested.

In addition to the risks and uncertainties described below or elsewhere in this Sales Prospectus, the Fund's performance may be adversely affected by various other risks and uncertainties that are not presently known. The order in which the following risks are listed is not a statement about the probability of occurrence nor the extent or significance of the occurrence of individual risks.

15.1. General risks of investment in the Fund

The risks below may adversely affect the unit value, the capital invested by the investor, and the length of time the investor planned to hold the investment in the Fund.

15.1.1. Fluctuation of the unit value of the Fund

The net asset value is calculated on the basis of the value of the Fund divided by the number of units in circulation. The value of the fund corresponds to the sum of the market values of all assets in the Fund less the sum of the market values of all of the Fund's liabilities. The net asset value is therefore dependent on the value of the assets held in the Fund and the amount of the Fund's liabilities. If the value of these assets falls or the value of the liabilities increases, the Fund's unit value decreases.

15.1.2. The influence of tax aspects on individual performance

The tax treatment of capital gains depends on the individual circumstances of each investor and may be subject to changes in the future. Investors should contact their personal tax advisor if they have specific questions, especially regarding their individual tax situation.

15.1.3. Changes to the Investment Conditions

The Company is entitled to amend the Investment Conditions with the approval of BaFin. This may also affect the rights of the investor. For example,

the Company may change the investment policy by amending the Investment Conditions or it can increase the expenses to be borne by the Fund.

15.1.4. Suspension of redemption

The Company may temporarily suspend the redemption of units in exceptional circumstances when suspension appears necessary to protect the interests of the investors. Exceptional circumstances in this context could be economic or political crises, an unusually high number of redemption requests and the closure of the stock exchanges or markets, trading restrictions or other factors that affect the determination of the share value. BaFin may also order the Company to suspend the redemption of units if this is required to protect the interests of investors or the public. This increases the risk that the investors may not be able to liquidate their units at the time they wish to because of limited redemption opportunities. The unit price may also fall in the event of the suspension of redemptions; e.g. if the company is forced to sell assets below market value during the suspension of redemptions. This unit price after unit redemptions are resumed may be lower than the price before suspension of redemption. Suspension may be directly followed by the liquidation of the Fund without renewed resumption of unit redemption, e.g. if the Company terminates the management of the Fund in order to liquidate it. For investors, there is therefore the risk that their planned holding period may not be realised and that significant parts of the invested capital may be unavailable to them for an indefinite period or may be entirely lost.

15.1.5. Liquidation of the Fund

The Company has the right to terminate the management of the Fund. The Company may fully liquidate the Fund after terminating the management. The right of disposal of the Fund is transferred to the Custodian Bank after a notice period of six months. For the investor, this entails the risk that the holding period planned by the investor will not be realised. In the transition of the Fund to the Custodian Bank the Fund may be charged other taxes than German income taxes. When units are derecognised from the account of the investor after the liquidation process, the investor may be charged income taxes.

15.1.6. Merger

The Company may transfer all assets of the Fund to another UCITS. In this event, investors may (i) return their units, (ii) retain their units, with the result that they become investors of the receiving UCITS, (iii) or exchange their units for units of another open-end mutual investment fund with comparable investment principles, provided that the Company or a company affiliated with it administers such funds with comparable investment principles. This also applies when the Company transfers all of the assets of another investment fund to the Fund. Investors are thus required to make another investment decision prior to the transfer. Income taxes may apply when units are redeemed. When units are exchanged for units of another investment fund with comparable investment principles, investors may be charged taxes, such as when the value of the units received is higher than the value of the old units on the date of acquisition.

15.1.7. Transfer to another investment management company

The Company may transfer the Fund to another investment management company. In this case, the Fund remains unchanged as does the position of the investors. Investors must, however, decide in the context of the transfer whether they consider the new investment management company to be as suitable as the previous one. If they no longer wish to remain invested in the Fund under the new management, they must redeem their units. This may incur income taxes.

15.1.8. Profitability and meeting the investment objectives

It cannot be guaranteed that the performance desired by the investor will be achieved. The unit value of the fund may fall and result in losses for the investor. No guarantees are made by the Company or third parties regarding a specific minimum payment commitment upon redemption or a specific performance of the Fund. Investors may, therefore, receive back less than they originally invested. An issue premium levied when units are acquired may reduce or completely offset performance gains, particularly on short-term investments.

15.1.9. Specific risks of securities index UCITS

If the Underlying Index decreases in value, investors are fully exposed to the risk of falling market prices of their units. The Company will not use hedging transactions to limit losses (no active management).

Temporary unavailability of certain equities on the market or other exceptional circumstances may lead to a deviation from the exact index performance. Furthermore, the Fund incurs transaction costs and other costs, fees or taxes and duties when tracking the Underlying Index, which are not reflected in calculating the index. As a result, the Fund may not be able to replicate completely the performance of the Underlying Index. Exceptional circumstances also include restrictions on buying and selling related to compliance with statutory limits resulting from membership of the BlackRock Group. Furthermore, the composition of the Underlying Index may change over time. There is no guarantee that the Underlying Index will continue to be calculated and published on the basis described in this Sales Prospectus or that no material changes will be made to it.

Although the Fund aims to match the performance of the Underlying Index, it cannot be guaranteed that the Fund will achieve an exact match. The Fund may be exposed to the risk of a tracking error, which is the risk that the return may differ slightly from that of the Underlying Index. This tracking error emerges if it is not possible to match the exact composition of the Underlying Index, for example if local market trading restrictions exist, if smaller components are illiquid, if the trade in certain securities that form part of the Underlying Index is temporarily unavailable or interrupted, and/or if legal requirements restrict the acquisition of certain components of the Underlying Index. In addition, the Company is dependent on the Licen-

sor licensing the Index for the purposes of using and replicating the Underlying Index. If the Licensor ends or alters an index licence, this will impact the Fund's ability to continue using and replicating the Underlying Index and to achieve its investment objective. Regardless of the market conditions, the Fund aims to replicate the performance of the Underlying Index, however the Fund does not aim to exceed the Underlying Index.

It cannot be guaranteed that the Licensor structures the Underlying Index correctly or that the Underlying Index is accurately determined, composed or calculated. Although the Licensor provides descriptions of what the Underlying Index aims to achieve, it provides neither guarantee nor liability for the quality, accuracy or completeness of the data that forms the basis of the Underlying Index, nor does it guarantee that the Underlying Index will follow the Index Methodology described. The Company's task as set out in this Sales Prospectus is to manage the Fund in line with the relevant Underling Index made available to the Company. Therefore, the Company assumes no warranty or guarantee for error of the Licensor. Errors may occasionally be made with regard to the quality, accuracy and completeness of the data. These may not be noticed or corrected for a certain period of time, particularly if the indices concerned are less frequently used. Therefore, the gains, losses or costs connected with errors by the Licensor are to be borne by the Fund and its unitholders. Thus, for example, a period in which the Underlying Index contained incorrect components, the Fund, which replicates this published Underlying Index, would hold a market risk position in these components, and a lower marketing risk position in the components that the Underlying Index should contain. Errors may therefore have positive or negative impacts on the performance of the Fund and on its unitholders. Unitholders should be fully aware that all gains from errors of the Licensor are retained by the Fund and its unitholders and that all losses from errors of the Licensor are borne by the Fund and its unitholders.

In addition to planned reweightings and reconstitutions, the Licensor can also carry out additional ad hoc reweightings and reconstitutions of the Underlying Index in order, for example, to correct an error in the selection of the index components. If the Underlying Index is reweighted and reconstituted and the Fund reweights and reconstitutes its portfolio in order to replicate the Underlying Index, any transaction costs arising from the reweighting and reconstituting of the portfolio (including capital gains tax and transaction taxes) and any market risk positions are borne directly by the Fund and its unitholders. Unplanned reweightings and reconstitutions of the Underlying Index may also mean that the Fund is exposed to the risk of a tracking error. Errors in the Underlying Index and additional ad hoc reweightings and reconstitutions carried out to the Underlying Index by the Licensor may therefore increase the costs and the market risk of the Fund.

15.2. Risk of negative price performance (market risk)

The risks below may have a negative effect on the performance of the Fund or the assets held in the Fund and thus also adversely affect the unit value and investors' return on invested capital.

15.2.1. Risk of change in value

The assets in which the Company invests on behalf of the Fund are subject to risks. Losses may be incurred if the market value of the assets decreases in relation to the purchase price, or spot and forward prices development differently.

15.2.2. Capital market risk

The price or market value performance of financial products is especially dependent on the performance of the capital markets, which in turn are influenced by the general state of the global economy and by the economic and political conditions in the respective countries. Irrational factors such as sentiment, opinions and rumours have an effect on general price performance, particularly on a stock exchange. Fluctuations in prices and market values may also be due to changes in interest rates, exchange rates or the credit quality of an issuer.

15.2.3. Risk of price changes in equities

Equities are usually subject to strong price fluctuations and thus the risk of price declines. These fluctuations are particularly influenced by the development of the profits of the issuing company as well as the developments in the industry and the overall economic development. The confidence of market participants in a company may also affect the price performance. This is especially true for companies whose shares are admitted only for a shorter period on the stock exchange or other regulated markets; for such shares even slight changes in forecasts may lead to strong price movements. If the portion of freely tradable shares owned by many shareholders (so-called free float) is low, even smaller buy and sell orders of this share can have a major impact on the market price and thus lead to higher price fluctuations.

15.2.4. Risk of changes in interest rates

Investing in fixed-rate securities is associated with the possibility that market interest rates at the time a security is issued may change. If market interest rates rise in comparison with the interest rates at the time of issue, the prices of fixed-rate securities will generally fall. Conversely, if market interest rates fall, the price of fixed-income securities will rise. This price trend means that the current return on a fixed-income security is roughly equivalent to the current market interest rate. The price fluctuations vary significantly, however, depending on the (residual) maturity of the fixed-income securities. Fixed-income securities with shorter maturities generally have lower price risks than fixed-income securities with longer maturities. However, fixed-income securities with shorter maturities generally have lower returns in comparison with fixed-income securities with longer maturities. Money market instruments tend to have lower price risks due to their short maturity not exceeding 397 days. In addition, the interest rates of different interest-rate related financial instruments with similar residual maturities and which are denominated in the same currency may develop differently.

15.2.5. Risk of negative interest on deposits

The Company invests the liquid assets of the Fund in the Custodian Bank or other banks on behalf of the Fund. In some cases, an interest rate is agreed for these deposits that is typically based on the

European Interbank Offered Rate (Euribor) less a certain margin. If the Euribor falls below the agreed margin, this will cause negative interest on the corresponding account. Depending on developments in the interest rate policy of the European Central Bank, short-, medium- and long-term bank deposits may have a negative interest.

15.2.6. Risks in connection with derivative transactions

The Company may enter into derivative transactions for the Fund. The purchase and sale of options and the conclusion of futures contracts or swaps is associated with the following risks:

- The use of derivatives could result in losses, which are not predictable and may even exceed the amounts employed for the derivative transaction.
- Price changes of the underlying instrument can reduce the value of an option right or futures contract. If the value decreases until the derivative becomes worthless, the Company may be forced to forfeit the acquired rights. The change in value of the asset underlying a swap may also lead to losses in the Fund.
- There may not be a liquid secondary market for a particular instrument at a given time. It may not be possible to economically neutralise (close) a position in derivatives in certain circumstances.
- The leverage effect of options can influence the value of the fund assets more strongly than is the case with a direct purchase of the underlying assets. The risk of loss cannot be determined when the transaction is concluded.
- The purchase of options is associated with the risk that the option is not exercised because the prices of the underlying assets do not develop as expected, causing the option premium paid by the Fund to be forfeited. The sale of options entails the risk that the Fund may be obligated to accept assets at a price higher than the current market price or deliver assets at a price lower than the current market price. The Fund will then incur a loss amounting to the price difference less the option premium received.
- Futures contracts entail the risk that the Company is required to pay the difference between the underlying price at closing and the market price at the time of settlement or maturity on behalf of the Fund. This would result in the Fund suffering losses. The risk of loss cannot be determined when the futures contract is concluded.
- The possible necessity of an offsetting transaction (settlement) is associated with costs.
- The Company's forecasts of the future performance of underlying assets, interest rates, exchange rates and foreign exchange markets may prove to be incorrect.
- It may not be possible to buy or sell the assets underlying the derivatives at a favourable time or they may have to be bought or sold at an unfavourable time.

Over-the-counter (OTC) transactions can involve the following risks:

- A regulated market may not existing, making it difficult or impossible for the Company to sell financial instruments acquired on the OTC market on behalf of the Fund.
- The individual agreement may make it difficult or impossible to conclude an offsetting transaction (settlement) or considerable costs may be associated with such settlement.

15.2.7. Risk of price changes of convertible bonds and bonds with warrants

Convertible bonds and bonds with warrants represent the right to convert the bond into shares or to acquire shares. The development of the value of convertible bonds and bonds with warrants is therefore dependent on the performance of the underlying shares. The risks associated with the performance of the underlying shares may therefore also affect the performance of convertible bonds and bonds with warrants. Bonds with warrants, which give the issuer the right to grant the investor a fixed number of shares in lieu of repayment of the nominal amount (*reverse convertibles*), are dependent to a considerable extent on the corresponding share price.

15.2.8. Risks associated with the receipt of collateral

The Company receives collateral for derivative transactions. Derivatives may increase in value. In this case, the collateral received might be insufficient to cover the full amount of the delivery or retransfer claims of the Company against to the counterparty.

The Company may invest cash collateral in blocked accounts, high-quality government bonds or in money market funds with short maturity structures. However, the bank at which the accounts are kept may fail. Government bonds or money market funds may decline in value. When the transaction is concluded, the full amount of the collateral provided might no longer be available, but the Company is still required to repay it at its original amount for the Fund. The Fund would then have to bear the losses sustained from the collateral.

15.2.9. Inflation risk

All assets are subject to devaluation through inflation. This applies to the assets held in the Fund. The inflation rate may be higher than the increase in value of the Fund.

15.2.10. Currency risk

The Fund's assets may be invested in currencies other than the fund currency. The Fund receives income, repayments and proceeds from such investments in the respective currency. If the value of this currency falls in relation to the fund currency, this reduces the value of such investments and thus the value of the Fund's assets.

15.2.11. Concentration risk

The Underlying Index of the Fund concentrates investments on a particular regional market. This makes the Fund exclusively dependent on the performance of this regional market, and not on the overall market.

15.2.12. Risks associated with investing in investment units

The risks of investment units that are acquired for the Fund (called target funds), are closely related

to the risks of the assets contained in these funds or the investment strategies they pursue. However, as the managers of the individual target funds act independently of each other, it may also happen that several target funds have the same or opposite investment strategies. This may result in the accumulation of existing risks, and any opportunities might be offset. It is generally not possible for the Company to control the management of the target funds. Their investment decisions do not necessarily have to correspond with the assumptions or expectations of the Company. The Company will often not be promptly informed of the current composition of the target funds. If the composition does not correspond to its assumptions or expectations, it may react only with a considerable delay by returning target fund units.

Furthermore, target funds could temporarily suspend the redemption of units. If this happens, the Company is prevented from selling its units in the target fund by returning them to the Management Company or Custodian Bank of the target fund in exchange for the payment of the redemption price.

15.2.13. Risks arising from the investment spectrum

With respect to the investment principles and limits stipulated by law and by the Investment Conditions, which provide for a relatively wide investment range for the Fund, the actual investment strategy may be focused primarily on acquiring assets in e.g. only a few industries, markets or regions/countries. This focus on a few specific investment sectors may be associated with risks (e.g. narrow market, high degree of fluctuation in certain economic cycles). The annual report provides retrospective information about the investment strategy for the previous reporting year.

15.2.14. Risks related to investments in Depository Receipts

ADRs and GDRs are designed to offer exposure to their underlying securities.

In certain situations, the Company may use ADRs and GDRs to provide exposure to underlying securities within the Underlying Index, for example where the underlying securities cannot be, or are unsuitable to be, held directly, where direct access to the underlying securities is restricted or limited or where depository receipts provide a more cost or tax efficient exposure. However, in such cases the Company is unable to guarantee that a similar outcome will be achieved to that if it were possible to hold the securities directly, due to the fact ADRs and GDRs do not always perform in line with the underlying security.

In the event of the suspension or closure of a market(s) on which the underlying securities are traded, there is a risk that the value of the ADR or GDR will not closely reflect the value of the relevant underlying securities. Additionally, there may be some circumstances where the Company cannot, or it is not appropriate to, invest in an ADR or GDR, or the characteristics of the ADR or GDR do not exactly reflect the underlying security.

In the event that the Fund invests in depository receipts not contained in the Underlying Index for the reasons set out above, the Fund's tracking of the Underlying Index may be impacted, i.e. there is a risk that the Fund's return varies from the return of the Underlying Index.

15.3. Risks of restricted or increased liquidity of the Fund (liquidity risk)

The risks below may adversely affect the liquidity of the Fund. This could result in the Fund being temporarily or permanently unable to meet its payment obligations or in the Company temporarily or permanently being unable to fulfil redemption requests from investors. Investors might not be able to meet their planned holding period and the invested capital or part thereof might be unavailable to them for an indefinite period. If liquidity risks occur, the value of the Fund assets and thus the unit value could decline, for example, if the company is forced, where legally permissible, to sell assets for the Fund below market value. If the Company is not able to fulfil investors' redemption requests, this may also lead to suspension of redemption and, in extreme cases, to the subsequent liquidation of the Fund.

15.3.1. Risk arising from investing in assets

Assets which are not admitted for official trading on a stock exchange or listed on another regulated market may also be acquired for the Fund. It cannot be guaranteed that these assets can be resold without a discount or delay or that they cannot be resold at all. Depending on the market situation, the volume, the timing and budgeted costs, it may only be possible to sell even assets admitted to the stock market at heavy discounts or it may not be possible to sell them at all. Although only assets which can in principle be liquidated at any time may be acquired for the Fund, it cannot be ruled out that it might only be possible, temporarily or permanently, to sell them at a loss.

15.3.2. Risk through borrowing

The Company may take out loans on behalf of the Fund in accordance with Point 12 "Borrowing". In addition loans with variable interest rates can have a negative effect on the Fund assets if interest rates rise. If the Company is required to repay a loan and cannot do so through follow-up financing or using the liquidity available to the Fund, it may be forced to realise assets prematurely or in less favourable conditions than intended.

15.3.3. Risks posed by increased redemptions or subscriptions

Subscriptions and redemptions made by investors entering and exiting the Fund result in the increased or decreased liquidity of the Fund's assets. The inflows and outflows can lead to a net inflow or net outflow of the Fund's liquid assets. This net inflow or outflow may cause the Fund Manager to buy or sell assets, which involves transaction costs. This is especially true when the inflows or outflows result in the liquid assets exceeding or falling below the ratio established by the Company for the Fund. The resulting additional transaction costs are charged to the Fund and may adversely affect the performance of the Fund.

15.3.4. Risk associated with holidays in certain regions/countries

Depending on the investment strategy, investments for the Fund may be made particularly in

certain regions/countries. Local holidays in these regions/countries may cause divergences between the trading days on stock exchanges in these regions/countries and the Fund's valuation dates. On a day that is not a valuation date, the Fund might not react to market developments in the regions/countries on the same day, or on a valuation date that is not a trading day in these regions/countries, it might not trade on the market there. This may prevent the Fund from realising assets in the required time. This may adversely affect the ability of the Fund to fulfil redemption requests or meet other payment obligations.

15.4. Counterparty risks including credit and collection risk

The risks below may have a negative effect on the performance of the Fund and thus also adversely affect the unit value and investors' return on invested capital. If the investor sells units in the Fund at a point in time at which a counterparty or central counterparty has defaulted, thus negatively affecting the value of the Fund's assets, the investor may receive only part of the capital invested in the Fund or none of it.

15.4.1. Risk of settlement default/counterparty risk (except central counterparties)

The default of an issuer or of a contracting party (counterparty) against which the Fund has claims may result in losses for the Fund. Issuer risk describes the effect of the particular developments concerning an issuer which, in addition to the general trends on the capital markets, have an effect on the price of a security. Even if securities are carefully selected, losses may result if issuers become insolvent. The party to an agreement concluded on behalf of the Fund may default partially or completely (counterparty risk). This applies to all agreements that are entered into on behalf of the Fund.

15.4.2. Risk arising from central counterparties

A central counterparty (CCP) acts as an intermediary institution in certain transactions for the Fund, particularly in transactions involving derivative financial instruments. In this case, it acts as a buyer to the seller and the seller to the buyer. A CCP hedges against the risk that its business partners may not be able to provide the agreed services through a series of protection mechanisms that enable it at any time to offset losses from the transactions entered into (e.g. through collateralisation). Despite these protections, the possibility that a CCP may itself become overindebted and fail cannot be ruled out, which could also affect the claims of the Company for the Fund. This can result in losses to the Fund.

15.5. Operational and other risks of the Fund

The risks below may have a negative effect on the performance of the Fund and thus also adversely affect the unit value and investors' return on invested capital.

15.5.1. Risks posed by criminal actions, irregularities or natural disasters

The Fund may become a victim of fraud or other criminal acts. It may suffer losses due to errors by employees of the Company or third parties or be damaged by external events such as natural disasters or pandemics.

15.5.2. Country or transfer risk

There is the risk that, in spite of the ability to pay, a foreign debtor cannot make payments when due or at all or only in another currency because the country in which his registered offices are located lacks the ability to make transfers or the willingness to make transfers, or for similar reasons. For example, payments to which the Company has a claim on behalf of the Fund might not be made at all or might be made in a currency that is not (or is no longer) convertible owing to currency restrictions, or might be made in another currency. If the debtor pays in another currency, this position is subject to the currency risk presented above.

15.5.3. Legal and political risks

Investments may be made on behalf of the Fund in jurisdictions in which German law does not apply, or in case of dispute, the place of jurisdiction is outside Germany. Any resulting rights and obligations of the Company for the account of the Fund may differ from those in Germany to disadvantage of the Fund or the investor. The Company may recognise political or legal developments, including the amendments to the legal framework, in these jurisdictions too late or not at all, or they may lead to restrictions on assets that can be purchased or that have already been purchased. These consequences may also arise when the legal framework for the Company and/or the management of the Fund in Germany changes.

15.5.4. Change in the tax environment

The summary of tax regulations in this Sales Prospectus is based on current knowledge of the legal situation. The information is directed towards individuals who have unlimited liability for income tax or corporation tax in Germany. However, we accept no responsibility for any changes in tax treatment as a result of legislative or judicial actions or decrees issued by the tax authorities.

The Company (or its representative) may file claims on behalf of the Fund to recover withholding tax on dividend and interest income (if any) received from issuers in certain countries. Whether or when the Fund will receive a withholding tax refund in the future is within the control of the tax authorities in such countries. Where the Company expects to recover withholding tax for the Fund based on a continuous assessment of probability of recovery, the net asset value of that Fund generally includes accruals for such tax refunds. The Company continues to evaluate tax developments for potential impact to the probability of recovery for the Fund. If the likelihood of receiving refunds materially decreases, for example due to a change in tax regulation or approach, accruals in the Fund's net asset value for such refunds may need to be written down partially or in full, which will adversely affect the Fund's net asset value. Investors in the Fund at the time an accrual is written down will bear the impact of any resulting reduction in net asset value regardless of whether they

were investors during the accrual period. Conversely, if the Fund receives a tax refund that has not been previously accrued, investors in the Fund at the time the claim is successful will benefit from any resulting increase in the Fund's net asset value. Investors who sold their units prior to such time will not benefit from such net asset value increase.

15.5.5. **FATCA and other international reporting systems**

Investors should also read the information in the section "FATCA and other international reporting systems" under Point 30.9, particularly in relation to the consequences if the Company does not meet the conditions of such reporting systems.

15.5.6. **Key personnel risk**

If the Fund's investments perform very well over a certain period of time, this success may be partly due to the aptitude of the traders and so to the correct decisions of its management. However, the composition of the Fund's management may change. New decision-makers may be less successful in their activities.

15.5.7. **Custodial risk**

When assets are held in custody, especially in foreign countries, there is a risk of loss resulting from the insolvency, or violation of due diligence by the Custodian or force majeure.

15.5.8. **Risks of trading and clearing mechanisms (settlement risk)**

In the settlement of securities transactions there is the risk that one of the parties fails to pay on time or in accordance with the agreement or does not deliver the securities on time. This settlement risk also exists when trading in other assets for the Fund.

15.5.9. **Risk of investment restrictions**

As a result of the investments of the BlackRock Group, the possible investment strategies of the Fund may be subject to investment restrictions. In this connection, the investments of the BlackRock Group are also considered to be investments on behalf of accounts managed by the BlackRock Group.

For example, there may be overall investment limits that may not be exceeded arising from the definition under corporate or supervisory law of the ownership of regulated companies in regulated markets.

Violation of these investment limits without the issue of a corresponding authorisation or other regulatory or corporate approval may have disadvantages or transaction restrictions for the BlackRock Group and the Fund.

Reaching any such overall investment limits may have as a result that the Fund will no longer be in a position, for regulatory or other reasons, to make or sell investments or to exercise the rights of such investments.

In view of possible regulatory restrictions of ownership rights or other restrictions that result from reaching the investment limits, the Company is therefore entitled to restrict the acquisition of investments, the disposal of existing investments or the exercise of rights (including voting rights) in any other way.

15.5.10. **Sustainability risks**

BlackRock defines sustainability risk as an investment risk (probability or uncertainty of occurrence of material losses relative to the expected return of an investment) that arises from environmental, social and/or governance issues. In this assessment, BlackRock focuses on the investment risks that are financially material to the fund. The definition of sustainability risks is not intended to capture the risk that a fund with sustainable characteristics or objectives fails to meet its sustainable commitments.

As with other investment risks and opportunities, the financial materiality of sustainability risks may vary by issuer, sector, product, mandate, and time horizon. See the BlackRock SFDR Sustainability Risk Statement for further information at https://www.blackrock.com/corporate/literature/continuous-disclosure-and-important-information/sfdr-sustainability-risk-statement.pdf.

The outcome of the sustainability risk assessment outlined below is an assessment at the Fund level with no reference to the Underlying Index. This is designed to give clients an indication of the total level of sustainability risk they may be exposed to when investing in the Fund. It is not intended to represent how sustainability risk is managed within our investment processes, as risk is managed within the objective of the Fund and typically assessed relative to the Underlying Index. Like other investment risks, the ability to manage sustainability risk depends on the fund chosen. If a client chooses a product with limited investment discretion - such as an index replicating portfolio - the ability to manage or control the sustainability risk present in the fund will be constrained.

Whilst the impact of sustainability risks may differ from fund to fund, as noted in the risk factors above, Fund may be subject to some aspects of sustainability risk, given sustainability risk may manifest itself through existing other risk types (including, but not limited to, market, liquidity, concentration, credit, asset-liability mismatches etc.).

Sustainability risk may be reflected in two ways:

1. The Fund's potential exposure to a sustainability risk event and
2. The potential financial impact to the Fund's performance should such a sustainability risk event or factor occur.

In assessing the potential impact of sustainability risk, these aspects are considered against the fund characteristics as listed below. Exposure and impact are assessed across a 5-year (or less) time horizon as aligned with the investment horizon of the majority of BlackRock funds.

- Fund Geographical Focus: The geographic location of underlying investments may impact the extent to which the Fund is exposed to and impacted by a sustainability risk event or factor. Certain conditions in a geographic location such as the local climate, regulatory environment, economic diversification or level of infrastructure may impact the extent to which the Fund is exposed to either the physical impacts of climate change, the risks related to the

transition to a lower carbon economy or social and governance risks.

- Fund liquidity: funds with lower liquidity may be less able to exit positions impacted by sustainability risks and are therefore both more exposed to sustainability risk events and more likely to be financially impacted by a sustainability risk event if it occurs.

- Fund Sector Allocation: Certain sectors are likely to be more exposed to the impacts of sustainability risks. As a result, issuers in such sectors may require significant business model transformation or face decreased demand for their goods or services. These effects could be positive or negative depending on company positioning for the future, current economic activities and ability to manage change. Funds with higher allocation to such sectors, for example, the energy sector, are expected to have higher exposure to sustainability-related risks and also expect a higher impact on financial performance should a sustainability risk event occur. Funds that have lower exposure to these sections are expected to have a lower exposure to sustainability-related risks and are expected to experience a lower impact on financial performance should a sustainability risk event occur.

- Product design: Funds with explicit aims to consider environmental or social characteristics, or with explicit sustainability objectives, adopt investment strategies which drive greater exposure to sustainability related themes and therefore have a higher exposure to sustainability risk event. As these funds have greater exposure to sustainability related themes, they can expect a higher financial performance impact should a sustainability risk event occur.

BlackRock classifies each of the above factors and aggregates the factor assessments to a fund-by-fund overall classification of "material" or "not material". As at the date of this prospectus, the Fund has been classified as falling into the "not material" category from a sustainability risk perspective.

While index providers do provide descriptions of what each Underlying Index is designed to achieve, index providers do not generally provide any warranty or accept any liability in relation to the quality, accuracy or completeness of data in respect of their benchmark indices or in their index methodology documents, nor any guarantee that the published indices will be in line with their described benchmark index methodologies. Errors in respect of the quality, accuracy and completeness of the data may occur from time to time and may not be identified and corrected for a period of time, in particular where the indices are less commonly used

16. Explanation of the risk profile of the Fund

The risk profile is based on a return and risk scale of 1 to 7, where 1 indicates a fairly low risk, but also typically lower returns, and 7 indicates a fairly high risk, but also typically higher returns.

The Fund is currently in category 4 because of the nature of its investments, which include the risks listed below.

The indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk category shown is not guaranteed and may change over time. The relevant current categorisation can be found in the Key Information Document. The lowest category cannot be equated with a risk-free investment. These factors may affect the value of investments or result in losses.

The investment risk is concentrated in specific sectors, countries, currencies or companies. Consequently, the Fund is more sensitive to localised economic, market, political, sustainability-related or regulatory events.

The value of equities and equity-related securities may be adversely affected by daily price movements on the stock exchanges. Other influencing factors include political and economic news, corporate earnings and significant corporate events.

Specific risks that are not captured in an appropriate manner by the risk indicator include counterparty risk.

17. Profile of a typical investor

The Fund is aimed at all types of investors seeking to improve or optimise their assets. The investor must be willing and able to accept significant fluctuations in the value of the units and the possibility of a significant loss of capital. The Fund is suitable for medium- and long-term investment, though the Fund may also be suitable for shorter term exposure to the Underlying Index.

18. Units

The rights of investors are documented exclusively in global certificates. These global certificates are stored in a central securities depository. No claim can be made by an investor for the delivery of individual unit certificates. The acquisition of units is only possible in conjunction with depository custody. The units are bearer fund units and certify the claims of the owner vis-à-vis the Company.

19. Issue and redemption of units

19.1. **Issue of units**

In principle, the number of units issued is not restricted. Units may be acquired from the Designated Sponsors. Units are issued by the Custodian Bank at the issue price, which corresponds to the net asset value per unit plus any issue premium due. The calculation of the net asset value is explained in the section entitled "Issue and redemption prices". The Company reserves the right to temporarily suspend or terminate the issue of units.

When purchasing units directly through the Company or the Custodian Bank – i.e. on the primary market – the issue premiums stipulated in "Overview of existing unit classes" immediately preceding the "General Investment Conditions" are charged.

19.2. **Redemption of units**

Investors may demand the redemption of their units on any exchange trading day. Redemption orders must be submitted to the Custodian Bank, the Company or to an intermediary third party (e.g. the custodian). The Company is obliged to redeem the units at the currently valid redemption price that corresponds to the unit value calculated on this day less a redemption fee, if applicable. Additional charges may be incurred when units are redeemed via a third party (e.g. the custodian).

Units repurchased by an investor are redeemed for cash. The payment is subject to the condition that investors have previously undergone all necessary checks to establish their identity and prevent money laundering. Redemptions in return for contributions in kind may be offered at the discretion of the Company upon request from an investor.

Repurchase orders are executed by the deadline for trading requests on the trading day on which the units are returned to the Transfer Agent's account, after deduction of all applicable charges and fees and other reasonable administrative expenses, provided that the completed redemption order has also been received.

When selling units directly to the Company or the Custodian Bank – i.e. on the primary market – the redemption fees stipulated in "Overview of existing unit classes" immediately preceding the "General Investment Conditions" are charged.

19.3. **Settlement of issue and redemption of units**

The Company respects the principle of the equal treatment of investors by guaranteeing that no investor can create advantages for itself by purchasing or selling investments in the funds of the company at already known unit values. It therefore sets a daily order acceptance deadline. In principle, purchase and redemption orders received by the order acceptance deadline set by the Company or the Custodian Bank will be settled at the issue or redemption price announced on the following trading day. Orders received by the Custodian Bank or the Company after the deadline are settled on the following valuation day as described in Sentence 2 at the unit value calculated on that day. The order acceptance deadline for this Fund is published on the Company's website at www.ishares.de. The Company may change the deadline at any time.

In addition, third parties, such as the Custodian Bank of the investor, may act as brokers in the issue and redemption of units. This can lead to longer settlement times. The Company has no control over the various settlement methods of the custodians.

19.4. **Suspension of redemption of units**

The Company may temporarily suspend the redemption of units in exceptional circumstances when suspension appears necessary to protect the interests of the investors. Exceptional circumstances include, for example, if there is an unscheduled closing of a stock exchange on which a significant portion of the securities of the Fund is traded or if the assets of the Fund cannot be valued. BaFin may also order the Company to suspend the redemption of units if this is required to protect the interests of investors or the public.

The Company reserves the right to redeem or exchange the units at the current price only after it has promptly sold assets held by the Fund with due consideration of the interests of all investors. A temporary suspension may be directly followed by the liquidation of the Fund without renewed resumption of redemption of units (see Section "Liquidation, transfer and merger of the Fund" for further details).

The Company shall inform investors of the suspension and resumption of redemption of units through publication in the Bundesanzeiger and on the Internet at www.iShares.de. Information will also be provided to investors by their Custodians via a durable medium, such as hard copy or electronically.

20. Liquidity management

1. The Company has established written policies and procedures for the Fund that enable it to monitor the liquidity risk of the Fund and to ensure that the liquidity profile of the Fund's investments covers the Fund's underlying liabilities. The policies and procedures are as follows:
   a) The Company monitors the liquidity risks which may arise at the level of the Fund or the assets. In doing so, it assesses the liquidity of the assets held in the Fund in relation to the Fund assets. The liquidity assessment includes an analysis of the trading volume, the complexity of the asset and the number of trading days that are required to dispose of the asset. The Company also monitors investments in target funds and their redemption policies and the resulting potential impact on the liquidity of the Fund.
   b) The Company monitors the liquidity risks that may arise due to increased redemption requests by investors.

   The Company reviews these policies periodically and updates them accordingly.
2. The Company regularly (at least annually) conducts stress tests with which they can assess the liquidity risk of the Fund. The Company conducts the stress tests on the basis of reliable and current quantitative or, if this is not adequate, qualitative information. If appropriate, the stress tests simulate a lack of liquidity of the assets in the Fund. They cover market risks and their effects. The take into account valuation sensitivities under stress conditions. They are carried out taking into account the investment strategy and the liquidity profile of the assets at the frequency appropriate to the type of fund.
3. The return rights both in normal and exceptional circumstances as well as the suspension of redemption are shown in the section "Units - Issue and redemption of units - Suspension of redemption of units". The risks associated herewith are described under" Risk Factors–

General risks of investment in the Fund – Suspension of redemption" and under "Risks of restricted or increased liquidity of the Fund (liquidity risk)".

21. Exchanges and markets

21.1. General information

The units of the Fund are admitted for trading on the following stock exchanges:

Frankfurt Stock Exchange

Deutsche Börse AG

Börsenplatz 4

60485 Frankfurt/Main, Germany

Telephone: +49 (0) 69 - 211 - 0

Fax: +49 (0) 69 - 211 - 12005

BX Swiss

BX Swiss AG

Talstrasse 70

8001 Zurich, Switzerland

Telephone: +41 (0) 31 - 329 - 4040

The possibility of units being traded on other markets cannot be excluded.

21.2. Function of the Designated Sponsors

The Designated Sponsors, also known as Market Makers or Permanent Liquidity Providers, ensure sufficient liquidity for both buyers and sellers. A Designated Sponsor provides a purchase (bid) price and a sales (ask) price at which investors can purchase or sell fund units at any time.

21.3. Description of the Authorised Participants

The Authorised Participant is a market maker, Designated Sponsor or market participant or broker which is registered with the Company as an authorised participant and therefore able to subscribe directly to, or redeem directly from, the Company for Fund units (i.e. the Primary Market).

21.4. Risks of exchange trading

The obligation of the Designated Sponsors to maintain liquidity is limited to certain volumes (minimum quotation volumes) at maximum spreads. The minimum quotation periods of bid and offer prices do not usually extend to the entire effective trading period. This may lead to a brief interruption in the setting of the price. This can result in the execution of orders that do not meet the quality criteria established for that stock exchange.

21.5. Dealing in units on the secondary market

Units may be purchased or sold by all investors on the secondary market either via a recognised stock exchange in which the units are admitted for trading, or over the counter.

Fund units will be listed on one or more recognised stock exchanges. Units are listed on recognised stock exchanges with a view to allowing investors to buy and sell units on the secondary market in any amount above a minimum of one unit. This is usually done through a broker/dealer. Market makers (who may be, but are not required to be, Authorised Participants) will provide liquidity and bid and offer prices in accordance with the requirements of the relevant recognised stock exchange in order to encourage the trading of units on the secondary market.

All investors seeking to buy or sell units in a fund on the secondary market should submit their orders through their respective broker. Orders for the purchase of units on the secondary market via the recognised stock exchanges or over the counter may incur brokerage and/or other costs that are not charged by the Company and over which the Company has no control. Information about such fees is publicly available or may be requested from stock brokers via the recognised stock exchanges on which the units are listed.

No issue premiums or redemption fees apply to units purchased or sold on an exchange - i.e. in secondary market trade. The price of units traded on the secondary market is determined by the market and the prevailing economic conditions that may affect the value of the underlying assets. The market price of a unit listed or traded on a stock exchange may not reflect the net asset value per unit of a Fund.

The secondary market trading schedule depends on the rules of the stock exchange on which the units are traded or on the terms and conditions of the respective over-the-counter transaction. Further information on the applicable trading schedule, is available from specialist advisors or brokers.

Investors may redeem their units through an Authorised Participant by selling their units (directly or via a broker) to the Authorised Participant.

Investors requesting a repurchase of their units may be subject to taxes, including withholding taxes or transaction taxes, where applicable. It is therefore recommended that investors seek professional advice prior to requesting redemption with regard to the tax implications of the redemption under the law of the country in which they may be subject to taxation.

Investors may also redeem their units directly through the Company or the Custodian Bank i.e. on the primary market (see Section 19.2 "Redemption of units" for further details).

22. Portfolio transparency strategy and indicative net asset value

22.1. Portfolio transparency strategy

Investors and prospective investors can view a list of the securities held by the Fund at the official iShares website (www.iShares.com). This is subject to any applicable restrictions under the license the Company has received from the licensor of the underlying index.

22.2. Indicative Net Asset Value

The indicative net asset value (iNAV®) is the net asset value of a fund calculated in real time (every 15 seconds) during trading hours. The values are intended to provide the investors and market participants a continuous indication of the value of a

fund. The values are usually calculated on the basis of an assessment of the actual fund portfolio using real-time prices from Tradeweb Markets LLC and other sources.

Tradeweb Markets LLC was appointed by the Company with determining and publishing the iNAV® values of the funds. iNAV® values are distributed via Tradeweb Markets LLC and are displayed on major market data vendor terminals and relevant exchanges as well as on a wide range of websites that display stock market data, including Refinitiv and Bloomberg. There are provisions for the Company to receive payments from the iNAV provider for its engagement in the development and enhancement of service levels.

The iNAV® does not correspond to the value of a unit or the price at which the unit can be subscribed or redeemed or bought or sold on an exchange, and must not be understood in this way. In particular, the iNAV® may be used for a fund in which the components of the underlying index or the investments are not actively traded during the period of publication of this iNAV®, may not correspond to the true value of the unit and may therefore be misleading, and should not be relied upon. The lack of provision of iNAV® during the trading period does not in itself result in the suspension of trading of the units on an exchange. Instead, the regulations of the exchange govern the suspension of trading. The calculation and publication of the iNAV® can include delays in obtaining the prices of the key components which are based on the same components of, for example, the underlying index or the assets themselves, the iNAV® of other exchange-traded funds with the same benchmark index or the same assets. Investors wishing to subscribe or sell units on an exchange should make their investment decisions not only on the basis of the iNAV® provided, but should also consider other market data, economic and other factors (possibly including information about the Underlying Index or the assets, the key components and financial instruments on which the Underlying Index is based or the assets that the Fund is permitted to acquire).

Tradeweb Markets LLC exercises reasonable care when sourcing data input and calculating the iNAV® in accordance with the methodologies disclosed on Tradeweb's website.

However, Tradeweb Markets LLC cannot and does not guarantee or represent that the iNAV® is always calculated free of errors or will be accurate. Tradeweb Markets LLC accepts no liability for any direct or indirect losses suffered, incurred or arising from any incorrect calculation of the iNAV® or from the use of the iNAV® by any person. The iNAV® are indicative values and should not be relied on or used by any person for anything other than as a simple indication of the possible value of a share at that time.

The applicable iNAV® calculation methodologies, changes to those methodologies, and decisions regarding the sources of data inputs to the iNAV®, are considered by Tradeweb Markets LLC with best practices and standards in mind. However, Tradeweb Markets LLC does not represent that any of the foregoing will remain consistent in its calculation of the iNAV® and for the avoidance of doubt, shall not be liable for any direct or indirect losses arising from any changes to or decisions made regarding the methodologies or sources of data inputs.

The iNAV® is not a recommendation for investment of whatever nature. In particular, the iNAV® shall not be construed as a recommendation to buy or sell: (i) individual securities, (ii) the constituent basket underlying a given iNAV® or exchange traded fund, or (iii) any exchange traded fund on Tradeweb Markets LLC or on any other relevant exchange or trading platform.

The Company and the Fund have no responsibility for the Refinitiv or Bloomberg websites or the dissemination of the various iNAV® on such websites and are not involved in any way in sponsoring, endorsing or otherwise involved in the establishment or maintenance of such websites or the contents thereof.

23. Issue and redemption prices and expenses

23.1. **Issue and redemption prices**

On each valuation day, the Custodian Bank shall determine the value of the assets of the Fund less liabilities (the net asset value) for the purpose of calculating the issue and redemption prices for the units.

The unit value is calculated by dividing the net asset value by the number of units in circulation.

The unit value is calculated separately for each unit class by allocating the costs of launching new unit classes and the management fee incurred by a particular unit class, including income adjustment if applicable, exclusively to this unit class.

The net asset value, the unit value, as well as the issue and redemption prices are generally determined on each stock exchange trading day. Stock exchange trading days are defined as those days on which all exchanges or other trading venues relevant for valuing the Fund's assets are open. For the Fund, these are currently the Netherlands, the United Kingdom, France, Switzerland and Germany. On public holidays under the KAGB that are stock exchange days and 24 and 31 December each year, the Company and the Custodian Bank may interrupt their daily price calculation. At present, unit prices are not calculated on 1 January, Good Friday, Easter Monday, 1 May, 24 December, Christmas Day, Boxing Day and New Year's Eve. The Company reserves the right to decide whether to calculate a net asset value on Easter Monday and New Year's Eve and whether therefore a redemption of units takes place on these days or not.

23.2. **Suspension of calculation of issue and redemption prices**

The Company may temporarily suspend calculation of the issue and redemption prices under the same conditions as for redemption of units. Please see Point 19.4 (Suspension of redemption of units) for information on this topic.

23.3. **Issue premium**

When the issue price is determined, an issue premium shall be added to the unit value. The issue premium is up to 2 percent of the unit value. The issue premiums for the respective unit classes are listed in the "Overview of existing unit classes"

directly before the "General Investment Conditions". This issue premium may reduce or completely offset performance gains, particularly on short-term investments. The issue premium is basically a fee for the distribution of the units of the Fund. The Company may pass on the issue premium as compensation for services provided by intermediaries.

23.4. Redemption fee

When a redemption price is determined, a redemption fee is deducted from the unit value. The redemption fee is up to 1 percent of the unit value. The redemption fees for the respective unit classes are listed in the "Overview of existing unit classes" directly before the "General Investment Conditions". This redemption fee may reduce or completely offset performance gains, particularly on short-term investments. The Company shall receive the redemption fee.

23.5. Publication of issue and redemption prices

The issue and redemption prices and, where applicable, the net asset value per unit are published regularly on www.iShares.de.

23.6. Costs incurred on the issue and redemption of units

No additional charges shall be levied for the issue and redemption of units by the Company or the Custodian Bank. Issue and redemption shall take place at the issue price (unit value plus any issue premium) and the redemption price (unit value less any redemption fee), respectively.

If units are redeemed via third parties, there may be charges associated with the redemption of units. If units are purchased via third parties, there may also be additional costs beyond the issue price.

24. Management and miscellaneous expenses

24.1. Fixed fee

The Company receives a fixed fee from the Fund, the amount of which depends on the respective unit class.

The actual amount of the fixed fee is listed in the "Overview of existing unit classes" directly before the "General Investment Conditions".

This fixed fee covers the following fees and expenses:

- Fee for the management of the Fund (fund management, administrative activities);
- custodian bank fee;
- expenses for the publication and mailing of the certain sales documents (sales prospectus, key information document, annual and semi-annual reports) prepared for investors;
- expenses for publication of the annual and semi-annual reports, issue and redemption prices and, if applicable, distributions or reinvestments, and the liquidation report;
- fees for the audit of the Fund by the Company's auditor;
- expenses for the publication of the bases of taxation and of certification that the tax information was determined in accordance with German tax law;
- fees payable for the licence agreement;
- distribution costs.

The fixed fee is paid in advance in monthly instalments out of the Fund.

24.2. Other expenses

In addition to the fixed fee, the following expenses may also be charged to the Fund:

- expenses incurred in connection with the purchase and sale of assets (transaction costs);
- customary bank custody and bank account fees, including customary bank charges for the custody of foreign assets abroad;
- any taxes that may arise in connection with the costs for administration and custody;
- Expenses incurred in the assertion and enforcement of the legal claims by the Company on behalf of the UCITS Fund, as well as for the defence against claims brought against the Company to the detriment of the UCITS Fund,
- Expenses for the creation and use of a contractually or legally required durable medium, except in the case of information about fund mergers and except in case of information on measures connected with violations of investment limits or errors in calculating the net asset value per unit,
- Taxes, in particular value added tax, incurred in connection with the aforementioned expenses under letters a) to d), which are to be reimbursed by the UCITS Fund.

24.3. Composition of the total expense ratio

The management costs incurred by the Fund (excluding transaction costs) in the financial year are disclosed in the annual report and are expressed as the total expense ratio (TER). The TER is composed of:

- operating expenses charged at a flat rate for management of the Fund in accordance with Point 24.1;
- delivery fees for index adjustments;
- customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- expenses related to day to day account management.

Not included are costs resulting from the purchase and sale of assets.

24.4. Alternative statement of costs by third parties

If the investor is advised by third parties when acquiring units, or these third parties carry out the purchase, they will inform him of any possible costs or expense ratios which are not congruent with the expenses in this Prospectus and Key Information Document and which may exceed the total expense ratio described here. The reason for this may in particular be that the third party includes additional costs relating to their own activities (e.g. brokerage, advice or portfolio management). In addition, they may also take into account one-off costs, such

as issuing premiums and normally use alternative calculation or estimation methods for the costs on the Fund's side, particularly the Fund's transaction costs.

Deviations in the cost statement may arise in both information provided before conclusion of the contract and in regular cost information on the existing Fund investments in the context of a long-term customer relationship.

24.5. **Remuneration Policy**

The Company has established a Remuneration Policy that is compatible with and encourages robust and effective risk management. The Remuneration Policy includes a description of how remuneration and benefits are calculated and identifies the relevant person to whom the corresponding remuneration and benefits are allocated. The Remuneration Policy therefore does not encourage any risk tolerance that is not in line with risk profiles, investment conditions or the Company's Articles of Incorporation and does not compromise the Manager's duty to act in the best interests of the investors. The Remuneration Policy includes fixed and variable components to the salaries and voluntary retirement benefits. The Remuneration Policy applies to employees, whose activities have a significant impact on the Company's risk profile, including the Management Board, risk takers, control functions, and those employees who receive a total remuneration that corresponds to that of the Management Board or risk takers. The Remuneration Policy is available from www.blackrock.com and on request at the Company in hard copy.

25. Details on the acquisition of other investment fund units

In addition to the fee for managing the Fund, a management fee is charged for the other target fund units held by the Fund.

This management fee can, but is not required to, include the costs listed under Point 24.1. In addition, other fees, expenses, taxes, commissions and other expenses not included in the management fee are to be paid separately by investors in the Fund. In addition to the expenses listed under points 24.1 and 24.2, fees may also be charged for the assertion and enforcement of legal claims and for taxes arising in connection with the management and custody of the target fund units. It is also possible that a significant portion of the fees paid will be passed on as a portfolio commission to the brokers of the target fund units.

Issue premiums and redemption fees that have been charged to the Fund for the purchase and redemption of units in target funds are published in the annual and semi-annual reports. Also published are the fees charged to the Fund for the target fund units held in the Fund by an investment management company, a foreign investment management company, or a company to which the Company is linked by a direct or indirect interest.

26. Sub-funds

The Fund is not a sub-fund of an umbrella fund.

27. Rules for the calculation and appropriation of income

The Fund earns income in the form of interest, dividends and income from investment units generated during the financial year which are not used to cover costs. Further income can result from the disposal of assets held on behalf of the Fund.

The Company applies a so-called income netting procedure for the Fund. This means that the proportional income accruing during the financial year which the acquirer of the fund units must pay as part of the issue price and which the seller of the units receives as payment as part of the redemption price is continuously netted. The expenses incurred are accounted for in the calculation of the income netting procedure.

The income netting procedure serves to adjust for fluctuations in the relationship between income and other assets which are caused by net inflows or outflows resulting from the sale or redemption of units. Otherwise, every net inflow of funds would reduce the return on net asset value of the Fund and every outflow would increase those returns.

The overall effect of the income netting procedure is that the income per unit shown in the annual report is not influenced by the number of units in circulation. In income netting, it is accepted that investors who buy units shortly before the distribution date are liable to pay taxes on the portion of the issue price attributed to income, despite the fact that the capital paid in by them did not contribute to the returns.

28. Financial year and distributions

28.1. **Financial year**

The financial year of the Fund begins on 1 May and ends on 30 April.

28.2. **Distribution mechanism**

The Company generally distributes on a pro rata basis for each unit class, net of costs, the interest, dividends and other income received on behalf of the Fund. Realised capital gains and other income may also be used for distributions. In addition, bank accounts in accordance with point 8.3 available on the day of distribution may also be distributed from the Fund (contribution from the Fund/distribution of assets). **Distributions of assets can reduce the net asset value and lead to a reduction in the value of your units.**

The final distribution takes place annually, within four months of the financial year-end. In addition, the Company may carry out interim distributions during the year.

The interim distribution amount is at the discretion of the Company. The Company is not obliged to distribute all distributable income accumulated up to the date of the interim distribution; it may carry ordinary income forward to the next interim distribution date.

Interim distributions are intended to minimise any discrepancy between the performance of the Fund and that of the Underlying Index.

If units are held in custody at the Custodian Bank, the Custodian Bank's branches shall credit the

distributions to the account at no charge. If the investment account is maintained at another bank or savings bank, there may be additional expenses.

29. Liquidation, transfer and merger of the Fund

29.1. General information

Investors are not entitled to demand the liquidation of the Fund. However, the Company may, upon six months' notice, cease management of the Fund through publication in the Bundesanzeiger and in the annual report or semi-annual report. Investors will also be informed of the termination by their Custodians via a durable medium, such as in hard copy or electronically. A corresponding procedure may also be followed in respect of one or more unit classes of the Fund.

Moreover, the right of the Company to manage the Fund shall expire if insolvency proceedings concerning the assets of the Company are opened, or with the entering into legal force of the court decision by which a petition to open insolvency proceedings is rejected for lack of assets in accordance with Section 26 of the Insolvency Statute (Insolvenzordnung – InsO). In these cases, the right of disposal of the Fund will be transferred to the Custodian Bank, which will liquidate the Fund and distribute the proceeds to the investors or, with the authorisation of BaFin, transfer the management of the Fund to another company.

29.2. Procedure for the liquidation of the Fund

With the transfer of the right to disposal over the Fund to the Custodian Bank, the issue and redemption of units will cease and the Fund will be liquidated.

Proceeds from the sale of fund assets less the Fund's liabilities and liquidation costs will be distributed to the investors, whereupon investors shall be entitled to claim their share of the proceeds on sale of the Fund's assets in proportion to Fund units owned.

On the day on which its right to manage lapses, the Company shall prepare a liquidation report that meets the requirements of an annual report. No later than three months after the date of liquidation of the Fund, the liquidation report shall be published in the Bundesanzeiger. While the Custodian Bank liquidates the Fund, it shall prepare a report annually, and on the date on which the liquidation is completed, that meets the requirements of an annual report. These reports are to be published in the Bundesanzeiger no later than three months after the reporting date.

29.3. Transfer of the Fund

The Company may transfer the management and disposal rights over the Fund to another investment management company. The transfer is subject to the prior approval of BaFin. The approved transfer shall be published in the Bundesanzeiger and in the annual report or the semi-annual report of the Fund as well as in the electronic publication media described in this prospectus. The point at which the transfer is effective is determined by the contractual agreement between the Company and the receiving investment management company. The transfer may not, however, take effect any earlier than three months after its publication in the Bundesanzeiger. All rights and obligations of the Company in relation to the Fund are then transferred to the receiving investment management company.

29.4. Merger

With the approval of BaFin, all assets of this Fund may be transferred to another existing Fund or a Fund newly created by the merger, which must meet the requirements of Directive 2009/65/EC (UCITS) and be launched in Germany or in another EU or EEA country. In addition, all the assets may be transferred to the sub-fund of a UCITS (joint-stock investment company with variable capital). Such sub-fund may be either an existing domestic sub-fund or a domestic sub-fund newly created by the merger.

The transfer is effective at the end of the financial year of the transferring fund, unless a different transfer date is determined.

29.5. Rights of investors in the event of a merger

No fewer than 37 days before the planned transfer date, investors shall receive from their custodians information in hard copy or electronically on the reasons for the merger, its potential impact on investors, their rights in connection with the merger and significant aspects of the procedure to the investors. Investors will also receive the Key Information Document of the receiving investment fund.

Investors have until five working days before the scheduled transfer date to redeem their units with no additional costs, in particular a redemption fee, with the exception of the costs to cover the Fund's liquidation, or to exchange their units for units or shares of another investment fund or a foreign investment fund that is also managed by the Company or a company from the same Group and which has a similar investment policy to that of the Fund.

On the transfer date, the net asset values of the receiving and the transferring investment funds are calculated, the exchange ratio is established, and the entire procedure is reviewed by an auditor. The exchange ratio is determined based on the ratio between the net asset value per unit of the transferring investment fund and that of the receiving investment fund as of the date of the transfer. The investor receives the number of units in the new investment fund whose value corresponds to the value of the units in the transferring investment fund.

If the investors do not exercise their redemption or exchange rights, they will become investors of the acquiring investment fund on the transfer date. Investors in the transferring investment fund also have the option of having up to 10 percent of the value of their units paid out in cash. If the merger takes place during the current financial year of the transferring investment fund, the company managing that fund on the transfer date must draw up a report that meets the requirements of an annual report. The Company shall announce in the Bundesanzeiger and at www.iShares.de when the Fund has absorbed another investment fund and the merger comes into force. If the Fund is absorbed in

a merger, the company that manages the absorbing fund or the newly created fund makes this announcement.

All the assets of this Fund may only be transferred to another investment fund or to another foreign investment fund with the authorisation of BaFin.

30. Summary of tax regulations applying to investors

All statements regarding tax regulations apply exclusively to investors who are fully taxable in Germany. Investors with unlimited tax liability are hereinafter also referred to as German tax residents. We recommend that, before acquiring units in the Fund described in this Sales Prospectus, foreign investors consult their tax advisors in order to clarify possible tax implications arising in his own country of residence as a result of the acquisition of units. Foreign investors are investors who are not subject to unlimited taxation. In the following, these are also referred to as non-residents for tax purposes.

As a special-purpose fund (Zweckvermögen), the Fund is generally exempt from German corporation tax and trade tax. However, it is partially subject to corporation tax through its German income from investments and other German income in the context of limited income tax liability, with the exception of gains from the sale of units to corporate entities. The tax rate is 15%. If the taxable income is taxed by deducting capital gains tax, the tax rate of 15% already includes the solidarity surcharge.

However, investment income is regarded as capital income (Einkünfte aus Kapitalvermögen) for income tax purposes at the level of private investors to the extent that this income, together with other capital income, exceeds the annual saver's allowance of EUR 1,000 (for single persons or spouses who file their tax returns individually) or EUR 2,000 (for spouses who file their tax returns jointly).

Capital income is generally subject to withholding tax of 25 percent (plus solidarity surcharge and any applicable church tax). Capital income also includes any income from investment funds (investment income), i.e. distributions from the fund, advance lump sums and gains from the sale of units. Under certain conditions, investors can receive a flat-rate portion of this investment income tax-free (so-called partial exemption).

The tax deducted generally has a compensatory effect (so-called Abgeltungssteuer (withholding tax)) on individual investors and as a result investment income does not normally have to be declared on the income tax return. When the tax is withheld, the Custodian Bank will generally already have offset losses and taken foreign withholding taxes originating from direct investment into account.

However, the tax deducted does not have a compensatory effect if the personal income tax rate is lower than the withholding rate of 25 percent. In this case, investment income may be declared on the income tax return. The tax authorities then apply the lower personal income tax rate and offset the tax withheld against the personal tax debt (so-called "assessment on the basis of the most favourable provision for the taxpayer").

If investment income is not subject to the withholding tax (e.g. because profit from the sale of a stock was generated at a foreign Custodian Bank), this should be indicated in the tax return. The investment income is then also subject to the withholding tax rate of 25 percent or the lower personal tax rate.

If the units are included in operating assets (Betriebsvermögen), the income will be taxable as operating income (Betriebseinnahmen).

30.1. Units held in personal assets (taxpayers resident in Germany)

30.1.1. Distributions

The Fund's distributions are generally subject to tax.

However, the Fund meets the fiscal requirements for an equity fund and therefore 30 percent of the distributions are tax-free.

The taxable distributions are generally subject to withholding tax of 25 percent (plus solidarity surcharge and any applicable church tax).

The withholding tax will not apply if the investor is resident in Germany for tax purposes and submits an application for a tax allowance (Freistellungsauftrag), provided that the taxable income concerned does not exceed EUR 1,000 (for single persons or spouses assessed separately) or EUR 2,000 (for spouses assessed jointly).

The same applies to those who submit a tax exemption certificate for persons who are not expected to be subject to income tax.

If a German investor's units are held in a German securities account, the Custodian Bank maintaining the account will not, in its capacity as the paying agent, withhold tax if it is presented, before the specified distribution date, with an exemption application (completed using official forms) for a sufficient amount, or with a non-assessment certificate that has been issued by the tax authorities for a maximum period of three years. In this case, the gross amount of the distribution will be credited to the investor.

30.1.2. Advance lump sums

The advance lump sum is the amount by which the distributions made by the Fund within a calendar year fall below the base income for that calendar year. The base income is calculated by multiplying the unit redemption price at the start of a calendar year by 70 percent of the base interest rate as derived from the yield on public-sector bonds that can be obtained over the long term. The base income is limited to the excess amount: this is calculated as the redemption price between the first and last price established in the calendar year, plus distributions within the calendar year. In the year in which the units are acquired, the advance lump sum is reduced by one twelfth for each full month preceding the month of acquisition. The advance lump sum is considered to have been received on the first working day of the following calendar year.

Advance lump sums are generally subject to tax.

However, the Fund meets the fiscal requirements for an equity fund and therefore 30 percent of the advance lump sums are tax-free.

The taxable advance lump sums are generally subject to withholding tax of 25 percent (plus solidarity surcharge and any applicable church tax).

The withholding tax will not apply if the investor is resident in Germany for tax purposes and submits an application for a tax allowance (Freistellungsauftrag), provided that the taxable income concerned does not exceed EUR 1,000 (for single persons or spouses assessed separately) or EUR 2,000 (for spouses assessed jointly).

The same applies to those who submit a tax exemption certificate for persons who are not expected to be subject to income tax.

If a German investor's units are held in a German securities account, the Custodian Bank maintaining the account will not, in its capacity as the paying agent, withhold tax if it is presented, before the specified date of receipt, with an exemption application (completed using official forms) for a sufficient amount, or with a non-assessment certificate that has been issued by the tax authorities for a maximum period of three years. Tax is not payable in this case. Otherwise, the investor must make the amount of tax payable available to the German Custodian Bank. In order to do so, the Custodian Bank may collect the amount of tax payable from an account that it maintains in the name of the investor, without the investor's consent being required. Unless the investor raises an objection before receipt of the advance lump sum, the Custodian Bank may collect the amount of tax payable from an account held in the name of the investor insofar as any overdraft facility agreed with the investor has not been used for this account. If investors fail to comply with their obligation to make the amount of tax payable available to the German Custodian Bank, the Custodian Bank must notify the competent tax office in this respect. In these circumstances, investors must declare the advance lump sum in their income tax return.

30.1.3. **Capital gains at investor level**

If an investor sells Fund units, any capital gains will be subject to withholding tax of 25 percent.

However, the Fund meets the fiscal requirements for an equity fund and therefore 30 percent of the capital gains are tax-free.

If the units are held in a German securities account, the Custodian Bank maintaining the account will withhold the withholding tax, taking any partial exemptions into account. The 25 percent withholding tax (plus solidarity surcharge and, where applicable, church tax) can be avoided upon submission of an application for tax allowance made out in a sufficiently high amount or a tax exemption certificate. If such units are sold at a loss by a private investor, then the loss - possibly reduced due to a partial exemption - is netted with other positive investment income. If the units are held in a German custody account and positive investment income was generated at the same Custodian Bank in the same calendar year, the Custodian Bank shall offset the loss.

When calculating the amount of the capital gain, the advance lump sums applied during the investment period shall be deducted from the gain.

30.2. **Units held in operating assets (taxpayers resident in Germany)**

30.2.1. **Reimbursement of the Fund's corporation tax**

Any corporation tax accrued at the Fund level may be reimbursed to the Fund for forwarding to a single investor, if the investor is a German corporation, association of persons or asset pool which, under the articles of incorporation, the foundation deed or other constitution and on the basis of the actual management, solely and directly serves non-profit, charitable or church purposes, or a foundation under public law which solely and directly serves non-profit or charitable purposes, or a legal entity under public law which solely and directly serves church purposes; this does not apply if the units are held in a business operation. This also applies to comparable non-German investors with their domicile or registered office and management in a foreign state providing administrative and debt enforcement assistance.

A prerequisite for this is that such investors file a corresponding application and calculate the corporation tax accrued on a pro rata basis for the investment period. In addition, the investor must be a beneficial owner of the units under civil law for at least three months before accrual of the Fund's income that is subject to corporation tax, without there being any obligation to transfer the units to another person. Another basic requirement for reimbursement is that, with regard to the corporation tax on German dividends and income from German participation rights that are similar to share capital payable at the Fund level, German equities and German participation rights that are similar to share capital were held by the Fund as the beneficial owner continuously for 45 days within a period ranging from 45 days before the maturity date for the capital yield income to 45 days after this date and, during these 45 days, there were continuous risks of a change in minimum values of 70 percent (so-called 45-day rule).

Proof of tax exemption and a document issued by the Custodian Bank maintaining the securities account as confirmation of the investment unit holdings must be enclosed with the application. The confirmation of the investment unit holdings is a certificate (completed using official forms) specifying the number of units held continuously by the investor during the calendar year. It must also include the date and volume of purchases and sales of units during the calendar year.

Any corporation tax accrued at the Fund level may also be reimbursed to the Fund for forwarding to an investor, if the Fund units are held within the framework of retirement provision or basic pension agreements, which are certified in accordance with the German Retirement Provision Agreements Certification Act (Altersvorsorgeverträge-Zertifizierungsgesetz). This requires the provider of a retirement provision or basic pension agreement to disclose to the Fund within a month after their financial year-end when and to what extent units were acquired or sold. The above 45-day rule must also be taken into account.

The Fund or the Company is under no obligation to obtain a reimbursement of the corresponding corporation tax for forwarding to investors.

It may be worthwhile engaging the services of a tax advisor due to the highly complex nature of the regulations.

30.2.2. **Distributions**

The Fund's distributions are generally subject to income or corporation tax and trade tax.

However, since the Fund meets the tax criteria for an equity fund, 60 percent of distributions are tax-free for the purposes of income tax and 30 percent are tax-free for the purposes of trade tax if the units are held by natural persons as part of business assets. In the case of taxable corporations, 80 percent of distributions are generally tax-free for the purposes of corporation tax and 40 percent are tax-free for the purposes of trade tax. For corporations that are life or health insurance companies or pension funds in which the Fund units are attributable to the investment scheme or credit institutions and for which the units are to be allocated to the trading portfolio within the meaning of Section 340e (3) German Commercial Code or are to be reported as current assets at the time of addition to the operating assets, 30 percent of distributions are tax-free for the purposes of corporation tax and 15 percent are tax-free for the purposes of trade tax.

The distributions are generally subject to withholding tax of 25 percent (plus solidarity surcharge).

Since the Fund meets the tax criteria for an equity fund, the 30 percent partial exemption is taken into account when withholding taxes.

30.2.3. **Advance lump sums**

The advance lump sum is the amount by which the distributions made by the Fund within a calendar year fall below the base income for that calendar year. The base income is calculated by multiplying the unit redemption price at the start of a calendar year by 70 percent of the base interest rate as derived from the yield on public-sector bonds that can be obtained over the long term. The base income is limited to the excess amount: this is calculated as the redemption price between the first and last price established in the calendar year, plus distributions within the calendar year. In the year in which the units are acquired, the advance lump sum is reduced by one twelfth for each full month preceding the month of acquisition. The advance lump sum is considered to have been received on the first working day of the following calendar year.

Advance lump sums are generally subject to income or corporation tax and trade tax.

However, since the Fund meets the tax criteria for an equity fund, 60 percent of advance lump sums are tax-free for the purposes of income tax and 30 percent are tax-free for the purposes of trade tax if the units are held by natural persons as part of business assets. In the case of taxable corporations, 80 percent of advance lump sums are generally tax-free for the purposes of corporation tax and 40 percent are tax-free for the purposes of trade tax. For corporations that are life or health insurance companies or pension funds in which the Fund units belong to the investment scheme or credit institutions and for which the units are to be allocated to the trading portfolio within the meaning of Section 340e (3) German Commercial Code or are to be reported as current assets at the time of addition to the operating assets, 30 percent of advance lump sums are tax-free for the purposes of corporation tax and 15 percent are tax-free for the purposes of trade tax.

The advance lump sums are generally subject to withholding tax of 25 percent (plus solidarity surcharge).

Since the Fund meets the tax criteria for an equity fund, the 30 percent partial exemption is taken into account when withholding taxes.

30.2.4. **Capital gains at investor level**

Gains from the sale of units are generally subject to income or corporation tax and trade tax. When calculating the amount of the capital gain, the advance lump sums applied during the investment period shall be deducted from the gain.

However, since the Fund meets the tax criteria for an equity fund, 60 percent of capital gains are tax-free for the purposes of income tax and 30 percent are tax-free for the purposes of trade tax if the units are held by natural persons as part of business assets. In the case of taxable corporations, 80 percent of capital gains are generally tax-free for the purposes of corporation tax and 40 percent are tax-free for the purposes of trade tax. For corporations that are life or health insurance companies or pension funds in which the Fund units belong to the investment scheme or credit institutions and for which the units are to be allocated to the trading portfolio within the meaning of Section 340e (3) German Commercial Code or are to be reported as current assets at the time of addition to the operating assets, 30 percent of capital gains are tax-free for the purposes of corporation tax and 15 percent are tax-free for the purposes of trade tax. In the event of a loss on disposal, the loss in the amount of the applicable partial exemption is not deductible at investor level.

Gains from the sale of units are generally not subject to withholding tax.

30.2.5. **Negative taxable income**

It is not possible to allocate negative taxable income of the Fund to the investor.

30.2.6. **Taxation during winding-up process**

During the winding-up of the Fund, distributions in a calendar year shall be deemed to be a tax-free repayment of capital to the extent that the last redemption price fixed in that calendar year is lower than the amortised cost.

30.2.7. **Summary table for typical business investor groups**

	Distributions	Advance lump sums	Capital gains
German investors			
Sole traders	Capital gains tax: 25% (the partial exemption for equity funds of 30% is taken into account)		Capital gains tax: Exemption
	Material taxation: Income tax and trade tax; if applicable, taking partial exemptions into account (equity funds 60% for income tax/30% for trade tax)		
Corporations subject to regular taxation (typically industrial companies; banks, unless units are held in the trading portfolio; property insurance companies)	Capital gains tax: Exemption in the case of banks, otherwise 25% (the partial exemption for equity funds of 30% is taken into account)		Capital gains tax: Exemption
	Material taxation: Corporation tax and trade tax; if applicable, taking partial exemptions into account (equity funds 80% for corporation tax/40% for trade tax)		
Life and health insurance companies and pension funds in which the Fund units belong to the investment scheme	Capital gains tax: Exemption		
	material taxation: Corporation tax and trade tax, unless a reserve for premium refunds is included on the commercial balance sheet, which must also be recognised for tax purposes, if applicable taking partial exemptions into account (equity funds 30% for corporation tax/ 15% for trade tax)		
Banks holding the Fund units in the trading portfolio	Capital gains tax: Exemption		
	material taxation: Corporation tax and trade tax; if applicable, taking partial exemptions into account (equity funds 30% for corporation tax/15% for trade tax)		
Tax-exempt non-profit, charitable or church investors (in particular churches, not-for-profit foundations)	Capital gains tax: Exemption		
	material taxation: Tax-free – additionally, the corporation tax incurred at the Fund level may be under certain requirements refunded upon request		
Other tax-exempt investors (in particular pension funds, funeral expenses funds and relief funds, provided the requirements stipulated in the German Corporation Tax Act (Körperschaftsteuergesetz) have been met)	Capital gains tax: Exemption		
	material taxation: Tax-exempt		

German safe custody is assumed. A solidarity surcharge is levied as a supplementary tax on the capital gains tax, income tax and corporation tax. Creditable foreign withholding tax may be deducted as income-related expenses at the investment fund level; in this case, withholding by the investor is not possible. For the exemption from capital gains tax, it may be required that non-assessment certificates be submitted to the Custodian Bank in good time.

30.3. Non-resident taxpayers

If a non-resident taxpayer holds Fund units at a German Custodian Bank, no tax is deducted from distributions, advance lump sums and gains from the sale of units, provided investors can present evidence of their non-residency. If the Custodian Bank has no knowledge of the investor's status as a non-resident or if proof of such non-resident status is not provided on time, the foreign investor must apply for a tax rebate in accordance with the German Fiscal Code (Abgabenordnung – AO)[2]. The competent tax office is the tax office of the credit institution maintaining the custody account.

30.4. Solidarity surcharge

A solidarity surcharge of 5.5 percent is levied on the withholding tax payable on distributions, advance lump sums and gains from the sale of units.

30.5. Church tax

If the income tax is already paid by means of the withholding tax deducted by the German Custodian Bank (withholding agent), the applicable church tax will be levied regularly in addition to the withholding tax, pursuant to the church tax rate for the religious community to which the church tax payer belongs. The church tax is taken into account as a special expense at the time of the deduction of the withholding tax.

30.6. Foreign withholding tax

Some foreign income earned by the Fund is subject to withholding taxes retained in the country of origin. Investors may not take this withholding tax into account to reduce their tax liability.

30.7. Consequences of the merger of investment funds

If a German investment fund is merged with another German investment fund, for which the same rate of partial exemption applies, this does not result in the disclosure of unrealised gains either for the investors or for the investment funds concerned, i.e. such a transaction is not relevant for tax purposes. If the investors of the transferring investment fund receive a cash payment in a merger plan,[3] it is treated as a distribution.

30.8. Automatic exchange of information in tax matters

The significance of the automatic exchange of information to combat cross-border tax fraud and tax evasion has greatly increased at international level in recent years. The OECD has, among other things, published a global standard for the automatic exchange of information on financial accounts in tax matters (Common Reporting Standard, hereinafter "CRS").

The CRS was integrated into Directive 2011/16/EU at the end of 2014 with Council Directive 2014/107/EU of 9 December 2014 on the obligation to exchange information automatically in tax matters. The participating states (all member states of the EU as well as several third states) now apply the CRS. Germany transposed the CRS into German law with the Financial Account Information Exchange Act of 21 December 2015.

The CRS requires the relevant financial institutions (mainly credit institutions) to obtain certain information about their clients. If the clients (natural persons or legal entities) are persons subject to reporting requirements who are resident in other participating countries (this does not include, for example, listed corporations or financial institutions), their accounts and securities accounts are classified as subject to mandatory reporting. The reporting financial institutions will then provide certain information to their home tax authorities for each reportable account. The latter will then transmit the information to the customer's home tax authority.

The information to be transmitted essentially consists of the personal data of the reporting client (name, address, tax identification number, date and place of birth (for individuals), country of residence) as well as information on the accounts and securities accounts (e.g. account number, account balance or account value, total gross amount of income such as interest, dividends or distributions from investment funds, total gross proceeds from the sale or redemption of financial assets (including fund units)).

Specifically, this applies to reportable investors who have an account and/or custody account with a credit institution domiciled in a participating state. Therefore, German credit institutions will report information about investors resident in other participating states to the Federal Central Tax Office, which will forward the information to the respective tax authorities of the investor's country of residence. Accordingly, credit institutions in other participating countries will report information about investors resident in Germany to their respective home tax authorities, which will forward the information to the Federal Central Tax Office. Finally, it is possible that credit institutions domiciled in other participating states may report information about investors domiciled in other participating states to their respective home tax authorities, which will forward the information to the respective tax authorities of the investor's domicile states.

30.9. FATCA and other international reporting systems

The agreement between the USA and the Federal Republic of Germany to promote tax honesty in international circumstances and to implement FATCA (the "USA-Germany Agreement") was agreed with the objective of implementing the provisions of the Foreign Account Tax Compliance Act of the U.S. Hiring Incentives to Restore Employment Act ("FATCA") in Germany. FATCA stipulates a reporting system and potential withholding tax of 30 per cent on certain payments that are carried out by US sources or sources attributable to it or in relation to US assets to be paid to certain categories of recipients, including a financial institution not domiciled in the USA (a "Foreign Financial Institution" or "FFI") that does not meet FATCA provisions and is not otherwise tax-exempt. Certain financial institutions ("Reporting Financial Institutions") must in accordance with the USA-Germany Agreement report certain information on

[2] Section 37 Paragraph 2 of the German Fiscal Code (Abgabenordnung – AO).

[3] Section 190 Paragraph 2 No. 2 of the German Investment Code (KAGB).

their US account holders to the German Federal Tax Office (which in turn forwards the information to the US tax authority). However, it is not currently assumed that the Company represents a "Reporting Financial Institution" according to this definition, as it is expected that the Fund represents an FFI and therefore meets the FATCA provisions. If the Fund does not meet any of the FATCA provisions for an FFI, the Company intends to arrange for the Fund to be handled in an FATCA-compliant manner by meeting the requirements of the reporting system that is the subject of the USA-Germany Agreement. However, it cannot be guaranteed that the Fund will be able to meet the FATCA provisions, and if the Fund is not able to do so, a 30% withholding tax may be charged on payments that the Fund receives from US sources or sources attributable to the US or in relation to US assets, which may reduce the amounts available for the Fund to pay the investors.

A number of countries have concluded multilateral agreements which are based on the Common Reporting Standard for the Automatic Exchange of Financial Account Information, which was published by the Organisation for Economic Co-operation and Development (OECD). Following their implementation in German law, certain financial institutions (also known as "Reporting Financial Institutions") are obliged to provide German tax authorities with certain information on investors from those countries that are the parties to these agreements. (The German tax authorities will forward this information to the relevant tax authorities in turn). Currently, it is not expected that the Fund will be classified as a Reporting Financial Institution.

In view of the above, investors in the Fund are obliged to make available to the Company certain information necessary to meet the requirements of the reporting system. Please note that the Company has mandated that US persons may not hold any units in the Fund.

30.10. Pillar two

The OECD has issued work relating to the introduction of a system ensuring a minimum level of taxation for multinational enterprises ("Pillar Two"). The Pillar Two rules4 aim to ensure that large multinational enterprise (MNE) groups pay a minimum level of tax on the income arising in each of the jurisdictions where they operate, by imposing a top-up tax whenever the effective tax rate, determined on a jurisdictional basis, is below the minimum rate specified in Pillar Two.

If an investor entity or, where applicable, its ultimate parent entity consolidates (or is deemed to consolidate) the Fund in its consolidated financial statements ("Consolidated Financial Statements"), there is a risk that the Fund may become subject to Pillar Two tax.

If the Fund falls within the scope of Pillar Two, the effective tax rates within its structure could increase due to higher amounts of tax being due or the possible denial of deductions. Tax compliance costs may also increase, which could adversely affect returns to the investors. In the event the Fund becomes liable for any Pillar Two tax, this may reduce the amounts available for distribution to the investors.

Each investor agrees to indemnify the Fund, on demand, for any Pillar Two tax liability and tax compliance costs that may be incurred by the Fund as a result of a (deemed) consolidation in the Consolidated Financial Statements relating to that investor.

To the extent that any Pillar Two tax liability arises at the level of an investor entity or, where applicable, the MNE group to which it belongs, as a result of the investment in the Fund, such liability shall be borne solely by the investor giving rise to it (and not borne by the Fund or any other investor). Investors are responsible for assessing their own Pillar Two tax position in connection with their investment in the Company or a sub-fund, including whether they may be required to consolidate the Fund on a line-by-line basis in their Consolidated Financial Statements. Investors must notify BlackRock as soon as any such (deemed) consolidation requirement is identified.

BlackRock reserves the right to redeem the investment of any investor if such investment gives rise to additional Pillar Two tax at the level of the Fund and/or results in additional filing or compliance obligations for the Company or the Fund.

30.11. Notice

The information on taxes is based on current tax law and regulations. The information is directed towards individuals who have unlimited liability for income tax or corporation tax in Germany. However, we accept no responsibility for any changes in tax treatment as a result of legislative or judicial actions or decrees issued by the tax authorities.

31. Outsourcing

The Company has outsourced the following activities in full or in part to other companies:

- Swap collateral management, BlackRock Investment Management (UK) Ltd.,
- IT support, BlackRock Investment Management (UK) Ltd.,
- Internal audit, BlackRock Investment Management (UK) Ltd.,
- Compliance monitoring, BlackRock Investment Management (UK) Ltd.,
- Counterparty risk, BlackRock Investment Management (UK) Ltd.,
- CMC accounting and finance, BlackRock Investment Management (UK) Ltd.,
- Middle office (including trade operations, corporate actions), BlackRock Investment Management (UK) Ltd.,
- Fund administration, State Street Bank International GmbH,

[4] The OECD's 2021 "Tax Challenges Arising from Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (Pillar Two): Inclusive Framework on BEPS" (the Model Rules) and Council Directive (EU) 2022/2523 of 14 December 2022 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the EU (the Pillar Two Directive), together with any current or future similar or related legislation in respect of any EU or non-EU jurisdiction and, in each case, any current or future legislation, regulations, guidance or official interpretations in connection therewith.

- Collateral management (securities lending), State Street Bank International GmbH,
- Control function for Fund administration / collateral management (securities lending), BlackRock Investment Management (UK) Ltd.,
- Securities lending, BlackRock Institutional Trust Company, N.A.,
- EMIR Reporting, BlackRock Investment Management (UK) Ltd.,
- Trading and collateral management for futures transactions, BlackRock Investment Management (UK) Ltd.,
- Portfolio management of the fixed income funds, BlackRock Investment Management (UK) Ltd.,
- Index licensing, BlackRock Fund Advisors,
- Management of securities master data, BlackRock Investment Management (UK) Ltd.
- Management of information security processes, BlackRock Investment Management (UK) Ltd.,
- Management of risks within the field of IT, counterparties and investments, BlackRock Investment Management (UK) Ltd.,
- Currency hedging transactions for currency hedged unit classes, State Street Bank International GmbH,
- Management of Fund registrations and listings, BlackRock Asset Management Ireland Ltd.,
- Provision and support of IT infrastructure, BlackRock Aladdin (eFront) SAS.

32. Annual and semi-annual reports; auditors

The annual and semi-annual reports can be obtained from the Company and the Custodian Bank.

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Munich, has been appointed to audit the Fund and its annual reports.

33. Payments to unitholders; distribution of reports and other information

The contract with the Custodian Bank ensures that investors receive distributions, if the distribution of dividends or other income is provided for by the Fund, and that units can be redeemed. The investor information mentioned in this Sales Prospectus may be obtained as described under Point 1.1.

34. Other investment funds managed by the Company

The Company also manages the following investment funds not included in this Sales Prospectus:

a) UCITS investment funds

iShares Core DAX® UCITS ETF (DE)

iShares DAX® ESG UCITS ETF (DE)

iShares DivDAX® UCITS ETF (DE)

iShares MDAX® UCITS ETF (DE)

iShares TecDAX® UCITS ETF (DE)

iShares Core EURO STOXX 50 UCITS ETF (DE)

iShares EURO STOXX UCITS ETF (DE)

iShares EURO STOXX Select Dividend 30 UCITS ETF (DE)

iShares Dow Jones Eurozone Leaders Screened UCITS ETF (DE)

iShares STOXX Europe Select Dividend 30 UCITS ETF (DE)

iShares STOXX Europe 600 UCITS ETF (DE)

iShares STOXX Europe Large 200 UCITS ETF (DE)

iShares STOXX Europe Mid 200 UCITS ETF (DE)

iShares STOXX Europe Small 200 UCITS ETF (DE)

iShares ATX UCITS ETF (DE)

iShares Dow Jones U.S. Select Dividend UCITS ETF (DE)

iShares NASDAQ-100® UCITS ETF (DE)

iShares Nikkei 225® UCITS ETF (DE)

iShares Dow Jones Global Titans 50 UCITS ETF (DE)

iShares Dow Jones China Offshore 50 UCITS ETF (DE)

iShares Dow Jones Asia Pacific Select Dividend 50 UCITS ETF (DE)

iShares Dow Jones Industrial Average UCITS ETF (DE)

iShares EURO STOXX Banks 30-15 UCITS ETF (DE)

iShares SLI UCITS ETF (DE)

iShares eb.rexx® Government Germany UCITS ETF (DE)

iShares eb.rexx ® Government Germany 0-1yr UCITS ETF (DE)

iShares eb.rexx® Government Germany 1.5-2.5yr UCITS ETF (DE)

iShares eb.rexx® Government Germany 2.5-5.5yr UCITS ETF (DE)

iShares eb.rexx® Government Germany 5.5-10.5yr UCITS ETF (DE)

iShares eb.rexx® Government Germany 10.5+ yr UCITS ETF (DE)

iShares Pfandbriefe UCITS ETF (DE)

iShares Euro Government Bond Capped 1.5-10.5yr UCITS ETF (DE)

iShares Diversified Commodity Swap UCITS ETF (DE)

b) UCITS Sub-Funds of iShares (DE) I Investmentaktiengesellschaft mit Teilgesellschaftsvermögen

iShares STOXX Global Select Dividend 100 UCITS ETF (DE)

iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE)

iShares STOXX Europe 600 Banks UCITS ETF (DE)

iShares STOXX Europe 600 Basic Resources UCITS ETF (DE)

iShares STOXX Europe 600 Chemicals UCITS ETF (DE)

iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE)

iShares STOXX Europe 600 Financial Services UCITS ETF (DE)

iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE)

iShares STOXX Europe 600 Health Care UCITS ETF (DE)

iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE)

iShares STOXX Europe 600 Insurance UCITS ETF (DE)

iShares STOXX Europe 600 Media UCITS ETF (DE)

iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE)

iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE)

iShares STOXX Europe 600 Real Estate UCITS ETF (DE)

iShares STOXX Europe 600 Retail UCITS ETF (DE)

iShares STOXX Europe 600 Technology UCITS ETF (DE)

iShares STOXX Europe 600 Telecommunications UCITS ETF (DE)

iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE)

iShares STOXX Europe 600 Utilities UCITS ETF (DE)

iShares MSCI Brazil UCITS ETF (DE)

iShares Brazil LTN BRL Govt Bond UCITS ETF (DE)

35. Instruction on the right of revocation under Section 305 KAGB (door-to-door sales)

If the purchase of units in open-ended investment funds is transacted on the basis of verbal negotiations outside of the permanent business premises of the party selling the units or brokering their sale, then the purchaser has the right to revoke his purchase agreement by written notice and without stating reasons within a period of two weeks. The purchaser is informed of the right of revocation in the copy or purchase invoice. The right of revocation applies even if the party selling the units or brokering their sale does not have any permanent business premises. No right of revocation exists if the seller proves that either (i) the purchaser is not a natural person carrying out the transaction with an aim that cannot be associated with their professional activity (a Consumer) or (ii) the negotiations were entered into on the initiative of the purchaser, i.e. if the seller sought to conduct negotiations on the grounds of a previous request by the purchaser. For contracts that are concluded exclusively via distance communication (e.g. letters, phone calls, e-mails) there is no right of revocation (distance selling).

36. Conflicts of interest

Relationships within the BlackRock Group.

Parent holding company of the Company is BlackRock, Inc., a company incorporated in Delaware, U.S.

It is possible that the Company or any other company in the BlackRock Group, the PNC Group and the managing directors of the companies listed participate in the Fund or in transaction for or with the Fund, or that any other relationship with other people, leading to a potential conflict with their obligations to the Company.

Conflicts of interest may arise, for example, because the relevant company of the BlackRock Group:

(a) enters into transactions for other customers;

(b) has directors or employees who are the directors or shareholders of a company, or deal in securities of that company or are otherwise involved in that company, the securities of which are held or traded by the Company in its own name or in the name of a third party;

(c) profits, under certain circumstances, from a commission, a fee, a price premium or price discount that is not paid by the Company in connection with an investment transaction;

(d) is active as an agent for the company with

respect to transactions in which it occurs simultaneously as an agent for their other own customers;

(e) acts as principal for its own account with investments and/or currencies with the Company or its shareholders;

(f) enters into transactions in units of an undertaking for collective investment or of another company for which one of the companies of the BlackRock Group acts as a manager, operator, bank, consultant or trustee;

(g) also settles transactions for the Company that are in connection with placements and/or new issues through one of its other affiliates acting as principal for its own account or receiving a broker commission.

Certain securities may be – as described above – considered suitable as actual or potential investments both for the Fund and for other investment funds of the Company as well as the Fund and customers of other companies in the BlackRock Group.

Because of different investment objectives and other factors, a particular security may be purchased for one or one or more of these investment funds or customers but sold for others.

If the purchases or sales of securities on behalf of the Fund or those customers are pending valuation at about the same time, such transactions, to the extent practicable, will be settled in a way that is appropriate for all participating investment funds or customers. There may be cases in which the purchase or sale of securities on behalf of one or more funds or customers of the BlackRock Group are disadvantageous for other funds or customers of the BlackRock Group.

The following should be considered with regard to BlackRock Funds, even though the information is not necessarily relevant to the investment funds managed by the Company.

If opposing positions (i.e. long and short) are established, held or settled for the same securities at the same time for different funds or customers, this could damage the interests of the funds and/or customers on one side or the other. For BlackRock, this could represent a conflict of interest, especially if BlackRock or the participating portfolio manager receives a higher fee for one activity compared to

another. This activity may result from the fact that the securities of different portfolio management teams will be assessed differently, or that risk management strategies are implemented and certain guidelines and procedures do not generally apply in these situations.

This conflict can also arise if within the same portfolio management teams there are long-only mandates and long-short mandates or short-only mandates or in the implementation of risk management strategies. If there are mandates of this type within the same portfolio management team, short positions for a security in some portfolios for which there are long-positions in other portfolios, or long positions for a security in some portfolios for which there are short positions in other portfolios, may only be settled in accordance with established guidelines and procedures.

This is to ensure that an appropriate fiduciary principle prevails and that counteracting transactions are carried out in such a way that no particular customer group is systematically given preference or put at a disadvantage. The BlackRock Compliance Group monitors these guidelines and procedures and can require changes or the discontinuation of certain activities in order to keep conflicts to a minimum. Exceptions to these guidelines and procedures are subject to approval by the Compliance Group.

Different views regarding the short and long-term performance of a security that would justify entering into different positions for the same securities at the same time would, for example, fall under the fiduciary principle. For long-only accounts in this sense, it might be inappropriate to sell the security, while it might be useful for short-term oriented accounts with a short mandate to take a short-term short position in the security. The attempt to neutralise the impact of the performance of a specific line of a company by establishing an opposing position in another company whose business is essentially comparable with the relevant segment can also be based on this principle.

Due to the efforts of BlackRock to handle such conflicts effectively, customers may not be able to take advantage of certain investment options, or it may be that BlackRock settles transactions in a different way than if these conflicts did not exist. This in turn can affect investment performance.

The companies of the BlackRock Group may, with respect to the BlackRock funds (or parts of a BlackRock fund) for which they provide investment management and advisory services, contract with brokers (including, but not restricted to brokers that are associated with BlackRock), that directly or through a third party or comparable relations provide research or execution services for BlackRock. The requirement is that in the view of the BlackRock Group they represent a legally defensible and appropriate support for the relevant companies in the BlackRock Group in investment decision processes or execution of orders and it can reasonably be expected that the Company as a whole benefits from the provision of these services and this benefits the performance of the BlackRock Funds. These research or execution services include – where authorised under the applicable laws – research on companies, industries and securities, economic and financial information and analysis, and software for quantitative analysis. The results received through these research or execution services may be used not only for the account whose commissions have been used to pay for these services, but are also for other customer accounts of the BlackRock Group. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, computer hardware, general office equipment or premises, membership fees, employee salaries or direct money payments. If BlackRock uses the money from commission payments from their customers for the provision of research or execution services, the companies of the BlackRock Group do not have to pay for those products and services themselves. Companies of the BlackRock Group may make use of research or execution services that fall within the scope of order execution, clearing fall and/or settlement services of a specific broker/dealer. If a company of the BlackRock Group uses research or execution services on this basis, the same conflicts may exist as those in connection with the provision of such services through agreements with third parties. For example, the research is effectively paid for by the customer commissions, which are also used to pay for the clearing and execution services provided by the broker/dealer. They are therefore not paid by that company of the BlackRock Group.

Each company of the BlackRock Group may, subject to the best execution principle, endeavour to implement these orders through brokers that provide research or execution services within the scope of such agreements. This ensures the continuous provision of research or execution services that the company of the BlackRock Group is certain are useful for their investment decision and order fulfilment processes. A company in the BlackRock Group may pay higher fees or apparently higher fees than they would otherwise have paid to obtain research or execution services, if this company in the BlackRock Group determines in good faith that the commission paid is appropriate in relation to the value of the research or execution services provided. BlackRock Group believes that its investment research and order execution processes will be improved if commission money is used for the provision of research or execution services. At the same time, this improves the prospects for higher investment returns.

BlackRock Group, without prior notice to customers of the BlackRock Group, may decide to change the agreements described above, or decide to bind themselves to varying degrees by the extent allowed by the applicable laws.

Definitions for the following terms mentioned in this number:

"BlackRock Funds": Funds managed by the BlackRock Group but not by BlackRock Asset Management Deutschland AG.

"BlackRock Group": Companies of BlackRock, Inc. and its subsidiaries and persons affiliated with the Company.

Overview of existing unit classes.

37. Overview of existing unit classes of the iShares STOXX Europe 600 Top 20 UCITS ETF (DE) Investment Fund

Name of unit class	iShares STOXX Europe 600 Top 20 UCITS ETF (DE)
German Securities Code/ISIN	WKN 593 394/ISIN DE0005933949
Listed on a stock exchange	yes
Level of management fee	0.18 %
Level of issue premium	2%; no issue premium if purchased via stock exchange
Level of redemption fee	1%; no redemption fee if sold via stock exchange
Transactions in securities lending and repurchase agreements	no
Currency	EUR
Appropriation of income	Distributing

General Investment Conditions.

General Investment Conditions governing the legal relationship between the investors and BlackRock Asset Management Deutschland AG, Munich, Germany (hereinafter referred to as the "Company"), for the Directive-Compliant Securities Index Investment Funds (hereinafter referred to as "UCITS Funds") managed by the Company in accordance with the UCITS Directive. These "General Investment Conditions" are valid only in combination with the "Special Investment Conditions" established for each respective individual UCITS Fund.

§ 1 General Provisions.

1. The Company is an UCITS Investment Management Company subject to the provisions of the German Investment Code (Kapitalanlagegesetzbuch – KAGB).
2. The Company shall invest the funds placed by the unitholders in its own name for the collective account of the investors in accordance with the principle of risk diversification in assets permitted by the KAGB and separated from its own assets in the form of UCITS investment funds. The business purpose of the UCITS fund is limited to investment in accordance with a defined investment policy within the framework of collective asset management using the assets deposited with it; operational activity and active entrepreneurial management of the assets held are excluded.
3. The legal relationship between the Company and the investor is governed by the General Investment Conditions (GIC) and the Special Investment Conditions (SIC) of the UCITS fund and the KAGB.

§ 2 Custodian Bank.

1. The Company shall appoint a credit institution as Custodian Bank; the Custodian Bank shall act independently of the Company and exclusively in the interests of the investors.
2. The tasks and duties of the Custodian Bank are governed by the custodian agreement concluded with the Company, in accordance with the KAGB and the Investment Conditions.
3. The Custodian Bank may outsource custodial tasks to another company (sub-custodian) pursuant to Section 73 KAGB. Please refer to the Sales Prospectus for details.
4. The Custodian Bank shall be liable to the UCITS Fund or to the investors for the loss of a financial instrument as defined in Section 72 Paragraph 1 Sentence 1 KAGB held in custody by the Custodian Bank or by a sub-custodian to whom the custody of financial instruments has been transferred according to Section 73 Paragraph 1 KAGB. The Custodian Bank is not liable if it can prove that the loss is due to external events whose consequences were unavoidable despite all reasonable countermeasures. Further claims arising out of the provisions of civil law on the basis of contracts or torts are not affected. The Custodian Bank shall also be liable to the UCITS fund or to the investors for all other losses that they incur if the Custodian Bank fails to meet its obligations under the provisions of the KAGB, whether negligently or intentionally. The Custodian Bank's liability remains unaffected by any transfer of custody tasks referred to in paragraph 3, sentence 1.

§ 3 Fund management.

1. The Company shall acquire and manage the assets in its own name for the collective account of the investors with the necessary expertise, diligence, care and conscientiousness. In performing its duties, it acts independently of the Custodian Bank and exclusively in the interests of the investors.
2. The Company has the right to use the money deposited with it by the investors to acquire assets, resell these assets and invest the proceeds in other assets; the Company is furthermore authorised to undertake all other legal actions arising out of management of the assets.
3. The Company may not grant loans for the collective account of the investors, nor may it enter into guarantees or surety obligations; it may not sell assets as defined in Sections 193, 194 and 196 KAGB that are not part of the UCITS Fund at the time the transaction is concluded. Section 197 KAGB remains unaffected.

§ 4 Investment principles.

1. The Company may only acquire such assets on behalf of the UCITS Investment Fund that are designed to replicate a certain security index ("Security Index") approved by the German Federal Financial Supervisory Authority ("BaFin") while still maintaining appropriate diversification of risk. The Security Index is approved specifically if
   a) the composition of the security index is sufficiently diversified;
   b) the index represents an adequate benchmark for the market to which it relates; and
   c) the index has been published in an appropriate manner.

   The Company shall specify in the SIC which assets may be acquired for the UCITS fund.
2. The Investment Fund may only acquire securities included in the Security Index or introduced to it following a change thereto ("Index Securities"), securities that are issued on these Index Securities or on the Underlying Index, and derivatives and financial instruments with derivative components on securities, money market instruments, investment fund units pursuant to Section 8, recognised financial indices, interest rates, foreign exchange rates or currencies in which the Investment Fund may invest as provided for in the Terms and Conditions. When replicating the Underlying Index, within the meaning of a direct duplication of the Underlying Index, priority shall be given to investments in Index Securities over investments in any other assets mentioned in Sentence 1 above

that are approved for use in replicating indices. The Underlying Index may be replicated using securities, derivatives or financial instruments with derivative components that indirectly replicate the index only for purposes of maintaining the investment restrictions listed in Section 11 Paragraph 7. To the extent permitted by the SIC, the Company may, outside the limit stipulated in Section 11 Paragraph 7, also invest for the account of the UCITS Fund up to 5 percent of the value of the UCITS Fund in basic forms of derivatives as defined in Section 9 Paragraph 2, particularly future contracts on securities in the meaning of Section 5, money market instruments in the meaning of Section 6, investment fund units in the meaning of Section 8, recognised financial indices, interest rates, exchange rates or currencies which are not contained in the Underlying Index.

3. In order to replicate the Security Index, the duplication percentage may not be less than 95 percent of the total assets in the UCITS Fund as defined in the first sentence of Paragraph 2 above. Derivatives and financial instruments with derivative components shall be included in the calculation of the duplication percentage with their weighted market risk using the simple approach provided for in the "ordinance on risk management and risk measurement in the use of derivatives, securities lending and repurchase agreements in investment funds" ("DerivateV") issued pursuant to Section 197 Paragraph 3 KAGB.
4. The duplication percentage reflects the proportion of securities, derivatives and financial instruments with derivative components according to Section 197 Paragraph 1 KAGB in the Investment Fund that corresponds with the Security Index in terms of weighting. The duplication percentage is defined as being equal to 100 less one half of the sum of the differences between the weighting of the securities in the Underlying Index and the applicable weighting of the securities included in the total assets of the UCITS Fund, totalled for all securities and applicable values of derivatives and financial instruments with derivative components according to Section 197 Paragraph 1 KAGB in the UCITS Fund and for all securities in the Underlying Index.

$$DG = 100\% - \frac{\sum_{i=1}^{n} \left| W_i^I - W_i^F \right|}{2}$$

DG	=	duplication percentage in %
n	=	number of share types in the Fund and index (upper summation limit)
I	=	index
F	=	Fund
W_i^I	=	weighting of equity i in index I in %
W_i^F	=	weighting of equity i to be included in the equity portion of the Fund in %
$\sum$	=	sum symbol
i	=	summation index; represents the individual share types of i = 1 (lower summations limit) bis i = n (upper summation limit)

§ 5 Securities.

Provided that the SIC do not include any additional restrictions, the Company may, subject to Section 198 KAGB, only acquire securities on behalf of the UCITS Fund if:

a) they are admitted for trading on a stock exchange in a member state of the European Union or in another state that is a party to the Agreement on the European Economic Area, or they are admitted for trading or included in another regulated market in a member state of the European Union or in another state that is a party to the Agreement on the European Economic Area,

b) are admitted for trading exclusively on a stock exchange outside the member states of the European Union or outside other states that are party to the Agreement on the European Economic Area, or they are admitted for trading or included in another regulated market in one of these states, provided the choice of such stock exchange or regulated market is permitted by BaFin[5],

c) their terms of issue require application for admission to trading on a stock exchange in a member state of the European Union or in another state that is a party to the Agreement on the European Economic Area, or admission to trading or inclusion in another regulated market in a member state of the European Union or in another state that is a party to the Agreement on the European Economic Area, and admission or inclusion of these securities takes place within one year after their issue,

d) their terms of issue require application for admission to trading on a stock exchange or

[5] The "list of approved stock exchanges and other organised markets according to Section 193 para. 1 no. 2 and 4 KAGB" is published on the BaFin website. www.bafin.de

admission to trading or inclusion in another regulated market outside the member states of the European Union or outside other states that are party to the Agreement on the European Economic Area, provided the choice of such stock exchange or regulated market is permitted by BaFin and admission or inclusion of these securities takes place within one year after their issue,

e) they are equities to which the UCITS Fund is entitled in a capital increase from Company assets,

f) they are acquired in exercising subscription rights belonging to the UCITS Fund,

g) they are financial instruments that meet the criteria listed in Section 193 Paragraph 1 Sentence 1 No. 8 KAGB.

Securities may only be acquired in accordance with Sentence 1 letters a) to d) if additionally the requirements of Section 193 Paragraph 1 Sentence 2 KAGB are met. Subscription rights arising from securities which may be acquired under this Section, Section 5, may also be acquired.

§ 6 Money market instruments.

1. Provided that the SIC do not include any additional restrictions, the Company may acquire on behalf of the UCITS Fund, subject to Section 198 KAGB, instruments normally dealt in on the money market and interest-bearing securities with a residual term of no more than 397 days at the time of their acquisition or whose interest rate, in accordance with the issue conditions, is regularly – and at least once each 397-day period – adjusted to reflect current market conditions or whose risk profile corresponds to the risk profile of this type of security (money market instruments). Money market instruments may only be acquired for the UCITS Fund if they:

   a) are admitted for trading on a stock exchange in a member state of the European Union or in another state that is a party to the Agreement on the European Economic Area, or they are admitted for trading or included in another regulated market in a member state of the European Union or in another state that is a party to the Agreement on the European Economic Area,

   b) are admitted for trading exclusively on a stock exchange outside the member states of the European Union or outside other states that are party to the Agreement on the European Economic Area, or they are admitted for trading or included in another regulated market there, provided the choice of such stock exchange or regulated market is permitted by BaFin[6],

   c) are issued or guaranteed by the European Union, the German Federal Government, a special-purpose fund of the German Federal Government, a German federal state, another member state or another central, regional or local authority or by the central bank of a European Union member state, the European Central Bank or the European Investment Bank, a non-EU member state or, in case of a federal state, by one of the members making up the federation, or by a public international body to which one or more EU member states belong,

   d) are issued by a company whose securities are traded on the markets referred to in a) and b);

   e) if they are issued or guaranteed by a credit institution that is subject to supervision that meets the criteria defined by European Union law, or a credit institution that is subject to the prudential rules considered by BaFin as equivalent to those laid down in European Union law, and which complies with such rules, or

   f) are issued by other bodies which comply with the requirements of Section 194 Paragraph 1 No. 6 KAGB.

2. Money market instruments as defined in Paragraph 1 may only be acquired if they comply with the requirements of Section 194 Paragraphs 2 and 3 KAGB.

§ 7 Bank accounts.

The Company may also hold, on behalf of the UCITS Fund, bank accounts containing deposits with a maturity not exceeding twelve months. The accounts, which must be in the form of blocked accounts, may be held by a credit institution that has its registered office in a member state of the European Union or another state that is a party to the Agreement on the European Economic Area, or by a credit institution that has its registered office in a non-member state, provided that it is subject to prudential rules considered by BaFin as equivalent to those laid down in the European Union Law. Unless specified otherwise in the SIC, these bank accounts may be denominated in foreign currencies.

§ 8 Investment fund units.

1. Unless specified otherwise in the SIC, the company may, on behalf of the UCITS fund, acquire units in investment funds pursuant to Directive 2009/65/EC (UCITS). Units in other domestic investment funds and joint-stock investment companies with variable capital and units in open-ended EU alternative investment funds (AIFs) and foreign open-ended alternative investment funds may be acquired if they meet the requirements of § 196 Para. 1 sentence 2 KAGB.

2. The company may only acquire units of domestic investment funds and joint-stock investment companies with variable capital, EU UCITS, open-ended EU AIFs and foreign open-ended AIFs if, in accordance with the investment conditions or the Articles of Association of the investment management company, the joint-stock investment company with variable capital, the EU investment fund, the EU management company, the foreign AIF or the foreign AIF management company, a total not exceeding 10 percent of the value of their assets may be invested in units of other domestic investment

[6] The "list of approved stock exchanges and other organised markets according to Section 193 para. 1 no. 2 and 4 KAGB" is published on the BaFin website. www.bafin.de

funds, joint-stock investment companies with variable capital, open-ended EU investment funds or foreign open-ended AIFs.

§ 9 Derivatives.

1. Unless specified otherwise in the SIC, in managing the UCITS Fund, the Company may acquire derivatives in accordance with Section 197 Paragraph 1 Sentence 1 KAGB and financial instruments with derivative components in accordance with Section 197 Paragraph 1 Sentence 2 KAGB. It may – depending on the type and extent of derivatives and financial instruments with derivative components used – use either the simple or qualified approach within the meaning of DerivateV provided for in Section 197 Paragraph 3 KAGB when calculating the market risk limits established under Section 197 Paragraph 2 KAGB on the use of derivatives and financial instruments with derivative components. Details are discussed in the Sales Prospectus.
2. If the Company uses the simple approach, it may only make regular use of the following basic forms of derivatives, and financial instruments with a derivative component or combinations of these derivatives, financial instruments with a derivative component and underlying securities permitted under Section 197 Paragraph 1 Sentence 1 KAGB in the UCITS Fund. Complex derivatives with permitted underlying securities pursuant to Section 197 Paragraph 1 sentence 1 KAGB may only be used for a negligible proportion. The weighted market risk attributable to the UCITS Fund, to be calculated as provided for in Section 16 DerivateV, may at no time exceed the value of the Fund.

   The basic forms of derivatives are:

   a) Forward contracts on the underlying values pursuant to Section 197 Paragraph 1 KAGB with the exception of investment units pursuant to Section 196 KAGB;
   b) Options or warrants on the underlying securities pursuant to Section 197 Paragraph 1 KAGB with the exception of investment fund units pursuant to Section 196 KAGB and on futures contracts as defined in letter a), if they have the following characteristics:
      aa) exercising is possible either during the entire term or at the end of the term and
      bb) at the time of being exercised, the option value is linearly based on the positive or negative difference between the underlying price and the market price of the underlying security and becomes nil if the difference has the other leading sign;
   c) Interest rate swaps, currency swaps or interest rate/currency swaps;
   d) Options on swaps according to letter c), to the extent that they display the characteristics described in letter b) under letters aa) and bb) (swaptions);
   e) Credit default swaps related to single underlying instruments (Single Name Credit Default Swaps).
3. If the Company uses the qualified approach, it may invest, subject to a suitable risk management system, in any financial instruments with a derivative component or derivatives that are derived from an underlying security that is permitted under Section 197 Paragraph 1 Sentence 1 KAGB.

   The potential risk amount for the market risk ("risk exposure") attributable to the UCITS Fund may at no time exceed two times the potential risk amount for the market risk of the associated benchmark assets pursuant to Section 9 DerivateV. Alternatively, the risk exposure may at no time exceed 20 percent of the value of the UCITS Fund.
4. In these transactions, the Company may under no circumstances deviate from the investment principles and limits listed in the Investment Conditions or in the Sales Prospectus.
5. The Company will use the derivatives and financial instruments with a derivative component for the purpose of hedging, efficient portfolio management and to produce additional returns, when and to the extent that it considers this to be in the interests of the investors.
6. In calculating the market risk limit for the use of derivatives and financial instruments with a derivative component, the company may at any time switch between the simple and the qualified approach pursuant to § 6 Sentence 3 DerivateV. The change does not require the approval of BaFin. However, the company must report the change to BaFin without delay and announce it in the next semi-annual or annual report.
7. The Company will observe the guidelines of DerivateV when derivatives and financial instruments with derivative components are used.

§ 10 Other investment instruments.

Unless specified otherwise in the SIC, the Company may invest up to 10% of the value of the UCITS Investment Fund in other investment instruments pursuant to Section 198 KAGB on behalf of the UCITS Investment Fund.

§ 11 Issuer and investment limits.

1. In its management of assets, the Company must comply with the limitations and restrictions specified in the KAGB, DerivateV and in the Investment Conditions.
2. The Company may invest up to 20 percent of the assets of the UCITS fund in securities from a single issuer (debtor).
3. The limit specified in Paragraph 2 may be increased to up to 35 percent of the value of the UCITS Fund for securities from a single issuer. An investment up to the limit specified in Sentence 1 above is permissible only for one individual issuer (debtor).
4. For assets based on the Underlying Index, the market price of the index securities shall be attributed to the respective issuer limits on a pro rata basis. The same applies for assets based on a single index security or on a basket of index securities. Derivatives and financial instruments with derivative components pursuant to

Section 197 Paragraph 1 KAGB shall be attributed to the issuer limits in accordance with Sections 23 and 24 DerivateV.

5. The Company may invest up to 5 percent of the assets of the UCITS Fund in bank accounts and money market instruments as defined in Sections 6 and 7, unless otherwise specified in the SIC.
6. Unless specified otherwise in the SIC, the Company may invest no more than 10 percent of the value of the UCITS Fund in units of investment funds pursuant to Section 8. When doing so, the Company may acquire on behalf of the UCITS Fund no more than 25 percent of issued units of another open-ended domestic, EU or foreign investment fund that invests in assets in accordance with the principle of risk diversification as defined in Sections 192 to 198 KAGB.
7. Unless specified otherwise in the SIC, the Company must invest a minimum of 95 percent of the value of the UCITS Fund in assets based on a Security Index in accordance with Section 4 Paragraph 2 Sentence 1.

§ 12 Merger.

1. In accordance with Sections 181 to 191 KAGB, the Company may
   a) transfer all assets and liabilities of this UCITS Fund to another existing domestic UCITS Fund or a new domestic UCITS Fund created thereby, an EU UCITS or a UCITS investment stock corporation with variable capital, or
   b) absorb all the assets and liabilities of another available public investment fund into this UCITS Investment Fund.
2. The merger requires the approval of the competent supervisory authority. Sections 181 to 191 KAGB provide details on the process.
3. The UCITS Fund may only be merged with a public investment fund that is not a UCITS if the acquiring or newly formed investment fund becomes a UCITS. In addition, the merger of an EU UCITS into the UCITS Fund may take place in accordance with the provisions of Article 2 Paragraph 1p (iii) of Directive 2009/65/EC.

§ 13 Borrowing.

Short-term borrowing by the Company on behalf of all the investors of amounts of up to 10 percent of the value of the UCITS Fund is permissible if the terms of the borrowing are at market rates and the Custodian Bank approves the borrowing.

§ 14 Units.

1. Units in the UCITS Fund are issued in the name of the holder and are documented in unit certificates or are issued as electronic unit certificates.
2. Unit certificates are documented in a global certificate; the issue of individual certificates is excluded. By acquiring a unit in the UCITS Fund, the investor acquires a co-ownership interest in the global certificate. This interest is transferable, unless otherwise provided for in the SIC.
3. The units may differ, in particular, with respect to appropriation of income, issue premiums, redemption fees, management fees, minimum investment amount, currency, unit value, or a combination of these characteristics (unit classes). The details are specified in the SIC.

§ 15 Issue and redemption of units, suspension of redemption.

1. In principle, the number of units issued is not restricted. The Company reserves the right to temporarily suspend or terminate the issue of units.
2. Units may be acquired from the Company, the Custodian Bank, or from or through third parties. The SIC may stipulate that units may only be acquired and held by certain investors.
3. Investors may request the redemption of their units by the Company at any time. The Company is obligated to redeem the units on behalf of the UCITS Fund at the currently valid redemption price. The Custodian Bank is the redemption agent.
4. The Company nevertheless retains the right to suspend the redemption of units pursuant to Section 98 Paragraph 2 KAGB in exceptional circumstances when suspension appears necessary to protect the interests of the investors.
5. The Company shall inform investors of the suspension in accordance with Paragraph 4 and the resumption of the redemption of units by way of notice in the Bundesanzeiger and, in addition, in a financial or daily newspaper with sufficient circulation or in the electronic information media designated in the Sales Prospectus. Investors shall be informed of the suspension and the resumption of redemption of units immediately after the announcement in the Bundesanzeiger by means of a durable medium.

§ 16 Issue and redemption prices.

1. Unless specified otherwise in the SIC, for the calculation of the issue and redemption price of the units, the net asset value (sum of the current market values of the assets belonging to the UCITS Fund minus the recorded loans and other liabilities) is determined and divided by the number of units ("unit value"). If special unit classes for the Investment Fund are introduced in accordance with Section 14 (3), then the unit value and the issue and redemption prices shall be determined separately.

   The assets are valued in accordance with Sections 168 and 169 KAGB and the German Capital Investment Accounting and Valuation Ordinance ("KARBV").
2. The issue price is the unit value of the UCITS Fund plus any issue premium established in the SIC pursuant to Section 165, Paragraph 2 (8) KAGB. The redemption price is the unit value of the UCITS Fund plus any redemption fee established in the SIC pursuant to Section 165, Paragraph 2 (8) KAGB.

3. The settlement date for purchase and redemption orders is no later than the next valuation date following the receipt of the purchase or redemption order, unless specified otherwise in the SIC.
4. The net asset value, the unit value, as well as the issue and redemption prices, are generally determined on each stock exchange trading day. Stock exchange trading days are considered to be those days on which all stock exchanges or other trading venues that are relevant for the valuation of the assets belonging to the UCITS Fund are open. The Sales Prospectus specifies which stock exchanges or trading venues are relevant, taking into account the investment objectives and strategy of the UCITS Fund. Exceptions may be provided in the Special Investment Conditions, specifying days that, although stock exchange trading days, do not require such determination. On public holidays in Germany that are stock exchange trading days, as well as on 24 and 31 December of each year, the Company and the Custodian may refrain from determining the net asset value, the unit value, and the issue and redemption prices.

§ 17 Expenses.

Fees and other expenses payable to the Company, the Custodian Bank and third parties, which can be charged to the UCITS Fund, are specified in the SIC. The SIC detail the manner, the amount, and the calculation basis for any fees in excess of those specified in the preceding sentence.

§ 18 Accounting.

1. At the latest four months after the end of the financial year of the UCITS fund, the company shall publish an annual report, including a profit and loss account, according to § 101 Para. 1, 2 and 4 KAGB.
2. The Company publishes a semi-annual report no later than two months after the end of the first half of the financial year in accordance with Section 103 KAGB.
3. If the right to manage the UCITS Fund is transferred to another investment management company during the financial year or the UCITS Fund is merged into another UCITS fund, a UCITS investment fund with variable capital or an EU investment fund, the Company must prepare an interim report for the period ending on the transfer date that meets the requirements of an annual report in accordance with Paragraph 1.
4. If a UCITS Fund is liquidated, the Custodian Bank shall prepare a liquidation report annually, and on the date on which the liquidation is completed, that meets the requirements of an annual report in accordance with Paragraph 1.
5. The reports can be obtained from the Company and the Custodian Bank and other locations to be listed in the Sales Prospectus and the Key Information Document; they will also be published in the Bundesanzeiger.

§ 19 Termination and winding-up of the UCITS Fund.

1. The Company may, with six months' notice, cease management of the UCITS Fund through publication of this intention in the Bundesanzeiger and in the annual report or semi-annual report. Investors must be informed immediately by means of a durable medium of the announcement of a termination in accordance with sentence 1.
2. The right of the Company to manage the UCITS Fund lapses when the termination becomes effective. In this case, the UCITS Fund or the right of disposal of the UCITS Fund is transferred to the Custodian Bank, which will wind it down and distribute it to investors. During the winding-up period, the Custodian Bank may claim fees due for its settlement activities and the reimbursement of expenses incurred in the winding-up. With the approval of BaFin, the Custodian Bank can refrain from this assignment, in which case management of the UCITS Fund shall be transferred to another investment management company in accordance with the existing Investment Conditions.
3. The Company must prepare a liquidation report for the period ending on the date on which its right to manage lapses pursuant to Section 99 KAGB; this liquidation report must fulfil the requirements of an annual report in accordance with Section 18 Paragraph 1.

§ 20 Change of the investment management company and the Custodian Bank.

1. The Company may transfer the management and disposal rights over the UCITS Fund to another investment management company. The transfer is subject to the prior approval of BaFin.
2. The approved transfer shall be published in the Bundesanzeiger and in the annual report or the semi-annual report as well as in the electronic information media designated in the Sales Prospectus.. The transfer shall take effect no earlier than three months after its publication in the Bundesanzeiger.
3. The Company may change the Custodian Bank for the UCITS Fund. The change must be approved by BaFin.

§ 21 Changes to the Investment Conditions.

1. The Company is entitled to change the Investment Conditions.
2. Amendments to the Investment Conditions require the prior approval of BaFin.
3. All planned amendments shall be published in the Bundesanzeiger and, in addition, in a financial or daily newspaper with sufficient circulation or in the electronic information media designated in the Sales Prospectus. The planned changes and their effective dates must be stated in any publication made in accordance with Sentence 1 above. In the event of disadvantageous amendments to costs as defined in Sec-

tion 162 Paragraph 2 (11) KAGB or disadvantageous amendments related to significant investor rights as well as in case of amendments to the investment principles of the UCITS Fund as defined in Section 163 Paragraph 3 KAGB, investors must be informed simultaneously with the publication pursuant to Sentence 1 of the significant contents of the proposed amendments to the Investment Conditions and the background thereto, by means of a durable medium and in an understandable way. Additionally, in case of amendments of the latest investment principles, investors have to be informed about their rights according to Section 163 Paragraph 3 KAGB.

4. The amendments enter into force at the earliest on the day after their publication in the Bundesanzeiger; amendments to costs and to the investment principles, however, do not enter into force until four weeks after the corresponding publication.

§ 22 Place of performance.

The place of performance is the registered office of the Company.

§ 23 Dispute resolution procedure.

1. The Company has undertaken to participate in dispute resolution proceedings before a consumer arbitration board.[7] In the event of disputes, consumers may call upon the ombudsman's office for investment funds of the BVI Bundesverband Investment und Asset Management e.V. (BVI) as the competent consumer arbitration body. The Company participates in dispute resolution proceedings before this arbitration board.

2. The contact details are: Office of the Ombudsstelle of the BVI Bundesverband Investment und Asset Management e.V., Unter den Linden 42, 10117 Berlin, www.ombudsstelle-investmentfonds.de.[8]

[7] § 36 (1) No. 1 VSBG.
[8] § 36 (1) No. 2 VSBG.

Special Investment Conditions for the UCITS Fund iShares STOXX Europe 600 Top 20 UCITS ETF (DE).

Special Investment Conditions governing the legal relationship between the investors and BlackRock Asset Management Deutschland AG, Munich, Germany (hereinafter referred to as the "Company"), for the Directive-Compliant Security Index Investment Fund **iShares STOXX Europe 600 Top 20 UCITS ETF (DE)** (hereinafter referred to as the "UCITS Fund") set up by the Company. These "Special Investment Conditions" are valid only in combination with the "General Investment Conditions" (hereinafter referred to as "GIC") that have been established by the Company for each investment fund.

Investment policies and restrictions.

§ 1 Assets.

The Company may acquire the following assets for the UCITS Fund:

a) securities pursuant to Section 5 of the GIC,
b) Money market instruments pursuant to Section 6 of the GIC,
c) Bank accounts pursuant to Section 7 of the GIC,
d) Derivatives pursuant to Section 9 of the GIC,
e) Other investment instruments pursuant to Section 10 of the GIC,
f) Investment fund units pursuant to Section 8 of the GIC.

The Company may – subject to a suitable risk management system – only use futures contracts that are based on the Underlying Index and futures contracts that are based on individual stocks of the Underlying Index as well as warrants that are based on the Underlying Index and warrants that are based on individual stocks of the Underlying Index for the UCITS Fund. Outside the limit stipulated in Section 11 Paragraph 7 of the GIC, the Company may also invest for the account of the UCITS Fund up to 5 percent of the value of the UCITS Fund in basic forms of derivatives as defined in Section 9 Paragraph 2 of the GIC, particularly future contracts and warrants on securities in the meaning of Section 5 of the GIC, money market instruments in the meaning of Section 6 of the GIC, investment fund units in the meaning of Section 8 of the GIC, recognised financial indices, interest rates, exchange rates or currencies which are not contained in the Underlying Index.

The purpose of the selection of equities, depositary receipts (particularly American Depositary Receipts (ADRs) and Global Depositary Receipts (GDRs), contracts for difference (CFDs), participation certificates, equity index certificates and certificates on individual equities for the UCITS Fund is to replicate the STOXX ® Europe 600 Top 20 (hereinafter referred to as the "Underlying Index") while maintaining an appropriate diversification of risk.

§ 2 Investment restrictions.

1. With regard to the investment restrictions, Section 11 of the GIC must be followed.
2. At least 85 percent of the value of the UCITS Fund shall be invested in shares that are permitted for official trading on a stock exchange or another organised market or involved in these and that are not units in investment funds.
3. No derivatives transactions may be made for purposes of hedging.

Unit classes.

§ 3 Unit classes.

1. Unit classes as defined in Section 14 Paragraph 3 of the GIC may be formed for the UCITS Fund; these differ particularly with respect to appropriation of income, issue premiums, redemption fees, management fees, minimum investment amount, currency, unit value, or a combination of these characteristics. The creation of unit classes is permitted at any time and is at the discretion of the Company.
2. The unit value is calculated separately for each unit class by allocating the costs of launching new unit classes, the distributions (including any taxes that may be payable from the fund's assets), the management fee including income adjustment if applicable, exclusively to this unit class.
3. The existing unit classes are listed individually in the Sales Prospectus and in the annual and semi-annual reports. The structural characteristics defining the unit classes (particularly appropriation of income, issue premiums, redemption fees, management fees, minimum investment amount, currency of the unit value, or a combination of these characteristics) are described in detail in the Sales Prospectus and in the annual and semi-annual reports.

Units, issue price, redemption price, redemption of units and expenses.

§ 4 Units.

The investors own an equity interest in the assets of the UCITS Fund as co-owners in proportion to the number of units held.

§ 5 Issue and redemption price.

1. The Company indicates the issue premiums and redemption fees charged for each unit class in the Sales Prospectus, the Key Investor Information and in the annual and semi-annual reports.
2. Depending on the unit class, the issue premium is up to 2 percent of the unit value. The Company is free to charge a lower issue premium for one or more unit classes, or all of them.
3. Depending on the unit class, the redemption fee is up to 1 percent of the unit value. The Company is free to charge a lower redemption fee for one or more unit classes, or all of them. The Company shall receive the redemption fee.

§ 6 Expenses.

1. For managing the UCITS Fund, the Company receives from the assets of the Investment Fund a fee of up to 0.50 percent per annum of the net asset value, depending on the unit class determined each exchange trading day in accordance with Section 16 Paragraph 1 of the GIC. The Company is free to charge a lower management fee for one or more unit classes, or all of them. The Company indicates the management fee charged for each unit class in the Sales Prospectus and in the annual and semi-annual reports. The management fee will be paid in advance in monthly instalments out of the UCITS Fund.
2. The management fee specified in Paragraph 1 shall cover services rendered by the Company for the UCITS Fund, including the expenses of the Custodian Bank, legally required printing, mailings, and publications associated with the UCITS Fund, and for annual report audits conducted by auditors of the Company.
3. The following expenses are not covered by Paragraph 1:
   a) Expenses incurred in connection with the purchase and sale of assets (transaction costs),
   b) Customary bank custody and bank account fees, including the customary bank charges for the custody of foreign assests abroad
   c) Expenses incurred in the assertion and enforcement of the legal claims by the Company on behalf of the UCITS Fund, as well as for the defence against claims brought against the Company to the detriment of the UCITS Fund,
   d) Expenses for the creation and use of a contractually or legally required durable medium, except in the case of information about fund mergers and except in case of information on measures connected with violations of investment limits or errors in calculating the net asset value per unit,
   e) Taxes, in particular value added tax, incurred in connection with the aforementioned expenses under letters a) to d), which are to be reimbursed by the UCITS Fund.

   Such expenses may be charged to the UCITS Fund in addition to the management fee charged in accordance with Paragraph 1.
4. The Company has to publish in the annual report and in the semi-annual report the amount of the issue premiums and redemption fees that have been charged to the UCITS Fund during the reporting period for the purchase and redemption of units as defined in Section 196 KAGB. When units are purchased that are managed, directly or indirectly, by the Company itself or by any other company with which the Company is affiliated through a significant direct or indirect equity interest, the Company or the other company may not levy issue premiums or redemption fees for the purchase or redemption. The Company publishes in the annual report and in the semi-annual report the fees charged as management fees for the units held in the UCITS Fund when such fees are charged by the Company itself, by another investment management company, a joint-stock investment company or another company with which the Company is affiliated through a significant direct or indirect equity interest, or by a foreign investment company, including its management company.

Appropriation of income and financial year.

§ 7 Distribution.

1. In the case of the distributing unit classes, the Company generally distributes on a pro rata basis for each unit class, net of costs, the proportionate interest, dividends and other income received on behalf of the UCITS Fund during the financial year, taking into account the appropriate income netting. Realised capital gains and other income - taking into account the appropriate income equalisation - can also be used proportionally for distributions. In addition, bank accounts in accordance with Section 1 lit. c) available on the day of distribution may also be distributed from the UCITS Fund (contribution from the UCITS Fund/distribution of assets).
2. The final distribution takes place annually, within four months of the financial year-end. In addition, the Company may carry out interim distributions during the year.
3. The interim distribution amount is at the discretion of the Company. The Company is not obliged to distribute all distributable income pursuant to Paragraph 1 accumulated up to the date of the interim distribution; it may carry ordinary income forward to the next distribution date.
4. Interim distributions are intended to minimise any discrepancy between the performance of the UCITS Fund and that of the Underlying Index.
5. Distributable pro rata income pursuant to Paragraph 1 may be carried forward for distribution in subsequent financial years if the amount of the income carried forward does not exceed 15 percent of the respective value of the UCITS Fund at the end of the financial year. Income from short financial years may be carried forward in its entirety.

6. In the interests of maintaining equity, some pro rata income, or in exceptional cases, all income, may be set aside for accumulation in the UCITS Fund.
7. If no unit classes are formed, the income is distributed.

§ 8 Reinvestment.

In the case of accumulating unit classes, the Company reinvests in the UCITS Fund on a pro rata basis for each unit class the interest, dividends and other income obtained on behalf of the UCITS Fund during the financial year and not used to cover costs, taking into account the appropriate income netting, as well as the realised capital gains from the accumulating unit classes on a pro rata basis.

§ 9 Financial year.

The financial year of the UCITS Fund begins on 1 May and ends on 30 April.

§ 10 Name.

The rights of unitholders who acquired units originally named "Dow Jones STOXX 50^{SMEX}", "iShares DJ STOXX 50 (DE)", "iShares STOXX Europe 50 (DE)" or "iShares STOXX Europe 50 UCITS ETF (DE)" remain unaffected.

iShares
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