

PROSPECTUS OF  
THE OPEN-END INVESTMENT FUND  
FOR INFORMED INVESTORS  
INVL BRIDGE FINANCE

## WARNINGS

The Prospectus has been prepared on the basis of the information available at the date of the Prospectus. The Prospectus has not been approved by the Supervisory Authority. The Prospectus has not been drawn up in accordance with EU legislation designed to establish requirements for prospectuses for financial instruments and national legislation implementing such EU legislation.

Unless otherwise expressly stated and unless the context otherwise requires, all information contained in the Prospectus shall be construed as if it were factual as at the date of preparation and/or amendment of the Prospectus. Neither the submission of the Prospectus, nor the signing of the Investment Agreement, nor the sale of investment units shall in any circumstances be taken as a basis for assuming that there have been no changes (financial or otherwise) in the Fund's business since the date of the Prospectus.

In making a decision to purchase the offered investment units of the Fund, Investors must be guided by their own knowledge, based on their assessment of the future prospects of the relevant Fund, the terms of the Prospectus, including, but not limited to, all the advantages and risks associated with an investment in the relevant Fund. The contents of this Prospectus should not be construed as investment advice or legal or tax advice. Each Investor should consult his/her own financial, legal, business or tax advisers to fully understand the benefits and risks of investing in the relevant Fund.

The Prospectus contains forward-looking statements that are based on the Management Company's views, expectations and forecasts regarding future events that may affect the performance of the relevant Fund. Forward-looking statements include information about the Fund's likely or anticipated performance, investment strategy, contractual relationships, borrowing plans, investment conditions, the impact of future regulation and other information. Forward-looking statements are based on information available at the date of preparation of the Prospectus and/or its amendment. The Management Company undertakes no obligation to revise or modify these statements except to the extent required by applicable law.

In addition to the factors discussed elsewhere in this Prospectus, there are a number of other important factors that could cause the actual performance of the relevant Fund to differ from the projected performance. The main risk factors that may affect the performance of the Funds are detailed in the section IV of the Prospectus.

The Prospectus has been prepared in accordance with Article 2(7) and Article 44 to 46 of the Law on Collective Investment Undertakings Intended for Informed Investors (LCIUIII) and the provisions of the Republic of Lithuania Law on Management Companies of Alternative Collective Investment Undertakings (LMCACIU). By signing the Investment Agreement, the Investor agrees and understands that:

- the Fund's investment units shall be redeemable at the request of the Investor; however, the redemption shall be carried out in accordance with the procedure set out in the Documents;
- the Fund's units shall be subject to mandatory redemption in accordance with the procedure set out in the Documents;
- in the event of a delay in the transfer of funds, the Management Company shall be entitled to apply to the Investor the sanctions set out in the Rules;
- in the event of a refusal to provide information and documents that would enable the Management Company and/or the Distributor to determine whether the Investor meets the requirements for participation in the Fund set out in the Documents and/or to comply with the requirements for the prevention of money laundering and the prevention of terrorist financing, or failure to provide such information and documents within the time limit set by the Management Company and/or the Distributor, or submission of incomplete information and documents, will result in the Management Company and/or the Distributor refusing to enter into the Investment Agreement. If the Investment Agreement has been entered into, the Management Company shall be entitled to unilaterally terminate it and return the funds transferred to the Fund's account to the Investor without making any further payments that may be due to the Investor in accordance with the Documents (while ensuring that this Investor does not gain an advantage over other Investors);
- in some countries, the distribution of the Documents and the offer of units of the Fund may be prohibited. The Documents do not constitute (and shall not be construed as) an offer or inducement to acquire investment units of the Fund in countries where it is not lawful to do so, or where the person doing so is not entitled to offer or induce other persons to acquire the units of the Fund. Every person who has received or otherwise become acquainted with the Documents and every person considering the acquisition of the investment units of the Fund shall be required to become acquainted with and comply with all legal acts applicable to the acquisition and offer of the units of the Fund;

- the Documents are not intended for distribution and may not be made available for perusal by persons who may consider purchasing the units of the Fund who are residents of the United States of America, Canada, Japan, South Africa, the Commonwealth of Australia and New Zealand without the Management Company's express instructions.

The Management Company has not taken any action in other jurisdictions (other than the Republic of Lithuania) where approval of the Prospectus by a supervisory authority is required for the public offering of the Fund's investment units or the possession and public distribution of the Prospectus or any other information relating to the Fund's investment units or the offering thereof. For this reason, investment units of the Fund may not be offered or sold, directly or indirectly, to the public and the Prospectus or other materials, including promotional materials, relating to investment units of the Fund may not be distributed or published in any other country or jurisdiction except to the extent permitted by the laws of the relevant jurisdiction. All persons receiving the Prospectus or other information relating to the Fund's investment units should familiarise themselves with and observe the relevant restrictions on public distribution applicable in the relevant jurisdictions. Persons receiving the Prospectus or other information relating to the investment units shall be prohibited from transferring, disclosing or otherwise communicating it to any other persons, except as necessary for the purpose of evaluating investments in the Fund.

The Fund's investment units are not and will not be listed on any regulated markets.

All disputes, disagreements or claims arising out of the offer of investment units of the Fund or the information contained in the Documents shall be settled by the competent court of the Republic of Lithuania in accordance with the laws of the Republic of Lithuania.

## I. GENERAL INFORMATION ABOUT THE COLLECTIVE INVESTMENT UNDERTAKING

**This document constitutes the Prospectus of the collective investment undertaking – the Fund. It provides information on the transferable securities offered by a collective investment undertaking to Investors and the public. Capitalised terms used in the Prospectus correspond to those used in the Rules**

## 1. General information about the Fund

1.1. Name	Open-end investment fund for informed investors INVL Bridge Finance.
1.2. Fund currency	(EUR) Euro.
1.3. Selling price of the unit	As defined in paragraph 16.1 of the Prospectus.
1.4. Redemption price of the unit	As defined in paragraph 16.3 of the Prospectus.
1.5. Minimum investment amount	Amount specified in paragraph 6.1 and 6.2 of the Prospectus.
1.6. Distribution fee	As defined in paragraph 22.3 of the Prospectus.
1.7. Start date of activities	24 March 2015
1.8. Duration of activities	unlimited
1.9. Compliance with the requirements of the LCIUIII	The Fund shall meet the following criteria set out in the LCIUIII: <ul style="list-style-type: none"> <li>- The Fund shall be intended for more than one entity not related to the Management Company;</li> <li>- more than 50% of the NAV of the Fund (including Investors' subscriptions and outstanding Obligations) comprises the sum of the NAV of the Fund and Investors' subscriptions and outstanding Obligations attributable to entities not related to the Management Company;</li> <li>- At the time of revocation of the Fund, the Fund's assets shall be sold to persons unrelated to the Management Company.</li> </ul>
1.10. Management company	INVL Asset Management UAB, registered office address: Gyneju str. 14, 01109 Vilnius, legal entity code 126263073, licensed and supervised by Lietuvos bankas (Management Company operating under the LMCACIU, Licence No 3).
1.11. Depository	Šiaulių bankas AB, registered office address: Tilzes str. 149, LT-76348 Šiauliai.

## 2. Investment strategy of the Fund

- 2.1. The objective of the Fund is to earn a return for the Participants by providing the companies (hereinafter – Target Companies) which have a need of borrowed capital with financing. The Fund may use the following debt financing models: bond issuance, bridge finance or similar types of financing such as mezzanine-type financing and convertible debt. For the sake of clarity, it should be noted that the Fund will not provide financing to the Target Companies on the basis of loan agreements as defined in Article 6.870 of the Civil Code of the Republic of Lithuania.
- 2.2. The Management Company invests the Fund's assets in companies that have a need for debt capital.
- 2.3. The Fund seeks to provide the Target Companies with capital as long as they are not able to receive funding from other sources on terms that are more favourable than those that the Management Company deems to be in the Fund's investment interests.
- 2.4. The Fund implements the objectives of its investment strategy - short- and medium-term investments in promising businesses - by providing financing.
- 2.5. If the Management Company decides that continued investment in the Target Company no longer suits the investment interests of the Fund or that the Target Company has obtained the opportunity to receive financing for more favourable conditions, the Fund terminates the financing and searched for a new Target Company which would be a suitable investment of the Fund.

**Information on investment risks**

- 2.6. The Fund's investment portfolio is not subject to diversification requirements, which may expose the Participants to a high concentration risk.
- 2.7. The risks associated with investments are described in section IV of the Prospectus.

#### **Objects of investment**

- 2.8. The Fund's investment objects include, but are not limited to, Debt securities of up to 3 years' duration issued by the Target Companies, equity and non-equity securities, and other debt financial instruments of the Target Companies.
- 2.9. The Fund invests a part of its assets in liquid investment objects to create an additional liquidity buffer and to ensure that the Fund can meet its obligations to redeem the Fund's units in accordance with the Rules. Eligible investments include investment-grade government or corporate bonds or money market instruments, collective investment undertakings investing in them, index funds, exchange-traded funds (ETFs), deposits, risk management and debt derivatives (e.g. exchange rate hedges or bonds with early redemption options). The Fund may also hold some of its assets in the form of cash.
- 2.10. Depending on the cash flow movements of the cash invested in the Target Companies and the Fund's liquidity risk management requirements, the proportion of liquid investments may be up to 20% of the Fund's assets. In exceptional cases, for example, when seeking new investments from the Target Companies following the realisation of an investment, the proportion of liquid investments in the Fund may temporarily exceed 20% of the Fund's assets.
- 2.11. When managing investment risk for the purpose of securing and/or structuring the Fund's investments, the assets other than those referred to in paragraph 2.8 may be pledged for the Fund's benefit or (by way of conversion, foreclosure or other action) transferred to the ownership of the Fund.

#### **Geography of investment**

- 2.12. The Fund invests in the Target Companies located (in order of priority) in the Baltic States and other European Union countries. Other investment instruments (invested in for liquidity purposes) have no geographical restrictions, except: (i) countries subject to international sanctions; (ii) countries with high political risk.

#### **Limitations**

- 2.13. The Fund's assets, the value of which may not exceed 100% of the Fund's NAV may be borrowed or transferred as collateral. The maximum loan term of the Fund's assets may not exceed 5 years. Decisions on lending the Fund's assets shall be made by the Management Company. It is prohibited to lend Fund's assets its Participants.
- 2.14. If needed, the Fund borrows funds in order to obtain additional funding for financing the acquired investment objects. The Fund may borrow up to 100% of the Fund's NAV. The Fund engages in loan agreements for a maximum period of 5 years.

#### **Leverage**

- 2.15. The Management Company shall have the right to borrow funds in the name and for the account of the Fund; such borrowed funds may be used to manage the Investor insolvency risk and/or to meet the obligations of the Fund. The maximum amount of the loan/credit shall not exceed the aggregate amount of the Outstanding Commitments as at the date of the relevant financing agreement, or NAV (in the case of borrowing to meet the obligations of the Fund). The Fund's maximum leverage ratio as calculated under the gross method (as defined in Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision (hereinafter – the Regulation) is 300%, and 300% as calculated under the commitment method (as defined in the Regulation).

### **3. Description of the Investor to whom it is recommended to acquire investment units of the collective investment undertaking**

- 3.1. The Fund is intended exclusively for informed investors, as defined in Article 3 of LCIUIII, seeking long-term capital growth and prepared for short-term fluctuations in the value of their investments.
- 3.2. This Fund, as a core or complementary investment, is primarily suitable for Investors who seek to earn a return above inflation and who understand the risks of investing in collective investment undertakings and debt securities. Investors must be comfortable with at least a moderate level of investment risk related to, among other factors, market volatility,

investment concentration, liquidity, creditworthiness, insolvency, interest rate volatility, exchange rate volatility, political risk, etc.

- 3.3. A medium or longer investment period of at least 3 years is recommended.
- 3.4. No previous investment experience is necessary to invest in the Fund. As a complementary investment, the Fund is also suitable for institutional investors looking to diversify their investment portfolio.

#### **4. Information on where and when it is possible to get acquainted with the Prospectus, the instruments of incorporation, the reports of the collective investment undertaking and information on the collective investment undertaking**

- 4.1. The Prospectus, the Rules, other documents and reports of the Fund are available free of charge to Investors who request them at the Management Company's registered office address at Gyneju str. 14, 01109, Vilnius, on the website [www.invl.com](http://www.invl.com) and from the Distributor.

#### **5. Rights and duties of the Investor**

- 5.1. The Investor shall have the following rights:

- a) to demand at any time the Management Company to redeem his/her investment units and to receive funds in respect of the redeemed investment units of the Fund according to the conditions set out in the Documents;
- b) to receive a share of the Fund's assets in accordance with the procedures set out in the Rules and LCIUIII, legal acts that are distributed to the Participants upon the decision of liquidating the Fund;
- c) to receive a part of free cash flows of the Fund in accordance with the procedures set out in the Rules and legal acts if the Management Company decides to distribute the free cash flows to the Participants while the Fund is still operating;
- d) to receive information about the Fund determined in legal acts: the Rules, Prospectus, Key Information Document, other pre-contractual information documents of the Fund, Fund's and Management Company's annual reports together with the auditor's report, information about the value of investment units belonging to the Participant;
- e) only with the prior written consent of the Management Company and subject to the conditions set out therein, to transfer the investment units of the Fund held by the Participant to third parties by (a) entering into a simple written agreement for the transfer of the Participant's units, and (b) the mandatory conclusion of a tripartite agreement between the Participant, the new Investor and the Management Company for the assignment of the liabilities to the Fund of the Participant transferring the units of the Fund or a share thereof. Unless agreed otherwise, when transferring the units of the Fund, the new Investor shall be obliged to accept the previous Participant's liabilities or a portion thereof in proportion to the number (percentage) of units of the Fund transferred to it by the previous Participant compared to the previous Participant's total units held;
- f) with the prior approval of the Management Company, to pledge or otherwise encumber the Fund's investment units or the rights attached thereto by delivering a copy of the transaction creating such pledge or encumbrance to the Management Company within 5 calendar days;
- g) other rights determined in the Documents and the legal acts.

- 5.2. The Investors shall have the following obligations:

- a) to notify the Management Company in writing no later than within 10 calendar days of any change in the Participant's details (name, surname, residential or head office address, current account, telephone number, e-mail address, or any other details) as specified in the Investment Agreement;
- b) to transfer the Fund's investment units only to Investors who meet the eligibility requirements set out in the Rules and whose eligibility has been approved in advance in writing by the Management Company or its authorised person, and only with the Management Company's written consent;
- c) in the case of redemption or transfer of the investment units of the Fund, to submit a confirmation that the investment units of the Fund are the personal property of the Participant, or, in the case of the units of the Fund owned jointly by spouses, an application signed by both spouses, or by one of the spouses, provided that a power of attorney in a simple written form issued by the other spouse has also been submitted;
- d) to provide the Management Company and/or the Distributor with information and documents that enable the Management Company and/or the Distributor to determine whether the Investor meets the requirements for participation in the Fund as set out in the Documents and/or to comply with the requirements for the prevention of money laundering and terrorist financing. The Investor shall have this obligation not only at the time of conclusion of the Investment Agreement, but also throughout its term of validity;
- e) to fulfil other obligations set out in the Documents, the Investment Agreement and the legal acts.

#### **6. Minimum Investment Amount**

- 6.1. The minimum investment amount shall be EUR 125,000, except in cases set out in paragraphs 6.2 and 6.3.
- 6.2. The investors who do not meet the minimum investment amount (EUR 125,000) but who are considered to be informed investors according to the other criteria set out in Article 3 of the LCIUIII shall be subject to a minimum investment amount of EUR 30,000 in the Fund.
- 6.3. The minimum investment amount when investing additionally (i.e. when the person has already invested and maintained the minimum investment amount) shall be EUR 10,000.

## **7. Unit classes**

- 7.1. The Fund does not have unit classes and/or series.

## **8. Management of the Fund**

- 8.1. The assets constituting the Fund shall be managed, used and disposed of by the Management Company under the trust right.
- 8.2. The Fund is not a legal entity and, therefore, does not have the General Meeting of Investors, the Supervisory Board and governing bodies.
- 8.3. The Management Company shall appoint the Fund Manager and/or set up the Investment Committee for the management of the Fund in order to manage the Fund properly. In order to ensure the effective management of potential conflicts of interest, an advisory committee may be established by a decision of the Board of the Management Company.
- 8.4. The Manager and/or the Investment Committee appointed for the Fund shall have the right to decide on the acquisition and disposal of the assets comprising the Fund and their management.
- 8.5. The Manager and/or the Investment Committee appointed for the Fund shall act in the interests of the Fund as a whole and not in the interests of its individual Participants.
- 8.6. The Management Company, notwithstanding the provisions of paragraphs 8.3 - 8.5, the Management Company shall have the unlimited right, however, in no circumstance the obligation, to implement any and all measures providing for or implementing direct involvement of the Participants in the management of the Fund (e.g. voting on substantive matters related to the operation of the Fund). Such measures chosen by the Management Company shall in all cases have to comply with the requirements of the legislation applicable to the Fund and to the Management Company regarding the notification of the Supervisory Authority, etc. Where the Management Company decides to put the decision to a vote of the Participants, the approval of the Participants shall be deemed to be given if the proposal put forward by the Management Company is not opposed by Participants who, at the date of dispatch of the notice, owned more than 50% of the total number of investment units issued and not redeemed. Participants who fail to object within the time limit set in the notification in accordance with the procedure set out in the notification shall be deemed to have accepted the proposed decision. The process, procedure and deadlines for voting by the Participants shall be determined by the Management Company before the vote on each specific issue. The voting process, procedure and deadlines shall be determined taking into account the reasonable and prudent efforts of the Management Company and/or the Distributor in this respect. The description of the voting procedure established by the Management Company prior to the commencement of the relevant vote shall be made available to the Participants by e-mail or in the investor information system maintained by the Distributor or in another form agreed with the Participants.

## **9. Methodology for calculating remuneration to the Management Company and other expenses**

### **REMUNERATION TO THE MANAGEMENT COMPANY**

- 9.1. The Management Fee is equal to 2% of the average annual Fund's NAV. The Management Fee for managing the Fund is calculated on the last day of each month by multiplying 1/12 of the Management Fee rate by Fund's NAV on that day and paid out to the Management Company each month by the 20th (twentieth) calendar day of the following month.

### **DEPOSITORY FEES**

- 9.2. Payment for the services of the Depository shall be made based on the invoice submitted to the Management Company or directly to the Fund from the Fund's bank account opened with the Depository.

### **REMUNERATION TO AUDITORS**

- 9.3. The cost of the audit services shall be reimbursed based on invoices submitted by the audit firm to the Management Company or directly to the Fund.



## OTHER EXPENSES

9.4. The Fund may cover the following expenses, if any, from its own funds that are related to its activities:

- a) financial market participant contributions to cover the costs of financial market supervision in relation to the Fund and contributions, fees or charges payable by the Management Company or any other Management Company similar in nature, substance or form to the Fund;
- b) remuneration for the valuation of assets and/or business;
- c) costs of setting up (activity structuring) the Fund;
- d) costs of the Fund's accounting services, the valuation of the Fund's financial instruments, if outsourced to an external service provider;
- e) remuneration for audit and advisory services;
- f) remuneration to consultants for legal services and representation;
- g) costs of litigation and legal proceedings;
- h) other legal costs incurred by the Management Company in defending the interests of Investors and/or the Fund;
- i) fines and penalties (including interest) arising from and/or relating to the obligations of the relevant Fund;
- j) remuneration to financial institutions and financial intermediaries for the services they provide (opening and maintaining accounts, handling cash and securities transactions, executing orders, exchanging currencies, etc.) and the costs associated with such services (commissions and other fees);
- k) expenses incurred by external experts in the interests and for the benefit of the Fund by the decision of the Manager and/or the Investment Committee;
- l) state and local taxes and charges related to the Fund;
- m) costs related to the acquisition, management and disposal of investment objects, etc.;
- n) cost of preparing and translating information about the Fund and providing it to the Investors;
- o) exchange rate and interest rate hedging costs;
- p) costs related to enforced recovery;
- q) consulting expenses to the extent that they are not covered under paragraph 9.4 k) of the Prospectus;
- r) costs related to obtaining and amending licences and permits, including for the distribution of the Fund in other Member States, in so far as they are not covered under paragraph 9.4 a) of the Prospectus;
- s) expenses on notaries and registers;
- t) costs of maintaining the assets belonging to the Fund;
- u) costs related to the development of the Fund's business and/or assets;
- v) the expenses for formalising, registering and deregistering pledges for securing obligations;
- w) commissions to intermediaries;
- x) expenses related to loans received in the name of the Fund (for example, interest);
- y) expenses for the insurance of persons responsible for Fund's activities (i.e. insurance against damage and (or) liability);
- z) presentation (representation, advertising, etc.) and marketing costs (including, but not limited to donation costs) of the Fund and its assets;
- aa) cost of representations and warranties insurance of the Fund and/or the Management Company in relation to the Fund.

## II. DATA ON CAPITAL, DISTRIBUTION OF INCOME AND EXPENDITURE

**10. Equity capital**

10.1. The Fund has no authorised capital. The equity of the Fund is always equal to its NAV and varies according to the issuance/sale and redemption of Units and the change in NAV.

**11. Costs**

11.1. Expenses referred to in paragraph 9.4 of the Prospectus shall be calculated on the working day following receipt of the document supporting the expenditure (e.g. invoice) and shall be paid in accordance with the procedures laid down in the contracts or other documents.

11.2. If the Management Company incurs operating expenses on behalf of the Fund, the Fund must reimburse the Management Company for such expenses (incurred for the benefit of the Fund) according to the invoice presented by the Management Company.

**12. Dates of preparation of the financial statements and profit distribution of the collective investment undertaking, and financial year**

12.1. The Fund's financial year starts on 1 January and ends on 31 December. The Fund's annual financial statements shall be prepared and published within 6 months of the end of the financial year.

## III. DATA ON INVESTMENT UNITS

**13. General information about the units or shares offered by the collective investment undertaking:**



- 13.1. An Investment unit is a transferable security evidencing the Investor's right to a share of the assets comprising the Fund.
- 13.2. An entry in an Investor's personal securities account shall be evidence of ownership of the investment units.
- 13.3. The investment units confer on their holders the rights and obligations set out in paragraph 5 of the Prospectus.

#### **14. Conditions and procedures for the sale and redemption of the fund's investment units**

##### **Conditions and procedures for the sale of investment units**

- 14.1. Fund's NAV and Fund investment unit value is determined once a month for the last day of each calendar month.
- 14.2. The distribution of Fund investment units takes place by concluding with Investors Investment Agreements which are of two types:
- Full Amount Investment Agreements.* When concluding these agreements, the Investor must transfer the funds to the account of the Fund at the set date or within the period indicated in the agreement.
  - Investment Commitment Agreement.* The Management Company may but is not obliged to conclude agreement of this type with Investors who want to invest in Fund in parts. According to the Investment Commitment agreement, the Investor irrevocably obliges to transfer full or part of the amount indicated in the agreement to the Fund's bank account at the date or period indicated in the Investment request letter issued by the Management Company.
- 14.3. The Investor, who invests at least the minimum amount and wishes to acquire additional Fund units, has to submit an Investment Application to the Management Company or Distributor. The Investment Application is filled out in the cases when the Investor has already concluded an Investment Agreement with the Management Company or Distributor and is submitted in accordance with the Investment Agreement and Prospectus.
- 14.4. The Investment Agreement or Investment Application indicates an amount of money which the Investor irrevocably obliges to purchase Fund units for.
- 14.5. Fund units can only be paid for by money.
- 14.6. If the Investor does not transfer funds by the date indicated in the Investment Agreement, Investment Application or Investment request letter, the Investor must transfer the entire amount for which the Fund investment units are purchased within 10 additional calendar days.
- 14.7. If the Investor does not transfer money within 10 additional calendar days, the Management Company has the right to:
- terminate the Investment Agreement with the Investor unilaterally; or
  - modify the Investment Agreement upon the mutual agreement between the Management Company and Investor; or
  - cancel the Investment Application;
  - if the Investor has already transferred a part of the minimum invested amount, upon termination of the agreement the Investor shall be subject to a penalty in the equal to this amount, which in the event of a dispute shall be considered the minimum losses of the Fund.
- 14.8. Investment Agreements and Investment Applications to buy units for month X NAV value are accepted until the 26th day of the calendar month X. If that day is a non-working day, the last day for submitting is the following working day.
- 14.9. Before starting the execution procedure of Investment Agreements and Investment Applications, the value of NAV and Fund unit is calculated for month X, agreements and applications are executed and the final monthly NAV is calculated for month X. Month's X NAV value is the Fund's NAV value at the last day of month X.
- 14.10. Investment Agreements and Investment Applications received in accordance with the procedures set out in paragraph 14.8, if payment is made until the 26th calendar day of month X (inclusive), are executed in accordance with the procedures set out in paragraph 14.9.
- 14.11. NAV and the price of Fund units of month X are announced / submitted to the Participants no later than until 10th (tenth) working day (inclusive) of the following month. The Monthly X NAV and value of the investment unit may be published later than the time specified in this paragraph in cases where, due to circumstances beyond the Management Company's control, it is not possible to publish the Monthly X NAV and value of the investment unit by the time specified, but in any event the Monthly X NAV and value of the investment unit shall be published no later than the 20th (twentieth) working day of the following month.
- 14.12. If Investment Agreements/ Investment Applications are received and payment made later than until the 26th calendar day of month X (except if that day is a non-working day) the received Investment Agreements and Investment Applications are included into the NAV of the following month.
- 14.13. The title emerges after converting the invested funds into Fund units and after making a record in the Participant's personal securities account. The record is made not later than in 1 day after the day when the execution NAV of the Investment Agreement or Application is announced.
- 14.14. A record in the Participant's personal securities account is a proof of ownership rights of the Fund units.
- 14.15. If the ownership right of the units is transferred, the record in the Participant's personal account is made no later than the following day after the Management Company receives the documents justifying the fact of transaction.

**Conditions and Procedures for Redemption of Fund Units and Settlement of Accounts with Participants**

- 14.16. The Fund's investment units shall be redeemed upon the request of a Participant by submitting Redemption Application to the Distributor. In the Redemption Application the Participant indicates the number of Fund units to be redeemed. Together with the Redemption Application the Distributor must be provided with a confirmation that the Fund units are his/her personal property, or, if the Fund units are the property of both spouses under the joint ownership right, the Redemption Application has to be signed by both spouses or a power of attorney in a simple written form issued by the spouse has to be submitted as well. The Redemption Application may be submitted to the Distributor directly (personally) or by post, or e-mail (if such option is provided in the Investment agreement and the Participant has been assigned an identification code).
- 14.17. Applications for redeeming Fund units are executed once a calendar quarter according to the NAV of the last month of that quarter, but no earlier than 12 months from the date of acquisition of the Fund units.
- 14.18. The Redemption Application shall be accepted until the 10th calendar day of the first month of the quarter. If that day is a non-working day, the last day for accepting applications is the following working day.
- 14.19. Applications received according to the procedure set out in paragraph 14.18 are executed according to the procedure indicated in paragraph 14.9.
- 14.20. If the Redemption Applications are received after the 10th calendar day of the first month of the quarter (except when that day is a non-working day), they are included into the NAV of the last month of the following quarter and shall be deemed to be submitted for the following calendar quarter.
- 14.21. If it does not harm the interests of other Participants (e.g. Fund has enough free cash flows, therefore it is not necessary to close Fund investment positions), the Management Company has the right (but not an obligation) to execute the application of the Participant which was received after the 10th calendar day of the first month of the quarter for the Fund's NAV at the last month of the corresponding quarter.
- 14.22. The Management Company shall redeem no more than 20% of the total number of the investment units issued by the Fund in accordance with the Redemption Applications received in the relevant quarter. Accordingly, if more than 20% of the total number of investment units issued by the Fund are submitted for redemption, the Management Company will execute Redemption Applications in proportion to the number of investment units submitted for redemption to ensure that the aggregate amount of the redeemed investment units does not exceed the 20% limit. However, the Management Company may, by unilateral decision, redeem more than 20% of the total number of units issued by the Fund.
- 14.23. The Redemption Applications which have redeemed part of the investment units specified in the Redemption Application, as provided for in paragraph 14.22 of the Rules shall not be cumulative and the Participant shall resubmit Redemption Applications in order to submit the investment units held for redemption in subsequent Redemption Application periods.
- 14.24. Fund units are settled by transferring money to the Participant's bank account which was noted in the Investment Agreement no later than within 5 working days from the announcement day of NAV at which Fund units are being redeemed. The Management Company undertakes to make the transfer within 5 working days but cannot determine when the funds will reach the Investor's account and it is not considered as being late to pay.
- 14.25. The Management Company can suspend the redemption and settlement of accounts in accordance with the procedures set out in paragraph 15 of the Prospectus, if the Fund does not have enough liquid assets to redeem Fund units, as well as when the Fund does not have the possibility to borrow funds with the purpose of redeeming Fund units or in case of other important reasons (adverse conditions in the financial markets, etc.). In case of such circumstances, the Participant will be informed personally by means indicated in the Investment Agreement.
- 14.26. If the Fund does not settle with the Participant within the term indicated due to the fault of the Management Company, the Management Company must pay interest determined in the Civil Code of the Republic of Lithuania for the delayed period upon a written request of the Investor.
- 14.27. At the moment of submitting the Redemption Application the Participant loses all rights granted by the redeemed Fund units, except for the right to receive funds for the redeemed Fund units. At the moment of accepting the Redemption Application the Management Company acquires an obligation to settle the account with the Participant for the redeemed Fund units. At the moment of settling the account for the redeemed Fund units and making specific records in the personal investment units account of the Participant he/she is not considered as a participant of the fund anymore.
- 14.28. The Participant, whose Fund units are kept (accounted for) in an account opened with a financial instruments account agent other than the one specified in the Prospectus, must transfer the Fund units to the personal account opened with the financial instruments account agent appointed by the Management Company before submitting a Redemption Application by way of a tax-free transfer. This provision of the Rules shall apply only in respect of the investment units already acquired and does not apply to the units of the Fund that Investors will acquire in the future.

**15. Conditions and procedures for the suspending the redemption of investment units**

- 15.1. During the operation of the Fund, the investment units shall be redeemed in accordance with the procedure set out in the Documents.

15.2. The redemption of the Fund's investment units may be suspended in accordance with the procedure set out in the Rules.

#### 16. Procedure (place and periodicity) for announcing the sale and redemption price of investment units or shares

##### Sale price

- 16.1. At the beginning of Fund's operations, i.e. before the estimation of the first NAV, the Fund unit is priced at EUR 100. In the following periods Fund units are sold for a price, dependent on the Fund's NAV at the last day of the calendar month.
- 16.2. The sale price of the investment units may be increased by a distribution fee.

##### Redemption price

- 16.3. The redemption price of the Fund's investment unit is equal to the value of the Fund's unit as per the NAV on the last calendar day of the last month of the relevant calendar quarter. The investment units shall be redeemable at no additional cost.

##### Announcement of sale and redemption price

- 16.4. The Month X NAV and value of the investment unit shall be published / provided to the Participants no later than the 10th (tenth) business day of the following month (inclusive). The Month X NAV and value of the investment unit may be published later than the time specified in this paragraph in cases where, due to circumstances beyond the Management Company's control, it is not possible to publish the Month X NAV and value of the investment unit by the time specified, but in any event the Month X NAV and value of the investment unit shall be published no later than the 20th (twentieth) business day of the following month.
- 16.5. Information shall be provided directly to the Investors by electronic (e-mail or in other agreed form) or other means agreed with the Investor.

#### 17. Procedure for asset valuation and investment unit value estimation

- 17.1. The Fund's NAV shall be determined at least once a month, on the last day of each calendar month. In all cases, it must be determined at the end of the financial year.
- 17.2. The value of the Fund's units shall be determined by dividing the NAV by the total number of units in circulation in the Fund. The value of the Fund's investment unit (its parts) shall be determined to four decimal places and rounded according to mathematical rounding rules.
- 17.3. The difference between the values of the Fund's assets and liabilities represents the value of net assets.
- 17.4. The Fund's assets and liabilities shall be measured at fair value unless they cannot be measured reliably. The value of assets and liabilities shall be determined in accordance with Business Accounting Standards and the Description of Procedures for Calculation of the Net Asset Value approved by the Management Company.
- 17.5. Liabilities shall be calculated in accordance with the requirements of the Lithuanian Business Accounting Standards (hereinafter – the BAS).
- 17.6. The calculation of assets and liabilities shall be based on their fair value, which shall reflect the amount of the NAV at which it is most likely that the assets will be sold.
- 17.7. The value of assets and liabilities denominated in foreign currencies shall be determined in accordance with the Republic of Lithuania Law on Accounting.
- 17.8. The currency in which the Fund's NAV is calculated is the EUR.
- 17.9. Term deposits with banks shall be valued at amortised cost.
- 17.10. Cash and cash equivalents at credit institutions shall be measured at nominal value.

17.11. Non-equity securities and money market instruments not traded on regulated markets shall be valued as follows:

17.11.1. Bonds:

$$K = \sum_{i=1}^n \frac{C_i}{\left(1 + \frac{Y}{f}\right)^{\frac{d_i \cdot f}{360}}} + \frac{F}{\left(1 + \frac{Y}{f}\right)^{\frac{d \cdot f}{360}}}$$

wherein:

K – the total value of the instrument;

C<sub>i</sub> – the i-st cash flow of the instrument's coupon payment;

F – instrument's nominal value payable at redemption;

Y – the instrument's profitability (expressed as a decimal);

n – the number of coupon payments remaining until the instrument's maturity date;

f – number of coupon payments per year. For zero coupon bonds, f should be set to 1;

$d$  – days from the date of calculation of the NAV to the redemption date using the European 30/360 day calculation convention in *Microsoft Excel* software;

$d_i$  – days from the date of calculation of the NAV to the coupon payment date using the European 30/360 day calculation convention in *Microsoft Excel* software;

17.11.2. Zero coupon bonds with up to one year remaining until maturity:

$$K = \frac{F}{1 + Y \cdot \frac{d}{360}}$$

wherein:

$K$  – the total value of the instrument;

$F$  – instrument's nominal value payable at redemption;

$Y$  – the instrument's profitability (expressed as a decimal);

$d$  – days from the date of calculation of the NAV to the redemption date using the European 30/360 day calculation convention in *Microsoft Excel* software;

17.11.3. in other cases, where this results in a more accurate assessment than under paragraphs 17.11.1 and 17.11.2, those instruments shall be valued at their expected selling price determined using the discounted cash flow method (instrument value = discounted value of flows over  $n$  years + (plus) discounted perpetual value - (minus) discounted net financial debt);

17.11.4. transactions in non-equity securities are accounted for using the trade-date method in accordance with IAS 39, i.e. at the trade date, the buyer records a financial asset receivable and a liability to pay for it in its books.

17.12. Units (shares) of collective investment undertakings (CIU):

17.12.1. which are not traded on a regulated market, shall be valued at their last redemption price;

17.12.2. which are traded on a regulated market, shall be valued at the closing price of the regulated market.

17.13. Money market instruments with a maturity or remaining maturity of 397 days or less, or with yields that are regularly adjusted to money market conditions at least once every 397 days, or those with risks, including credit and interest rate risks, that are very similar to those of financial instruments with maturities and yields consistent with the above shall be measured using the amortised cost method.

17.14. Otherwise, if, in the opinion of the Management Company, this results in a more accurate valuation of these instruments than under paragraphs 17.11-17.13 of the Prospectus, they shall be valued in accordance with the valuation method selected (as specified in the procedures for calculating the NAV) that is generally accepted and used in the financial market.

## 18. Places where one can familiarise oneself with the history of the activities of the collective investment undertaking

18.1. The history of the Fund's activities is available in the periodic activity reports of the Fund, which will be provided to Investors. The Investors may obtain more detailed and additional information from the Management Company and / or Distributor.

## IV. INFORMATION ON THE TYPES OF RISKS AND THEIR MANAGEMENT

### 19. Risk factors associated with the acquisition and investment of the Units.

Investments in the Fund's investment units are subject to long-term and higher than average risk. Information provided in this section of the Prospectus is related to risk factors that, in the opinion of the Management Company, may affect the Fund's performance. There may be additional risk factors that are not listed in this section due to the fact that the Management Company is not aware of them or considers them insignificant at the time of the preparation of this Prospectus. The decision to invest in the Fund's investment units should not be made solely on the basis of the following risk factors. Before making investment decisions, the Investors should be aware that they may get back less than the amount they invested.

19.1. **Overall and volatility risk.** The value of the Fund's investments may rise or fall, which may cause large fluctuations in the value of the Fund's investment units during the term of the Fund's activity. The value of the Fund's investments may

increase or decrease significantly within a sufficiently short period of time and, as a result, the Fund's NAV may increase or decrease significantly within a sufficiently short period of time. A significant increase or decrease in the Fund's NAV over a sufficiently short period of time may lead to sudden significant fluctuations (increases or decreases) in the value of the Fund's investment units. The historical performance of the Fund does not guarantee the same results in the future.

- 19.2. **Market risk.** There is a risk that a deterioration in global, regional, or country conditions (e.g. macroeconomic changes, political, geopolitical, legal risks, or the actions of investors in a particular region) could reduce the value of the assets purchased by the Fund or the income they generate, which could reduce the value of the Fund's investments.
- 19.3. **Exemption from diversification requirements and concentration risk.** The Fund's investment portfolio is not subject to diversification requirements as the Fund is intended for informed investors only. Thus, there is a risk that a single unsuccessful investment could have a material impact on the Fund's NAV and, consequently, on its performance. The investment strategy of the Fund's assets is based on concentrated investments, which means that investment risk is not broadly dispersed, with risks of concentration by asset class, sector or region. In addition to the above concentration, the market may also experience a situation where the concentration of similar funds in certain asset classes can be very high, which creates a risk that all similar funds will try to liquidate their positions at the same time, thus adversely affecting the liquidation prices of their investments.
- 19.4. **Liquidity risk.** Investing in investment instruments with limited liquidity (in particular OTC investments) carries the risk of taking longer than expected to realise, which may result in a temporary shortage of cash to redeem the Fund's investment units in a timely manner. This risk is minimised by investing part of the funds in money market instruments or other highly liquid investment instruments.
- 19.5. **Credit risk.** As the majority of the Fund's assets comprise debt securities of the Target Companies, the Fund is exposed to credit risk – the potential default of a counterparty, i.e. the inability or unwillingness to redeem debt securities. At least one of the following investment protection tools shall be used to manage credit risk:
  - Target Company's equity requirement;
  - Pledging assets or shares in the Target Company;
  - Signing of uncontested bills of exchange;
  - Periodic reporting by the Target Company to the Management Company;
  - Any other risk management measure approved by the Management Company's decision that is appropriate for the specific Target Company.
- 19.6. **Interest rate risk.** There is a risk that if inflation rises, central banks will raise interest rates and the servicing of loans related to the Fund's investments will become more expensive, which may reduce the value of the Fund's investments. Changes in interest rates can also directly affect the value of securities in the Fund's portfolio. Interest rate risk can be mitigated by acquiring shorter-term debt securities.
- 19.7. **Financing and leverage risks.** There is a risk that a deterioration in the global, regional or national economy may make it difficult/expensive for the Fund to obtain new financing for acquisitions or project development, or to refinance old financings, and that the value of the Fund's investments may decline. The risk of using leverage also relates to the increased impact on the Fund's performance of the depreciation of financial instruments purchased with borrowed funds. The higher the leverage used, the higher both the potential investment return and the investment risk.
- 19.8. **Exchange rate risk.** This is the risk of losses due to unfavourable changes in foreign exchange rates. Investors can hedge their exposure to currency risk by purchasing derivatives.
- 19.9. **Inflation risk.** If inflation accelerates, the value of the Fund's units may decrease accordingly, and gains in the value of the Fund's assets may not compensate for the decrease in the real value of the Fund's assets due to inflation.
- 19.10. **Geopolitical risk.** There is a risk that the Company operations may be affected by geopolitical changes (e.g., state conflicts, internal conflicts of neighbouring countries, uprisings or wars), and as a result the value of the Company's investments may decrease or the Company's investments may not be realised at the desired time. The routine monitoring of the geopolitical situation by the Management Company should contribute to the management of this risk.
- 19.11. **Political and legal risks.** Political instability in a country may lead to legal, tax, fiscal and regulatory changes, such as nationalisation, confiscation, restrictions on the freedom of capital movements and other political decisions that would adversely affect the value of the Fund's investment units. Changes in legislation and the tax environment may affect the value of the Fund's investment units or the amount of income an Investor receives from an investment. To mitigate this risk, the Fund tries to avoid investing in financial instruments in regions with higher political and legal risk.
- 19.12. **Operational risk.** The success of the Fund's investments depends to a large extent on the investment decisions made by the people in charge of the Management Company and on the experience and skills of those people. There is no guarantee that the Management Company's employees will manage the Fund throughout the term of its operation. Operational risk is mitigated by selecting experienced and qualified Fund managers, investment managers, analysts, including the Depository.



- 19.13. **Risk of transaction, counterparty and settlement risk.** There is a risk that a counterparty buying or selling an asset will default on its obligations, such as defaulting on settlement – failure to make a payment, or fail to transfer assets acquired to the Fund, or the transaction may not be settled in general, resulting in significant costs for the Fund, which would significantly and adversely affect its overall performance of the Fund.
- 19.14. **Risk of conflict of interest.** There is a risk that there will be situations where the interests of the Management Company (or its affiliates) and the Fund may diverge or where the interests of individual Investors may diverge (e.g. with respect to the acquisition of investment properties, the timing of the sale of investment properties held by the Fund), i.e. conflicts of interest may arise. In order to mitigate this risk, the Fund only enters into arm's length service contracts with companies affiliated to the Management Company. In addition, the Management Company seeks to mitigate these risks by complying with approved internal procedures and applicable legal requirements, thereby ensuring transparency in investment and investment supervision.
- 19.15. **Tax risk.** There is a risk that changes in economic conditions and the political situation in the countries in which the Fund invests could result in new taxes on the Fund and the Fund's investment objects and/or an increase in the level of existing taxes, which could result in a decrease in the return on the Fund's investments.
- 19.16. **Risks associated with forward-looking statements.** The forward-looking statements made by the Management Company and its employees have not been analysed, verified or otherwise validated. Forward-looking statements are based on the Management Company's and its employees' assessment, opinion, expectations and forecasts of future events and financial trends that may affect the Fund's performance. Forward-looking statements include information about the Fund's likely or anticipated performance, investment strategy, contractual relationships, borrowing plans, investment conditions, the impact of future regulation and other information. The Management Company and its employees cannot ensure that forward-looking statements will fairly and completely reflect future events and circumstances. The Management Company and its employees do not represent or warrant that the forward-looking statements are accurate or that the Fund will be profitable. The Management Company and its employees undertake no obligation to revise or amend any forward-looking statements, except to the extent required by applicable national law.
- 19.17. **Assets valuation risk.** The valuation of the assets acquired by the Fund shall be carried out in accordance with the basic rules set out in the Rules. The valuation of an individual Fund's holdings is merely a determination of the value of the assets and does not automatically imply the exact realisation price of the Fund's holdings, which depends on a number of circumstances, such as economic and other conditions beyond the control of the Management Company and its employees. Thus, the realisation price of the assets held by the Fund may be higher or lower than the assessed value of the assets acquired by the Fund.
- 19.18. **New investment risk.** As part of the Fund's investment strategy, investments shall be made after the conclusion of the Investment Agreement and Investors may not be able to evaluate the terms and conditions relating to the Fund's future investments. The Investors may need to rely on the decisions of the Management Company; however, the Management Company does not guarantee or warrant that the Fund's investments will be successful and that the Fund's investment objectives will be achieved.
- 19.19. **Risks related to the Fund's potential liability.** There is a risk that the Fund's operations and the Fund's overall performance may be adversely affected by claims and actions for undisclosed or uncontracted obligations and/or breaches related to the investment objects acquired by the Fund, which may result in the Fund's liability for such obligations and/or breaches, and as a result of which the value of the Fund's investments may decrease significantly. In order to mitigate this risk, the Fund shall, where possible and justified, conduct due diligence on the assets before acquiring assets, and shall seek to include in the agreements terms that adequately protect the Fund from such obligations and/or breaches or take any other action, however, the Management Company does not guarantee or warrant that the risk mitigation measures will be effective and will allow it to completely avoid the liability of the Fund.
- 19.20. **Competition risk.** The Fund will compete with other investors, including, but not limited to, other investment funds, when investing in investment objects. Thus, there is a risk that competition with other investors will require the Fund to enter into transactions on less favourable terms than would otherwise be the case, which could reduce both the Fund's return on investment.
- 19.21. **Risk of non-redemption of the Fund units.** There is a risk that redemptions of the Fund's investment units may be suspended or the units may not be redeemed at all due to the Fund's inability to meet its obligations (the Fund's insolvency).
- 19.22. **Sustainability risk.** There may be an environmental, social or governance event or situation that, if it were to occur, could have an actual or potential material adverse effect on the value of the investment. Sustainability risk can also manifest itself in other types of risk (including, but not limited to, market, liquidity, credit, etc.). The impact of sustainability risks may vary depending on the investment, e.g. investments in high carbon emitting sectors may be more exposed to climate change risks. All or a combination of these factors may have an impact on the Fund's investments and a significant effect on the value of the Fund's units. The assessment of sustainability risk depends on

the class of business sector. Different sectors require different data and tools to carry out due diligence and to assess the relevance and impact of sustainability risks. To mitigate this risk, the Management Company also assesses the sustainability factors relevant to the specific investment under analysis and the associated sustainability risks.

- 19.23. **Other risk factors.** There may be other risk factors beyond the control of the Fund and the Management Company (other than those discussed above) which may adversely affect both the market as a whole and the value of the individual investments comprising the Fund's assets, which may result in a decrease in the value of the Fund's investment units.
- 19.24. **Regarding further information on types of risks.** Further information on risks and their management should be sought from the Management Company.

## V. OTHER IMPORTANT INFORMATION

### 20. Disclosure of sustainability information

- 20.1. When making investment decisions, the Fund and the Management Company acting on its behalf seek to assess all risks and factors that may affect the value and performance of investments. Accordingly, the Fund and the Management Company acting on its behalf shall take into account the environmental, social, and governance (ESG) sustainability factors and risks relevant to the specific investment under analysis.
- 20.2. While the Fund has integrated the assessment of sustainability risks into its investment decision-making procedures and applies some other ESG practices, when making investment decisions, the principal adverse impacts of investment decisions on sustainability factors, as defined in 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 is not currently taken into account. In the Management Company's judgement, there is limited scope for gathering information and data from reliable sources in relation to the matters discussed in this paragraph.
- 20.3. The Fund does not aim at sustainable investments within the meaning of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosures in the financial services sector, nor is it intended to promote environmental or social performance or any combination thereof. Investments under this Fund do not take into account the EU criteria for environmentally sustainable economic activity.

### 21. Delegation of functions

- 21.1. The Management Company does not intend to delegate its functions related to managing the Fund.

### 22. Information on unit distributors and distribution fee

- 22.1. Units shall be distributed by:
- I. FMI INVL Financial Advisors UAB  
Legal entity code: 304049332  
Registered office address: Gyneju str. 14, LT-01109 Vilnius  
seimosbiuras@invl.com  
Legal entity code: 304049332
- 22.2. The distribution fee for the purchase of investment units of the Fund is calculated as a premium on the NAV per investment unit.
- 22.3. The distribution fee charged by the management company depends on the amount invested:
- a) 2.0% for investment amounts up to EUR 125,000;
  - b) 1.0% if the investment amount is equal to or above EUR 125,000 and up to EUR 500,000;
  - c) 0.0% for investment amounts equal or above EUR 500,000;
- 22.4. The distribution fee charged by Distributor shall in any event not exceed the maximum amount provided in the Rules. The exact amount of the distribution fee is published at the points of distribution and made available before the purchase of Investment units of the Fund.
- 22.5. In order to assess the Investor's exemption from the application of the Distribution Fee, the amount invested in the Fund's units shall include all amounts of funds committed by the Investor and its related persons (as defined in the Republic of Lithuania Law on Competition as a group of related economic entities or any other equivalent definition in other legislation of the Republic of Lithuania) to be invested into the Fund's units. The determination of the total amount invested by the Investor and its related persons shall be made by the Management Company in accordance with the statutory definitions only when assessing whether to apply the Distribution Fee to the Investor. The Management Company shall in any event ensure compliance with the requirements of the LCIUIII, which require, inter alia, that persons who do not meet the requirements of an informed investor (the Investor and/or persons related to the Investor) do not become participants in the Fund.



- 22.6. All Investors whose committed investment amounts have been included in the determination of the total amount to be invested in accordance with the procedure set out in paragraph 22.5 of the Prospectus, shall be subject to the Distribution Fee, which shall be applied to the aggregate amount of funds committed for investment by all relevant persons.
- 22.7. The Distribution Fee shall not be applicable to investments in the Fund by charitable and relief funds acting as inviolable capital fund (or entities similar in nature established in foreign countries).
- 22.8. The Fund distribution fee for persons having the status of a professional investor, for natural persons who are directors or employees of the Management Company, for natural persons who are directors or employees of the Management Company's parent company and its subsidiaries, may be determined by a separate agreement between the Investor and the Management Company or the Distributor.

### **23. Information about the depository**

- 23.1. Šiaulių bankas AB, legal entity code 112025254, registered office address: Tilžės g. 149, LT-76348 Šiauliai.

### **24. Information about the audit firm**

- 24.1. The financial statements of the Fund shall be audited by independent auditors of PricewaterhouseCoopers, UAB, who will provide audit reports. The address of the registered office of the independent auditors of PricewaterhouseCoopers, UAB is J. Jasinskio str. 16B, LT-03163, Vilnius, Lithuania, legal entity code: 111473315.

### **25. Information on financial intermediaries**

- 25.1. The Management Company has not entered into any contracts with financial intermediaries for the purpose of managing the Fund.

### **26. Basics and procedure for the revocation of the Fund**

- 26.1. The Fund may be liquidated:
- by decision of the Management Company; or
  - by decision of the Supervisory Authority; or
  - on other grounds consistent with the law.
- 26.2. If the Management Company decides to liquidate the Fund, the redemption and distribution, if any, of the Fund's units shall cease. The Management Company's decision to liquidate the Fund shall set out the procedure and terms for the realisation of the assets of the Fund, the settlement with the creditors and the pro rata distribution of the remaining assets of the Fund among the Participants.
- 26.3. The Participants shall be informed of the decision to liquidate the Fund by e-mail or by any other means specified in the Investment Agreement no later than 3 business days after the decision has been adopted. The Participants and creditors of the Fund being wound up shall be provided with sufficient and accurate information on the reasons for the liquidation of the Fund, the procedure for the settlement with creditors and the procedure for the pro rata distribution of the remaining assets of the Fund among the Participants.
- 26.4. On the date of the pro rata distribution of the Fund's assets to the Participants, the Participants shall be redeemed of all their units in the Fund after the Fund has settled in full with its creditors.
- 26.5. The date of liquidation of the Fund shall be the date on which the Supervisory Authority declares the Rules of the Fund to be no longer valid.
- 26.6. The Participants shall be informed of the exact date of the liquidation of the Fund and the date on which the value of the redeemable units will be calculated and the redemption of the Fund's units will be affected by e-mail or other means specified in the Investment Agreement no later than 3 business days after the relevant decision has been adopted.
- 26.7. In the event of legal proceedings concerning obligations to be discharged at the expense of the Fund, the Fund may be liquidated only after the judgements passed by the court in such proceedings.
- 26.8. In the event of liquidation of the Fund, the Fund's assets shall be sold to persons unrelated to the investors of the Management company.
- 26.9. The Fund shall be liquidated when the Fund has settled with the creditors and the remaining assets of the Fund have been distributed to the Participants on a pro rata basis, except in the case referred to in paragraph 26.7.

### **27. Other relevant information which, in the opinion of the management, could have an impact on the decision of investors**

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