



**KEY RISKS FACTORS RELATED TO INVESTING IN THE FUND:**

Interest rate risk, market fluctuation risk, credit risk, inflation risk, market liquidity risk, currency exchange rate fluctuation risk, risk of counterparties and payments, political and legal risk, the fund's investment objectives and investment policy risk, total return standard deviation (more on the risks associated with an investment prospectus refer to Clause 2).

Prospectus was posted in the Management Company's website [www.invl.com](http://www.invl.com) on 19 May, 2022

**Additional information for investors in the Federal Republic of Germany is provided in the Supplement no. 1 to the Prospectus, page 38**



## I. GENERAL INFORMATION ABOUT COLLECTIVE INVESTMENT UNDERTAKING

### MAIN INFORMATION AND WARNINGS

This Prospectus has been prepared according to the Republic of Lithuania Law on Undertakings for Collective Investment and the Regulations Governing Content of Prospectuses of Collective Investment Undertakings and documents on essential information to investors approved by resolution of the Bank of Lithuania No. 03-150 of 12 July 2012.

INVL Asset Management LTD, the manager of the Fund, is responsible for the truthfulness of contents of this Prospectus. The contents of the Prospectus may be amended or supplemented as necessary, with the relevant information published by the terms and conditions provided in Legal acts.

This Prospectus does not constitute an offer to buy or sell units of the Fund. The Prospectus is the basic document of the Fund describing and defining the purpose of the Fund, investment objectives and rules, weights of positions in the investment portfolio and position risks, and rights and responsibilities of the manager and members of the Fund.

Equity securities (shares) of companies operating in the Baltic States (Lithuania, Latvia and Estonia) represent the key investment policy of the Fund. Activities of the Fund are limited by the geographical area of the Baltic States and the Nordic countries, with investments only in the Republic of Lithuania and the states listed in Clause 27 of the Prospectus. The Fund will not specialize in any industry or investment style.

Each investor intending to acquire units of the Fund should consult his legal adviser, tax consultant or another adviser concerning the legal, tax and other consequences of such acquisition.

Only this Prospectus and the Fund Rules are used in offering units of the Fund. The information presented in the Prospectus should be understood as the information reflecting the situation as of the date of publishing of the Prospectus unless stated otherwise. Neither delivery of the Prospectus, nor signature of an agreement on sale-purchase of units, nor sale of units can form a basis for assuming that no changes (financial or other) have taken place in the Fund's activities since the date of publication of the Prospectus. Information about the Fund's units offered may only be provided by the distributors specified in this Prospectus. Any information or statements provided by persons other than the specified distributors may not be considered to be information approved by the management company.

Any disputes, disagreements or claims arising from the offer of the Fund's units or the information contained in this Prospectus will be settled in a competent court of the Republic of Lithuania according to the Lithuanian law.

### TERMS AND DEFINITIONS

All terms and definitions used in this Prospectus are understood as they are specified in the Fund Rules or defined by the laws regulating collective investment.

#### 1. KEY INFORMATION ABOUT THE COLLECTIVE INVESTMENT UNDERTAKING:

1.1.	Name	<i>INVL Umbrella Fund</i> (in Lithuanian: "INVL sudėtinis fondas"), (hereinafter – the Fund)
1.2.	Legal form, Type, Subfonds	Harmonized Open-ended Umbrella Investment Fund, which consists of these subfonds: <ul style="list-style-type: none"><li>- <i>INVL Emerging Europe Bond Subfund</i> (in Lithuanian: „INVL besivystančios Europos obligacijų subfondas“)</li><li>- <i>INVL Russia ex-Government Equity Subfund</i> (in Lithuanian: „INVL Rusijos nevalstybinių įmonių subfondas“)</li><li>- <i>INVL Global Emerging Markets Bond Subfund</i> (in Lithuanian: „INVL besivystančių pasaulio rinkų obligacijų subfondas“)</li></ul>
1.3.	Registered office Telephone Fax E-mail Website	Gynėjų str. 14, 01109 Vilnius +370 700 55 959 +370 5 279 0602 info@invl.com www.invl.com
1.4.	Fund inception date	29 October, 2010



OPEN-ENDED HARMONIZED INVESTMENT FUND  
INVL UMBRELLA FUND  
PROSPECTUS

1.5.	Duration	Open-ended
1.6.	Date of issue of license for Management Company activities and license No	License No VJK-005 issued on 15th of January, 2004 by the Securities Commission of the Republic of Lithuania
1.7.	Management Company Registered Office Telephone Fax	INVL Asset Management, UAB (hereinafter – the Management Company) Gynėjų str. 14, LT-01109 Vilnius +370 700 55 959 +370 5 279 0602
1.8	Information about Depository	
1.8.1	Depository Registered office Telephone, Fax, Email, Website	AB SEB bank (hereinafter – the Depository) Konstitucijos pr. 24, LT-08105 Vilnius, Lithuania +370 5 268 2800, +370 5 268 2333 info@seb.lt, www.seb.lt
1.8.2	Description of functions performed by the Depository and conflicts of interest that may arise	<p>The Depository acts for the benefit of the parties and performs the following functions: 1) it safeguards and accounts for the assets of the Fund; 2) it ensures that the sale, issuance, redemption or cancellation of investment units of the Fund meet the requirements of legislation on the activity of undertakings for collective investment and the Rules of the Fund; 3) it ensures that the value of the investment units of the Fund is calculated in keeping with the requirements of legislation on the activity of undertakings for collective investment and the Rules of the Fund; 4) it executes instructions of the Management Company if they do not contravene the requirements of legislation on the activity of undertakings for collective investment or the Rules of the Fund; 5) it ensures that compensation and income for transactions involving the Fund's assets is transferred to the Fund's account within the established period of time; 6) it ensures that the Fund's income is used in keeping with the requirements of legislation on the activity of undertakings for collective investment and the Rules of the Fund; 7) it ensures proper monitoring of the Fund's cash flows to ensure the receipt of all payments made by investors or on their behalf upon their acquisition of investment units of the Fund; 8) it ensures that all monies of the Fund are credited to accounts opened in the name of the Fund, or in the name of the Management Company acting on behalf of the Fund, or in the name of the Depository acting on behalf of the Fund, within a subject determined and supervised in according with the legal acts adopted by the Bank of Lithuania which implement Commission directive 2006/74/EC of 10 August 2006, which implements directive 2004/39/EC of the European Parliament and the European Council on organisational requirements and operating conditions for investment companies and conditions regarding their activity, and the terms defined in the directive.</p> <p>Under the Law on Collective Investment Undertakings, the Depository does not have the right to conduct activities related to the Fund or the Management Company which might give rise to a conflict of interest on the part of the Fund, its participants, the Management Company or the Depository itself, unless the Depository has separated the performance of the functions of a depository from its other functions which might result in a conflict of interest and the possible conflicts of interest are identified, managed, monitored, and revealed to the participants of the Fund in the manner established in the legislation that regulates the activity of undertakings for collective investment. The Depository is obliged not to conduct any activity that might give rise to conflicts of interest between the Fund, holders of the Fund's units and the Depository, and to abide by the requirements of the applicable legislation, including internal legal acts of the Depository which regulate its policy on conflicts of interest. More information on the management and assessment of conflicts of interest by the Depository and preventive measures to avoid them is provided in the SEB Group policy on the avoidance of conflicts of interest:</p> <p><a href="https://www.seb.lt/sites/default/files/web/pdf/Interesu_konfliktu_vengimo_politika.pdf">https://www.seb.lt/sites/default/files/web/pdf/Interesu_konfliktu_vengimo_politika.pdf</a></p>



1.8.3	Description of depository functions transferred to other subjects; list of all subjects to which depository functions have been transferred, including all subsequent transfers; description of conflicts of interest which may arise due to the transfer and subsequent transfers of depository functions	<p>On the basis of the Depository Services Agreement signed with the Management Company and the requirements of legislation in force, the Depository may delegate the function of safeguarding financial instruments to third parties (intermediaries). More information about the intermediaries to which the Depository may delegate the function of safeguarding financial instruments is provided in the Depository's list of intermediaries: <a href="https://www.seb.lt/sites/default/files/web/pdf/seb_banko_vp_saugotoju_sarasas.pdf">https://www.seb.lt/sites/default/files/web/pdf/seb_banko_vp_saugotoju_sarasas.pdf</a>.</p> <p>In case financial instruments safeguarded at the Depository or delegated for safeguarding to a third party are lost, the Depository must immediately reinstate to the Fund the same type of financial instrument or a corresponding sum of money set according to the market price of the financial instrument at the moment of the loss. The Depository shall not be liable if it can prove that the loss was the result of an external event which it could not reasonably control and the consequences of which could not have been avoided even though all reasonable efforts were made to do so (force majeure).</p> <p>If the Depository was negligent or intentional in improperly performing its duties under the legislation in force and the Depository Services Agreement, the Depository must also compensate the Fund and its investors for all other losses related to the improper performance of the Depository's duties.</p>
1.8.4	Declaration that at the request of investors the full and latest information contained in Sub-Clauses 1.8.2 and 1.8.3 of the Prospectus will be provided	Upon a participant's written request to the Management Company, the participant will be provided with the full and latest information indicated in Sub-Clauses 1.8.2 and 1.8.3 of the Prospectus.
1.9.	Fund currency	Euro (EUR)
1.10.	Minimum investment sum, which can be invested in the chosen Subfund	-

## 2. MAIN INFORMATION ABOUT THE OFFERED FUND'S INVESTMENT UNITS:

The Fund offers investment units of four subfunds (hereinafter – subfund units) with no limitation on the number of issued subfund units. The value of one unit of the INVL Global Emerging Markets Bond Subfund on its inception date was equal to EUR 100, while the value of one unit of the Fund's other subfunds on their inception date was equal to EUR 28.9620.

Below is the basic information about each Fund's subfund:

INVL EMERGING EUROPE BOND SUBFUND (ISIN: LTIF00000468)

IBAN: LT67 7044 0600 0811 9441, Beneficiary bank: AB SEB bank, SWIFT: CBVILT2X

### INVESTMENT OBJECTIVE

To ensure a balanced growth of the Subfund's assets by investing at least 85 per cent of the Subfund's assets in the subfund *INVL Emerging Europe Bond Fund* of the harmonised investment fund *INVL Fund* established in the Grand Duchy of Luxembourg (hereinafter – the Master Subfund). Further information on the operations of these Subfunds is provided in Section V of the Prospectus 'INFORMATION ON THE FEEDER AND MASTER COLLECTIVE INVESTMENT UNDERTAKINGS'.

### FEES AND EXPENSES

Management fee	0.45 percent of the average annual NAV of the Subfund
Performance fee	N/A
Distribution fee	N/A



Subfund switch fee	0.25 percent of the switching Subfund unit's value
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## INVESTMENT STRATEGY

At least 85 percent of the assets of *INVL Emerging Europe Bond Subfund* is invested in the investment units of the Master Subfund *INVL Emerging Europe Bond Fund*. In its turn, the Master Subfund invests up to 100 percent of its assets in government and corporate debt securities in Emerging Europe. At least 51 percent of the total bonds of the Master Subfund is invested in government and corporate debt securities in Emerging Europe (the Czech Republic, Estonia, Croatia, Latvia, Poland, Lithuania, Slovakia, Slovenia, Hungary, Belarus, Russian Federation, Ukraine, Armenia, Azerbaijan, Georgia, Turkey, Malta, Albania, Bulgaria, Bosnia and Herzegovina, Greece, Montenegro, Cyprus, Macedonia, Moldova, Romania, Serbia and Kosovo). The remaining share of the Subfund's net assets is held in cash at bank or is invested only in liquid assets that are consistent with the investment strategy and specified in paragraph 27 of the Prospectus, in compliance with the requirements laid down in the applicable legislation. The Subfund invests in the investment unit class I of the subfund *INVL Emerging Europe Bond Fund* intended for institutional investors. Further information is provided in paragraphs 32-38 of the Prospectus.

## BENCHMARK INDEX

Complex benchmark index that is composed of: 0,5 \* *JP Morgan Euro Emerging Markets Bond Index Diversified Europe (JP Morgan Euro EMBI Diversified Europe)* + 0,4 \* *Bloomberg Pan-European High Yield (Euro) TR Index (I02501EU Index)* + 0,1 \* *European Central Bank ESTR OIS Index (OISESTR Index)*.

## PRICIPAL RISKS OF INVESTING IN THE SUBFUND

Interest rate risk, credit risk, inflation risk, market liquidity risk, currency exchange rate risk, counterparty and settlement risk, legal and political risk, risk of Subfund's investment objectives and strategy, standard deviation ratio on investment return (for more information on investment risks related to investing in to this subfund refer to chapter 30 and 34.3).

The Subfund focuses on those investors with minor investment experience. Subfund's investment risk is considered as lower than medium. Minimum recommended investment period is 1 – 2 years.

## INVL RUSSIA EX-GOVERNMENT EQUITY SUBFUND (ISIN: LTIF00000435)

IBAN: LT94 7044 0600 0811 9440, Beneficiary bank: AB SEB bank, SWIFT: CBVILT2X

## INVESTMENT OBJECTIVE

The Subfund seeks to achieve maximum return on investment in shares of Russian enterprises that are not owned by the government.

## FEES AND EXPENSES

Management fee	1.5 percent of the average annual NAV of Subfund
Performance fee*	20 percent of the increase of Subfund's value exceeding the 8 percent hurdle rate over the past 3 years
Distribution fee	2 percent of the Subfund's unit value
Subfund switch fee	0.25 percent of the switching Subfund unit's value

\* Performance fee is applied if both of these conditions are met: 1) the Subfund's unit value is higher than any other Subfund unit's past values (the High Water Mark principle), and 2) the hurdle rate of the Subfund's unit value was higher than 8 percent per year over the past three years. If three years have not passed since the date of the entry into force of the Rules that provide for this 3-year time limit (the date is specified in the Prospectus), the following performance fee is applicable: not higher than 20 percent on the increase of the Subfund's NA value exceeding the 8 percent hurdle rate as from the date of the entry into force of these Rules

## INVESTMENT STRATEGY

The assets of the Subfund are invested in the financial instruments of enterprises operating in the Russian Federation and its neighboring countries (stock exchanges and markets)<sup>1</sup>, except for enterprises controlled by the State. State control in respect of

<sup>1</sup> Determined list of stock exchanges and markets of Russian Federation and neighboring countries:



a particular company is more than 20 percent of its total shares. Most of the Subfund's investment portfolio consists of investments in shares of private companies. Up to 33 percent of the Subfund's assets may be invested in the financial instruments of those enterprises operating outside the Russian Federation, i.e. in other Commonwealth of Independent States (CIS) countries, incl. former CIS countries. Subfund's portfolio consists of shares of 15–25 different enterprises. The limited diversification of the Subfund's investment portfolio allows a maximum supervision of selected positions as well as productive portfolio structure. Up to 100 percent of Subfunds assets are invested into shares.

Subfund's investment is based on both strategic and tactical asset allocation methods and frequent portfolio adjustments with the purpose to increase its value. Under lower market conditions with non-attractive investment opportunities, up to 10 percent of Subfund's assets may be invested in corporate bonds and other types of debt securities . The Subfund may also invest in bonds with different maturity and credit rating.

INVL Russia ex-Government Equity Subfund invests in securities of developing markets, where large price fluctuations are very typical. Therefore the variable situation in stock exchanges may entail large fluctuations in the Subfund's value.

### BENCHMARK INDEX

MSCI Russia 10-40 Net Total Return EUR Index (MN40RUE INDEX)

### PRICIPAL RISKS OF INVESTING IN THE SUBFUND

Interest rate risk, currency exchange rate risk, market liquidity risk, inflation risk, legal and political risk, counterparty and settlement risk, risk of Subfund's investment objectives and strategy, responsible investment risk(for more information on investment risks refer to chapter 30).

The Subfund focuses on those investors with basic knowledge about financial instruments. Subfund's investment risk is considered as high. Minimum recommended investment period is more than 5 years.

### INVL GLOBAL EMERGING MARKETS BOND SUBFUND (ISIN: LTIF00000666)

IBAN: LT24 7044 0600 0810 4113, Beneficiary bank: AB SEB bank, SWIFT: CBVILT2X

### INVESTMENT OBJECTIVE

The Subfund seeks to ensure balanced growth of its assets.

### FEES AND EXPENSES

Management fee	1.25 per cent of the average annual NAV of the Subfund.
Performance fee	not applicable
Distribution fee	not applicable
Subfund switch fee	0.25 percent of the switching Subfund unit's value

### INVESTMENT STRATEGY

At least 80 per cent of the net assets of the INVL Global Emerging Markets Bond Subfund are invested in those debt securities of governments, municipalities and companies in emerging countries (securities exchanges and markets)<sup>2</sup> that credit analysis shows to be

- a) **Armenia:** Armenian Stock Exchange; **Azerbaijan:** Baku Stock Exchange; **Belarus:** Belarusian Currency and Stock Exchange; **Georgia:** Georgian Stock Exchange; **Kazakhstan:** Kazakhstan Stock Exchange; **Moldova:** Moldovan Stock Exchange; **Russia:** Moscow Stock Exchange, Stock Exchange of Russia, St. Petersburg Stock Exchange, SPBEX; **Ukraine:** Ukrainian Stock Exchange. Other markets where Subfund can invest its assets if financial instruments of those markets are traded on one or more of the above listed stock exchanges: **Kyrgyzstan, Kosovo, Tajikistan, Turkmenistan, Uzbekistan.**
- b) The assets of the Subfund may be also invested in financial instruments of those enterprises operating in any above mentioned country, if those financial instruments are listed in the markets regulated by OECD or EU member countries.

<sup>2</sup> Determined list of stock exchanges and markets in developing countries:

- b) **Mexico:** Mexican Stocj Exchange; **Russia:** Moscow Exchange, Russian Stock Exchange, St. Petersburg Stock Exchange, SPBEX, Moscow Moscow Stock Exchange; **Indonesia:** Indonesian Stocj Exchange, **Turkey:** Stambul Stock Exchange; **China:** Shanghai Stock Exchange, Shenzhen Stock Exchange; **Brasil:** BOVESPA Stock Exchange; **Philippines:** Philipinne Stock Exchange; **Venezuela:** Caracas Stock Exchange; **Colombia:** Colombia Stock Exchange; **Hungary:** Budapest Stock Exchange; **Chile:** Santiago Stock Exchange; **Liban:** Beirut Stock Exchange;





the most promising. The Subfund combines riskier investments (corporate bonds) and safer ones (government and municipal bonds) in order to protect the value of assets and ensure a stable return on the Subfund's investments. The Subfund's investments are not limited to any specific branch of industry. The Subfund may invest in bonds of diverse types and credit ratings. Effort will also be made to maintain an average bond maturity no longer than that of the benchmark index. If the situation in the market does not offer better investment opportunities, up to 100 per cent of the Subfund's net assets may be invested in deposits, money market instruments and units (shares) of harmonized collective investment undertakings which primarily invest in money market instruments or bonds and other forms of non-equity securities. The Subfund may invest in derivative financial instruments if such instruments are used to manage risk. The Subfund shall invest at least 80 per cent of its net assets in securities denominated in euros or U.S. dollars. Foreign exchange risk is hedged using derivative financial instruments; an open foreign exchange position may not exceed 20 per cent. The likelihood that the composition of the portfolio or the methods of managing the portfolio may cause large fluctuations in the NAV of the Subfund is small.

### BENCHMARK INDEX

Complex benchmark index that is composed of:  $0,5 * J.P. Morgan Emerging Markets Bond Index Global Hedged EUR (JPEIGHEU index) + 0,5 * J.P. Morgan Corporate EMBI Broad Hedged Level in EUR (JBBSHEUR index)$

### PRICIPAL RISKS OF INVESTING IN THE SUBFUND

Market fluctuation risk, interest rate risk, credit risk, currency exchange rate risk, derivatives risk, inflation risk, legal and political risk, market liquidity risk, counterparty and settlement risk, risk of Subfund's investment objectives and strategy, standard deviation ratio on investment return (for more information on investment risks refer to chapter 30).

The Subfund is intended for investors with limited investing experience. The Subfund has a medium investment risk and a recommended investment period of 2-3 years.

### 3. A BRIEF DESCRIPTION OF THE INVESTMENT STRATEGY

Each Subfund's brief investment strategy is described in Clause 2 of the Prospectus.

### 4. RISK FACTORS RELATED WITH THE PURCHASE OF UNITS AND INVESTMENT

Risk factors related with investing in the units of the each subfund are described in Clause 2 of the Prospectus.

### 5. THE DATE AND PLACE OF PUBLISHING THE PROSPECTUS

As specified in the title page of the Prospectus.

**Kazachstan:** Kazachstan Stock Exchange; **South African Republic:** Johannesburg Stock Exchange; **Peru:** Lima Stock Exchange; **Poland:** Warsaw Stock Exchange; **Ukraine:** Ukrainian Stock Exchange; **Malaysia:** Malaysian Stock Exchange; **Argentina:** Buenos Aires Stock Exchange; **Panama:** Panama Stock Exchange; **Croatia:** Zagreb Stock Exchange; **Uruguay:** Montevideo Stock Exchange, Uruguay Stock Exchange; **Sri Lanka:** Colombo Stock Exchange; **Dominican Republic:** Dominican Stock Exchange; **Lithuania:** Vilnius Stock Exchange; **Romania:** Bukarest Stock Exchange; **Costa Rika:** Costa Rika Stock Exchange; **Serbia:** Belgrad Stock Exchange; **El Salvador:** Salvadoran Stock Exchange; **Jamaica:** Jamaica Stock Exchange; **the Republic of Côte d'Ivoire:** West Africa Stock Exchange; **Pakistan:** Pakistan Stock Exchange; **Ecuador:** Quito Stock Exchange, Guayaquil Stock Exchange; **India:** Bombay Stock Exchange, Calcutta Stock Exchange, Cochin Stock Exchange, National Indian Stock Exchange; **Egypt:** Egyptian Exchange; **Azerbaijan:** Baku Stock Exchange; **Kenya:** Nairobi Stock Exchange; **Marocco:** Casablanca Stock Exchange; **Zambia:** Lusaka Stock Exchange; **Angola:** Angola Stock Exchange; **Mongolia:** Mongolian Stock Exchange; **Gana:** Gana Stock Exchange; **Vietnam:** HoChiMinh Stock Exchange, Hanoi Stock Exchange; **Paraguay:** BVPASA Stock Exchange; **Slovakia:** Bratislava Stock Exchange; **Iraq:** Iraq Stock Exchange; **Gabon:** Western African Stock Exchange; **Trinidad and Tobago:** Trinidad and Tobago Stock Exchange; **Guatemala:** National Stock Exchange (Guatemala); **Nigeria:** Nigerian Stock Exchange; **Namibia:** Namibia Stock Exchange; **Honduras:** Central American Stock Exchange; **Bolivian:** Bolivian Stock Exchange; **Georgia:** Georgian Stock Exchange; **Senegal:** Western African Stock Exchange; **Armenia:** Armenian Stock Exchange; **Tunisia:** Tunisian Stock Exchange; **Belarus:** Belarusian Stock Exchange; **Latvia:** Ryga Stock Exchange; **Cameroon:** Douala Stock Exchange; **Mozambique:** Mozambican Stock Exchange; **Tanzania:** Dar es Salamo Stock Exchange; **Jordan:** Aman Stock Exchange; **Belize:** Belize Stock Exchange; **Estonia:** Talinn Stock Exchange; **Macedonia:** Macedonian Stock Exchange; **Bosnia Hercegovina:** Sarajevo Stock Exchange; **Montenegro:** Montenegro Stock Exchange; **Czech Republic:** Praha Stock Exchange; **Kyrgyz:** Kyrgyz Stock Exchange; **Tajikistan:** Central Asian Stock Exchange; **Turkmenistan:** Turkmenistan Stock Exchange, State Commodity and Raw Material Exchange; **Uzbekistan:** Tashkent Stock Exchange; **Bangladesh:** Daka Stock Exchange, Chittagong Stock Exchange; **Bulgaria:** Sofia Stock Exchange; **Moldova:** Moldova Stock Exchange; **Kuwait:** Kuwait Stock Exchange; **Qatar:** Qatar Stock Exchange; **Saudo Arabia:** Tadawul (Saudo Arabian) Stock Exchange; **United Emyrates of Arabia:** Dubai Stock Exchange; **South Korea:** Korea Stock Exchange; **Tailand:** Thailand Stock Exchange; **Taiwan:** Taiwan Stock Exchange

c) In addition, the Subfund's assets can be invested in the debt securities issued by the governments, governmental agencies or municipalities of the above-listed countries as well as in the debt securities issued by the companies operating in these countries provided that these financial instruments are traded on the regulated markets of the Member States of the Organisation for Economic Cooperation and Development or the European Union or of the devlpped countries according to the MSCI (Morgan Stanley Capital International) classification.

d) Moreover, the Subfund's assets can be invested in securities on the Emerging Markets or Frontier Markets according to the World Bank or MSCI (Morgan Stanley Capital International) classification as well as in debt securities issued by the governments, municipal or state organisations or companies if these financial instruments are traded on the stock exchanges specified in these Rules.



## 6. INFORMATION WHERE AND WHEN INVESTOR CAN TO OBTAIN PROSPECTUS, FUND INCEPTION DOCUMENTS, ANNUAL AND SEMI-ANNUAL REPORTS, OTHER INFORMATION ABOUT THE FUND

Fund's prospectus, rules, key investor information documents for each Subfund, as well as annual and semi-annual reports are provided to every investor under request and free of charge at client services of the Management Company, by calling +370 700 55959, by e-mail info@invl.com, on-line www.invl.com or can be obtained by contacting any official Fund distributor.

## 7. FUND DISTRIBUTORS

### FUND'S DISTRIBUTORS IN LITHUANIA

<b>UAB INVL Asset Management</b>	company code registered office phone No website	126263073 Gynėjų str. 14, LT-01109 Vilnius +370 700 55 959 www.invl.com
<b>UAB FMĮ INVL Finasta</b>	company code registered office phone No website	304049332 Gynėjų g. 14, LT-01109 Vilnius 8 700 55 959 www.invlfinasta.com
<b>AB Šiaulių bankas</b>	company code registered office phone No website	112025254 Tilžės str. 149, 76348 Šiauliai +370 415 95607 www.sb.lt

### FUND DISTRIBUTORS IN FOREIGN COUNTRIES:

Foreign distributors of INVL Emerging Europe Bond Subfund, INVL Russia ex-Government Equity Subfund and INVL Global Emerging Markets Bond Subfund:

<b>Nordnet Bank AB</b>	company code registered office phone No website	516406-0021 PO Box 14077, Bromma SE - 1671, Sweden +46850637730 www.nordnet.se
<b>MFEX Mutual Funds Exchange AB</b>	company code registered office phone No website	556559-0634 Grev Turegatan 19, 11438, Stockholm, Sweden +46 (0)8-559 03 640 www.mfex.se
<b>Avanza Bank</b>	company code registered office phone No website	556573-5668 Klarabergsgatan 60, Box 1399, 111 93, Sweden +46856225045 www.avanza.se
<b>Allfunds Sweden AB</b>	company code registered office phone No website	556405-0127 Engelbrektsgatan 9-11, 114 32 Stockholm, Sweden +4684057070 www.allfunds.com
<b>Allfunds Bank S.A.U.</b>	company code registered office phone No website	A-4100137 Padres Dominicos, 7, 28050, Madrid, Spain +34912746400 www.allfunds.com
<b>Allfunds Bank International, S.A.</b>	company code registered office phone No website	B133459 Boulevard Royal, 30, L-2449, Luxembourg, Luxembourg +352 27 48 01 04 www.allfunds.com

Foreign distributors of INVL Emerging Europe Bond Subfund and INVL Russia ex-Government Equity Subfund:





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<b>IPAS INVL Asset Management</b>	company code registered office phone No website	40003605043 Smilšu iela 7-1, LV-1050, Ryga, Latvia +37167092988 www.invl.com/lat/lv
<b>Attrax S.A.</b>	company code registered office phone No website	B 77.836 308, route d'Esch, L-1471 Luxembourg +352-26026-7010 www.attrax.lu
<b>Raiffeisen Bank International AG</b>	company code registered office phone No website	FN 122119 Am Stadtpark 9, 1030 Vienna, Austria +431717070 www.rbinternational.com/

Foreign distributors of INVL Russia ex-Government Equity Subfund:

<b>Skandiabanken Aktiebolag (PUBL)</b>	company code registered office phone no website	516401-9738 Lindhagensgatan 86, 106 55 Stockholm, Sweden +4687881000 www.skandia.se
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INVL Emerging Europe Bond Subfund and INVL Russia ex-Government Equity Subfund are listed on these exchanges:

<b>NASDAQ Vilnius exchange (hereinafter – Exchange)</b>	registered office phone No website	Lvovo str. 25, LT-08501 Vilnius +370 5 272 3871 www.nasdaqomxbaltic.com
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## 8. PERSONS RESPONSIBLE FOR THE INFORMATION PROVIDED IN PROSPECTUS

8.1. The Management Company's Chief Executive Officer and Chief Accountant are responsible for all information in this Prospectus:

Chief Executive Officer: Laura Križinauskienė, tel. +370 700 55959, fax (+370 5) 279 0602.

Head of Finance Division: Vytenis Lazauskas, tel. +370 700 55959, fax (+370 5) 279 0602.

8.2. No consulting was hired while preparing this Prospectus.

## 9. INFORMATION ABOUT THE AUDIT

Since 2019 Fund's financial statements audit is carried out by:

<b>UAB KPMG Baltics</b>	company code registered office phone no. Auditing license no. and date of issue	111494971 Lvovo str. 101, LT-08104, Vilnius +370 5 210 600 No. 001281, April 11th, 1997
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In years 2012 to 2018 Fund's financial statements audit has been carried out by:

<b>UAB PricewaterhouseCoopers</b>	company code registered office phone No Auditing license No and date of issue	111473315 J. Jasinskio str. 16B, LT-01112 Vilnius +370 5 239 2300 No 001273, December 20th, 2005
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In years 2010 and 2011 m. Fund's financial statements audit has been carried out by:

<b>UAB ERNST &amp; YOUNG BALTIC</b>	company code registered office phone No Auditing license No and date of issue	110878442 Subačiaus str. 7, LT-01302 Vilnius +370 5 274 2200 No 000514, December 24th, 2004
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## 10. STATE TAX POLICY WITH RESPECT TO THE FUND, PARTICIPANTS OF THE SUBFUND

Investment funds established according requirements of the Law on Collective Investment Undertakings of the Republic of Lithuania are not objects for taxation, and Fund is not entitled to any tax liability.

**Taxation policy for Investors:** The following summary of income taxation policy for Investors in Lithuania arising from transferring Subfund units cannot be treated as tax consultation. The Management Company shall not be liable for accuracy and compliance of such information. Investors of Subfunds are responsible themselves for proper and timely settled payable taxes. In case of any doubts concerning taxation, Investors should always consult with tax advisors.

**Taxation policy for residents of Lithuania:** Income received from selling or transferring Subfund units is subject to taxation and is taxable with 15 percent of personal income tax rate (from 1<sup>st</sup> January 2019 – 15 percent personal income tax rate that is applied to the part that is less than 120 times average wage and 20 percent tax rate that is applied to the part that is more than 120 times average wage), except of the case mentioned below.

Income from selling or otherwise transferring ownership of subfund units is not subject to personal income tax when the difference between the income from the sale or other transfer of ownership of the subfund units and other financial instruments, on the one hand, and the acquisition price of the subfund units or other financial instruments and other expenses related to their sale or other transfer of ownership, on the other hand, does not exceed 500 euros during the tax period.

**Taxation policy for legal entities of Lithuania:** income of a Lithuanian legal entity, including capital gains, dividends and other distributed profits received from holding the Fund's investment units, is considered as non-taxable income..

Income received by **non-resident of Lithuania and foreign legal entity** from increase of capital is not subject to personal income tax of the Republic of Lithuania and corporate income tax of the Republic of Lithuania.

If the regulations by international treaties of the Republic of Lithuania differ from the respective regulations by the tax laws of the Republic of Lithuania and such treaties have been ratified, are valid and applied in the Republic of Lithuania, the regulations by such international treaties shall prevail.

**The switch of subfund units** to units of another subfund is not an object of the personal income tax of the Republic of Lithuania.

## 11. TERMS FOR SUBFUNDS' FINANCIAL REPORTS, DISTRIBUTION OF PROFIT, FINANCIAL YEAR

Subfunds' financial year starts on the 1<sup>st</sup> of January and ends on 31<sup>st</sup> of December. The annual financial report for the Fund is prepared and published within 4 months after the end of each financial year.

The profit of subfund shall not be distributed to its Participants and shall be put back to the subfund for increasing the value of net assets (hereinafter referred to as NAV) of the subfund.

## 12. RIGHTS AND OBLIGATIONS OF PARTICIPANTS

12.1. A Participant shall have the following rights:

- 12.1.1. to request at any time that their units of subfund would be redeemed according to the order set out in Prospectus;
- 12.1.2. to get the remaining part of the assets if subfund is terminated by the order laid down in the laws;
- 12.1.3. to get all information about Fund and subfunds which is required by laws;
- 12.1.4. to sell, transfer the ownership as gift or by other transfer agreement to third parties;
- 12.1.5. to require the Management Company to switch their units of the subfund into units of another subfund at any time;
- 12.1.6. other rights as set in Rules of the Fund, contracts on purchase and sale of units of the subfund and other legal acts.

12.2. A Participant shall have the following obligations:

- 12.2.1. to inform the Distributor in writing, no later that within 10 (ten) days from the date of change, about changes in their personal data (name, surname or title, residential address or registered office, current account number, telephone number, email and other data) provided in the purchase and sale agreement of units of the subfund;
- 12.2.2. in case of selling, transferring as a gift or transferring the ownership or possession rights to units of the subfund by any other contract, a written contract with the acquirer of units of the subfund must be signed, and one copy of which shall be submitted to the Distributor within 3 (three) working days;
- 12.2.3. other obligations as set in Rules of the Fund, contracts of purchase and sale of units of the subfund and other legal acts.

## 13. CONFIRMATION OF CHIEF EXECUTIVE OFFICER AND CHIEF ACCOUNTANT OR CONSULTANTS, WHO PREPARED OR ASSISTED IN PREPARING THIS PROSPECTUS AND RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION CONTAINED THEREIN, THAT THE INFORMATION PROVIDED HEREIN IS CORRECT, IN



**ACCORDANCE WITH THE REQUIREMENTS OF REGULATION AND NO FACTS THAT COULD CRITICALLY INFLUENCE THE DECISIONS OF INVESTORS WERE OMITTED**

I, Laura Križinauskienė, the Chief Executive Officer of UAB INVL Asset Management, confirm that the information provided in the Prospectus is correct and no facts that could critically influence the decisions of investors were omitted

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(Signature)

I, Vytenis Lazauskas, Head of Finance Division of UAB INVL Asset Management, confirm that the information provided in the Prospectus is correct and no facts that could critically influence the decisions of investors were omitted

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(Signature)

## II. DATA ABOUT CAPITAL, DISTRIBUTION OF INCOME AND EXPENSES

### 14. AUTHORIZED CAPITAL

The Fund and its Subfunds do not have authorized capital. The capital of each subfund is always equal to its net assets and changes depending on the issue (selling) and redemption of subfund units and the change of NAV of the subfund.

The size of the INVL Global Emerging Markets Bond Subfund's initial capital is EUR 10 000, while the initial capital of the Fund's other subfunds is EUR 2 896.20.

The highest allowed amount of distribution of subfund units, the highest allowed number of distributed subfund units is not set. The subfund units do not have nominal value.

### 15. METHODS ON NET ASSET VALUATION

15.1. The Net Asset Value (NAV) of subfunds shall be calculated every business day according to the NAV calculation methods approved by the Supervisory Authority and the NAV calculation methods and procedures approved by the Board of the Management Company.

15.2. The NAV of Subfunds is calculated by subtracting liabilities from the value of subfunds' assets.

15.3. Assets and liabilities must be stated at fair value, except where it is impossible to reliably determine it.

15.4. The fair value of assets and liabilities is determined on the basis of observable market transactions and market information. In the event that there is no observable market transactions and market information related to assets and liabilities, the fair value is determined on the basis of the valuation methodologies. When determining the fair value, in all cases the same purpose is sought – to calculate the amount for which the parties to the transaction can sell assets or services or transfer a liability to each other in an arm's length transaction on the date of value determination.

15.5. The unit value of the Subfunds is determined by dividing the NAV of the Subfunds by the number of all units of the Subfunds in circulation.

15.6. At the start of its operations, the unit value of INVL Emerging Global Markets Bond Subfund amounted to EUR 100, and the unit value of other Subfunds that belong to the Fund totaled EUR 28.9620 as at the start date of the Subfunds' operations.

15.7. The NAV of Subfunds is calculated up to four decimal places and rounded up according to mathematical rounding up rules.

15.8. The previous business day's unit value of the Subfunds is calculated every 11 business Day and it is published on the website [www.invl.com](http://www.invl.com) no later than by 14:00 hrs on the current business day.

15.9. NASDAQ Vilnius stock exchange shall publish NAV for every Subfund unit, change in the number of Subfunds' units traded and other information specified in the regulations of the Exchange on every business day under the procedures established by its regulations and other legal acts.



15.10. Net assets of the Subfunds are denominated in Euro. The value of the Subfund's net assets which are not denominated in Euro is determined in accordance with the Law on Accounting of the Republic of Lithuania and the Subfunds' accounting policy approved by the Management Company.

15.11. Net assets of the Subfunds are valued in the manner prescribed by the legal acts of the Republic of Lithuania, the Business Accounting Standards, the Net Asset Value Calculation Methodology approved by the Bank of Lithuania and the Net Asset Value calculation methodology and procedures approved by the Management Company. The valuation of net assets is carried out in compliance with the following principles:

15.11.1. The fair value of equity securities and collective investment undertakings that are traded on trading venues is determined on the basis of the publicly announced the closing price of this instrument on the principal market, the fair value of other financial instruments which are traded on trading venues is determined on the basis of the publicly announced closing price of that instrument on the principal market or the average market price, except for the cases established in the Net Asset Value Calculation Methodology approved by the Bank of Lithuania and the net asset value calculation methodology and procedures approved by the Management Company;

15.11.2. The fair value of financial instruments that are not traded on regulated markets is determined according to the net asset value calculation methodology and procedures approved by the Management Company;

15.11.3. Units (shares) of collective investment undertakings are valued on the basis of the NAV of the collective investment undertaking or the most recent publicly announced redemption price;

15.11.4. Term deposits in bank are stated at the amortised cost;

15.11.5. Cash and assets in credit institutions, except for term deposits, are stated at nominal value;

15.11.6. Other assets are valued on the basis of the most likely selling price determined according to the chosen valuation model which is universally recognised and applicable on the financial market.

15.12. Regulated market, where the price for transactions outside the exchange is established

The list of regulated markets, where the price for transactions outside the exchange is established, is provided in Clause 2 of the prospectus.

15.13. Collective Investment Undertaking currency

Subfunds' currency in which Fund's NA are calculated – Euro.

## 16. THE RULES OF INCOME DISTRIBUTION AND USE

The income of subfunds is not distributed among Participants; it is used to increase the NAV of the subfunds.

## 17. EXPENSES

17.1. General Expenditure Coefficient (GEC) of last year.

17.2. Types of expenses which were not considered when calculating General Expenditure Coefficient.

17.3. Portfolio Turnover Ratio (PTR).

**The information which should be specified in sub-Clauses 17.1 to 17.3 of the Prospectus is listed below for each Subfund separately:**

INVL EMERGING EUROPE BOND SUBFUND, YEAR-END 2021:

<p><b>General Expenditure Coefficient (GEC)</b></p>	<p>Percentage that shows the average NA share of the subfund allocated for management expenses. Expenses reduce the investment return for the investor directly.          Calculation of GEC does not include:</p> <ul style="list-style-type: none"> <li>- transaction conclusion costs (0,00 percent of the average annual NAV);</li> <li>- Distribution fee paid by the investor directly upon acquiring subfund units (0,00 percent of the average annual NA value);</li> <li>- Subfund change fee (0,00 percent of the average annual NAV).</li> </ul>	<p>1,38 percent</p>
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OPEN-ENDED HARMONIZED INVESTMENT FUND  
INVL UMBRELLA FUND  
PROSPECTUS

<b>Portfolio Turnover Ratio (PTR)</b>	Ratio describes the activity of trading in the financial instruments comprising the subfund portfolio. The higher the ratio, the higher the transaction costs are incurred by the subfund.	193,67 percent
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INVL RUSSIA EX-GOVERNMENT EQUITY SUBFUND, YEAR-END 2021:

<b>General Expenditure Coefficient (GEC)</b>	Percentage that shows the average NA share of the subfund allocated for management expenses. Expenses reduce the investment return for the investor directly. Calculation of GEC does not include: <ul style="list-style-type: none"><li>- transaction conclusion costs (0,14 percent of the average annual NA value);</li><li>- Distribution fee paid by the investor directly upon acquiring subfund units (0,00 percent of the average annual NA value);</li><li>- Subfund change fee (0,00 percent of the average annual NAV).</li></ul>	2,76 percent
<b>Portfolio Turnover Ratio (PTR)</b>	Ratio describes the activity of trading in the financial instruments comprising the subfund portfolio. The higher the ratio, the higher the transaction costs are incurred by the subfund.	86,87 percent

INVL GLOBAL EMERGING MARKETS BOND SUBFUND, YEAR-END 2021:

<b>General Expenditure Coefficient (GEC)</b>	Percentage that shows the average NA share of the subfund allocated for management expenses. Expenses reduce the investment return for the investor directly. Calculation of GEC does not include: <ul style="list-style-type: none"><li>- transaction conclusion costs (0,00 percent of the average annual NA value);</li><li>- Distribution fee paid by the investor directly upon acquiring subfund units (0,00 percent of the average annual NA value);</li></ul> Subfund change fee (0,00 percent of the average annual NAV).	1,44 percent
<b>Portfolio Turnover Ratio (PTR)</b>	Ratio describes the activity of trading in the financial instruments comprising the subfund portfolio. The higher the ratio, the higher the transaction costs are incurred by the subfund.	17,34 percent

17.4. Fund expense structure:

Expenses covered by the subfund:

17.4.1. **Remuneration to the Management Company** calculated on the basis of the accrual principle for every business day following the principle of synchronicity and paid every month by the 10 (tenth) day of the next month. The exact remuneration fees paid to the Management Company by each subfund are indicated in Clause 2 of the Prospectus. Remuneration to the Management Company consists of:

- **PERFORMANCE FEE**, if any is provided and applicable to a particular subfund. In the case of *INVL ex-Government Equity Subfund*, the rate of the performance fee does not exceed 20 percent on the increase in the NAV of the Subfund exceeding the 8 percent hurdle rate over the past three years. The performance fee is applied if both of the following conditions are met: 1) the unit price of the Subfund is higher than any past unit values of the Subfund (the High Watermark principle), and 2) the hurdle rate of the Subfund's unit value over the past three years exceeded 8 percent per year. In the event that three years has not passed since the entry into force of the rules establishing this 3-year term (the date is specified in the Prospectus), the following performance fee is applicable: not higher than 20 percent on the increase in the Subfund's NAV exceeding the 8 percent hurdle rate as from the date of the entry into force of these rules. . The fee is applied at the level of the subfund and not individually to every Participant. This means that when calculating the amount of the performance fee the increase of the value of the subfund item and not the change of value of investment of every Participant is taken into account;
- **MANAGEMENT FEE**, which is calculated on the average annual value of NA of the Subfund;

17.4.2. **Depository fee** for services agreed to in the service provision agreement shall not exceed 0,5 (five tenths) percent of the average annual NAV of every subfund. Remuneration to the Depository shall be paid under the procedure and



terms established in the service provision agreement.

Remuneration to the Depository shall be calculated based on the accrual principle for every business day according to the NAV of the subfund.

17.4.3. -----

17.4.4. **Fee to audit company and to other financial institutions** for provided services shall not exceed 1 per cent of the average annual NAV of the subfund. Remuneration to the audit company and financial establishments shall be paid under the procedure and terms established in the service provision agreement.

17.4.5. Expenses covered directly by the Participant:

17.4.5.1. **DISTRIBUTION FEE** – 0 (zero) per cent of the subfund unit value when the Participant acquires units of the INVL Emerging Europe bond subfund or INVL Global Emerging Markets Bond Subfund, and not more than 2 (two) per cent of the subfund unit value when the Participant acquires units of the Fund's other subfunds. The distribution fee which is included in the subfund's unit sale price the Participant pays to directly to the Management Company in accordance with the subfund unit purchase-sale agreement. The distribution fee which is not included in the subfund's unit sale price the Participant pays directly to the Distributor. Remuneration to specific distributors may differ. The Management Company exempts certain participants from the distribution fee<sup>1</sup>. Precise information regarding the size of the distribution fee is published on the website [www.invl.com](http://www.invl.com) and at distribution points, and is provided before the acquisition of Fund units.

17.4.5.2. **SUBFUND SWITCH FEE** – not higher than 0.25 percent of the value of the exchanged subfund units intended for covering direct costs of exchanging subfund units.

17.4.6. **Financial intermediaries fee** (transaction conclusion costs, costs of non-payment orders to transfer financial instruments, costs for safekeeping the financial instruments, etc.) shall not exceed 1,00 percent of the value of concluded transactions. Remuneration to financial intermediaries shall be calculated every business day, if at least one transaction was concluded. Remuneration to financial intermediaries shall be paid under the procedure and terms established in the service provision agreement.

17.4.7. **Legal expenses** incurred by the subfund shall not exceed 1,00 (one) percent of the average annual NAV of the subfund. Legal expenses shall be covered by the subfund in the cases and under the procedure specified in the Fund Rules according to documents confirming the expenses.

17.4.8. **Expenses for banking services** (including without limitation bank and other credit institution fees for local and international payment orders). These expenses shall be calculated in accordance to the prices applied by banks and other credit institutions used by the subfund.

17.4.9. **Fees to NASDAQ Vilnius Exchange shall be:**

- a) payment for including financial instruments into NASDAQ Vilnius trading lists;
- b) annual payment for listing financial instruments,
- c) etc.

17.4.10. **Fees to Nasdaq CSD – Baltic Central Securities Depository** (hereinafter – NASDAQ CSD) shall be:

- a) one-off payment for registration of the subfund;
- b) quarterly payment for account management;
- c) payment for corporate actions management;
- d) fee for making of the list of owners of securities;

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<sup>1</sup> The Management Company will not apply distribution fee in the following cases:

- a) For those Participants who are hired by below listed companies (only in period on valid work agreement):
  - UAB INVL Asset Management;
  - UAB FMJ „INVL Finasta“;
  - AS INVL atklatais pensiju fonds;
  - IPAS INVL Asset Management.
- b) For those participants who meet the below listed requirements:
  - the Participant has concluded a financial instrument portfolio management agreement (hereinafter referred to as the Management Agreement) with the Management Comp;
  - the Participant has paid at least EUR 1.448,10 of management fees specified in the financial instrument management agreement within one year of validity of the Management Agreement.
- c) Entities licensed in the European Union Member States and (or) otherwise supervised and operating in the financial markets, such as credit institutions, a financial brokerage companies and other licensed and (or) supervision of financial institutions, insurance companies, collective investment schemes and their management companies, pension funds and their management companies, and other institutional investors whose main activity is investment in financial instruments, including entities engaged in property investment or participating in other financial transactions.





- e) annual payment;
- f) fee for safekeeping of securities;
- g) other.

- 17.4.11. **Fees to the authorised agent of the Management Company NASDAQ CSD** as well as to the manager of Participants' and their investment units accounts.
- 17.4.12. **Subfund's portion of the fee to the Supervisory Authority for the supervision of financial market participants under supervision**, calculated in compliance with the Specification of the Calculation Methodology and Payment Procedure for Contributions of Financial Market Participants under Supervision.
- 17.4.13. Fee to providers of **financial indexes** used in the Subfund's benchmark index for information and historical data on index composition.
- 17.4.14. **Other expenses** relating to activities of the subfund which are not paid periodically or in accordance to set procedures.
- 17.4.15. Expenses provided in subparagraphs 17.4.8 – 17.4.14 of the Prospectus shall not exceed 1,00 (one) percent of the average annual value of NA of each subfund.

The INVL Global Emerging Markets Bond Subfund's expenses for audit, tax preparation, depository and consulting services during its first three years of operation may be fully or partially covered also from the resources of the Management Company.

All other unexpected expenses or those exceeding the expense limits set out above shall be covered by the Management Company.

The maximum total expenses covered from subfund assets (not including performance fee, which is calculated using the high water mark principle) can be:

- 2,00 (two) percent of the average annual NAV of INVL Emerging Europe Bond Subfund;
- 2,00 (two) percent of the average annual NAV of INVL Global Emerging Markets Bond Subfund;
- 4,00 (four) percent of the average annual NAV of INVL Russia ex-Government Equity Subfund;

17.5. Information about reimbursed expenses which are incurred by the depository and the Management Company on behalf of the Fund

Expenses which are incurred by the depository and the Management Company on behalf of the Fund will not be reimbursed, except the costs which are covered from the Fund's assets and are specified in Sub-Clause 17.4 of the Prospectus.

17.6. The maximum management fee that can be paid to its own Management Company by other collective investment undertakings, in which the subfunds have invested, cannot exceed 3,00 (three) percent of the average annual NAV of every subfund.

17.7. There are no hidden commissions. In this paragraph are listed arrangements that exist for sharing of fees received by the Management Company (i.e. distribution, management fee, and (or) the performance fee). The Management Company pays part of the received fees to Distributors listed in Clause 7 of the Prospectus, who operate according to the Fund's unit distribution agreement. The Management Company, considering the specifics of the foreign market where Fund's units are distributed, also has the right to pay a part of the received fee to the third party, who is acting on basis of co-operation agreements, which helps to establish, develop and maintain relationships between the management company and participants, provided that it complies with the Management Company's duty to act in the best interests of the collective investment undertaking and participants. If Participant requests, the Management Company undertakes to provide additional information about the payments to third parties described in this paragraph. The Management Company has prepared and applies inducement policy which is available on [www.invl.com](http://www.invl.com).

17.8. Total expenses of the Fund, which cannot be attributed to any specific subfund, shall be distributed among the subfunds in proportion to the average NAV at the moment of acknowledging of expenses or at the moment of starting to accumulate expenses.

### III. DATA ABOUT SUBFUND UNITS

#### 18. MAIN INFORMATION ABOUT THE FUND'S INVESTMENT UNITS OFFERED:

18.1. A subfund unit is a transferable security, which proves the subfund's commitments to the owner (the Participant) of this security.

18.2. -----



18.3. ----

18.4. The proof of the right of ownership to subfund units is a record in the personal securities account of the Participant. The record in the personal securities account shall be entered not later than within one business day from the receipt of the funds in the subfund account. In case of acquisition of subfund units in the stock exchange, the record in the personal securities account shall be entered under the procedure established in the agreement concluded by the Participant with the public turnover intermediary.

18.5. The Manager of the personal accounts of issued subfund units, manager of the Participants register is the Management Company and/or AB "Šiaulių bankas". The management of the register for Participants' of INVL Emerging Europe Bond Subfund, INVL Global Emerging Markets Bond Subfund and (or) INVL Russia ex-Government Equity Subfund has been delegated to those Distributors listed in Clause 7 of the Prospectus: UAB FMĮ "INVL Finasta" and those foreign Distributors, through which the subfund units have been acquired.

18.6. The Management Company has authorized bank AB "Šiaulių bankas" to represent it in matters with NASDAQ CSD.

18.7. The subfund units shall grant the holders with rights and duties specified in Clause 12 of the Prospectus. The subfund units shall not grant voting rights. The Participant shall have a right to transfer, redeem or switch the subfund units, which belongs to his/her spouses under the joint community property right, in the case if the spouse has the power of attorney which is granted by other spouse and could be of a simple written form. No other limitations are set for transferring subfund units, except for the cases when the subfund units are seized, has other restrictions or in other cases specified under procedures established by the legal acts.

18.8. Issues of subfund units are not limited and are open-ended.

18.9. The Management Company, the manager of the accounts of the Participants and of the units owned, and distributors shall ensure that the subfund units, for which a redemption order has been received, would not be transferred to a public turnover intermediary with the intention of selling the units in the stock exchange, and the subfund units bought in the stock exchange, which are under orders to sell in the exchange, would not be transferred with the intention of buying the units out.

18.10. Accounting of the investment units issued by the subfund is carried out on two levels of accounting – higher level financial instrument accounts which are opened and maintained by NASDAQ CSD, and lower level financial instrument accounts which are opened and maintained by other nominees.

## 19. DIVIDENDS

Subfunds shall not pay dividends.

## 20. PROCEDURE OF LIQUIDATION OF SUBFUNDS

20.1. A subfund may be liquidated at the decision of the Board of the Management Company, the Supervisory Authority or the Board of the Depository.

20.2. Upon deciding to liquidate the subfund, the redemption and distribution of subfund units shall be terminated. From this moment the requirements of securities portfolio diversification defined in the Law on Collective Investments Subjects are no longer applicable.

20.3. If during liquidation of a subfund it becomes known that the assets of the subfund are not sufficient to cover the liabilities accepted in its name, the Management Company shall not fulfil the remaining obligations in the cases when, at the request of the Management Company, the Supervisory Authority confirms that there are no data about the fact that the Management Company failed to appropriately fulfil its duties specified in the Law on Collective Investment Undertakings and the Fund regulations.

20.4. After meeting creditors' requirements, the money received for the remaining assets of the subfund shall be distributed pro rata to the share held by Participants of the subfund.

20.5. If there are complaints concerning obligations in the name of the subfund in courts, the subfund can only be liquidated after coming into force of the rulings in such cases.

## 21. TERMS AND CONDITIONS OF ISSUE OF SUBFUND UNITS AND PROCEDURES OF MAKING DECISIONS TO ISSUE SUBFUND UNITS

Subfund units are issued when an investor signs a subfund unit purchase-sale agreement and pays the amount specified in the agreement to the Subfund's account.



## 22. TERMS AND CONDITIONS AND PROCEDURE OF DISTRIBUTION (SELLING) OF INVESTMENT UNITS

22.1. Subfund units are distributed at places specified in Clause 7 of the Prospectus. When a Participant acquires subfund units through a specific Distributor, he shall address the same Distributor for redeeming subfund units or for carrying out other actions.

22.2. The Distributors shall comply to the requirements of the Prospectus and the Fund rules.

Distributors distribute subfund units on the basis of an agreement (hereinafter – the Distribution agreement) signed with the Management Company. The Distribution agreement regulates relations between the Distributor and the Management Company arising during distribution, switching and redemption of subfund units.

### Limits of liability of Distributors:

22.2.1. Under the Distribution agreement, the Distributor undertakes to provide consultation services to potential Participants of the subfunds of the Management Company about the Fund and subfunds managed by the Management Company, to distribute subfund units, to accept applications to exchange, redeem the subfund units held by subfund Participants, and to provide the Management Company documents specified in the Distribution agreement and other documents received from the Participant under the terms stated in the Distribution agreement and perform other duties defined in the Distribution agreement. Under the Distribution agreement, the Distributor is not obligated to pay for the bought out subfund units held by Participants of subfunds, neither does he accept any obligations with respect to Participant of subfunds, except as explicitly stated in the Distribution agreement.

22.2.2. The Distributor undertakes not to alienate the authorizations granted by the Distribution agreement with regard to implementation of the Distribution agreement to third parties without the previous written consent of the Management Company.

22.2.3. In any case the Distributor shall be liable for any damages to the Management Company if a third party authorized by the Distributor to perform any activities foreseen in the distribution agreement violates the requirements of legal acts.

### 22.3. Shares subscription procedure

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### 22.4. Subfunds units purchase conditions and procedures

A Participant can purchase subfund units:

- 1) via the Distributors indicated in paragraph 7 of the Prospectus on their business days and during their business hours, by concluding a subfund-unit purchase and sale agreement in simple written form with the subfund Distributor.
- 2) using the on-line banking service or equivalent electronic system of a Distributor indicated in paragraph 7 of the Prospectus, if the Participant has an agreement for the provision of electronic services with that Distributor.
- 3) by submitting an order (request) to a Distributor indicated in paragraph 7 of the Prospectus by telephone, fax and/or other means of telecommunication, if the Participant has an agreement for the provision of such services with that Distributor.

An order (application) to purchase subfund units submitted via an on-line banking system and/or telephone and/or fax and/or other means of telecommunication shall be deemed equivalent to a subfund-unit purchase and sale agreement in simple written form and shall have the same legal consequences.

### Conditions and procedure for the acquisition of subfund units on the securities exchange

A Participant can acquire subfund units in NASDAQ Vilnius stock exchange by providing such order to any public intermediary during business days and business hours of NASDAQ Vilnius stock exchange, under the procedure established by the regulations of NASDAQ Vilnius stock exchange.

Public turnover intermediaries shall act in accordance with the legal acts regulating the public turnover of stock and the regulations of the stock exchange. An investor shall sign an agreement with the public turnover intermediary and provide orders to buy subfund units in the stock exchange under it. The counterparties shall be liable for fulfilment and default of obligations under the brokerage agreement under the procedure established by the legal acts regulating public turnover of securities. The subfund item purchase-sale transaction shall be concluded under the procedure established by NASDAQ Vilnius stock exchange regulations after carrying out the instructions to buy subfund units via the public turnover intermediary. A commission fee shall be paid for the services of the public turnover intermediary as specified in the agreement with the public turnover intermediary.

The minimum number of subfund units that can be acquired in NASDAQ Vilnius stock exchange is 1,00 (one) unit.

### 22.5. Timing and manner of payment for subfund units and entry into force of the subfund-unit purchase and sale agreement

Payment for subfund units can only be done in Euros.



The minimum amount that can be invested in a subfund cannot be less than it is specified in the Prospectus.

When willing to invest money in the selected subfund, a Participant shall pay for the acquired subfund units to the subfund account specified in Clause 2 of the Prospectus or to account opened with a Distributor, if it is agreed so with the Distributor.

Payment to the subfund account shall be done not later than within three business days (as defined in the Rules of the Fund) after the date of conclusion of the subfund unit purchase-sale agreement. In the case the Participant fails to do the payment under the procedure specified herein, the subfund unit purchase-sale agreement shall not come into effect and shall be cancelled.

After the Participant concludes the subfund unit purchase-sale agreement, money shall be converted into subfund units:

- 1) at the price effective on the date of receipt of the unit purchase-sale agreement (application) at the Management Company (T+0 day) if the unit purchase-sale agreement (application) has been received at the Management Company before 11:00 hrs and money has been received before 23:59 hrs on the same day (T+0);
- 2) at the price effective on the next business day after the date of receipt of the unit purchase-sale agreement (application) at the Management Company (T+1) if the unit purchase-sale agreement (application) is received at the Management Company after 11:00 hrs and money has been received before 23:59 hrs on the same day (T+0);
- 3) at the price effective as of the date of receipt of the money, if the money has been received after the date of receipt of the unit purchase-sale agreement (application).

It shall be considered that the money has been received into the Subfund's account if the money has been entered into the account before 23:59 hrs of the Business Day (as defined in the Rules of the Fund). If the money is entered into the Subfund's account on a non-business day, the money shall be deemed to have been received on the next Business Day after the date of entry of the money.

The Subfund's unit purchase-sale agreement (application) submitted on a non-business day shall be deemed to have been received on the next Business Day (as defined in the Rules of the Fund) following the submission thereof.

#### **Timing and manner of payment for subfund units on the securities exchange**

Before submitting an order to buy subfund units, the amount of money necessary to acquire the units must be transferred to the account of the financial intermediary or payment for the subfund units to be acquired must be ensured in another manner, unless the agreement between the financial intermediary and the Participant provides otherwise.

Settlement for subfund units being acquired shall be conducted in the manner established in the agreement with the financial intermediary.

#### **22.6. Moment of acquisition of the right of ownership**

The Participant acquires the right of ownership to the subfund units after records are concluded in the personal investment account. The record in the personal investment account of the Participant shall be entered within 1 (one) Business Day (as defined in the Rules of the Fund) after money receipt in the Subfund's account.

A Participant acquires the right of ownership to subfund units purchased on the NASDAQ Vilnius securities exchange when the purchase is recorded in the Participant's personal securities account in the manner established in the agreement between the Participant and the financial intermediary.

#### **22.7. Restriction on late trading and market timing practices**

The Management Company shall reserve the right of discretion to unilaterally reject and/or not fulfil the Subfunds' unit purchase-sale agreements (applications) if any elements of late trading or market timing practices are detected. Late trading practice in the general sense is understood as the acceptance of applications to purchase, exchange or redeem the Subfund's units after the cut-off time specified in the Prospectus of the Fund and the fulfilment of such applications at the selling or redemption price of the Subfund's units effective until the cut-off time. Market timing practice in a general sense is understood as the submission of applications to purchase, exchange or redeem units in order to predict and/or when possessing information on the changes in the Subfund's NAV (e.g. due to time differences related to the calculation of the net asset value, or the closing of markets in which the Subfund carries out its trading, errors, inaccuracies, etc. in the calculation of the net asset value, etc.). Market timing practice includes any forms of its manifestation, including short-term trading.

Having detected any signs of illegal late trading or market timing practices in the investor's actions, the Management Company shall have the right to impose on such investor penalty (default interest) at the rate of 1 percent on the value of the Subfund's units acquired, exchanged or redeemed by such investor, which is deemed the minimum losses of other Subfund participants. The Management Company reserves the right to take any other legal actions that are necessary for the protection of the related interests of the Subfund's participants, including the requirements regarding the invalidity of transactions, prohibition of illegal actions, and compensation for all losses that are not covered by the penalty provided for herein.



The above restrictions on late trading and market timing practices shall be applicable both in such cases where the investor acquires investment units directly from the Management Company and in such cases where they are acquired through the Distributors and other financial intermediaries, having regard to the specifics of the submission of the application and/or the safekeeping of (accounting for) investment units, including holding of units in common omnibus accounts of intermediaries.

## 23. SWITCHING AND SELLING OF SUBFUND UNITS AND SUSPENSION OF SWITCHING AND SELLING TRANSACTIONS

### 23.1. The conditions of switch, redemption of subfund units

The Participant has the right to switch the Subfund units to the units of another Subfund in the same Fund and to sell the Subfund units:

- 1) by submitting to a Distributor indicated in paragraph 7, during its working hours, an application in the designated form to switch or redeem subfund units (hereinafter in this paragraph, an Application);
- 2) using the on-line banking service or equivalent electronic system of a Distributor indicated in paragraph 7, if the Participant has an agreement for the provision of electronic services with that Distributor;
- 3) by submitting an order (Application) to a Distributor indicated in paragraph 7 by telephone, fax and/or other means of telecommunication, if the Participant has an agreement for the provision of such services with that Distributor.

#### **Switch of subfund units to the units of another subfund is not possible in the secondary market.**

An order (Application) to switch or redeem subfund units submitted via an on-line banking system and/or telephone and/or fax and/or other means of telecommunication shall be deemed equivalent to an Application in simple written form and shall have the same legal consequences.

The order to sell investment units owned by the right of joint ownership by spouses may be submitted by one of the spouses only, by presenting a power of attorney of the other spouse, which can be executed in a regular written form.

In case of switch transaction the subfund units owned by the Participant shall be switched to the units of other chosen subfund with the price of the same day when the switch order has been received. The switch order submitted on the day which is a non-business day of one of the subfunds participating in the exchange shall be deemed to have been received on the next business day after the submission of the order which is a Business Day for both subfunds participating in the switch transaction. The switch order shall be considered as received when it will be submitted to the Management Company by means mentioned herein and on business days till 11:00h. Switch orders received after 11:00h on Business Days shall be deemed to have been received on the next Business Day before 11:00h. If the switch order is submitted on non-business (bank holiday) day, it shall be considered as received only on a first Business Day after bank holiday. Terms and procedures for payment settlements with the Participants set out in Clauses 23.3-23.4 of the Prospectus are only applicable for unit redemption transactions (and not applicable for cases when Participant is switching subfund units).

Subfund units shall be redeemed at the price effective on the day the Application is received if the Management Company receives the Application in the manner specified herein during Business Days by 11:00. Applications received after 11:00h on Business Days shall be deemed to have been received on the next Business Day before 11:00h. If the Application is received on a non-business day, the day of receipt of the application shall be the next Business Day after the day of receipt of the application.

Before submitting an application to the Management Company to redeem subfund units which were acquired on the NASDAQ Vilnius securities exchange (secondary market) or through other Distributors indicated in paragraph 7 (not including the Management Company itself), the Participant must transfer the subfund units by means a free-of-payment order to the manager of the accounts of subfund participants. The Participant must give the order to transfer the subfund units to the financial intermediary who keeps the accounts for the subfund units acquired by the Participant on the NASDAQ Vilnius securities exchange, or to the Distributor through whom the Participant acquired the Fund units.

Subfund units may be traded in NASDAQ Vilnius stock exchange under procedures established by the legal acts regulating its activities. Participant may submit orders for redeeming subfund units in the secondary market by providing them to any public intermediary.

The minimum number of subfund units that can be traded in NASDAQ OMX Vilnius stock exchange is 1 (one) unit.

23.2. **Procedure on submitting orders for redeeming subfund units** is set out in Clause 23.1 of the Prospectus.

### 23.3. **Procedures and conditions on payment settlements for redeemed subfund units**

The Participant after submitting a redemption order shall be paid with money from Fund assets or money received by selling Fund assets by procedure and terms set out in Clause 23.4 of the Prospectus. The Participant is paid in Euro.

### 23.4. **Terms on payment settlements for redeemed subfund units**

The Management Company shall pay the Participant for the redeemed subfund units within 7 (seven) calendar days from the day of the Application received, if the redemption of the subfund units is not suspended. Money for redeemed subfund units shall be transferred to the Participant's account specified in the Application.





Payment for subfund units sold in NASDAQ Vilnius stock exchange shall take place under the procedure established by the NASDAQ Vilnius stock exchange and the agreement signed with the public intermediary.

Under the procedure established by the legal acts regulating public turnover of securities and the regulations of the Exchange, the public intermediary shall be responsible for timely and suitable payments.

A commission fee shall be paid for the services of the public turnover intermediary as specified in the agreement concluded with the public turnover intermediary.

### 23.5. The consequences of submitting a redemption order

The Participant shall lose all rights granted by subfund units (including the right of ownership), except for the right to receive money for the redeemed subfund units, from the moment of submitting a redemption order (Application) to the Distributor.

A Participant who has submitted an order to sell subfund units purchased on the NASDAQ Vilnius securities exchange acquires the right to demand the full amount of money for the sold units less the withheld commission fee payable to the financial intermediary, and the obligation to relinquish ownership rights in the subfund units which are being sold.

Submitting the order to redeem subfund units purchased on the NASDAQ Vilnius securities exchange (conclusion of the transaction) gives the Participant the right to demand all receivable amount for the sold units minus the commission fee applied by the public intermediary; Participant acquires the duty to transfer the right of subfund units' ownership.

The investor shall not be considered as Participant of the subfund from the moment the record about sold subfund units is entered into his personal securities account. The record in the personal securities account shall be entered under the procedure established by the agreement concluded between the Participant and the public intermediary.

### 23.6. Basis and procedure for suspension of redemption and switch of subfund units

The right to suspend the redemption and (or) switch of subfund units for not longer than 3 months per year lies with the Management Company and (or) the Supervisory Authority. In the case of *INVL Emerging Europe Bond Subfund*, this time limit can be extended having regard to the time limit of the decision made by the Management Company of the Master Undertaking. In such case the redemption of units of *INVL Emerging Europe Bond Subfund* shall be suspended for the same period as that of the Master Subfund.

The redemption or exchange of the Subfund's units may be suspended if:

- This is necessary in order to protect the interests of the Participants against potential insolvency of the Subfund or the fall in the redemption price in the case of an adverse situation on the market in financial instruments and the decrease in the value of the Subfund's investment portfolio;
- The money to pay for the redeemed and/or switched units of the Subfund is insufficient and the sale (realisation) of available financial instruments would be loss-generating;
- In the case of *INVL Emerging Europe Bond Subfund*, if the Management Company of the subfund *INVL Emerging Europe Bond Fund* decides to suspend the acquisition or redemption of the Subfund's units or to suspend the calculation of the net asset value;
- Such sanction is imposed on the Supervisory Authority.

From the moment the decision to suspend the redemption and (or) switch of subfund units is effected, it is forbidden to accept applications to redeem and (or) switch the units of this subfund, settle payments for the subfund units which have been redeemed and (or) switched before the decision to suspend the redemption and (or) switch.

The decision about suspending redemption and switch transactions shall be immediately announced to The Supervisory Authority and to the Distributors performing redemption and (or) switch transactions; announcements shall be made in written and also published on the Management Company's website [www.invl.com](http://www.invl.com).

Trading in NASDAQ Vilnius stock exchange may be suspended under the procedure established by the legal acts regulating public turnover of securities and the regulations of the Exchange. Suspension of trading in NASDAQ Vilnius stock exchange shall be announced under the procedure established by the legal acts regulating public turnover of securities and the regulations of the exchange.

23.7. **Methods and procedure for announcement to investors about suspension of redemption and switch of subfund units** is provided in Clause 23.6 of this prospectus.

### 23.8. Procedures for switch of subfund units

Participant has a right to make a switch of subfund units to the units of another Subfund. Fee information is provided in Clause 17.4.5.2 of this Prospectus.

23.9. The restrictions on late trading and market timing practices specified in paragraph 22.7 of the Prospectus shall be applied in the case of switch or redemption of the Subfund's units.





## 24. RULES FOR SETTING SUBFUND SUBSCRIPTION, SWITCH AND REDEMPTION PRICES

24.1. NAV for each subfund and the value of the units of the subfund is calculated on every Business Day (as defined in the Rules of the Fund) using the calculation methods approved by the Supervisory Authority and following the methodology and procedures for calculation of the net assets value of the funds managed by the Management Company approved by the Board of the Management Company. Subfund switch / redemption price is applied according to the time when Application is submitted under procedures written in Clause 23.1 of the Prospectus.

24.2. Subfund's redemption price published on the website is equal to the value of Subfund's unit plus distribution fee applied to the subfund. Distribution fee is applied to cover subfunds units' distribution expenses. It is not included while calculating the value of net assets.

Subfund's switch price is equal to the value of Subfund's unit plus switch fee applied to the subfund.

Subfund's redemption price is equal to the value of Subfund's unit. Redemption price shall not be reduced by redemption expenses.

24.3. The intraday NAV of the subfund and the value of subfund units are calculated every Business Day (as defined in the Rules of the Fund) and published on the next business day by 14.00am on website [www.invl.com](http://www.invl.com).

NASDAQ Vilnius stock exchange publishes NAV of the fund per a subfund unit, change in the number of subfund units traded in the Exchange and other information specified in the rules of the Exchange under the procedure established by the Exchange and other legal acts.

Fund units which have been included in trading on the NASDAQ Vilnius exchange are traded according to the rules set by the Exchange and by regulations set out in legal acts.

24.4. –

## 25. FACTORS THAT MAY INFLUENCE DISTRIBUTION

Distribution of subfund units may be influenced by changes in the legal acts regulating the activities of collective investment undertakings as well as *force majeure*, as it is defined in the legal acts.

# IV. INFORMATION ABOUT INVESTMENTS AND RISKS

## 26. FUND HISTORY

Below is listed the past performance of each subfund.

26.1. Comparison of historical data on the net investment return\* (in percent and in absolute value (investment value in euros of 1 euro investment made in the beginning of every year)), net asset value and net asset value per Fund unit, benchmark return.

26.2. Historical data on the net asset value and net asset value per Fund unit over a 10 year period is provided in Sub-Clause 26.1 of the Prospectus.

26.3. Average annual investment return over last 3, 5 and 10 years.

**26.4. PLEASE DRAW YOUR ATTENTION THAT PAST PERFORMANCE RESULTS DO NOT GUARANTEE THE FUTURE RESULTS OF THE FUND.**

26.5. Benchmark information is provided in Clause 2 of this prospectus.

26.6. Fund distribution and / or switch fees are not included when calculating investment return. Therefore, the net investment return to the investor due to mentioned applied fees is always lower. Example illustrating the impact of fees to Participant's actual investment returns.

**Information about each subfund in accordance with Sub-Clauses 26.1. – 26.6. of the Prospectus is provided below.**

PAST PERFORMANCE OF INVLEMERGING EUROPE BOND SUNFUND:



OPEN-ENDED HARMONIZED INVESTMENT FUND  
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	Annual net return on investment, %	Annual net return on investment	NAV, as of 31 <sup>st</sup> of December, EUR	NAV per one subfund unit (value of a subfund unit), 31 December, EUR	Standard deviation of total return*, %
<b>Y2010</b>	-7,22	0,928	8.206	29,0363	-
<b>Y2011</b>	-0,17	0,998	5.770.438	28,9157	2,52
<b>Y2012</b>	15,82	1,158	9.748.206	33,4617	1,69
<b>Y2013</b>	3,74	1,037	12.175.561	34,6906	1,13
<b>Y2014</b>	0,39	1,004	12.877.697	34,8135	2,07
<b>Y2015</b>	6,67	1,067	16.693.207	37,1224	2,12
<b>Y2016</b>	5,63	1,056	27.150.409	39,1444	1,72
<b>Y2017</b>	5,07	1,051	43.685.816	41,0641	0,82
<b>Y2018</b>	-4,24	0,958	36.520.546	39,2705	1,93
<b>Y2019</b>	7,29	1,073	30.557.270	42,0770	0,65
<b>Y2020</b>	3,45	1,035	30 371 294	43,4841	2,69
<b>Y2021</b>	-0,55	0,994	9 648 823	43,1685	1,17

\* Standard deviation of total return – is a statistical risk indicator, which describes the variability of the return on the investment portfolio. If the standard deviation indicator is equal to zero, it means that the investment portfolio has a constant fixed return on investment.

PAST RESULTS OF AVERAGE NET INVESTMENT RETURN, %:

<b>3 YEARS</b> 2018.12.31-2021.12.31	<b>5 YEARS</b> 2016.12.31-2021.12.31	<b>10 YEARS</b> 2011.12.31-2021.12.31	<b>From inception date</b> 2010.10.29-2021.12.31
3,35	2,12	4,20	2,83

**Please note, that performance quoted represents Subfund's past performance, which is no guarantee for future results.**

COMPARISON OF SUBFUNDS PAST PERFORMANCE WITH BENCHMARK INDEX FLUCTUATIONS:

	<b>Subfund's performance</b> (change in NAV for one investment unit), %	<b>Benchmark's performance, %</b>
2010.12.31	0,26	-0,77
2011.12.31	-0,42	-0,68
2012.12.31	15,72	17,87
2013.12.31	3,67	1,78
2014.12.31	0,35	-0,91
2015.12.31	6,63	9,68
2016.12.31	5,45	6,95
2017.12.31	4,9	5,3
2018.12.31	-4,37	-1,53
2019.12.31	7,15	11,01
2020.12.31	3,34	3,90
2021.12.31	-0,73	-1,58



OPEN-ENDED HARMONIZED INVESTMENT FUND  
**INVL UMBRELLA FUND**  
**PROSPECTUS**

By purchasing subfund units an Investor shall pay distribution fee, which is not assumed while calculating past performance results. Therefore, total investment returns to each Investor are impacted by distribution fee which may reduce the actual returns on your investment.

**Example illustrating the impact of fees to Participant's actual investment returns:**

The example assumes that you invest EUR 3.000 in the Fund for the time periods of 1, 3, 5, 10 years and shows how your investments are impacted by Fund's operating expenses.

Based on these assumptions the Investor's costs would be:

	After 1 year	After 3 year	After 5 year	After 10 year
Fees and expenses paid	33	107	195	485
Investment return if no fees were applied	3 150	3 472	3 829	4 887
Investment return if current fees were applied	3 117	3 366	3 634	4 402

\*Fees may change depending on the activity of the Subfund's management; however they cannot exceed the amounts specified in the Fund Rules.

**PAST PERFORMANCE OF INVL RUSSIA EX-GOVERNMENT EQUITY SUBFUND:**

	Annual net return on investment, %	Annual net return on investment	NAV, as of 31st of December, EUR	NAV per one subfund unit (value of a subfund unit), 31 December, EUR	Standard deviation of total return*, %
<b>Y2010</b>	-4,53	0,955	3.744	28,9306	-
<b>Y2011</b>	-21,31	0,787	3.947.575	22,3725	29,35
<b>Y2012</b>	13,99	1,140	4.791.602	25,3176	20,80
<b>Y2013</b>	2,84	1,028	3.865.268	25,8487	14,62
<b>Y2014</b>	-40,51	0,595	1.770.423	15,2155	27,07
<b>Y2015</b>	17,63	1,176	2.737.627	17,8296	26,98
<b>Y2016</b>	75,27	1,753	25.004.075	31,1792	22,58
<b>Y2017</b>	-2,03	0,980	10.312.941	30,4747	14,86
<b>Y2018</b>	-7,14	0,929	7.176.245	28,2369	18,04
<b>Y2019</b>	43,26	1,433	8.179.280	40,3999	11,84
<b>Y2020</b>	-12,10	0,879	5 903 402	35,9272	30,53
<b>Y2021</b>	21,00	1,21	5 845 516	42,2203	15,20

\* Standard deviation of total return – is a statistical risk indicator, which describes the variability of the return on the investment portfolio. If the standard deviation indicator is equal to zero, it means that the investment portfolio has a constant fixed return on investment.

**PAST RESULTS OF AVERAGE NET INVESTMENT RETURN, %:**

<b>3 YEARS</b> 2018.12.31-2021.12.31	<b>5 YEARS</b> 2016.12.31-2021.12.31	<b>10 YEARS</b> 2011.12.31-2021.12.31	<b>From inception date</b> 2010.10.29-2021.12.31
15,07	6,75	7,14	3,42

**Please note, that performance quoted represents Subfund's past performance, which is no guarantee for future results.**



# OPEN-ENDED HARMONIZED INVESTMENT FUND

## INVL UMBRELLA FUND

### PROSPECTUS

#### COMPARISON OF SUBFUNDS PAST PERFORMANCE WITH BENCHMARK INDEX FLUCTUATIONS:

	<b>Subfunds performance</b> (change in NAV for one investment unit), %	<b>Benchmark's performance, %</b>
2010.12.31	0,11	16,28
2011.12.31	-22,67	-19,60
2012.12.31	13,16	8,76
2013.12.31	2,10	-9,85
2014.12.31	-41,14	-37,79
2015.12.31	17,18	6,68
2016.12.31	74,87	57,47
2017.12.31	-2,26	-12,11
2018.12.31	-7,34	-2,96
2019.12.31	43,07	48,27
2020.12.31	-12,81	-10,82
2021.12.31	19,87	21,74

By purchasing subfund units an Investor shall pay distribution fee, which is not assumed while calculating past performance results. Therefore, total investment returns to each Investor are impacted by distribution fee which may reduce the actual returns on your investment.

#### Example illustrating the impact of fees to Participant's actual investment returns

The example assumes that you invest EUR 3.000 in the Fund for the time periods of 1, 3, 5, 10 years and shows how your investments are impacted by Fund's operating expenses.

Based on these assumptions the Investor's costs would be:

	<b>After 1 year</b>	<b>After 3 year</b>	<b>After 5 year</b>	<b>After 10 year</b>
Fees and expenses paid	153	358	592	1 322
Investment return if no fees were applied	3 150	3 473	3 829	4 886
Investment return if current fees were applied	2 997	3 115	3 237	3 564

\*Fees may change depending on the activity of the Subfund's management; however they cannot exceed the amounts specified in the Fund Rules.

#### PAST PERFORMANCE OF INVL GLOBAL EMERGING MARKETS BOND SUBFUND:

	Annual net return on investment, %	Annual net return on investment	NAV, as of 31st of December, EUR	NAV per one subfund unit (value of a subfund unit), 31 December, EUR	Standard deviation of total return*, %
<b>Y2016**</b>	4,56	1,046	5.962.046	104,4604	3,76
<b>Y2017</b>	9,08	1,091	11.238.902	113,786	1,14
<b>Y2018</b>	-4,25	0,958	6.959.562	108,8025	2,10
<b>Y2019</b>	9,88	1,099	7.189.548	119,3584	1,14



**OPEN-ENDED HARMONIZED INVESTMENT FUND**  
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<b>Y2020</b>	2,9	1,029	8 750 510	122,6744	5,08
<b>Y2021</b>	-0,73	0,993	8 077 819	121,6110	1,86

\* Standard deviation of total return – is a statistical risk indicator, which describes the variability of the return on the investment portfolio. If the standard deviation indicator is equal to zero, it means that the investment portfolio has a constant fixed return on investment.

\*\* The Subfund was launched on 1 July, 2016.

**PAST RESULTS OF AVERAGE NET INVESTMENT RETURN, %:**

<b>3 YEARS</b> 2018.12.31-2021.12.31	<b>5 YEARS</b> 2016.12.31-2021.12.31	<b>10 YEARS</b> 2011.12.31-2021.12.31	<b>From inception date</b> 2016.07.01-2021.12.31
3,92	3,23	-	3,454,31

**Please note, that performance quoted represents Subfund's past performance, which is no guarantee for future results.**

**COMPARISON OF SUBFUNDS PAST PERFORMANCE WITH BENCHMARK INDEX FLUCTUATIONS:**

	<b>Subfunds performance</b> (change in NAV for one investment unit), %	<b>Benchmark's performance, %</b>
2016.12.31	4,46	-1,64
2017.12.31	8,93	7,3
2018.12.31	-4,38	-7,38
2019.12.31	9,70	11,07
2020.12.31	2,78	4,81
2021.12.31	-0,87	-2,13

By purchasing subfund units an Investor shall pay distribution fee, which is not assumed while calculating past performance results. Therefore, total investment returns to each Investor are impacted by distribution fee which may reduce the actual returns on your investment.

**Example illustrating the impact of fees to Participant's actual investment returns**

The example assumes that you invest EUR 3.000 in the Fund for the time periods of 1, 3, 5, 10 years and shows how your investments are impacted by Fund's operating expenses.

Based on these assumptions the Investor's costs would be:

	<b>After 1 year</b>	<b>After 3 year</b>	<b>After 5 year</b>	<b>After 10 year</b>
Fees and expenses paid	45	147	266	656
Investment return if no fees were applied	3 150	3 473	3 829	4 887
Investment return if current fees were applied	3 105	3 326	3 563	4 231

\*Fees may change depending on the activity of the Subfund's management; however they cannot exceed the amounts specified in the Fund Rules.

**27. INVESTMENT PORTFOLIO HOLDINGS**

27.1. The investment strategies for each subfund are presented in paragraph 2 of the Prospectus. The assets of each subfund, in accordance with each subfund's objectives and investment policy, may comprise:

27.1.1. transferable securities and money market instruments admitted to trading:

27.1.1.1. on the market which is regulated and operating in the Republic of Lithuania or in another Member State;



- 27.1.1.2. on the market in a Member State operating, recognised, supervised and open to the public in accordance with the established rules;
- 27.1.1.3. on the market in another state (excluding the Member States) operating, recognised, supervised and open to the public in accordance with the established rules if this market is specified in paragraph 2 of the Prospectus;
- 27.1.2. newly issued transferable securities, provided that the terms of issue, the obligation shall include the following securities to trading on a regulated market, and if they will be admitted to trading no later than one year from the date of issue (if such market is in Clause 2 of the Prospectus);
- 27.1.3. investment units and shares issued by harmonized collective investment undertakings and the units and shares of such collective investment undertaking that meet the following conditions:
  - 27.1.3.1. the sole purpose of the undertakings is to accumulate, by publicly offering investment units or shares, individuals' assets and by distributing them to collectively invest in transferable securities and/or other liquid assets, and the investment units or shares of which must be redeemed at any time upon their holder's request, these undertakings are licensed in the Republic of Lithuania, and their supervision is not less stringent than that established in the European Union or they are licensed in the state where supervision is not less stringent than that established in the European Union, and the Supervisory Authority cooperates with the respective Supervisory Authority of another Member State or a non-EU Member State;
  - 27.1.3.2. the protection of the rights of participants of such undertaking, including the regulation of property separation, lending, borrowing and gratuitous transfer, is not less stringent than that established for harmonised collective investment undertakings under the Law on Collective Investment Undertakings;
  - 27.1.3.3. undertakings submit semi-annual and annual reports on their operations that enable to evaluate their assets and liabilities, profit and operations during the reporting period;
  - 27.1.3.4. in compliance with their incorporation documents, no more than 10 percent of their net assets can be invested in the investment units or shares of other collective investment undertakings.
- 27.1.4. deposits for a term of up to 12 months which can be withdrawn upon request in the credit institution whose registered office is situated in a Member State or another state where prudential supervision is not less stringent than that established in the European Union;
- 27.1.5. money market instruments that are not admitted to trading on a regulated market, if the issue or issuer of these instruments is regulated in order to protect investors and their savings, and these instruments:
  - 27.1.5.1. are issued or guaranteed by the Member State's government, regional government, municipality or central bank, the European Central Bank, the European Union or the European Investment Bank, the government of a non-EU Member State or one of the entities comprising the federal state or the international organisation to which at least one Member State is a member, or
  - 27.1.5.2. are issued by the undertakings whose securities are admitted to trading on the regulated markets specified in subparagraphs 27.1.1.1 – 27.1.1.3 of the Prospectus, or
  - 27.1.5.3. are issued or guaranteed by the undertaking whose business risk is supervised in compliance with the requirements laid down in the EU law or such requirements that are not less stringent than those established in the European Union, or
  - 27.1.5.4. issued by a company which complies with the criteria approved by the Supervisory Authority, whose capital and reserves amount at least to EUR 10 million and which draws up consolidated financial statements and performs the function of financing within a group of companies, where transferable securities of at least one company within its group of companies are admitted to trading on a regulated market, or which is used to issue securities financed from bank loans and investments in such money market instruments are protected not less than specified in subparagraphs 27.1.5.1 – 27.1.5.3 of the Prospectus.
- 27.1.6. Derivative financial measures (including those that confer the right to only receive money), which:
  - 27.1.6.1. are admitted to trading on the markets specified in subparagraphs 27.1.1.1 – 27.1.1.3 of the Prospectus, or which are traded outside the aforementioned markets;
  - 27.1.6.2. are linked to the investment instruments, financial indexes, interest rates, currencies or exchange rates specified in subparagraphs 27.1.1 – 27.1.5 of the Prospectus;
  - 27.1.6.3. the counterparty in the transactions concluded outside the markets specified in subparagraphs 27.1.1.1 – 27.1.1.3 of the Prospectus comply with the criteria established by the Supervisory Authority, and prudential supervision is applied to it;
  - 27.1.6.4. instruments that are traded outside the markets specified in subparagraphs 27.1.1.1 – 27.1.1.3 of the Prospectus, and it is possible, on a daily basis, to check, evaluate reliably and accurately, and sell or otherwise realize them for consideration at the fair value.





Subfunds can invest not more than 35 percent of NA to those transferrable securities and money market instruments, which are issued or guaranteed by the Republic of Lithuania or EU countries, EU municipalities and by other countries or international organizations with at least one member of EU country in their membership.

Information about stock exchanges and regulated markets and (or) multinational trading platforms is listed by each subfund separately in Clause 2 of the Prospectus.

## 28. INVESTMENT OBJECTIVES AND PRINCIPAL INVESTMENT STRATEGY

Fund's investment objectives and principal investment strategy is described for each subfund separately in Clause 2 of the Prospectus.

Although each subfunds portfolio structure complies with all requirements and investment restrictions set out in legal acts, it does not ensure that risk levels in different sectors, industries or regions will not rise while subfunds invest in them.

The Management Company shall never make loan contracts on Subfund's accounts, but it may raise short-term loans (up to 3 months) accounting for maximum 10 percent of Subfund's NA value. Such loans can be undertaken only if it is necessary for maintaining liquidity. Restriction herein does not include foreign currency loans used to settle transactions with financial instruments, when lender is provided with the exact amount of other currency as collateral.

## 29. TYPICAL INVESTOR

Fund's typical investor is described for each subfund separately in Clause 2 of the Prospectus.

The typical client of the INVL Emerging Europe Bond subfund is a non-professional investor with a small amount of investment experience or a basic knowledge and general understanding of investment funds, bonds and their characteristic risks, who is able to assume the risk of losing a part (up to 10 per cent) of invested capital, whose investment objective is capital growth, and who plans to invest up to 3 years.

The typical client of the INVL Global Emerging Markets Bond Subfund is a non-professional investor with a small amount of investment experience or a basic knowledge and general understanding of investment funds, bonds and their characteristic risks, who is able to assume the risk of losing a part (up to 25 per cent) of invested capital, whose investment objective is capital growth, and who plans to invest up to 3 years.

The typical client of the INVL Russia ex-Government Equity Subfund is a non-professional investor with a small amount of investment experience or a basic knowledge and general understanding of investment funds, equities and their characteristic risks, who is able to assume the risk of losing a significant part (up to 80 per cent) of invested capital, whose investment objective is capital growth, and who plans to invest for a period of at least 5 years.

Subfunds may not be suitable for a client who is unable or unwilling to lose invested capital, who seeks a predetermined rate of return, or who plans to invest for a shorter period than that indicated in the description of the relevant Subfund.

Subfunds may be distributed in all manners, i.e., execution only, thus offering or recommending and managing investments according to a portfolio management agreement.

## 30. INVESTMENT RISK AND ITS MANAGEMENT

### 30.1. Investment risk

**MARKET FLUCTUATION RISK.** The market fluctuation risk is the main risk directly affecting the changes of values of subfund investment portfolios. Increases and decreases are possible in financial markets. In order to protect from sudden market fluctuations the subfunds' assets shall be invested for longer periods and in financial instruments with good future prospects. Despite that, negative macroeconomic changes can influence the whole market of financial instruments.

**EMERGING MARKETS RISK.** The Subfund invests in emerging markets, which are characterized by greater economic and political instability, high exchange rate volatility and less liquidity in local markets compared to countries of the developed world.

**RISK OF FUND INVESTMENT OBJECTIVES AND INVESTMENT POLICY.** There is no guarantee that subfunds objectives will be achieved. Subfunds investing in one geographical region, economic sector or exchange goods may be characterized by higher changes in the values of investment units (standard deviation).

**INTEREST RATE RISK.** Changes of interest rates may have a direct influence on the value of the financial instruments in the subfund investment portfolio, i.e. value of these investments decrease when interest rates increase and on the contrary. The



interest rate risk may be insured by using derivatives or by investing in bonds with shorter maturity terms rather than with long maturity terms.

**CREDIT RISK.** There is a risk of losses (the investment value might fall) due to the issuer's default on fulfilment of its financial obligations. This risk is more typical for subfunds investing in bonds. Fund managers minimise credit risk by carrying out comprehensive analysis on issuer's financial stability. Credit risk is also managed by portfolio diversifications under rules set out by legal acts. As a result, investment holdings in portfolio are allocated and investments in transferrable securities or money market instruments of one issuer cannot exceed 5 percent of Subfund's NA.

**CURRENCY EXCHANGE RATE FLUCTUATION RISK.** It is a risk to incur losses due to adverse changes in currency exchange rate against Euro. The currency exchange rate fluctuation risk may be insured by using derivatives.

**INFLATION RISK.** The actual appreciation of the Fund's assets may be smaller due to inflation. Inflation risk can be managed by part of Subfund's assets investing to derivatives, as their value fluctuates according to inflation. With the purpose to insure inflation risk management, Fund managers can invest Subfund's assets in inflation linked bonds or in by changing investment in long term bonds with short term bonds.

**MARKET LIQUIDITY RISK.** The risk to incur losses due to low market liquidity does not allow to sell financial instruments at a desired time for the desired price. Market liquidity risk is managed before investing in financial instrument – by carrying out comprehensive liquidity analysis.

**RISK OF COUNTERPARTIES AND PAYMENTS.** When concluding transactions outside the regulated market, there is a risk that the counterparty will not fulfil its obligations. This risk also exists in Exchange trades, when payment is not guaranteed by the procedures of respective Exchange. This risk will be minimized by concluding part of transactions in regulated markets and with financial institutions that are reliable and have a good reputation.

**POLITICAL AND LEGAL RISK.** Subfunds investing in one geographical region or economic sector face higher political and/or legal risks. The political risk is typical to all developing countries. Increased political risk is typical to countries that are not member states of the European Union and East European states, including the Russian Federation and other CIS region countries. Political instability of the country may result in legal, tax, fiscal and regulatory changes, e.g. nationalization, confiscations, restrictions of free movement of capital and other political decisions which can have a negative effect on the value of the subfund units. Political and legal risk is managed by diversifying Subfund's investment portfolio according to rules set out in legal acts, i.e. allocating investments in different geographical regions.

**DERIVATIVE FINANCIAL INSTRUMENTS RISK.** Some derivative financial instruments can increase Subfund fluctuations. In unfavourable market conditions investors may receive a minimal return, have no gain or even experience a loss due to these investments. Investing in these instruments can reduce the earnings potential also when financial markets are growing.

**RESPONSIBLE INVESTMENT (ESG) RISK.** The ESG rating process reduces the list of potential investments. Compliance with the ESG criteria can mean that under certain macroeconomic and financial market conditions, the Subfund's return on investment will be different (lower or higher) than the return that would be earned if the Subfund did not make investments in compliance with ESG principles. Furthermore, the ESG principles and criteria adhered to by the Management Company may differ from the methods used by investors and/or other market participants; therefore, investment decisions made by the Management Company may differ from the considerations of investors and/or other market participants. It might be difficult due to various reasons to evaluate correctly whether a certain company complies with the ESG criteria established by the Management Company; therefore, a decision can be made not to invest in the company complying with the ESG criteria, or vice versa.

### 30.2. Selected risk management methods.

In order to effectively manage the above mentioned risks, the Management Company will use all generally acceptable risk management methods consistent with investment portfolio diversification requirements and investment restrictions laid out in the Law of Collective Investment Undertakings.

The selected investment risk management methods are specified in subparagraph 30.1 next to the description of specific risk.

### 30.3. Consequences of Fund using derivative financial instruments for the risk management

Fund may use derivative financial instruments for the management of market price fluctuation risk when part of financial instruments in the portfolio is affected by adverse market situation. By investing in such financial instruments, Fund experience the contract costs, but it may result in less Fund's asset value fluctuations.

The amount of risk undertook by transactions with derivative financial instruments shall not exceed more than 100 percent of Fund's net asset value.

The overall risk exposure shall not exceed more than 200 percent of Fund's net asset value. By investing in short-term deposits, Fund cannot exceed the overall risk exposure by more than 10 percent. As a result the total overall risk exposure shall not exceed more than 210 percent of Fund's net asset value.



Reasonable investments in derivative financial instruments and restrictions on with such transactions related overall risk exposure are presumed, managed and controlled according to the Management Company's Rules of risk valuation methods for Collective Investment Undertakings and rules of using or valuating derivative financial instruments.

30.4. More information about risks is provided to investors upon request and free of charge at client service offices of the Management Company, by phone +370 700 55959, by email [info@invl.com](mailto:info@invl.com) or at our website [www.invl.com](http://www.invl.com) and by all Subfund's Distributors.

### 31. INVESTMENT CONSULTANTS.

The Management Company does not hire the service of investment consultants.

## V. INFORMATION ABOUT THE FEEDER AND MASTER COLLECTIVE INVESTMENT UNDERTAKINGS

### 32. FEEDER AND MASTER UNDERTAKINGS

*INVL Emerging Europe Bond Subfund* is the feeder undertaking of the subfund *INVL Emerging Europe Bond Fund* of the harmonised umbrella undertaking for collective investment in transferable securities (UCITS) *INVL Fund* established in the Grand Duchy of Luxembourg (hereinafter – the Feeder Subfund), which constantly invests in its investment units at least 85 percent of its net assets. In such structure, the Luxembourg-based subfund *INVL Emerging Europe Bond Fund* is deemed a master undertaking (hereinafter – the Master Subfund) under Directive 2009/65/EC of the European Parliament and of 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). This means that the Master Subfund:

- has at least one feeder subfund from the holders of its investment units;
- is not a feeder subfund by itself;
- does not hold any investment units of the feeder subfund.

The Master Subfund has obtained the authorisation for its operations and has been certified by the Luxembourg Financial Supervisory Authority (Commission de Surveillance du Secteur Financier, hereinafter – the CSSF).

### 33. INFORMATION ABOUT INVESTMENT OBJECTIVES AND POLICY, NATURE OF RISKS, AND PERFORMANCE OF THE FEEDER AND MASTER UNDERTAKINGS

The objective of *INVL Emerging Europe Bond Subfund* is to ensure a balanced growth of the Subfund's assets. The Subfund usually does not invest directly in securities but it invests almost all (at least 85 percent) of its net assets in the investment units of the Master Subfund, thus indirectly investing in government and corporate debt securities. The remaining portion of the Subfund's net assets is held in cash in bank or is invested only in liquid assets complying with the investment strategy as specified in paragraph 27 of the Prospectus in accordance with the requirements laid down in the applicable legislation. The Subfund invests in the investment unit class I of the subfund *INVL Emerging Europe Bond Fund* intended for institutional investors. Information about the risks and their nature is provided in subparagraphs 30.1 and 34.3 of the Prospectus. It is recommended that one should thoroughly examine the risks specified in the prospectuses of both Subfunds before investing.

The performance of *INVL Emerging Europe Bond Subfund* is available on the website of the Management Company at [www.invl.com](http://www.invl.com).

The performance of the subfund *INVL Emerging Europe Bond Fund* is available on the website of the Company at [www.hauck-aufhaeuser.com/fonds](http://www.hauck-aufhaeuser.com/fonds).

The results of the investment activity of these Subfunds may slightly differ due to the deductions made from the assets of each Subfund and the rates thereof and due to the results of the portion of investments of *INVL Emerging Europe Bond Subfund* which is not invested in the units of *INVL Emerging Europe Bond Fund*.

### ORGANISATIONAL STRUCTURE OF THE MASTER SUBFUND *INVL EMERGING EUROPE BOND FUND*

MANAGEMENT COMPANY (hereinafter – the Company) – Hauck & Aufhäuser Fund Services S.A., 1c rue Gabriel Lippmann L-5365 Munsbach, Luxembourg (further information is available on the website: [www.hauck-aufhaeuser.com](http://www.hauck-aufhaeuser.com)).



INVESTMENT PORTFOLIO MANAGER – UAB INVL Asset Management, Gynėjų g. 14, LT-01109 Vilnius (further information is available on the website: [www.invl.com](http://www.invl.com)).

DEPOSITORY - Hauck & Aufhäuser Privatbankiers AG, Niederlassung Luxembourg, 1c rue Gabriel Lippmann L-5365 Munsbach, Luxembourg (further information is available on the website: [www.hauck-aufhaeuser.com](http://www.hauck-aufhaeuser.com)).

MANAGER OF THE PARTICIPANTS REGISTER – Hauck & Aufhäuser Fund Services S.A., 1c rue Gabriel Lippmann L-5365 Munsbach, Luxembourg (further information is available on the website: [www.hauck-aufhaeuser.com](http://www.hauck-aufhaeuser.com)).

AUDIT COMPANY – KPMG Luxembourg, Société coopérative, 39 avenue John F. Kennedy, L-1855 Luxembourg (further information is available on the website: <https://home.kpmg.com/lu/en/home.html>).

DISTRIBUTOR - UAB INVL Asset Management, Gynėjų g. 14, LT-01109 Vilnius (further information is available on the website: [www.invl.com](http://www.invl.com)).

### **34.1. OBJECTIVE OF THE MASTER SUBFUND *INVL EMERGING EUROPE BOND FUND***

To ensure a balanced growth of the Subfund's assets. Up to 100 percent of the Subfund's assets is invested in the most promising government and corporate debt securities in Emerging Europe Selected by the managers.

### **34.2. INVESTMENT STRATEGY OF THE MASTER SUBFUND *INVL EMERGING EUROPE BOND FUND***

The assets of the Subfund are invested in those corporate and government debt securities that are most promising according to credit analysis and those operating in the Middle and East European region (stock exchanges and markets). The Subfund combines the riskier (bonds of companies) and safer (bonds of governments) investments in order to protect the value of assets and to ensure a stable return on investment. The investments of the Subfund are not limited by any industry. The subfund may invest in bonds with different maturity and credit rating. The Subfund may also invest in derivative financial instruments, only if such investments are used to manage the investment risk.

### **34.3. RISKS ARISING DUE TO THE STRUCTURE OF THE FEEDER AND MASTER UNDERTAKINGS**

General risks related to the investments of the subfund INVL Emerging Europe Bond Fund are described in paragraph 30 of the Prospectus. Additional risks of INVL Emerging Europe Bond Subfund associated with the investment of net assets in the investment units of the subfund INVL Emerging Europe Bond Fund are related to the following factors:

**LIQUIDITY RISK.** As INVL Emerging Europe Bond Subfund invests almost all net assets in the investment units of another subfund, the remaining portion of net assets is considered to be assets intended to cover the Subfund's operational expenses and to redeem the investment units from its investors. If the Company suspends the issue and/or redemption of the investment units of the subfund INVL Emerging Europe Bond Fund, the issue and/or redemption of the units of INVL Emerging Europe Bond Subfund will be suspended as well.

**PROPERTY VALUATION RISK.** The net asset value of INVL Emerging Europe Bond Subfund depends on the net asset value of the subfund INVL Emerging Europe Bond Fund (including but not limited to the correct timing of the calculation, errors).

**OPERATIONAL RISK.** The Feeder Subfund operating within such structure mainly faces the operational risks related to the receipt of information from the Company of the Master Subfund INVL Emerging Europe Bond Fund. This information is related to the smooth exchange of applications to acquire or redeem the units of the Master Subfund between the Management Company and the Company of the Master Subfund, coordination of third parties participating in this process, and exchange of documents between both management companies, depositories and auditors of the Subfunds.

**MANAGEMENT RISK.** The performance of INVL Emerging Europe Bond Subfund significantly depends on the performance of the subfund INVL Emerging Europe Bond Fund and the third party services provided to the Company of the latter Subfund.

Further information on the risk factors, the Prospectus and other documents of the subfund INVL Emerging Europe Bond Fund are available to investors on the website at: [www.hauck-aufhaeuser.com](http://www.hauck-aufhaeuser.com).

Certain measures intended for the management of the above risk factors are provided for in the agreements between the management companies, depositories and audit companies of both Subfunds. These agreements are aimed to ensure that the Management Company of INVL Emerging Europe Bond Subfund would receive all information necessary for the Subfund's operations and to define the information, the time and methods of exchange of such information between the aforementioned parties. Additional information on the subfund INVL Emerging Europe Bond Fund and the agreement concluded between the management companies of the Subfunds on the provision of information is also available to investors at the registered office of the Management Company: Gynėjų g. 14, 01109 Vilnius, its client service divisions, or by e-mail: [info@invl.com](mailto:info@invl.com).



#### 34. SUMMARY OF THE AGREEMENT BETWEEN THE FEEDER AND MASTER UNDERTAKINGS ON THE PROVISION OF INFORMATION

The management companies of both Subfunds concluded an agreement on the provision of documents and information. This agreement defines when and what documents and information the Company of the subfund INVL Emerging Europe Bond Fund undertakes to submit to the Management Company of INVL Emerging Europe Bond Subfund so that it could perform the functions provided for in the laws and other legal acts. The agreement includes the provisions on the exchange of documents and information on risk management, fulfilment of applications for the purchase and sale of investment units, provision of information on errors in the net asset calculations and rectification thereof, drafting of audit reports, replacement of the parties performing the key functions and other fields.

#### 35. INFORMATION ON THE AVAILABILITY OF ADDITIONAL INFORMATION ON THE MASTER UNDERTAKING AND THE AGREEMENT CONCLUDED BETWEEN THE FEEDER AND MASTER UNDERTAKINGS

Additional information on the subfund INVL Emerging Europe Bond Fund and the agreement concluded between the management companies on the provision of documents and information is also available to investors at the registered office of the Management Company at: Gynėjų g. 14, 01109 Vilnius, client service division, by tel: +370 700 55959 or e-mail: info@invl.com.

#### 36. EXPENSES INCURRED BY THE FEEDER UNDERTAKING BY MAKING INVESTMENTS IN THE MASTER UNDERTAKING AND DESCRIPTION OF DEDUCTIONS APPLIED BY THE FEEDER AND MASTER UNDERTAKINGS

When investing in the investment unit class I of the Master Subfund INVL Emerging Europe Bond Fund intended for institutional investors, the Feeder Subfund INVL Emerging Europe Bond Subfund does not pay the distribution fees; however, it can incur third party expenses (including but not limited to the fees payable to banks and other credit institutions for international payment orders). These expenses are calculated on the basis of the rates established by the third parties participating in making and managing the investments of INVL Emerging Europe Bond Subfund in the subfund INVL Emerging Europe Bond Fund. The description of the cost structure of INVL Emerging Europe Bond Subfund is provided in paragraph 17 of the Prospectus. The brief description of the cost structure of the Master Subfund is provided below:

Fee to the Company	up to 0.12 percent on the Subfund's average annual net asset value, at least EUR 24,000 per year
Fee to the Investment Portfolio Manager	up to 0.75 percent on the Subfund's average annual net asset value
Fee to the Depository, the Manager of the Participants' Register	To the Depository: up to 0.06 percent on the Subfund's average annual net asset value, at least EUR 15,000; To the Manager of the Participants' Register: EUR 1,500 per year.
Fee to the Supervisory Authority (CSSF)	0.01 percent on the Subfund's average annual net asset value.

The Master Subfund can incur other additional expenses as well. All potential expenses are specified in the Prospectus of the Master Subfund and in paragraph 14 of the Rules. Further information on the cost structure of the Master Subfund is available to investors on the website of the Company at: [www.hauck-aufhaeuser.com](http://www.hauck-aufhaeuser.com) or at the registered office of the Management Company: Gynėjų g. 14, 01109 Vilnius, client service divisions, or by e-mail: info@invl.com.

#### 37. DESCRIPTION OF THE IMPACT OF DEDUCTIONS ON THE FEEDER UNDERTAKING IN CONNECTION WITH INVESTMENTS OF THE FEEDER UNDERTAKING IN THE MARKET UNDERTAKING

Deductions related to the investments of the Feeder Undertaking in the Master Undertaking reduces the return on investment for the investor. It is recommended that one should thoroughly examine the Prospectus of the Master Subfund INVL Emerging Europe Bond Fund which is available on the website of the Company at: [www.hauck-aufhaeuser.com](http://www.hauck-aufhaeuser.com)

## VI. SUSTAINABILITY

#### 39. Information on the integration of sustainability into operations.

**39.1. Integration of sustainability risk.** Sustainability risk means an environmental, social or management event or situation which could cause an actual or potential significant adverse effect on the value of investments. This risk can be relevant as both





a separate category of risk or as a constituent component of other risks, including market risk, credit risk, liquidity and other risks. As the Subfund can invest in such financial instruments that can be related to sustainability risks; thus, the materialisation of these risks could have a negative impact on the value of the Sunfund's net assets and simultaneously on the value of the Subfund's investor assets.

By making investment decisions, the Management Company seeks to assess all risks and factors that could affect the value and results of investments. Respectively, the Management Company assesses the sustainability factors (hereinafter – the ESG factors) that are relevant to the particular investment and related sustainability risks in addition to all other risks and factors that can have an actual or potential negative impact on the value of investments.

Furthermore, the Management Company has approved and applies the Responsible Investment Policy which details the incorporation of the assessment of ESG risks and factors into the investment decision-making process of the Management Company. This inter alia includes such elements as negative selection, primary and periodical analysis of the ESG risks and opportunities, engagement and involvement, and positive selection. Unless otherwise provided for in the investment strategy of a particular Subfund, the purpose of the Subfund is not sustainable investments as defined in Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 (ES) on the sustainability-related disclosures in the financial services sector, and it is not intended to promote environmental or social peculiarities or any combination thereof.

**39.2. Assessment of the likely impact of sustainability risk on the Subfund's return on investment.** Having regard to the investment strategy of each Subfund in respect of sustainability factors, the Management Company believes that the impact of the sustainability risk on the Subfund's potential return on investment conforms to the impact of general investment risks, including market risk, credit risk and liquidity risks and does not have any specific impact on the particular Subfund's investment results and/or the extent of risks assumed by them.

**39.3. Assessment of negative impact on sustainability.** Although the Management Company has integrated the assessment of sustainability risk into its investment decision-making procedures and applies some other ESG practices; however, when making investment decisions, no due account is currently taken of the principal adverse impacts on the sustainability factors as defined in Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 (ES) on the sustainability-related disclosures in the financial services sector as, in the opinion of the Management Company, the legal rules related to this issue and the possibilities of collecting information necessary for such assessment and submission of periodic statements and reports are currently insufficiently clear.

**39.4. Other sustainability-related information.**

Further information on the integration of sustainability risk into the investment decision-making process and other aspects of the assessment of ESG factors is provided in the responsible investment policy approved by the Company which is published on the website of the Management Company at: [www.invl.com](http://www.invl.com).

## VII. MANAGEMENT

### 40. MANAGEMENT SCHEME

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### 41. MANAGEMENT BODIES

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### 42. GENERAL MEETING OF SHAREHOLDERS

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### 43. MEMBERS OF MANAGEMENT BODIES AND SUPERVISORY COUNCIL

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#### 44. INFORMATION ABOUT MANAGEMENT COMPANY

##### 44.1

Full name	INVL Asset Management LTD
Registered office address	Gynėjų str. 14, 01109, Vilnius, Lithuania
Business ID	126263073
Legal form	private limited liability company
No. of permit to engage in management activities	License No. VĮK-005 issued on 15 January 2004 by the Supervisory Authority of the Republic of Lithuania
Fee calculation method	The management fee and its calculations method are both noted in Clause 17 of this Prospectus

#### 44.2 DIRECTORS OF THE MANAGEMENT COMPANY, THEIR PARTICIPATION IN OTHER COMPANIES, INSTITUTIONS, ORGANIZATIONS:

**Laura Križinauskienė** – CEO of the Management Company.

Participation in other companies, institutions and organisations:

- INVL Finasta UAB – Member of the Board
- INVL Asset Management, IPAS (Latvia) – Member of the Supervisory Board
- INVL atklājais pensiju fonds, AS (Latvia) – Member of the Supervisory Board

**Darius Šulnis** – Chairman of the Board.

Participation in other companies, institutions and organisations:

- Invalda INVL, UAB – CEO, Member of the Board
- AB Šiaulių bankas – Member of the Supervisory Board
- Litagra, UAB – Member of the Board
- INVL Baltic Farmland, AB – Member of the Board

**Nerijus Drobavičius** – member of the Board, Private Equity partner.

Participation in other companies, institutions and organisations:

- INVL Technology UTIB – Member of Investment committee
- Inservis, UAB – Chairman of the Board
- Inservis Group, UAB – Chairman of the Board
- Jurita, UAB – Chairman of the Board
- BSGF Sanus, UAB – Director
- InMedica, UAB – Chairman of the Board

**Vytautas Plunksnis** – Board Member, Head of Private Equity department.

Participation in other companies, institutions and organisations:

- AS "Eco Baltia" (Latvia) – Chairman of the Supervisory Board
- SIA "Eco Baltia vide" (Latvia) – Member of the Supervisory Board
- Ecoservice, UAB – Chairman of the Board
- BSGF Salvus, UAB – Consultant
- Montuotojas, UAB – Member of the Board
- SIA „B2Y“ (Latvia) – Chairman of the Board
- „INVL Technology“, UTIB – Member of the investment committee
- „Novian Systems“, UAB – Chairman of the Board
- „NRD Systems“, UAB – Member of the Board
- UAB NRD CS – Member of the Board
- NRD Companies AS (Norway) – Member of the Board
- Norway Registers Development AS (Norway) – Member of the Board
- „Moldova-Agroindbank“ (Moldova)– Chairman of the Supervisory Board
- Lithuanian Investors Association – Chairman of the Board



43.3 Key provisions of agreement with the Management Company that may be relevant to owners of securities

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43.4 Indication if Management Company's establishment country does not coincide with Fund's establishment country

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#### 43.5 Other undertakings managed by the Management Company and their investment strategies

Currently INVL Asset Management UAB also manages 1 (one) harmonized investment fund, 2 (two) special closed-ended type private capital investment companies, 2 (two) closed-end umbrella funds for informed investors comprised of 7 (seven) and 1 (one) subfund each, 1 (one) closed-ended type investment fund for professional investors, 8 (eight) II pillar pension funds and 5 (five) III pillar pension funds. Below is a detailed description of the managed products:

#### HARMONIZED INVESTMENT FUNDS:

**INVL Baltic Fund** is an open-ended harmonized investment fund and focused on those investors with minor investment experience. Fund's assets are invested in equities listed in the markets of the Baltic States or with active business in the Baltic States, aiming to provide maximum income and assuming high investment risk. The Fund's investment policy is focused on a long-term investment and investment portfolio approach is based on identifying profitable enterprises and such sectors of the economy.

#### SPECIAL CLOSED-ENDED TYPE PRIVATE CAPITAL INVESTMENT COMPANY:

„**INVL Technology**“ is a special closed-ended type private capital investment company. The Company invests the assets in mature IT companies which cater to large corporations and public-sector clients, have production capacity in the Baltics and Eastern Central Europe, and can generate synergies by cooperating with other INVL Technology companies.

„**INVL Baltic Real Estate**“ is a special closed-ended type private capital investment company. The Company invests the assets in commercial real estate: business centres and manufacturing and warehouse properties in Lithuania and Latvia. All the properties generate leasing income and most of them offer prospects for further development.

#### CLOSED-END ALTERNATIVE ASSETS UMBRELLA FUNDS FOR INFORMED INVESTORS

**INVL Alternative Assets Umbrella Fund** is a closed-end alternative assets umbrella fund for informed investors comprised of 3 (three) subfunds:

**INVL Baltic Forests Fund I** invests in productive forests of varied ages and conditions. The three expected sources of investment return for the fund are: harvesting, changes in timber prices, and the creation of added value by consolidating small isolated parcels into a high-quality forest tract and investing in the needed forest maintenance.

**INVL Special Opportunities Fund** indirectly invests in equities of the biggest Moldovan bank Moldova-Agroindbank (MAIB).

**INVL Baltic Sea Growth Capital Fund** invests in INVL Baltic Sea Growth Fund, launched in 2018 June, and provides an opportunity for informed investors to indirectly invest in the latter fund.

**INVL Partner Global Distressed Debt Fund I** invests in the global distressed debt fund established by the manager.

**INVL Sustainable Timberland and Farmland Fund II – Capital Fund** seeks long-term increase in the capital invested by its participants while receiving a steady return on the Subfund's assets. The Subfund intends to achieve this investment objective indirectly through acquisition, holding and transfer of agricultural and forest land plots in the EU Member States.

**INVL Renewable Energy Fund I** will invest in green field and brown field renewable energy (solar, wind) projects, which will include the construction of new power plants, the acquisition of existing power plants, the development and/or acquisition of infrastructure necessary for the operation of power plants, and the efficient management of existing power plants in the European Union, the United Kingdom and the Member States of the European Economic Area.

**INVL Partner Global Infrastructure Fund I** will invest in a fund of infrastructure assets established by a fund manager of global stature.

**INVL Alternative Assets Umbrella Fund II** is a closed-end alternative assets umbrella fund for informed investors comprised of 1 (one) Subfund:

**INVL Partner Energy and Infrastructure Fund** invests all of its assets to the closed-end type fund *Energy and Infrastructure SME Fund* managed by investment company Lords LB Asset Management.



## INVESTMENT FUNDS FOR PROFESSIONAL INVESTORS

**INVL Baltic Sea Growth Fund** will invest in mid-cap companies that offer attractive risk-return tradeoff by providing them with capital needed for future growth. The fund will aim to compose a diversified portfolio of Baltic Sea region companies and specialize in development capital, corporate buyout and „invest and develop“ kind of investments.

### II PILLAR PENSION FUNDS:

**INVL Pension 1954-1960 Index Plus** is a life-cycle fund which invests in shares until its participants reach the age of 47. At 18 years until the retirement age the fund begins decreasing the proportion of shares in the fund and increasing the proportion of bonds. At the age of 64 the proportion of shares in the fund is aimed at 10 percent, but can vary from 0 to 20 percent.

**INVL Pension 1961-1967 Index Plus** is a life-cycle fund which invests in shares until its participants reach the age of 47. At 18 years until the retirement age the fund begins decreasing the proportion of shares in the fund and increasing the proportion of bonds. At the age of 64 the proportion of shares in the fund is aimed at 10 percent, but can vary from 0 to 20 percent.

**INVL Pension 1968-1974 Index Plus** is a life-cycle fund which invests in shares until its participants reach the age of 47. At 18 years until the retirement age the fund begins decreasing the proportion of shares in the fund and increasing the proportion of bonds. At the age of 64 the proportion of shares in the fund is aimed at 10 percent, but can vary from 0 to 20 percent.

**INVL Pension 1975-1981 Index Plus** is a life-cycle fund which invests in shares until its participants reach the age of 47. At 18 years until the retirement age the fund begins decreasing the proportion of shares in the fund and increasing the proportion of bonds. At the age of 64 the proportion of shares in the fund is aimed at 10 percent, but can vary from 0 to 20 percent.

**INVL Pension 1982-1988 Index Plus** is a life-cycle fund which invests in shares until its participants reach the age of 47. At 18 years until the retirement age the fund begins decreasing the proportion of shares in the fund and increasing the proportion of bonds. At the age of 64 the proportion of shares in the fund is aimed at 10 percent, but can vary from 0 to 20 percent.

**INVL Pension 1989-1995 Index Plus** is a life-cycle fund which invests in shares until its participants reach the age of 47. At 18 years until the retirement age the fund begins decreasing the proportion of shares in the fund and increasing the proportion of bonds. At the age of 64 the proportion of shares in the fund is aimed at 10 percent, but can vary from 0 to 20 percent.

**INVL Pension 1996-2002 Index Plus** is a life-cycle fund which invests in shares until its participants reach the age of 47. At 18 years until the retirement age the fund begins decreasing the proportion of shares in the fund and increasing the proportion of bonds. At the age of 64 the proportion of shares in the fund is aimed at 10 percent, but can vary from 0 to 20 percent.

**INVL Pension Asset Preservation Fund.** The fund is designed for the assets of those of retirement age. Fund's goal – to preserve the purchasing power of accumulated assets in the long run, therefore no less than 80 percent of the assets are invested in a safer asset class – bonds.

### III PILLAR PENSION FUNDS:

**INVL Bold** pension fund invests in shares of companies without restrictions with respect to regions or sectors of investment.

**INVL Prudent** pension fund invests in equities and related investments without restrictions with respect to regions or sectors of investment.

**INVL STABILO III 58+ / INVL Stable** pension fund invests in bonds issued or guaranteed by states or local authorities and bonds of companies.

**INVL EXTREMO III 16+** pension fund invests in shares of companies or related investments without restrictions with respect to regions or sectors of investment.

**INVL MEDIO III 47+** pension fund invests up to 50 per cent of the assets of fund in shares of companies or related investments and no less than 50 per cent in bonds issued or guaranteed by states or central banks, banks deposit and bonds of companies.

#### 43.6 Authorized capital of the Management Company

The authorized subscribed and fully paid capital of INVL Asset Management UAB is EUR 5.452.000; it is divided into 18.800.000,- ordinary nominal shares of EUR 0,29.

#### 43.7 Description of the Management company's remuneration policy:

**43.7.1 Thorough information on the latest remuneration policy – including but not limited to a description of how salaries and other payments are calculated as well as names of the persons responsible for determining salaries and other payments, including the members of the remuneration committee when such a committee is formed:**

The Management Company has approved a remuneration policy for employees who make decisions on the assumption of risk which meets the requirements of the Law on Collective Investment Undertakings.



An employee's fixed remuneration includes their monthly salary and additional benefits which the employee receives regardless of their performance and which are paid to all employees who meet the established criteria in accord with the rules in place within the Management Company (such as pension contributions into voluntary pension funds). The monthly salary and its size are specified in employment contracts and paid in the manner established by the law. The monthly salary is set based on the requirements of the position and the nature of the work as well as the employee's qualifications and skills. The monthly salary may differ for individual employees with the same position since its size is determined taking into account the employee's qualifications, their experience and personal professional activity, their previous work in the company or other companies associated with it (a subsidiary, sister company or parent company), and their other skills; the size of the salary may also be influenced by supply and demand in the labour market.

Along with the monthly salary, employees may also be paid an incentive – i.e. a bonus, assigned based on the fulfilment of the Management Company's annual business plan and/or budget, employee department's annual goal fulfilment and the fulfilment of individual plans and tasks set out in an individual assessment plan for the employee. Monthly salary is determined in such a way that appropriate proportion of monthly salary and bonus is ensured. Monthly salary makes up a large enough share of employee's remuneration so that the Management Company could exercise a flexible inducement policy.

The bonus is paid according to the following terms:

- an amount equal to 60% of the bonus is paid in a single payment in the manner and on the terms established in a decree or resolution of the General Director or the Board;
- the remaining part of the bonus (i.e. the remaining 40% of the bonus) is paid to the employee over a period of three years on a pro rata basis, i.e. the deferred portion of the bonus is spread proportionally over the entire deferral period, with the first payment starting no earlier than one year after the completion of the assessment of the employee's performance. Each year a proportionally calculated portion of the bonus is paid. In separate cases the decision-making body of the Management Company reserves the right to prolong the deferral period (usually no longer than 5 years), taking into account Management Company's or respective fund's business cycle, type of activity, risks taken by the employee, performance results and other criteria as defined by law.

For employees not included in the risk-taking category the entire bonus is paid in a single payment in the manner and on the terms established in a decree or resolution of the General Director or the Board. In an analogous manner (i.e. without the deferral of payment described above) risk-taking employees may be paid a relatively small bonus or a part thereof (in terms of official monthly salary) if at the time of payment it complies with the provisions of the Remuneration Policy and legal requirements.

Usually the bonus is paid in monetary terms. The Management Company, acting in accordance to the principle of proportionality, does not apply the requirement to pay a portion of the bonus in financial instruments. However, if the Management Company provides such an option, the bonus may be replaced by other incentive measures - by providing financial instruments or equivalent instruments if an employee chooses so (equity options, contributions to personal pension fund).

The bonus, including its deferred portion, may be allocated and/or paid to an employee only when the Management Company is in a sustainable financial condition with regard to the operating results of the Management Company and/or its subsidiary, and only when the results of the employee's annual individual assessment are positive.

Taking into account the size and organizational structure of the Management Company, no remuneration committee has been formed. The remuneration (both the monthly salary and annual bonuses) of the Management Company's general director, internal auditor and other employees that, according to the approved organisational structure of the Management Company, are accountable to the board is set (assigned) by the board of the Management Company. The remuneration of all other employees is set (assigned) by the general director of the Management Company. The list of the members of the board and the general director is provided in Clause 43.2 of the Prospectus.

Detailed information on the latest remuneration policy, including but not limited to the remuneration policy adopted by the Management Company for risk-taking employees, as well as the identity of the persons responsible for the payment of remuneration and other benefits, is available on the Management Company's website [www.invl.com](http://www.invl.com). At the investor's request, a printed copy of the document will be provided free of charge.

43.7.2 --

## 45. DEPOSITORY

Name of the Depository	SEB bank
Company code	112021238
Registered office	Konstitucijos pr. 24, LT–08105, Vilnius, Lithuania
Type of company	joint stock company
Main activity	financial services
Director	Sonata Gutauskaitė-Bubnelienė



#### 46. FINANCIAL BROKERS

**Methods on fee calculation:** The fee to financial brokers as the intermediary shall be not more than 1,00 percent of the average annual value of completed transactions.

<b>AB „Šiaulių bankas“</b>	Company code Registered office Main activities Type of agreement with Management Company	112025254 Tilžės str. 149, 76348 Šiauliai, Lithuania financial services AB "Šiaulių bankas" shall be as major intermediary for financial brokerage services
<b>SEB bank</b>	Company code Registered office Main activities Type of agreement with Management Company	112021238 Konstitucijos pr. 24, LT-08105 Vilnius, Lithuania financial services SEB bank shall be as minor intermediary for financial brokerage services
<b>FBC „Orion Securities“ Ltd.</b>	Company code Registered office Main activities Type of agreement with Management Company	122033915 A. Tumėno str. 4, LT-01109 Vilnius, Lithuania Financial services FBC „Orion Securities“ shall be as minor intermediary for financial brokerage services
<b>InterCapital Securities Ltd.</b>	Company code Registered office Main activities Type of agreement with Management Company	080420080 Masarykova str. 1, 10000 Zagreb, Croatia Financial services InterCapital Securities Ltd. shall be as minor intermediary for financial brokerage services
<b>WOOD &amp; Company</b>	Company code Registered office Main activities Type of agreement with Management Company	26503808 Namesti Republiky 1079/1a, 110 00, Prague 1, Czech Republic Financial services WOOD & Company shall be as minor intermediary for financial brokerage services

#### 47. DELEGATION OF ADMINISTRATIVE FUNCTIONS

47.1. The Management Company delegates the management of unitholders' register to AB "Šiaulių bankas".

47.2. Management of the register of unit holders of the INVL Emerging Europe Bond Subfund, the INVL Russia ex-Government Equity Subfund and/or the INVL Global Emerging Markets Bond Subfund is delegated to UAB FMĮ "INVL Finasta" and corresponding foreign distributors specified in Clause 7 of this Prospectus. This applies insofar as it relates to holders of investment units who acquired the investment units through UAB FMĮ "INVL Finasta" and that specific foreign distributor.

47.3. The Management Company can also delegate other functions to third parties licensed to provide respective services.

47.4. The Management Company has no right to delegate management functions to other companies to the extent that it essentially would not have any management functions at all.

The fact that some or all management functions are delegated to third parties does not release the Management Company from such liability.

#### 48. OTHER INFORMATION THAT, ACCORDING TO MANAGERS, COULD AFFECT INVESTMENT DECISIONS.

The information provided in this document is not intended for United States residents as it is imposed under Section 5 of the Securities Act. Investment funds described in the Prospectus are not registered under any regulation in the United States and are not intended for sales to United States residents or in the United States.

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## SUPPLEMENT NO. 1 TO THE PROSPECTUS

### ADDITIONAL INFORMATION FOR INVESTORS IN THE FEDERAL REPUBLIC OF GERMANY

The following information provided in this Supplement is addressed to potential investors in the Federal Republic of Germany. This Supplement is an integral part of the Prospectus and should be read in conjunction with the Prospectus. Definitions used in the Supplement has the same context as those used in the Prospectus unless the context has clearly different meaning.

Information provided in this Supplement is reviewed and updated in conjunction with the information contained in the Prospectus. The date when the latest actual version of the Prospectus was published in the Management Company's website [www.invl.com](http://www.invl.com) is indicated on the title page of the Prospectus.

The open-ended harmonized investment fund "INVL Umbrella Fund" is registered in Lithuania and supervised by the Bank of Lithuania. UAB INVL Asset Management is a management company licensed in Lithuania and supervised by the Bank of Lithuania. The Management Company has received confirmation from the Bank of Lithuania regarding receipt of the Prospectus and/or its amendments, which confers the right to distribute the units of the Fund in the manner and under the conditions established in the Prospectus.

**It is noted, that the Management Company does not intend to distribute the following Subfund of the Fund in the Federal Republic of Germany and no marketing notification has been submitted for the permission of its distribution in the Federal Republic of Germany:**

- **INVL Global Emerging Markets Bond Subfund**

GERMAN INFORMATION AGENT:

**FWW Fundservices GmbH**  
Münchener Straße 14  
85540 Haar bei München  
Germany

Fund Prospectus (in English), Rules (in English), Key Investor Information Documents of each Subfund (in English and German), latest hardcopy or electronic copies of annual and semi-annual reports (in English) investors can obtain free of charge at the registered office of German Information Agent noted above. Furthermore, these documents are available at the Management Company's website [www.invl.com](http://www.invl.com).

German Information Agent will also provide investors with other information and documents required by the legal acts.

No German Paying Agent has been appointed as no investment units will be issued as printed individual certificates.

Redemption, subscription and switch orders for Fund units can be submitted to the Management Company through Distributors indicated in the Prospectus in accordance with the provisions of the Prospectus. The Management Company shall process payments for redeemed units of Subfunds not later than within 7 (seven) calendar days after receiving the Order, if redemption of the Subfund units is not suspended.

**Publication of prices:** issue, redemption and switch prices of units for every Subfund, as well as Fund's net asset value are available free of charge at the German Information Agent noted above and are published at the Management Company's website [www.invl.com](http://www.invl.com).

**Distribution fee size:** remuneration to distributors for the distribution of Fund units shall not exceed 2 per cent of the amount invested by the investor. Precise information about the size of the distribution fee is provided during the acquisition of Fund units.

**Notifications and information to German investors shall be sent in the cases enumerated in Sec. 298 (2) of the German Investment Code (*Kapitalanlagegesetzbuch – KAGB*) by means of durable medium in accordance with terms of Sec. 167 KAGB, and also published at the Management Company's website [www.invl.com](http://www.invl.com). Any other information and notifications for investors shall be announced on the Management Company's website [www.invl.com](http://www.invl.com).**