

**Open-end Investment Fund
“Rietumu Asset Management Fund”**

PROSPECTUS

The Fund is registered at the Financial and Capital Market Commission in Latvia
Registration date: 20.08.2014.

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With amendments approved by JSC “Rietumu Asset Management” IMF
management body and registered with the Financial and Capital Market
Commission on:

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Fund’s Management Company: JSC “Rietumu Asset Management” IMF,
Legal address: 7 Vesetas Street, Riga, LV-1013, Latvia

Fund’s Custodian Bank: JSC “Rietumu Banka”

Distributor of the Fund’s investment certificates: JSC “Rietumu Banka”
7 Vesetas Street, Riga, LV-1013, Latvia

Auditor of the Fund: SIA BDO Assurance

The decision about the Fund establishment was taken at the Executive Board meeting of JSC “Rietumu Asset Management” IMF on 26 May 2014.

The Fund Prospectus, the Fund Management Regulations, the Basic Information for Investors, Annual and Semi-annual Reports of the Fund, current Remuneration Policy of the Company, as well as information about the Fund value and the subscription and redemption price of the investment certificates can be received for free at the JSC “Rietumu Asset Management” IMF office located at 7 Vesetas Street, Riga, LV-1013, Latvia, on Working days from 10:00 to 18:00

Translation from Latvian.

In case of any discrepancies, between this translation and original Latvian version, the text of Latvian version shall prevail.

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Terms and Abbreviations

Application – an application for the purchase of Sub-fund Investment certificates, which is executed in accordance with the requirements stipulated by Article 8.10.

Commission or FCMC – Financial and Capital Market Commission of the Republic of Latvia which supervises the operation of the Fund management company.

Custodian Bank – JSC “Rietumu Banka”, a custodian bank of the Open-end Investment Fund “Rietumu Asset Management Fund”, which holds the Sub-fund property, performs transactions with the Sub-fund property at the order of the Company and fulfils other duties which are prescribed by the Custodian Bank Agreement, legal enactments of the Republic of Latvia and the Fund Prospectus.

Custodian Bank Agreement – an agreement concluded in writing between the Company and the Custodian Bank in accordance with which the Custodian Bank undertakes to hold the Sub-fund property, to perform transactions and service the Sub-fund accounts in accordance with the legal enactments of the Republic of Latvia, the Fund Prospectus, the Fund Management Regulations and the Company orders.

EU – the European Union.

EUR – currency of member states of the European monetary union (euro).

Fund – the Open-end Investment Fund “Rietumu Asset Management Fund” established by JSC “Rietumu Asset Management” IMF which includes two sub-funds – “Rietumu Asset Management Fund – Fixed Income Investment Grade USD” and “Rietumu Asset Management Fund – Fixed Income High Yield USD”.

Fund Manager (the employee of the Company) – the Fund manager (the employee of the Company) appointed by the Executive Board of the Company who deals with the property of the Fund in accordance with the provisions of the Fund Prospectus and the Fund Management Regulations, orders of the Executive Board of the Company and the procedure prescribed by the legal enactments of the Republic of Latvia currently in force.

Group of Ten – countries that have entered into the General Arrangement to Borrow (GAB) with the International Monetary Fund;

Investment Certificate – a transferable security certifying participation of an Investor in the Fund and the rights arising from such participation.

Investment Management Company or the Company – JSC “Rietumu Asset Management” IMF – an investment management company of the Open-end Investment Fund “Rietumu Asset Management Fund”.

Investment object – transferable securities, money market instruments, deposits in credit institution and other financial instruments which in accordance with the provisions of the Law Company is entitled to acquire for the fund property.

Investor – a private individual or a legal entity who owns an Investment Certificate of a Sub-fund.

Nasdaq CSD SE – the capital company that performs the registration and accounting of financial instruments issued in accordance with the procedure stipulated by the Financial Instrument Market Law as well as ensures cash and financial instrument settlements for financial instrument transactions at the regulated market and financial instrument settlements between holders of financial instrument accounts.

Law – Law on Investment Management Companies of the Republic of Latvia.

Member State – a member state of the European Union or a country of the European Economic Area.

Money market instruments – deposits and other liquid short-term debt obligations which can be precisely determined at any time (promissory notes, certificates of deposit, etc.) and which are normally traded on the money market.

Multilateral Trading Facility – a system operated by an investment brokerage firm, a credit institution or a market organiser which by following equivalent conditions, brings together third-party buying and selling orders in financial instruments in a way that results in entering into a transaction.

Net asset value – the difference between the entire value of the Sub-fund assets and the entire value of the Sub-fund liabilities.

Nasdaq Riga – the joint stock company which organises open and regular conclusion of transactions with securities available in public circulation in the Republic of Latvia.

Redemption of the Investment Certificates – the value of the Investment Certificates payable to the Investor by the Company, including the loss compensation (liability of the Company for inaccurate or incomplete data in the Prospectus).

Regulated market – an aggregate of organisational, legal and technical measures that enable regular and open conclusion of transactions with financial instruments.

Remuneration for Fund management (management fee) – the remuneration paid to the Company from the Fund assets for the Fund management which is calculated in accordance with the formula provided in the Article “Remuneration and Expenditures of the Fund”.

Sub-fund – a segregated part of the investment fund property which is formed of investments made in return for investment certificates, as well as items obtained in transactions with that

property and on the basis of the rights to that property. For the purpose of this Prospectus (each separately) – “Rietumu Asset Management Fund – Fixed Income Investment Grade USD” and “Rietumu Asset Management Fund – Fixed Income High Yield USD”.

Systematic internaliser – an investment brokerage firm or credit institution operates on its own account on an organized, frequent and systematic basis by executing customer orders outside the Regulated market or the Multilateral Trading Facility.

Working day – an official working day of the Company office in Riga, Latvia.

World global market countries – Member states, member states of the Organisation for Economic Co-operation and Development, as well as the United Arab Emirates, Argentina, Azerbaijan, Brazil, South Africa, the Philippines, Hong Kong, Croatia, India, Indonesia, Qatar, Kazakhstan, Columbia, Russia, China, Malaysia, Panama, Peru, Singapore, Thailand, Ukraine, Venezuela and Vietnam.

1. GENERAL INFORMATION

The Fund is established for the purpose of providing its Investors with an opportunity of long-term growth of the asset value in accordance with the risk level determined by the Fund investment policy. Assets of the Fund are invested in transferable securities' diversified portfolio, money market instruments, deposits in credit institutions and shares of investment funds.

The Fund is an aggregate of assets comprised of investments obtained from Investors in exchange for Investment Certificates, as well as assets obtained as a result of Fund property transactions, in order to invest them for the benefit of the investors in accordance with the Fund investment policy.

The Fund is not a legal entity.

The Fund is established as a fund with two Sub-funds:
“Rietumu Asset Management Fund – Fixed Income Investment Grade USD”,
“Rietumu Asset Management Fund – Fixed Income High Yield USD”.

Each Sub-fund has its own investment policy.

All the provisions of this Prospectus pertain to each Sub-fund, unless stipulated otherwise.

The Sub-fund property is the common property of the Investors and it is held, accounted and administered separately from the property of the Company, other Funds or Sub-funds under the Company management or property of the Custodian Bank. The property of the Fund is the common property of its Sub-funds. The Fund cannot have a property which is not included in any of its Sub-funds.

The Investor is not entitled to demand the separation of the Sub-fund. Neither such rights are provided to the Investor's pledgee, creditor or administrator at the insolvency process of the Investor.

The Sub-fund property may not be included in the property of the Company or the Custodian Bank as a debtor's property, in the event the Company or the Custodian Bank is declared insolvent or is liquidated.

Claims against the Investor on his obligations may be pursued with regards to his Investment Certificates, and not the Sub-fund property.

The business year of the Fund is 12 months and it coincides with the calendar year and the Company report year.

2. INVESTMENT POLICY, OBJECTIVES AND RESTRICTIONS

The main goal of the Fund is to provide its Investors with an opportunity of long-term growth of the asset value in accordance with the risk level determined by the Fund investment policy. Assets of the Fund are invested in transferable securities' diversified portfolio, money market instruments, deposits in credit institutions and shares of investment funds,

The investment policy is determined based on the existing political, economic, financial and monetary factors. The policy can differ depending on the Sub-fund, in accordance with the specific features and goals which are provided in the Appendix of each Sub-fund hereto.

The investment policy is realised in compliance with the risk diversification and minimisation principles. Therefore, except for the general restrictions listed in Article 2.1, each separate Sub-fund has its additional restrictions which are provided in the corresponding Appendix of each Sub-fund hereto.

The Company recommends the Investors to get acquainted with the investment restrictions which are listed in Article 2.1, as well as the restrictions of each Sub-fund, prior to taking an investment decision.

There is no guarantee that the Sub-fund will reach its investment goals, neither can the current performance figures serve as an indicator for future incomes.

2.1 Investment in Transferable Securities and Money Market Instruments

The Sub-fund can invest assets in the following financial instruments:

2.1.1. Transferable securities and the Money market instruments which comply with at least one of the following conditions:

2.1.1.1. they are traded on the Regulated market or by a Systematic internaliser or in a Multilateral Trading Facility of the Member State;

2.1.1.2. they are included in the official list of the stock exchange of the world global market countries or are traded on the Regulated market or by a Systematic internaliser or in Multilateral Trading Facility of these countries;

2.1.1.3. they are not included in the official lists of stock exchanges or are not traded on the Regulated markets, but their issue regulations anticipate that they will be included in the official lists of stock exchanges or the Regulated markets stipulated by Articles 2.1.1.1 and 2.1.1.2 and the inclusion of these securities and Money market instruments shall take place within one year from the day when subscription to these securities or Money market instruments is commenced.

2.1.2. Money market instruments which are not traded on the Regulated market, if they are freely transferable and one of the following conditions applies:

2.1.2.1. they have been issued or guaranteed by the Member State or a local government of the Member State, another state or, in case of a federal state, one of the members of a federation or an international institution, if one or several Member States are its members;

2.1.2.2. they have been issued or guaranteed by the central bank of the EU member state, the European Central Bank or the European Investment Bank;

2.1.2.3. they have been issued by a commercial company whose securities are traded in accordance with the procedure stipulated by Articles 2.1.1.1 and 2.1.1.2;

2.1.2.4. they have been issued or guaranteed by a credit institution which is registered in the Member State and the operation of which is supervised by a financial services supervisory authority in accordance with the requirements established in the European Union, or by an issuer, the operation regulatory requirements of which are as strict as those of the EU and which complies with at least one of the following requirements:

- it is registered in a Member State of the Organisation for Economic Co-operation and Development that is also the country of the Group of Ten;
- it has been assigned the investment grade rating;
- comprehensive analysis of the legal regulation of the issuer's operation confirms that the requirements regulating its activities are as strict as those determined in the EU.

2.1.2.5. they have been issued by a commercial company with the total volume of the capital and reserves being EUR 10 million or more and which prepares and publishes the audited annual report in accordance with the annual report preparation and publication requirements which are equivalent to the requirements established in the EU. This commercial company is in one group with one or several commercial companies, whose shares are traded on the Regulated market and has been established for the purpose of attracting cash for the group, or such company is a structure established for a special purpose which specialises in debt securitisation and which has an agreement concluded for the provision of liquidity with a bank which complies with the requirements for a credit institution stipulated by Article 2.1.2.4. The investments in such Money market instruments anticipate the protection of the investors which is equivalent to the protection stipulated by Articles 2.1.2.1 – 2.1.2.4.

2.1.3. Deposits in a credit institution which has obtained a licence on credit institution activity in Latvia, in another Member State or in a member state of the Organisation for Economic Co-operation and Development included in the Group of Ten. Deposits in a credit institution may be made if they are repayable on demand or they can be withdrawn prematurely and their term does not exceed 12 (twelve) months.

2.1.4. Investment certificates or shares of an investment fund registered in a Member State or of a collective investment undertaking equivalent to an investment fund, whose operation is regulated according to equivalent requirements as those stipulated by the Law. Assets of the Sub-fund may only be invested in the certificates (shares) of the funds and collective investment undertakings mentioned in this Article, if the Prospectus, the Management Regulations or a similar document of the Fund or the collective investment undertaking [the

investment certificates (shares) of which are anticipated to be acquired] stipulates that investments in other funds or collective investment undertakings may not exceed 10 percent of the assets of the fund or the collective investment undertaking.

2.1.5. Derivative financial instruments which are or are not traded on the Regulated markets and which comply with the following requirements:

2.1.5.1. their underlying asset is transferable securities and Money market instruments, investments in credit institutions, investments in shares of funds, financial indexes, interest rates, currency exchange rates or currencies;

2.1.5.2. the counterparty with the derivative financial instruments not traded on the regulated market is:

- a credit institution which has obtained a licence on credit institution activity in Latvia, another Member State or in a member state of the Organisation for Economic Co-operation and Development of the member state included in the Group of Ten;
- an investment brokerage firm with the total volume of the capital and reserves being EUR 10 million or more, which is registered in the Member State or in a member state of the Organisation for Economic Co-operation and Development included in the Group of Ten, the operation of which is supervised by a financial service supervising institution;

2.1.5.3. Every day the credible and provable evaluation of the derivative financial instrument not traded on the regulated market takes place and at any time, at the initiative of the Company, the derivative financial instrument can be sold or liquidated for its fair value or a transaction can be performed as a result of which the position is closed (claims or liabilities with regard to the financial instrument).

2.1.6. The Sub-fund may not invest funds in:

2.1.6.1. Precious metals and derivative financial instruments, the underlying assets of which are precious metals or commodities;

2.1.6.2. Transferable securities and Money market instruments, which do not comply with the requirements stipulated by Articles 2.1.1 and 2.1.2, for over 10% of the Sub-fund assets.

2.1.7. Investments of the Sub-fund in Money market instruments or transferable securities of one issuer, except for the investments stipulated by Articles 2.1.8 and 2.1.9, may not exceed 5% of the Sub-fund assets. This restriction may be increased up to 10% of the Sub-fund assets, but in this case the total value of the investments exceeding 5% may not exceed 40% of the Sub-fund assets.

2.1.8. Investments of the Sub-fund in transferable securities or Money market instruments of one issuer may be increased up to 35% of the Sub-fund assets, if the transferable securities or the Money market instruments have been issued or guaranteed by the World global market state, a local government or an international institution of the Member State, when one or several Member States are its members.

2.1.9. The restriction stipulated by Article 2.1.8 may be exceeded, if the Sub-fund owns transferable securities or Money market instruments from six or more issues, and the value of the transferable securities or Money market instruments of each issue separately does not exceed 30% of the Sub-fund assets.

2.1.10. Investments of the Sub-fund in transferable securities of one issuer may be increased up to 25% of the Sub-fund assets, if these are debt securities issued by a credit institution registered in the Member State, and the liabilities confirmed therein anticipate to invest the obtained funds in things which provide for the confirmed liabilities during the entire circulation period of the debt securities, and these liabilities are to be fulfilled as a priority in the event of insolvency of the issuer of the debt securities.

2.1.11. If the value of the Sub-fund investments in debt securities of one issuer as stipulated by Article 2.1.10 exceeds 5% of the Sub-fund assets, the total value of the Sub-fund investments which exceed 5% may not exceed 80% of the Sub-fund assets.

2.1.12. The Sub-fund investments in one credit institution may not exceed 20% of the Sub-fund assets. The aforementioned restriction does not pertain to claims on demand against the Custodian Bank.

2.1.13. The total risk related to transactions with derivative financial instruments, including transferable securities and Money market instruments, may not exceed the net value of the Sub-fund assets. When estimating the total risk, the value of the underlying assets of the derivative financial instrument, the risk of the second party of the transaction, anticipated changes on the market in the future and the period required to close the corresponding position are taken into consideration. The total risk of the Sub-fund is estimated by using the commitment approach.

2.1.14. The amount of risk transactions with derivative financial instruments which are not traded on the Regulated market may not exceed the following amount per each of counterparties:

2.1.14.1. 10% of the Sub-fund assets, if the counterparty is a credit institution which complies with the requirements stipulated by Article 2.1.3;

2.1.14.2. 5% of the Sub-fund assets, if the counterparty is an investment brokerage firm which complies with the requirements stipulated by Article 2.1.5.2.

2.1.15. Investments of the Sub-fund in investment certificates (shares) of one investment fund or a similar collective investment undertaking may not exceed 10% of the Sub-fund assets.

2.1.16. Irrespective of separately established restrictions for the investments, total investments of the Sub-fund in transferable securities and Money market instruments, the Sub-fund investments and transactions with derivative financial instruments where the issuer or guarantor, investment attractor or the transaction counterparty is one and the same person, may not exceed 20% of the Sub-fund assets. When applying the investment restrictions stipulated by this Article, companies included in one group are regarded as one entity.

2.1.17. The investment restrictions set by this Prospectus may not be combined and thus the total investments of the Sub-fund in transferable securities and the Money market instruments, the Sub-fund investments and transactions with derivative financial instruments where the issuer or guarantor, investment attractor or the transaction counterparty is one and the same person, may not exceed 35% of the Sub-fund assets.

2.1.18. The Sub-fund investments in separate investment objects may not exceed the following figures:

2.1.18.1. 10% of the nominal value of non-voting shares from one issuer;

2.1.18.2. 10 % of the total volume of the debt securities issued by one issuer;

2.1.18.3. 25% of the number of investment certificates (shares) of one fund or a collective investment undertaking;

2.1.18.4. 10% of the total value of the Money market instruments issued by one issuer.

2.1.19. Exceeding of the investment restrictions stipulated by the Prospectus is allowed, if this is caused by exercising the right to subscribe which arises from transferable securities and Money market instruments included in the Sub-fund property or other circumstances that cannot be foreseen by the Company. To eliminate exceeding of the investment restrictions, the Company must perform trading operations in accordance with the risk reduction principle and the interests of the Investors.

2.1.20. The investment restrictions stipulated by Article 2.1.18 Sub-clauses 1, 2, 3 may be exceeded at the time of making the Investment if it is not possible to determine or calculate the entire quantity or value of the issued securities for which debt obligations are established at that moment, or the value or number of the investment certificates issued or available in circulation.

2.1.21. The Company must notify the FCMC about exceeding the investment restriction without delay, as well as about measures for eliminating this.

2.2 Loans Taken at the Expense of the Sub-fund

To ensure short-term liquidity, the protection of the interests of the Investors and the fulfilment of the obligations and duties of the Sub-fund, the Company is authorised to take a decision on taking a loan at the expense of the Sub-fund.

The Company may take decisions at the expense of the Sub-fund, if such borrowings are taken for a period of up to three months and their total value does not exceed 10% of the Sub-fund value.

The Company may not take loans at the expense of the Sub-fund from the company administering this Fund, its interested persons and other funds administered by the Company, except for interest free loans from the Company and loans from the Custodian Bank, at an

interest rate that does not exceed the average interest rate for loans at the financial market at the time of obtaining the loan.

2.3 Transactions for the Efficient Management of the Sub-fund Investment Portfolio

The Company can use methods and tools pertaining to the Money market instruments and transferable securities for the efficient management of the Fund investment portfolio, by considering the Sub-fund risk profile, general restrictions and separate restrictions of each Sub-fund as stipulated by the Prospectus and its corresponding appendixes.

Methods and tools can be used for efficient management of the portfolio, when:

- Their usage is justified and economically appropriate;
- Their usage is anticipated for at least one of the following goals:
 - Risk reduction;
 - Reduction of costs;
 - Ensuring of liquidity;
 - Growth of incomes of the Sub-fund.

2.3.1. Correspondingly, the Company can conclude the following transactions:

- Call option agreement;
- Put option agreement;
- Forward contracts;
- Futures;
- Swaps.

To ensure liquidity, the Sub-fund may perform sale and repurchase (REPO) transactions with the assets.

Information about the risks related to the usage of methods and instruments for the efficient management of the portfolio (the counterparty's risk, the risk related to investments in derivative financial instruments, the REPO transaction risk, etc.) is provided in Article 3.2.

The Company ensures that transactions for the efficient management of the Sub-fund portfolio are performed in the interests of the Sub-fund and all incomes reduced by direct and indirect costs related to these transactions are credited as the Sub-fund property.

The Company ensures that transactions for the efficient management of the Sub-fund portfolio will not influence the Sub-fund's ability to fulfil the requirement of redeeming the Investment Certificates.

The Company ensures that only such transactions are performed with the Sub-fund property for the efficient management of its portfolio which comply with the hereinafter mentioned criteria:

- In a REPO transaction, it is possible to revoke the loaned securities or terminate the concluded agreements at any time;

- Fixed term REPO and reverse REPO agreements, the term of which does not exceed seven calendar days, are considered to be agreements with a possibility to revoke assets at any time.

2.3.2. The received security, when used for the portfolio efficient management transactions, is acknowledged to be appropriate for the management of the counterparty risk and it continuously complies with all of the hereinafter provided requirements:

2.3.2.1. The received security may not exceed the following figures:

- 10% of the nominal value of non-voting shares from one issuer;
- 10 % of the total volume of the debt securities issued by one issuer;
- 25 % of the number of investment certificates (shares) of one fund or a collective investment undertaking;
- 10 % of the total value of the Money market instruments issued by one issuer.

2.3.2.2. Neither all received securities in total, nor any received security separately may directly or indirectly exceed 10% of any of the following figures:

- paid-in capital of one issuer;
- The total volume of voting shares of one issuer.

2.3.2.3. The received security, which is not cash, is highly liquid and is traded on the Regulated markets or in the Multilateral Trading Facility with a transparent price determining process where it can be sold for a price which is close to its pre-sale valuation within a short time;

2.3.2.4. The received security is evaluated at least once a day and an asset with sizeable price fluctuations is not considered to be appropriate security, unless it is accepted with a rather careful discount of the value (*haircut*);

2.3.2.5. The received security is very qualitative, i.e. the issuer has a high credit quality in accordance with the evaluation made by the Company;

2.3.2.6. The received security is issued by a person independent of the counterparty and the mutual correlation between the security value and the counterparty operation results is not high;

2.3.2.7. The security received from one or several counterparties is sufficiently diversified. Sufficiently diversified is considered to be such security where the amount of the risk created by the specific issuer or the transaction concentration risk does not exceed 20% of the net value of the Sub-fund assets;

2.3.2.8. The internal control system created by the Company ensures the efficient management process of the risk related to the received security, i.e. the operational and legal risk, which encompasses the identification, evaluation and restriction of the risks;

2.3.2.9. In the event of the title transfer, the received security is transferred for holding to the Custodian Bank. In other cases, the received security can be transferred to such an assets holder, the operation of which is supervised by the financial services supervisory institution and which is not related to the security provider;

2.3.2.10. The received security is at the disposal of the Sub-fund and it can be used without preliminary approval from the counterparty;

2.3.2.11. The received security, which is not cash, is not alienated, repeatedly invested or pledged or otherwise encumbered with rights in things.

The received security, which is cash, may be:

- Invested in a credit institution which has obtained a licence on credit institution activity in the Republic of Latvia, another Member State or a state of the Organisation for Economic Co-operation and Development included in the Group of Ten. Investments in a credit institution may be made if they are repaid on demand or they can be withdrawn prematurely and their term does not exceed 12 (twelve) months.
- Be invested in high-quality government bonds of the world global market countries;
- Used for asset sale with reverse repurchase (reverse REPO) transactions, on the condition the transactions are performed with a credit institution, the operation of which is supervised by the financial services supervisory institution and the Company can revoke the entire cash amount in its amortised acquisition cost at any time;
- Invested in short-term money market funds where the operation evaluation certifies that its operation complies with FCMC Regulation No. 250 of November 11, 2011 “Regulations Governing the Use of the Name of a Money Market Fund”. When investing cash received as the security, the Company observes the FCMC Regulations stipulated by Article 7 for security diversification.

In addition to the aforementioned criteria, the Sub-fund can only accept security of the following types, in accordance with the Company Policy:

- Cash funds;
- Money market instruments;
- Transferable securities except for equity securities.

Financial instruments accepted as security must have an investment grade credit rating in accordance with the classification of at least one of the world’s largest rating agencies (Standard & Poor’s Financial Services LLC, Moody’s Investors Service, Fitch Ratings Inc.).

The Company develops and supports the documented value discounting policy for the Sub-fund which receives the security, where the appropriate value discounting is anticipated for every type of asset received within the framework of the security. When developing the value discounting policy, the Company takes into account the features characteristic for the assets, for instance, the quality of loans, fluctuation of prices, as well as results of the performed stress tests.

3. INVESTMENTS-RELATED RISKS AND THE POTENTIAL INVESTOR'S PROFILE

3.1 Profile of the Potential Investor

The profile of the potential Investor of each Sub-fund is provided in the corresponding Sub-fund Appendix hereto.

3.2 Investment-related Risks

The Investor should be aware that any investments in financial instruments involve risks and do not anticipate any guarantees – neither the return of the principal amount nor obtaining any income from it.

The listed risks, which are related to investing assets in the Sub-fund, are recommended to be discussed with Investor's financial and tax advisors.

Every type of risk can negatively influence the performance results of the Sub-fund and correspondingly the value of the assets. The listed risks cannot be regarded as a comprehensive overview of all risks related to investments in the Sub-fund.

Market Risk

The risk of losses for the Sub-fund due to such revaluation of the financial instruments available in the investment portfolio which is caused by changes of the market values influenced by factors such as currency rates, interest rates, prices for equity securities and goods or solvency of the issuer.

Liquidity Risk

The risk that financial instruments available in the Sub-fund investment portfolio cannot be sold or liquidated during the desired period without significant losses, or no transaction can be performed as a result of which the position is closed, and the risk that in this way the fulfilment of the demand for the redemption of investment certificates will be limited for the Sub-fund.

Currency Risk

The risk that the Sub-fund will suffer losses due to changes in the exchange rate of the Sub-fund's main currency and

- (i) The Investor's currency;
- (ii) The currency of the financial instruments available in the Sub-fund portfolio.

Credit Risk

A possibility of the occurrence of losses in the event counterparty cannot or refuses to perform the obligations to the Sub-fund in accordance with the Agreement terms.

To evaluate the credit risk of bonds and other debt obligations, the credit rating of the issuer can be used. Debt obligations with a lower rating are usually considered as instruments with a higher credit risk and, hence, a higher possibility of non-performance of agreement obligations.

Ratings of credit agencies reflect an opinion about the ability and readiness of the issuer to timely and fully perform its liabilities pursuant to the financial history analysis of the issuer and the analysis at the time of the rating. Thus the credit rating for debt obligations does not always reflect the current financial standing of the issuer and does not provide the evaluation for the liquidity and fluctuations of the financial instrument.

Regardless of the fact that credit ratings can be useful tools in analysing the solvency of the issuer, they do not provide a quality guarantee or a guarantee of the due fulfilment of obligations in the future.

Country Risk

The risk that the Sub-fund will suffer losses in the event that all or most of the issuers or counterparties will not be able to fulfil their agreement obligations due to internal reasons of one country, for instance, such as changes to the economic, political or legal situation in the country.

Counterparty Risk

The risk of the Sub-fund to suffer losses, in the event its counterparty stops performing its obligations prior to the last payment of the settlement cash flow.

Concentration Risk

The size of potential losses from transactions that form the Sub-fund investments in transferable securities and Money market instruments, the Sub-fund investments and transactions with derivative financial instruments whose issuer or guarantor, investment attractor or the transaction counterparty is one and the same person. Companies included in one group are regarded as one entity.

Information Risk

The risk that the Sub-fund will suffer losses through a lack or deficiency of information about the Sub-fund or financial instruments available in the Sub-fund portfolio.

Legal Risk

The risk of losses or of additional costs as a result of changes in the legal enactments of the Republic of Latvia or foreign countries.

Risk Related to Investments in Derivative Financial Instruments

To protect the Sub-fund assets from the market value fluctuations which can occur with a change of the price of the corresponding assets or the currency rate, the Company is entitled to make

investments in derivative financial instruments at the expense of the Sub-fund. The Investor should be aware that there are additional risks in transactions with derivative financial instruments. No guarantees or confirmations that the usage of derivative financial instruments will allow or help in fulfilling the Sub-fund investment tasks are possible.

Derivative financial instruments always or at least to a sufficiently large extent, correlate with or follow the value of the underlying asset (significance of financial instruments, coefficients or indexes). Therefore, the usage of derivative financial instruments is not always an efficient means and can often negatively influence investment costs.

REPO Transaction Risk

The risk that losses will occur if the contracting party cannot or is unable to fulfil its obligations in the REPO transaction and, in the event of the occurrence of such circumstances, the Company cannot sell a pledge served for the REPO transaction in the sufficient amount required to cover possible losses (see also the Counterparty's Risk).

Operational Risk

The risk of the Sub-fund to suffer loss due to the influence of inappropriate or incomplete internal processes, human or system activities or external circumstances, which also include the legal and documentation risk, as well as the loss risk resulting from trade, payment and evaluation procedures performed on behalf of the Sub-fund.

3.3 Description of Possible Measures for the Elimination of Risks

As risks form an integral part of the Sub-fund management process, the Company offers measures of risk management for the reduction of a possible negative effect in the event of risk occurrence and for the increase of the Sub-fund safety.

Diversification between individual financial instruments, issuers, counterparties, as well as internal assets classes, geographical regions and industries is the main factor that in the long term promotes the restriction of significant losses caused by unjustified high risks. Asset management of the Investor is performed as a balanced portfolio in accordance with the Fund investment policy. In the opinion of the Company, the uniting of several financial instruments with different investment risks in the Fund will be able to provide a much more acceptable risk level for achieving the long-term goals of the Investor than significant investments in individual financial instruments. To protect the assets of the Investor from unfavourable fluctuations within the framework of certain classes of assets, geographical regions and industries, the Company takes reasonable measures to avoid an excessive concentration of assets.

The Company strictly observes and regularly evaluates the compliance of the Sub-fund to the norms and restrictions provided in the Prospectus, agreements and legal enactments of the Republic of Latvia. In the event non-compliance with the aforementioned norms and restrictions

is revealed, balancing of the Sub-fund is performed with the aim of correcting the distribution of assets by levels, corresponding norms and restrictions.

Further on, quantitative and qualitative analysis of financial and non-financial information about issuers and counterparties as well as analysis about economy branches, regions and countries will be performed in order to reduce the Sub-fund risks. Only the investment objects which comply with the specific investment policy of the Sub-fund will be included in the Sub-fund.

To protect the Sub-fund assets from the market value fluctuation risk, which can occur with the price change of the corresponding asset or currency rate, the Company is entitled to invest in derivative financial instruments at the expense of the Sub-fund.

To reduce the operational risks, the Company has thoroughly elaborated the procedures and controls their performance on a continuous basis, as well as the proper fulfilment of duties by the Company employees and the availability of the qualified support of the Company's operational system.

To achieve the investment goals of the Investors with the lowest risks, a systematic analysis and evaluation of indexes is performed, which are obtained from permanent oversee of the market and economic factors and assets of each specific Sub-fund. Nevertheless, the Company does not provide any guarantees for the repayment of the investment principal amount and the obtaining of additional incomes.

4. RIGHTS AND RESPONSIBILITY OF INVESTORS

The Fund investors have the following rights:

- to alienate their Investment Certificates with no restrictions;
- to participate in the portioning of incomes obtained from transactions with the Fund property in proportion to the number of their Investment Certificates and in accordance with the Fund Prospectus;
- to participate in the distribution of the Fund liquidation incomes in proportion to the number of their Investment Certificates;
- to require the Company to redeem their Investment Certificates.

If through the fault of the Company the data provided in the Prospectus and the attached documents, which are very significant for the evaluation of the Investment Certificates, are incorrect or incomplete, the Fund Investor is entitled to require the Company to reaccept his Investment Certificates and indemnify him for all losses resulting due to this.

Limitation of the responsibility of the Fund Investors:

- the Fund Investor is not responsible for the Company's obligations;
- The Fund Investor is only responsible for claims pursued against the Fund property with the Fund shares owned by him;
- Agreements that are in contradiction with the provisions of this Article are invalid from the moment of their conclusion.

5. TAXATION

The information provided in this Article of the Prospectus is of a general nature. The information is up-to-date as of the time of the Prospectus preparation and the Company is not responsible for the procedure of taxation in each specific case and the specific country. In the event something is unclear with regards to the taxation procedure, the Investor should apply to his tax advisor.

5.1 Fund Taxation

In accordance with the legal enactments of the Republic of Latvia, the Fund is not a legal entity and thus is not a tax payer. Therefore, income received by the Fund from investment activities is not a taxation object.

5.2 Taxation of Investors

The Fund Investors pay the personal income tax or the corporate income tax on their own from the incomes they obtain from the subscription of the Investment Certificates or in the event of the Fund liquidation in accordance with the laws “On Personal Income Tax” and “Law On Enterprise Income Tax”.

The Investors who are residents of other countries have to consult with the corresponding jurisdiction experts on issues related to the taxation of the income obtained from the subscription of the Investment Certificates or in the event of the Fund liquidation.

6. FUND REMUNERATION AND EXPENDITURES

6.1 Commissions Deducted for Transactions with the Investment Certificates

The amount of the commission deducted for each transaction of the Sub-fund with the Investment Certificates is provided in the corresponding Sub-fund Appendix hereto.

6.2 Fees to the Company, the Custodian Bank and Third Parties

The amount of the fees paid to the Company, the Custodian Bank and third parties at the expense of each Sub-fund is provided in the corresponding Sub-fund Appendix hereto.

6.3 Procedure of Calculating the Fee Payable to the Company

Management Fee

The Company receives a fee for the Fund assets management in an amount which does not exceed the annual interest rate set in the corresponding Sub-fund Appendix hereto from the average annual gross value of the Sub-fund assets. The current amount of the Company fee for the Fund assets management is provided on the Company webpage www.rietumu.com/lv/ram.

The amount of the fee the Company receives for the Fund assets management is calculated every Working day and is accrued during a month. The Sub-fund gross assets value is calculated at the end of every Working day (18:00). The fee is paid monthly at the end of each report period from the Sub-fund assets within 5 (five) Working days after the end of a month. The Company makes the calculations, the Custodian Bank checks and approves them and remits the fee to the Company.

When calculating the fee received by the Company for the Sub-fund assets management per calculation day, it is assumed that the Sub-fund report year consists of 360 days:

$$Mf_t = [(A_t * L_m) / (100 * 360)] * N$$

where

Mf_t – amount of the fee received by the Company for the Sub-fund assets management per calculation day

A_t – gross value of the Sub-fund assets at the end of the calculation day

L_m – annual rate of the fee for the Sub-fund assets management

N – number of days from the previous calculation day

The monthly fee amount is calculated by summing the Company fees per each calculation day during the specific calendar month:

$$Mf_k = \sum Mf_t$$

where

Mf_k – amount of the fee received by the Company for the Sub-fund assets management for the calculation month

Mf_t – amount of the fee received by the Company for the Sub-fund assets management for the calculation day of the calculation month

6.4 Procedure of Calculating the Fee Payable to the Custodian Bank

The Custodian Bank receives a fee for keeping the Sub-fund assets and for providing other services stipulated by the Custodian Bank Agreement in an amount which does not exceed the annual interest rate set in the corresponding Sub-fund Appendix hereto from the average annual gross value of the Sub-fund financial instruments. The current amount of the Custodian Bank fee for keeping the Sub-fund assets is provided on the Company webpage www.rietumu.com/lv/ram.

The fee amount of the Custodian Bank is calculated every Working day and is accrued during a month. The Sub-fund net assets value is calculated at the end of every Working day (18:00). The fee is paid monthly at the end of each report period from the Sub-fund assets within 5 (five) Working days after the end of a month.

When calculating the fee received by the Custodian Bank per calculation day, it is assumed that the Sub-fund report year consists of 360 days:

$$Cf_t = [(IP_t * L_c) / (100 * 360)] * N$$

where

Cf_t – amount of the fee received by the Custodian Bank per calculation day

IP_t – gross value of the Sub-fund financial instruments at the end of calculation day

L_c – annual rate of the fee to the Custodian Bank

N – number of days from the previous calculation day

The monthly fee amount is calculated by summing the Custodian Bank fees per each calculation day during the specific calendar month:

$$Cf_k = \sum Cf_t$$

where

Cf_k – amount of the fee received by the Custodian Bank for the calculation month

Cf_t – amount of the fee received by the Custodian Bank for the calculation days of the month

6.5 Procedure of Calculating the Fee Payable to the Auditor

The Auditor receives a fee in accordance with the concluded agreement in an amount which does not exceed the annual interest rate set in the corresponding Sub-fund Appendix hereto from the average annual net value of the Sub-fund assets. When calculating the maximal amount of the fee payable to the Auditor, it is assumed that the Sub-fund report year consists of 360 days.

The fee is paid in accordance with the agreement concluded between the Company and the Auditor.

6.6 Other Payments that May Be Paid at the Expense of the Fund Property

In addition to the aforementioned fees, other justified expenses may be paid from the Fund assets as well, if they are substantiated with corresponding legal and accounting documents and are in conformity with the legal enactments of the Republic of Latvia which regulates the activities and the record keeping of investment funds and investment management companies.

Other payments include fees to the Nasdaq CSD SE, the Nasdaq Riga, taxes and duties, as well as other expenses related to transactions and other justified expenses.

The Company is entitled to make other payments from the Fund assets at its discretion and in the interests of the Investors.

7. EVALUATION OF THE FUND PROPERTY AND DETERMINING THE VALUE OF ONE INVESTMENT CERTIFICATE

7.1 General Evaluation Principles of the Sub-fund Property

The Company keeps accounting for each Sub-fund separately and in accordance with the EU International Accounting Standards.

Evaluation of the Sub-fund assets is performed in accordance with the EU International Accounting Standards.

Evaluation of the Sub-fund assets is performed in conformity with the following general accounting principles:

- Assuming that the Sub-fund will continue its operations as a going concern;
- Using the same accounting and evaluation methods that are used for the preparation of the financial statements of the previous year;
- Making the evaluation with the required thoroughness in all cases;
- Taking into account the incomes and expenses pertaining to the report year, regardless of their receipt or payment date;
- Reflecting the entire significant information about transactions and events of the report year in the financial statements. The information is significant when its non-reflection can influence taking further decisions by users of the financial statements;
- Evaluating assets and liabilities and their constituent parts separately.

The Company may only deviate from the aforementioned principles due to substantiated reasons essence and influence of which on the financial position of the Fund and its operation results are explained in the appendix to the financial statement.

Commercial transactions and events are reflected in the financial statements by taking into account their economic character and relevance, rather than their legal form.

Assets and liabilities of the Sub-fund in another currency is subjected to conversion into the Sub-fund main currency at the end of the trading day according to the currency rate provided by the Bloomberg or Reuters information systems or a similar information source of the corresponding currency exchange rate.

The value of the Sub-fund financial instruments is determined every Working day.

Initially, the Sub-fund assets are accounted according to their acquisition cost, by considering their acquisition costs.

Depending on the investment purpose, the financial instruments are classified as follows:

- Financial assets held for trading;
- Financial assets available for sale;
- Financial assets held to maturity.

Financial assets held for trading must be presented according to their fair value. Fair value is the amount at which an asset can be exchanged or a liability can be fulfilled in a deal between well-informed, interested and financially independent parties.

Financial assets held to maturity must be presented according to their amortized acquisition cost.

To determine the evaluation values of the Sub-fund financial instruments, quotations provided by the Bloomberg and Reuters information systems at the end of the previous trading day are used.

Financial instruments for which real quotations are available in the Bloomberg information system are evaluated according to the values provided in this system. The exceptions are the cases when the value offered by the Reuters information system better complies with the value offered by the counterparties, as well as when technical errors occur in the Company system or the Bloomberg information system.

Financial instruments, which are liquid but for which it is not possible to receive quotations in the Bloomberg and Reuters information systems, can be evaluated by using quotations offered by the Company's counterparty or other participants of the financial market.

7.2 Evaluation Procedure and Methods of the Sub-fund Assets

Determining the Value for the Evaluation of Debt Securities and Money Market Financial Instruments

To determine the evaluation value for debt securities and Money market financial instruments which are classified as held for trading or available for sale, their acquisition (purchase) price value ("bid") is used, or, if such is unavailable, then the last transaction price value ("trade") or the average price value ("mid").

If return on debt securities and Money market financial instruments is paid in the form of coupons, the coupon part or accrued interest are added to the price to the extent which corresponds to the time period from the coupon remittance day until the calculation day.

Debt securities and Money market financial instruments held to maturity are evaluated according to their amortized acquisition cost by using the effective interest rate method.

Determining the Value for the Evaluation of Term Deposits

Term deposits are evaluated according to their amortised value, by considering the actual interest payments received or receivable by the Sub-fund from the last transaction performance date.

Determining the Value for the Evaluation of Equity Securities and ETF Securities

To determine the value for the evaluation of equity securities, their acquisition (purchase) price value ("bid") is used, or, if such is unavailable, then the last transaction price value ("trade") or the average price value ("mid").

Determining the Value for the Evaluation of Investment Fund Shares

To determine the value for the evaluation of investment fund shares, their last purchase price is used which is available on the calculation day.

Determining the Value of Loans Granted to Joint Stock Companies and Limited Liability Companies at the Expense of the Sub-fund

Loans granted at the expense of the Sub-fund are evaluated according to their factual value, by considering the real interest rate payments received or receivable by the Sub-fund from the last determined value of the Sub-fund assets.

Every month the evaluation of loans granted at the expense of the Sub-fund is performed to evaluate their depreciation. In all cases, when there are objective confirmations of depreciation as a result of the last event, they are acknowledged.

Determining the Value for the Evaluation of Derivative Financial Instruments

To determine the value for the evaluation of derivative financial instruments which are traded on the regulated markets, is used their last transaction price value ("trade") or the average price value ("mid").

The Company performs a credible and provable evaluation of the derivative financial instrument not traded on the Regulated market which is based not solely on trade prices informed by the counterparty ("market quotations") and which complies with the following requirements:

1. The evaluation basis is a credible current market value of the instrument or, if such value is not available, the price determining model which is based on the acknowledged methodology;
2. The evaluation check (verification), i.e. a process where the market value or the accuracy and independence of data entered in the model are regularly checked, is performed in one of the following ways:

- it is done by a company, independent of the structural unit responsible for the asset management, which has employees with the professional experience and technical equipment for fulfilling this task;
- it is done by a third party, independent of the counterparty, which performs it sufficiently regularly and in such a way that it can be controlled by the Company.

7.3 Evaluation Procedure and Methods of Liabilities of the Sub-fund

The value of liabilities is calculated by summing up all payments due from the Sub-fund, i.e. fees payable to the Company, the Custodian Bank, the Auditor and third parties from the Sub-fund property, liabilities resulting from the Sub-fund loans and other liabilities. Liabilities of the Sub-fund are evaluated according to their fair value.

7.4 Determining the Value for the Evaluation of Purchase and Repurchase Agreements

Assets sold in accordance with repurchase (REPO) agreements are considered as secured financial transactions. The difference between the purchase price of the sold assets and their sale price is presented as expenses and is amortised during the repurchase agreement validity period. Assets acquired in accordance with reverse repurchase agreements (reverse REPO) are considered as accounts receivable from the reverse repurchase agreements. The difference between the sale price of the purchased assets and their purchase price is presented as incomes and is amortised during the repurchase agreement validity period.

7.5 Accounting of Incomes and Expenses

Incomes and expenses pertaining to the report period are presented in the Sub-fund investment income report regardless of their receipt or payment date. The accrued incomes are only included in the Sub-fund investment income report when there is no doubt about their receipt.

7.6 Periodicity of Determining the Net Value of the Sub-fund Assets, Provision of Information about the Net Value of the Sub-fund Assets to the Public

The value of the Sub-fund assets is the difference between the value of the Sub-fund assets and the value of its liabilities.

The value of the Sub-fund share is the division of the Sub-fund value by the number of the issued but not redeemed Investment Certificates.

The net value of the Sub-fund assets and the Sub-fund share value are determined by the Company every Working day after 18:00.

The Sub-fund value and the Sub-fund share value are published on the next Working day by 12:00.

The Company provides public information about the net value of the Sub-fund assets and the value of one Investment Certificate of the Sub-fund by phone – on the Company phone numbers provided herewith, at the office of the Company or the Distributor, or on the internet homepage of the Company: www.rietumu.com/lv/ram.

The Sub-fund report period consists of 12 (twelve) months and coincides with the Company report period. The start of the report period is 1 January of each calendar year.

In the event the first and the last year of the Sub-fund operation is shorter than a calendar year, the Company is entitled to determine the duration of the report period in accordance with the financial statement practice of existing investment funds.

8. FUND MANAGEMENT

8.1 Investment Management Company

General Information

Name:	JSC “Rietumu Asset Management” IMF
Legal address:	7 Vesetas Street, Riga, LV-1013, Latvia
Location:	Coincides with the legal address
Telephone:	(+371) 67025284
Fax:	(+371) 67025226

Unified Registration Number: 40103753360
Place of registration: Riga
Registration date: 29.01.2014

Registered and paid up paid-in capital of the Company: EUR 500 000

Majority shareholders of the Company:

JSC "Rietumu Banka"

Unified Registration Number: 40003074497

Share in the paid-in capital: 100%

Licences: Licence for provision of investment management services
No. 06.03.06.512/356

8.2 Rights, Obligations and Responsibility of the Company regarding the Fund

Management

Rights

The Company operates with the Fund property and the resultant rights in its own name and at the expense of the Investors by investing assets in accordance with the Prospectus.

When providing the management services, the Company must act as an attentive and careful owner and solely in the interests of the Investors.

To perform activities related to the Fund management, the Company does not need to receive the consent of the Investors.

The Company is entitled to receive remuneration for management of the Fund.

The Company is entitled to establish and administer more than one fund.

Obligations

The Company is obliged to submit claims of the Investors against the Custodian Bank or third parties to the court on its behalf, if such circumstances arise. However, this does not restrict the rights of the Investors to submit such claims on their own behalf.

In the events anticipated by the legal enactments of the Republic of Latvia, the Company is obliged to convene a General Meeting of the Investors at its initiative or upon requests of the Investors.

Liability

The Company may not invest its funds in another investment company, as well as purchase investment certificates of the fund it manages.

The Company is liable for losses caused to the Investors through the fault of official persons authorised by the Company, due to the infringement of the legal enactments of the Republic of Latvia, the provisions of the Prospectus or the Fund Management Regulations, as a result of the malevolent usage of confidence and careless fulfilment of its obligations, in the event the fact of the infringement and the loss is acknowledged by the relevant court.

8.3 Council of the Company

The Council is a body elected by the shareholders which consists of 3 (three) persons as at the moment of approval of the Prospectus.

Members of the Council

- 1) Arkady Suharenko, Chairman of the Council
- 2) Malyshko Maxim, Deputy Chairman of the Council
- 3) Valeriy Kairov, Member of the Council

8.4 Executive Board of the Company

The Executive Board is the executive body of the Company elected by the Council and consists of 3 (three) persons according to the Statutes of the Company.

Members of the Executive Board

- 1) Moskaluks Jurijs, Member of the Executive Board, entitled to represent the capital company separately;
- 2) Bocarova Polina, Member of the Executive Board, entitled to represent the capital company separately.

8.5 Names of Other Funds under Management of the Company

None.

8.6 Fund Manager

Executive Board of the Company appoints the Fund Manager who is responsible for the performance of his functions to the Executive Board of the Company. The Fund Manager deals with the Fund property in accordance with the Prospectus and the Fund Management Regulations, the Executive Board resolutions and the procedure prescribed by the legal enactments of the Republic of Latvia currently in force.

The Fund Managers are Jurijs Moskaluks and Aleksejs Grigorjevs, the officials of the Managing Company.

The Fund Manager may only work in one investment company and administer several funds which are under the management of the same investment company.

8.7 Custodian Bank

General Information

Name:	JSC "Rietumu Banka"
Legal address:	7 Vesetas Street, Riga, LV-1013, Latvia
Location:	Coincides with the legal address
Telephone:	(+371) 67025555
Fax:	(+371) 67025588
Unified Registration Number:	40003074497
Place of registration	Riga
Registration date in the Register of Enterprises of the Republic of Latvia:	14.05.1992
Registration date in the Commercial Register of the Republic of Latvia:	11.11.2004
Licences:	Licence on credit institution activity No. 06.01.04.018/245

8.8 Rights and Obligations of the Custodian Bank

Rights

The Custodian Bank acts independently of the Company and only in the interests of the Investors, when it is not in contradiction with the legal enactments of the Republic of Latvia, the Commission Regulations, the Fund Prospectus and the Fund Management Regulations.

The Custodian Bank is entitled to remuneration for rendering services which is specified in the Custodian Bank Agreement.

The Custodian Bank is entitled to transfer for execution to a third party the keeping of the Fund property, as well as servicing of the Fund accounts and performance of brokerage services (intermediary services in market transactions with securities) by concluding the relevant agreement.

Obligations

The Custodian Bank keeps the Fund property in accordance with the Financial Instrument Market Law of the Republic of Latvia, the Civil Law of the Republic of Latvia and the Custodian Bank Agreement.

The Custodian Bank follows the Fund value to be calculated in accordance with the EU International Accounting Standards, the Prospectus and the Regulations.

The Custodian Bank fulfils the orders of the Company or persons authorised by the Company, when they are not in contradiction with the Financial Instrument Market Law of the Republic of

Latvia, the Commission regulations, the Fund Prospectus, the Fund Regulations and the Custodian Bank Agreement. If an order of the Company is in contradiction with the Financial Instrument Market Law of the Republic of Latvia, the Commission regulations, the Fund Prospectus, the Fund Regulations or the Custodian Bank Agreement, the Custodian Bank do not fulfil such an order.

The Custodian Bank ensures that the Fund incomes are used in accordance with the Fund Prospectus and the Fund Regulations.

The Custodian Bank follows that payments for transactions with the Fund property, as well as other payment orders of the Fund are duly performed.

The Custodian Bank submits claims against the Company to the court in its own name, if this is required by the circumstances.

The Custodian Bank informs the Company Council about the Company activities, known to the Custodian Bank, which are in contradiction with the Fund Prospectus, the Fund Regulations or the Custodian Bank Agreement.

8.9 Auditor

Name:	SIA "BDO ASSURANCE"
Registration number:	42403042353
Legal address:	Kalku street 15 - 3B, Riga, LV-1050, Latvia
Location:	Coincides with the legal address
Licences:	Licence No. 182 issued by Latvian Association of Certified Auditors

8.10 Subscription of Investment Certificates

8.10.1 General Provisions

The amount of the Investment Certificates and the issue term are unlimited.

The minimum amount of assets that can be invested in the specific Sub-fund, the value of the Sub-fund Investment Certificates at the Sub-fund approval time and the currency the Investment Certificates are in, are determined in the corresponding Appendix to the Sub-fund Prospectus.

Distribution of the Prospectus and the Investment Certificates in some countries and jurisdictions is limited by law. A person who acquires the Investment Certificates and refers to the Prospectus is fully responsible for the observation of the requirements and/or restrictions of the specific countries and jurisdictions. The Prospectus is not an appeal to acquire the Investment Certificates in the countries and jurisdictions where this is restricted by law. In the event of queries regarding the applicable claims and/or restrictions, the Investor should apply to his advisor.

8.10.2 Procedure of Acquisition of Investment Certificates and Places for Submitting

Applications

Applications for the acquisition of the Investment Certificates can be submitted to the Company or the Distributor by completing the Order for the Acquisition of the Investment Certificates (hereinafter in the text – the Order).

The Distributor of the Sub-fund Investment Certificates at the time of the Prospectus approval is:

Name:	JSC “Rietumu Banka”
Legal address:	7 Vesetas Street, Riga, LV-1013, Latvia
Location:	Coincides with the legal address
Telephone:	(+371) 67025555
Fax:	(+371) 67025588

To submit the Order and to obtain the Investment Certificates, the Investor needs to have a current account, a cash account and a financial instrument account open at the Custodian Bank or at the accounts holder. If the financial instrument account of the Investor is opened at the account holder, the Order is completed and submitted by the account holder on behalf of the Investor.

The Order can be submitted to the office of the Company or the Distributor on any Working day during its working hours. The order can also be submitted by using the remote system of the Distributor or other means of communication which are anticipated by the provisions of JSC “Rietumu Banka” and Client agreement.

By signing the Order, the Investor acknowledges that he is familiar with the information provided in the Prospectus and the Regulations and agrees to their provisions.

The Investor indicates the exact amount of cash for the acquisition of the Investment Certificates in his Order.

Only correctly filled in and drawn up Orders are to be fulfilled. The Investor is responsible for the correctness and completeness of the provided information.

The Orders are accepted and registered in accordance with the provisions of the Fund Regulations.

When the Company receives and registers the Order until 15:00 Latvian time, the Order is fulfilled in accordance with the Investment Certificate price calculated for the Order receipt Working day. When the Company receives and approves the Order after 15:00 Latvian Time, such an Application is considered to be received by the Company on the next Working day.

8.10.3 Subscription Price of the Investment Certificates

The subscription price of the Investment Certificate consists of the value of the Sub-fund share and commission for the subscription of the Investment Certificate.

The subscription commission of the Investment Certificate is calculated as a percentage of the value of the Sub-fund share which does not exceed the percentage determined in the corresponding Appendix to the Sub-fund Prospectus.

The subscription price of the Investment Certificate is determined every Working day, simultaneously with the value of the Sub-fund share.

8.10.4 Procedure of Payments

Payments for the acquisition of the Investment Certificates are made in the main currency of the Sub-fund.

The Investment Certificates are only issued upon full payment of their value.

The Company calculates the number of the Investment Certificates according to the cash amount provided in the Order. The number of the Investment Certificates is calculated with the accuracy of up to 4 (four) digits after the decimal point.

The Investor must ensure the availability of the cash amount required for the acquisition of the Investment Certificates in the main currency of the Sub-fund on the corresponding current or cash account at the Custodian Bank not later than 1 (one) Working day after the Order submission date. Otherwise the Order is considered to be invalid and loses its effect.

The Order for the acquisition of the Investment Certificates is considered to be similar to the order for the acquisition of financial instruments. Pursuant to the Order, the Custodian Bank performs settlements regarding cash and financial instruments. The Custodian Bank deducts the

amount required for the acquisition of the Investment Certificates from the current or cash account and remits it to the Sub-fund current account at the Custodian Bank. Having received the required amount on the Sub-fund current account at the Custodian Bank, the Company issues new Investment Certificates and remits them to the financial instrument account at the Custodian Bank.

The Investor covers all the costs related to the acquisition of the Investment Certificates (the service commission of the Custodian Bank, transactions on the current account, the financial instrument account and other accounts).

8.11 Redemption of Investment Certificates

8.11.1 General Provisions

At the request of the Investor, the Company redeems the Investment Certificates.

The Investment Certificates are redeemed in accordance with the sequence of submitting the Orders for the Redemption of the Investment Certificates (hereinafter in the text – the Redemption Order).

8.11.2 Procedure of Redemption of Investment Certificates and Places for Submitting Applications

An application for the redemption of the Sub-fund Investment Certificates can be submitted to the Company or the Distributor by completing the Redemption Order. If the financial instrument account of the Investor is open at the account holder, the Redemption Order is completed and submitted by the account holder on behalf of the Investor.

The Redemption Order can be submitted via communication means which are provided in Article 8.10.2 (Procedure of Obtaining Investment Certificates and Places for Submitting Applications).

In Redemption Order, the Investor indicates the exact number of the Investment Certificates to be redeemed. The number of the Investment Certificates is calculated with the accuracy of up to 4 (four) digits after the decimal point.

Only correctly filled in and drawn up Redemption Orders are fulfilled. The Investor is responsible for the correctness and completeness of the provided information.

When the Company receives and approves the Redemption Order by 15:00 Latvian Time, the Redemption Order is fulfilled in accordance with the Investment Certificate redemption price calculated for the Redemption Order receipt Working day. When the Company receives and approves the Redemption Order after 15:00 Latvian Time, such a Redemption Order is considered to be received by the Company on the next Working day.

8.11.3 Redemption Price of Investment Certificates

The redemption price of the Investment Certificate is the value of the Sub-fund share which is reduced by the redemption commission.

The redemption commission of the Investment Certificate is calculated as a percentage of the value of the Sub-fund share which does not exceed the percentage determined in the corresponding Appendix to the Sub-fund Prospectus.

The redemption price of the Investment Certificate is determined every Working day, simultaneously with the value of the Sub-fund share.

8.11.4 Procedure of Payments

Payments for the redemption of the Investment Certificates are made in the main currency of the Sub-fund.

The Investment Certificates are only withdrawn from circulation following the receipt of the Redemption Order and crediting of the Investment Certificates on the Sub-fund issue account at the Custodian Bank.

The Company calculates the cash amount which complies with the number of the Investment Certificates provided in the Redemption Order.

The Investor must ensure the availability of the required number of Investment Certificates on the corresponding financial instrument account at the Custodian Bank not later than 1 (one) Working day after the Redemption Order submission date. Otherwise the Redemption Order will be considered as invalid and will lose its force.

The Redemption Order is considered to be equal to the order for the subscription of financial instruments. Pursuant to the Redemption Order, the Custodian Bank performs settlements regarding cash and financial instruments. The Custodian Bank deducts the required number of the Investment Certificates from the financial instrument account and remits them to the Sub-fund issue account at the Custodian Bank. Having received the Investment Certificates on the Sub-fund issue account at the Custodian Bank, the Company will redeem them immediately and within 5 (five) Working days will transfer the cash amount corresponding to the number of the redeemed Investment Certificates to the cash account of the Investor at the Custodian Bank.

The Company retains the right to extend the payment term for the redemption of the Investment Certificates up to 10 (ten) Working days in the event that the Investor or a group of Investors submit the Redemption Orders within 3 (three) Working days in an amount that exceeds 10% of the net value of the Sub-fund assets, as well as if the fulfilment of the Redemption Order can considerably affect the interests of other Investors.

The Company retains the right to extend the payment term for the redemption of the Investment Certificates up to 20 (twenty) Working days in the event the Investor or a group of Investors

submit the Redemption Orders within 3 (three) Working days in an amount that exceeds 20% of the net value of the Sub-fund assets, as well as if the fulfilment of the Redemption Order can considerably affect the interests of other Investors.

The Investor covers all the costs related to the redemption of the Investment Certificates (the service commission of the Custodian Bank, transactions on the current account, the financial instrument account and other accounts).

Following the withdrawal of the Investment Certificates from circulation, the Investor loses all rights related to holding them, except for the right of claim in the amount of the redemption price of the Investment Certificates.

8.11.5 Procedure of Reacceptance of Investment Certificates

If through the fault of the Company the data provided in the Prospectus and the attached documents, which are very significant for evaluation of the Investment Certificates, are incorrect or incomplete, the Investor is entitled to require the Company to reaccept his Investment Certificates and indemnify him for all losses resulting due to this.

The claim can be pursued within six months from the day when the Fund Investor finds out that the data are incorrect or incomplete, but not later than three years from the acquisition date of the Investment Certificates.

The Investor can submit the claim for reacceptance of the Investment Certificates to the Company in writing to the address provided in the Prospectus, attaching the documents confirming that the Investor had losses through the fault of the Company, indicating the incorrect or incomplete data in the Prospectus and the attached documents which are very significant for the evaluation of the Investment Certificates.

8.11.6 Circumstances Allowing to Suspend the Redemption or Reacceptance of the Investment Certificates

In the event of an extraordinary situation on financial markets (a temporary closure of a stock exchange, a bank, a brokerage firm or any other reason preventing from making transactions with securities) or with the occurrence of any other force majeure circumstance, the Company can suspend the reacceptance of the Investment certificates for the period of duration of the aforementioned circumstances. The Company informs every Investor in writing personally or publishes the corresponding announcement in one of the daily newspapers.

The reacceptance of the Investment Certificates can be suspended in the event the Commission realises its right to restrict the authority of the Company to handle the Sub-fund bank accounts or in the event of Sub-fund liquidation.

The reacceptance of the Investment Certificates may not be performed after the start of the Sub-fund liquidation.

In the event of the Sub-fund liquidation, claims of the Sub-fund Investors are satisfied in accordance with the procedure anticipated by the legal enactments of the Republic of Latvia.

8.12 Remuneration Policy of the Company

Information on the Company's remuneration policy has been prepared in accordance with the Regulation (EU) No. 575/2013 and FCMC Regulations No. 126 "Regulation on Core Principles of the Remuneration Policy". The remuneration policy for the positions with material influence on the risk profile defines the basic principles of remuneration for the positions with material influence on the risk profile, indicators for determining the variable part of remuneration, the terms of payment for the variable part of remuneration, the procedure for conducting remuneration policy compliance checks for the positions with material influence on the risk profile, the disclosure policy of the remuneration policy, as well as the responsibility of the structural units in the implementation and compliance with the remuneration policy.

The remuneration policy for the positions with material influence on the risk profile creates such a reward system for the positions with material influence on the risk profile, that ensures the recruitment and motivation of suitably qualified staff while at the same time avoiding excessive risk taking and does not reward employees for achieving short-term results, and assesses the impact of their decisions and actions in the long term.

The Company's current remuneration policy is available on the Company's website: www.rietumu.com/lv/ram and it can be obtained free of charge in paper format upon request at the Company's office.

9. DISTRIBUTION OF THE FUND INCOMES

All incomes obtained during the Sub-fund investment operations, are repeatedly invested in accordance with the Sub-fund investment policy.

The Investor's income is reflected in the growth or decrease of the net value of the Investment Certificate.

The Investors participate in the distribution of incomes obtained as a result of the Sub-fund operation in proportion to the number of Investment Certificates held by each Investor.

The Investor can only receive incomes in cash from the Sub-fund operation having requested the Company to buy out his Investment Certificates and/or having sold them.

The Sub-fund incomes are paid in the main currency of the Sub-fund.

APPENDIX TO THE PROSPECTUS OF THE OPEN-END INVESTMENT FUND “RIETUMU ASSET MANAGEMENT FUND”

10. RIETUMU ASSET MANAGEMENT FUND – FIXED INCOME

INVESTMENT GRADE USD

10.1 Investment Objective

The prime objective of the Sub-fund is to provide its Investors with an opportunity of relatively stable long-term increase in the value of the invested funds, by investing in relatively high quality debt securities diversified portfolio, as well as money market instruments, term deposits and shares of investment funds.

There is no guarantee that the Sub-fund will achieve its investment goals.

10.2 Investment Policy

The Sub-fund realises conservative investments in relatively high quality debt securities. To achieve high quality investments, the Sub-fund assets are primarily invested in financial instruments with the investment grade credit rating in accordance with the classification of at least one of the world’s largest rating agencies (Standard & Poor's Financial Services LLC, Moody's Investors Service, Fitch Ratings Inc.). The Company determines the quality of financial instruments based not solely on the classification of external rating agencies, but also on analytical models developed by the Company. If financial instruments’ credit rating becomes below the investment grade after its subscription, the Fund manager could decide to keep financial instrument in portfolio, if it corresponds with Sub-fund’s prime interests, investments objectives and restrictions.

The structure of the investment portfolio:

- up to 100% of the Sub-fund assets can be invested in debt securities and money market instruments issued by credit institutions or companies registered in the World global market countries, debt securities and Money market instruments issued by these countries and their municipalities, as well as their central banks;
- up to 20% of the Sub-fund assets can be invested in deposits at credit institutions of the Member States or a member state of the Organisation for Economic Cooperation and Development included in the Group of Ten;
- up to 10% of the Sub-fund assets can be invested in investment funds registered in the Member States which invest in debt securities and Money market instruments with investment grade credit rating.

To insure against the risk related to fluctuations of the values of the Sub-fund assets, the Fund Manager may perform transactions with derivative financial instruments at the expense of the Sub-fund.

To ensure liquidity, the Sub-fund may perform sale and repurchase (REPO) transactions with the assets.

The Sub-fund assets can be held in liquid assets, including in cash form, in such a volume as is required for the operation.

10.3 Profile of the Potential Investor

The Sub-fund is created for the purpose of attracting Investors who are interested in receiving a relatively stable long-term capital accumulation by investing in debt securities with moderate risk level, money market instruments, investment funds shares and term deposits. The investment horizon of the potential Investor is from mid-term to long-term. There need to be a possibility for typical Investor to have an investment horizon not less than two years. The risk tolerance must be moderate. The Sub-fund Investors can be both - private individuals and legal entities.

The Sub-fund is primarily intended for investors who:

- are interested in relatively stable profit earning in long-time period, that exceeds traditional banks deposit rate;
- are interested in investment portfolio's diversification investing in high quality debt securities;
- could have investment horizon not less than two years;
- are tolerant to reasonable valuation changes of invested funds and could incur temporarily losses;

10.4 Currency of the Sub-fund

The currency of the Sub-fund is the US dollar (USD).

10.5 Additional Restrictions for Investments

The Sub-fund makes investments in accordance with the restrictions provided in Article 2.1.

In addition, the following restrictions pertain to the Sub-fund:

- up to 100% of the Sub-fund assets can be invested in debt securities with the investment grade credit rating in accordance with the classification of at least one of the world's largest rating agencies (Standard & Poor's Financial Services LLC, Moody's Investors Service, Fitch Ratings Inc.).
- up to 10 % of the Sub-fund assets can be invested in debt securities with the credit rating below investment grade in accordance with the classification of at least one of the world's largest rating agencies (Standard & Poor's Financial Services LLC, Moody's Investors Service, Fitch Ratings Inc.).
- up to 10 % of the Sub-fund assets can be invested in debt securities without credit rating;
- up to 20 % of the Sub-fund assets can be invested in debt securities in currency, that differs from Sub-fund's main currency. These investments could be implemented considering or do not considering currency risks' restriction principles (with or without hedging the exchange rate fluctuation risk)

The Sub-fund may not invest in:

- Equity securities (stocks);
- Derivative financial instruments aimed at receiving profit.

10.6 Warning about Specific Risks

Prior to taking an investment decision, the Investor should thoroughly consider the investment risks provided in Article 3.2. Additionally, the Investor should pay attention to the following risks:

- Interest rate risk (market risk);
- Currency Risk;
- Counterparty risk.

10.7 Confirmations of Investments

The minimum possible investment amount in the Sub-fund is USD 1 000.00 (One thousand US dollars).

The issue price of the Investment certificates is USD 1 000.00 (One thousand US dollars).

10.8 Commission Deducted for Transactions with Investment Certificates

	Fee
Commission for subscription of the Investment Certificates	0.2 % (zero point two percent) of the Sub-Fund shares' value
Commission for redemption of the Investment Certificates	Is not applied

The current amount of the commissions for transactions with the Investment Certificates is provided on the Company webpage www.rietumu.com/lv/ram.

10.9 Fees Payable to the Company, the Custodian Bank and Third Parties

The following fees are paid at the expense of the Sub-fund property:

	Fee
Company	Management fee: Maximum 1.5% (one point five percent) of the average value of the Sub-fund net assets per year Performance Fee – is not applied
Custodian Bank	Maximum 0.25% (zero point twenty five percent) from the average value of the Sub-fund net assets per year
Auditor	Maximum largest of EUR 10 000.00 (Ten thousand euro) or 0.02% (zero point zero two percent) from the average

	value of the Sub-fund net assets per year
Third parties	According to the de facto costs, in conformity with the supporting documents

The total maximum amount of the fees payable to the Company, the Custodian Bank and other parties stipulated by the Prospectus from the Sub-fund property may not exceed 2.5% (two point five percent) of the average value of the Sub-fund net assets per year.

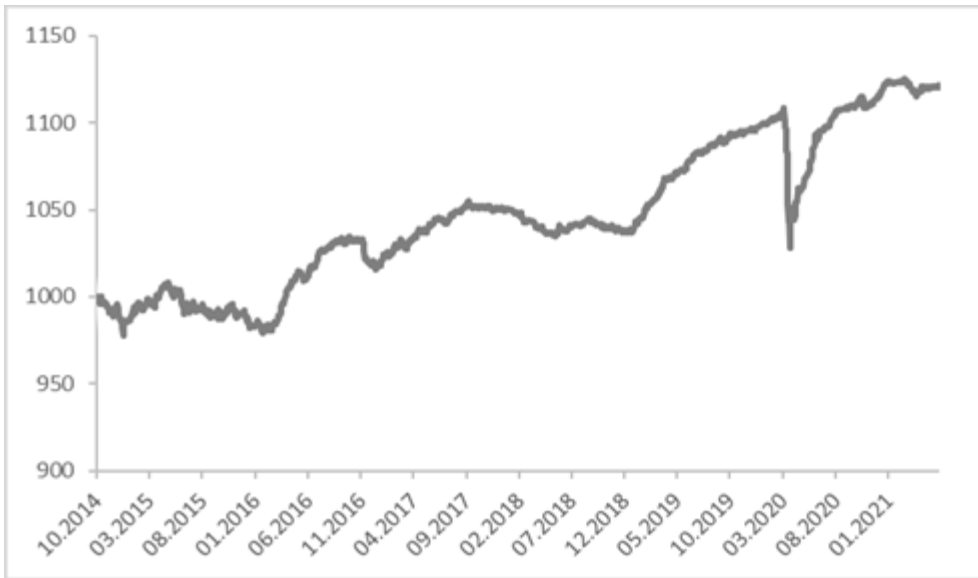
The total maximum amount of the annual fees payable to the Company, the Custodian Bank and other parties stipulated by the Prospectus from the Sub-fund property may be increased up to 3.5% (three point five percent) of the average value of the Sub-fund net assets per year, if the average value of the Sub-fund net assets per year does not exceed USD 2 000 000.00 (two million US dollars).

The Company is authorised to reduce the fee amount payable to the Company at its discretion in the interests of the Investors, as well as pay the remuneration to the Custodian Bank and the Auditor and make payments to third parties from the Company assets.

The current amount of the fees payable to the Company, the Custodian Bank and third parties is provided on the Company webpage www.rietumu.com/lv/ram.

10.10 Historical Performance Figures of the Sub-fund Operation

Financial indicators	31.12.2016	31.12.2017	31.12.2018
Net value of assets, USD	13 049 743.11	10 140 179.28	2 478 257.72
Number of investment certificates	12 782.7682	9 651.8119	2 384.2991
Value of the Sub-fund share, USD	1 020.89	1 050.60	1 039.41
Changes in the value of the Sub-fund share	31.12.2015 - 31.12.2016	31.12.2016 - 31.12.2017	31.12.2017 - 31.12.2018
Increase / decrease in the Sub-fund share's value	3.91%	2.91%	-1.07%



Figures of previous periods are considered indicative, and those do not guarantee similar return in the future. The stated data takes into account all expenses. The stated data does not take into account issue commission. The Sub-fund's previous performance figures are calculated in US dollars.

APPENDIX TO THE PROSPECTUS OF THE OPEN-END INVESTMENT FUND “RIETUMU ASSET MANAGEMENT FUND”

11. RIETUMU ASSET MANAGEMENT FUND –FIXED INCOME HIGH YIELD USD

11.1 Investment Objective

The prime objective of the Sub-fund is to provide its Investors with an opportunity of increased, long-term growth of the value of invested funds, by investing in high-risk or speculative credit rating debt securities, as well as money market instruments, shares of the investment funds and term deposits.

There is no guarantee that the Sub-fund will achieve its investment goals.

11.2 Investment Policy

In order to achieve Sub-fund investment objective, the Company invests in diversified portfolio of debt securities with credit rating below investment grade in accordance with the classification of at least one of the world’s largest rating agencies (Standard & Poor's Financial Services LLC, Moody's Investors Service, Fitch Ratings Inc.).

Fund’s Manager diligently manages the Sub-Fund assets. Sub-fund assets could be invested in debt securities towards to keep them till maturity date, or to sell them before maturity date. The Fund Manager could use the whole maturity and structure’s variety of debt security, in reliance on interest rate analysis and its potential changes. Sub-fund average weighted maturity could be mainly weighted from three to ten years. Fund Manager has a right to increase or decrease Sub-fund average weighted maturity in reliance on current market conditions.

The structure of the investment portfolio:

- up to 100% of the Sub-fund assets can be invested in debt securities and Money market instruments issued by credit institutions or companies registered in the World global market countries, debt securities and Money market instruments issued by these countries and their municipalities, as well as their central banks;
- up to 20% of the Sub-fund assets can be invested in deposits at credit institutions of the Member States or a member state of the Organisation for Economic Cooperation and Development included in the Group of Ten;
- up to 10% of the Sub-fund assets can be invested in investment funds registered in the Member States which invest in debt securities and Money market instruments with credit rating below investment grade.

To insure against the risk involved in fluctuations of the values of the Sub-fund assets, the Fund Manager may perform transactions with derivative financial instruments at the expense of the Sub-fund.

To ensure liquidity, the Sub-fund may perform sale and repurchase (REPO) transactions with the assets.

The Sub-fund assets can be held in liquid assets, including in cash form, in such a volume as is required for the operation.

11.3 Profile of the Potential Investor

The Sub-fund is created for the purpose of attracting Investors who are interested in receiving a long-term capital accumulation by investing in debt securities with moderate-high risk level, money market instruments, investment funds shares and term deposits. The investment horizon of the potential Investor is from mid-term to long-term. There need to be a possibility for typical Investor to have an investment horizon not less than three years. The risk tolerance must be high. The Sub-fund Investors can be both - private individuals and legal entities.

The Sub-fund is primarily intended for investors who:

- are interested in relatively increased profit earning in long-time period, that exceeds traditional banks deposit rate as well as investment grade debt securities yield;
- are interested in investment portfolio's diversification investing in speculative grade debt securities;
- could have investment horizon not less than three years;
- are tolerant to moderate-high valuation changes of invested funds and could incur temporarily losses;

11.4 Currency of the Sub-fund

The currency of the Sub-fund is USD.

11.5 Additional Restrictions for Investments

The Sub-fund makes investments in accordance with the restrictions provided in Article 2.1.

In addition, the following restrictions pertain to the Sub-fund:

- up to 100% of the Sub-fund assets can be invested in debt securities with credit rating below the investment grade in accordance with the classification of at least one of the world's largest rating agencies (Standard & Poor's Financial Services LLC, Moody's Investors Service, Fitch Ratings Inc.).
- up to 20 % of the Sub-fund assets can be invested in debt securities with the investment grade credit rating in accordance with the classification of at least one of the world's largest rating agencies (Standard & Poor's Financial Services LLC, Moody's Investors Service, Fitch Ratings Inc.).

- up to 20 % of the Sub-fund assets can be invested in debt securities without credit rating;
- up to 20 % of the Sub-fund assets can be invested in debt securities in currency, that differs from Sub-fund's main currency. These investments could be implemented considering or do not considering currency risks' restriction principles (with or without hedging the exchange rate fluctuation risk)

The Sub-fund may not invest in:

- Equity securities (stocks);
- Derivative financial instruments aimed at receiving profit.

11.6 Warning about Specific Risks

Prior to taking an investment decision, the Investor should thoroughly consider the investment risks provided in Article 3.2. Additionally, the Investor should pay attention to the following risks:

- Credit risk
- Interest rate risk (market risk)
- Currency risk
- Counterparty risk;

11.7 Confirmations of Investments

The minimum possible investment amount in the Sub-fund is USD 1 000.00 (One thousand US dollars).

The issue price of the Investment certificates is USD 1 000.00 (One thousand US dollars).

11.8 Commission Deducted for Transactions with Investment Certificates

	Fee
Commission for the subscription of the Investment Certificates	0.35 % (zero point thirty five percent) of the Sub-Fund shares' value
Commission for the redemption of the Investment Certificates	Is not applied

The current amount of commission for transactions with the Investment Certificates is provided on the Company webpage www.rietumu.com/lv/ram.

11.9 Fees Payable to the Company, the Custodian Bank and Third Parties

The following fees are paid at the expense of the Sub-fund property:

	Fee
Company	Management fee: Maximum 2.5% (two point five percent) of the average value of the Sub-fund net assets per year Performance Fee – is not applied
Custodian Bank	Maximum 0.25% (zero point twenty five percent) of the average value of the Sub-fund net assets per year
Auditor	Maximum largest of EUR 10 000.00 (Ten thousand euro) or 0.02% (zero point zero two percent) of the average value of the Sub-fund net assets per year
Third parties	According to the de facto costs, in conformity with the supporting documents

The total maximum amount of the fees payable to the Company, the Custodian Bank and other parties stipulated by the Prospectus from the Sub-fund property may not exceed 3.5% (two point five percent) of the average value of the Sub-fund net assets per year.

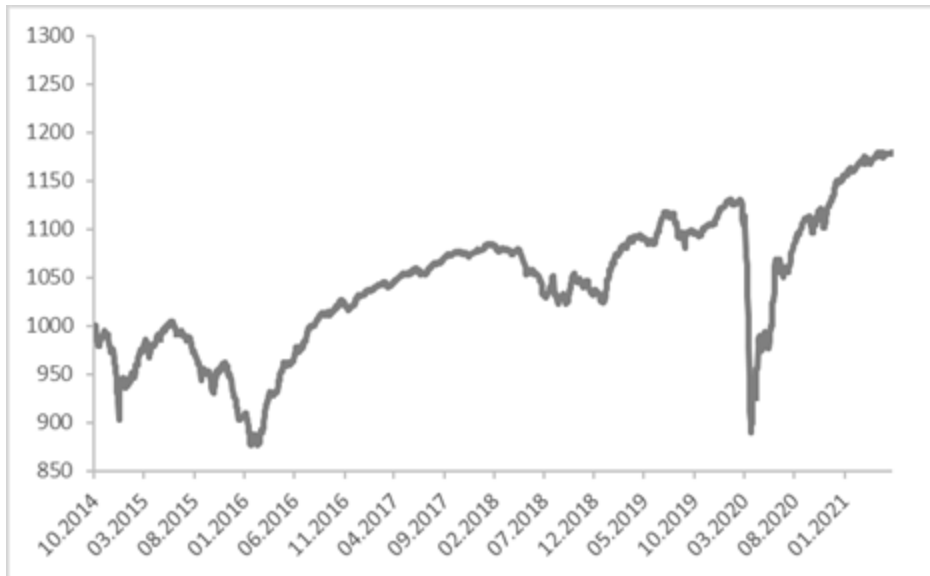
The total maximum amount of the annual fees payable to the Company, the Custodian Bank and other parties stipulated by the Prospectus from the Sub-fund property may be increased up to 4.5% (four point five percent) of the average value of the Sub-fund net assets per year, if the average value of the Sub-fund net assets a year does not exceed USD 2 000 000.00 (two million US dollars).

The Company is authorised to reduce the fee amount payable to the Company at its discretion in interests of the Investors, as well as pay the remuneration to the Custodian Bank and the Auditor and make payments to third parties from the Company assets.

The current amount of the fees payable to the Company, the Custodian Bank and third parties is provided on the Company webpage www.rietumu.com/lv/ram.

11.10 Historical Performance Figures of the Sub-fund Operation

Financial indicators	31.12.2016	31.12.2017	31.12.2018
Net value of assets, USD	8 365 711.59	8 944 144.65	2 605 237.58
Number of investment certificates	8 103.5469	8 284.5172	2 539.9616
Value of the Sub-fund share, USD	1 032.35	1 079.62	1 025.70
Changes in the value of the Sub-fund share	31.12.2015 - 31.12.2016	31.12.2016 - 31.12.2017	31.12.2017 - 31.12.2018
Increase / decrease in the Sub-fund share's value	13.78%	4.58%	-4.99%



Figures of previous periods are considered indicative, and those do not guarantee similar return in the future. The stated data takes into account all expenses. The stated data does not take into account issue commission. The Sub-fund's previous performance figures are calculated in US dollars.