

SIGNET ASSET MANAGEMENT LATVIA IPS
Antonijas iela 3-1, Rīga, LV-1010, Latvia

Open-end investment fund
“Signet Baltic Bond Fund”
PROSPECTUS

The Fund is registered: in Latvia, with the Bank of Latvia
Date of registration: 16 April 2025
Registration number: FL334

Amendments to the Prospectus:
Approved on 13.01.2026, effective as of 22.02.2026.

Management Company of the Fund: Signet Asset Management Latvia IPS,
Antonijas iela 3-1, Rīga, LV-1010, Latvia
Custodian Bank of the Fund: Signet Bank AS
Distributor of the Fund: Signet Bank AS,
Antonijas iela 3, Rīga, LV-1010, Latvia
Auditor of the Fund: SIA “BDO ASSURANCE”

The Prospectus of the Fund, the Fund Management Regulations, the Key information intended for Investors of the Fund, the annual and semi-annual reports of the Fund, the current remuneration policy of the Company, as well as information on the value of the Fund and on the sale and redemption price of investment certificates may be received free of charge on the premises of Signet Asset Management Latvia IPS at the address:

Antonijas iela 3-1, Rīga, LV-1010, Latvia, on business days from 9.00 to 17.30.

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TERMS AND ABBREVIATIONS

Foreign State

A state that is not a Member State of the European Union or a state of the European Economic Area.

Repurchase

The repurchase of Investment Certificates ensured by the Company, as well as the compensation of losses to the Investor in the cases and in accordance with the procedure specified in the Law, pursuant to Sub-clause 11.3 of the Prospectus.

Redemption

The redemption of Investment Certificates carried out by the Company at the request of Investors at the current price determined in accordance with Sub-clause 11.2 of the Prospectus.

Fee for the management of the Fund (*management fee*)

The fee paid to the Company out of the assets of the Fund for the management of the Fund and calculated in accordance with the formula included in Clause 8 of the Prospectus, "Fees and expenses of the Fund".

Member State

An EU Member State or an EEA state.

Business Day

An official working day of the office of the Company or of the Distributor in Riga, Latvia.

Multilateral Trading Facility (MTF)

A system maintained by an investment brokerage firm, a credit institution or a market organiser in which, observing equivalent conditions, the buying and selling orders of third parties for financial instruments are brought together in such a way that a transaction is concluded.

Group of Ten

The states that have concluded the General Arrangements to Borrow with the International Monetary Fund.

EEA

European Economic Area.

EU

European Union.

EUR

The monetary unit of the Member States of the European Monetary Union (the euro).

FI

Financial instruments – agreements that give rise to a financial asset for one party and a financial liability or equity instrument for another party.

FI account

An account opened with the Custodian Bank in which the financial instruments belonging to the Investor are recorded.

Fund Manager(s)

The authorised person(s) appointed by the Management Board of the Company who deal(s) with the property of the Fund and give(s) orders to the Custodian Bank for transactions with the property of the Fund, observing the provisions of the Prospectus and of the Regulations, the orders of the Management Board of the Company and in accordance with the procedure laid down in the regulatory enactments of the RL.

Value of the Fund

Within the meaning of the Prospectus and of the Regulations, also referred to as the Net Asset Value of the Fund or NAV, which is the difference between the value of the assets and the value of the liabilities of the Fund.

Fund

The open-end investment fund established by Signet Asset Management Latvia IPS, "Signet Baltic Bond Fund".

Investment object

Transferable securities, money market instruments, deposits with credit institutions and other financial instruments which, in accordance with the Law, the Company is entitled to acquire with the property of the Fund.

Investment Certificate

A transferable security certifying the participation of the Investor in the Fund and the rights arising from such participation.

Redemption price of Investment Certificates

The redemption price of Investment Certificates is formed by the value of the Investment Certificates reduced by the commission fee for the redemption of Investment Certificates.

Value of Investment Certificates

The Net Asset Value of the Fund divided by the number of Investment Certificates in circulation.

Sale price of an Investment Certificate

The sale price of an Investment Certificate is formed by the value of the Investment Certificate together with the commission fee for the sale of Investment Certificates.

Investment Fund or IF

An aggregation of assets constituted by the investments made in exchange for investment certificates, as well as the assets acquired in transactions with the property of the fund.

Investor

A natural or legal person who owns Investment Certificates of the Fund.

Sustainability factors

Environmental, social and governance factors (for example, matters related to employees, respect for human rights and the fight against corruption and bribery) (ESG – Environmental, Social and Governance).

Investment account

An account opened with the Custodian Bank into which all funds of Investors received in exchange for the issued Investment Certificates are credited, from which all payments related to the management of the Fund are made, and into which the income earned during the operation of the Fund is credited.

IPS

An investment management company within the meaning of the Law.

Distributor

Signet Bank AS.

Account Holder

A financial institution which, in accordance with the Financial Instrument Market Law and the rules of the central securities depository, is entitled to open, maintain and close FI accounts, or a legal person which, by using interbank or central depository correspondent relations, is able to ensure the holding of FI in the central securities depository.

Bank of Latvia or LB

The Bank of Latvia is the financial services supervisory authority in the RL which supervises the operation of the Company and of the Fund.

Law

The Law on Investment Management Companies of the RL.

RL

Republic of Latvia.

Nasdaq CSD

A licensed capital company under the European Central Securities Depositories Regulation (CSDR), the operation of which is supervised by the competent national authorities. Nasdaq CSD is a Central Securities Depository operating in Estonia, Iceland, Latvia and Lithuania. Securities are registered and stored digitally in Nasdaq CSD, and it provides the infrastructure of the post-trade securities settlement system.

Money Market Instruments

Liquid short-term (up to 1 year) FI normally traded on the money market: government treasury bills, certificates of deposit and commercial paper, except for means of payment.

Net Asset Value or NAV

The difference between the value of all assets of the Fund and the value of all liabilities of the Fund.

Regulations

The management regulations of the Fund.

Organised Trading Facility (OTF)

A multilateral system which is not a Regulated Market or a Multilateral Trading Facility (MTF) and in which multiple third-party buying and selling interests in bonds, structured finance products, emission allowances or derivative financial instruments are able to interact in such a way that a transaction is concluded.

Base Currency

The currency in which the assets and liabilities of the Fund are accounted for. The base currency of the Fund is set as EUR.

Debt Securities

Bonds or other types of transferable securitised debt, as well as depositary receipts in respect of such securities.

Personal Data

The data of natural persons which the Company and the Custodian Bank obtain from the Investor within the framework of the management of the Fund.

Prospectus

The prospectus of the Fund.

Regulated Market

A multilateral system which is organised or managed by a regulated market organiser and in which, in accordance with the rules of the multilateral system and observing equivalent conditions, the buying and selling interests of several third parties in financial instruments are brought together or the bringing together of such interests is facilitated in such a way that a transaction is concluded in respect of financial instruments admitted to trading under the rules of the multilateral system, and which is authorised to operate and operates on a regular basis in accordance with Chapter I of Division D of the Financial Instrument Market Law.

Order

An order for the acquisition or redemption of Investment Certificates of the Fund, drawn up in accordance with the requirements laid down in Sub-clauses 6.4 and 6.6 of the Regulations.

Company

Signet Asset Management Latvia IPS, the investment management company of the open-end investment fund "Signet Baltic Bond Fund".

Systematic internaliser

An investment brokerage firm or a credit institution which, on an organised, frequent and systematic basis, deals on own account by executing client orders outside a Regulated Market or a Multilateral Trading Facility (MTF).

International accounting standards

International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and the related interpretations (SIC-IFRIC interpretations), subsequent amendments to those standards and the related interpretations, future standards and the related interpretations issued or adopted by the International Accounting Standards Board (IASB).

Trading Venue

A Regulated Market, an MTF or an OTF

Custodian Bank

Signet Bank AS, the custodian bank of the open-end investment fund "Signet Baltic Bond Fund", which holds the property of the Fund, carries out transactions with the property of the Fund at the order of the Company and performs

other obligations laid down in the Custodian Bank agreement, the regulatory enactments of the RL and the Prospectus.

Custodian Bank agreement

A written agreement concluded between the Company and the Custodian Bank under which the Custodian Bank undertakes to hold the property of the Fund, to carry out transactions with the property of the Fund and to service the accounts of the Fund in accordance with the regulatory enactments of the RL, the Prospectus, the Regulations and the orders of the Company.

1. INVESTMENT OBJECTIVE AND POLICY

The Company recommends that, before taking a decision on investing funds in the Fund, Investors familiarise themselves with the entire content of the Prospectus and of the Regulations.

The Company does not guarantee that the Fund will achieve its investment objectives, and past performance indicators cannot serve as an indicator of future results.

1.1. Investment objective of the Fund

The investment objective of the Fund is to ensure long-term income from investments in bonds of issuers of the Baltic region. The income of the Fund is formed by the increase in the price of the investments and interest income from coupon payments.

An issuer of the Baltic region, within the meaning of the investment activity of the Fund, means the governments, local governments, credit institutions and commercial companies of the Baltic States (Latvia, Lithuania or Estonia) that have been established, operate, or have their head office in one of the Baltic States, or whose debt securities have been issued in accordance with the regulatory enactments of Latvia, Lithuania or Estonia.

The Fund is suitable for investors who wish to make diversified investments in bonds of issuers of the Baltic region and are prepared to assume the risks related thereto, including the risks related to investments in bonds that have not been assigned a credit rating.

The investment objective of the Fund provides for contributing, through its activity, to the development of the economies and capital markets of the Baltic States, ensuring funding for the more rapid development of the enterprises of the region and creating additional liquidity in the secondary market of the Baltic Trading Venues.

1.2. Investment policy of the Fund

The Fund will follow an active investment strategy, focusing on bonds issued by issuers of the Baltic region. The investment policy is implemented in accordance with the principles of asset diversification, thereby reducing concentration risks.

The assets of the Fund may be invested in the following investment objects – transferable securities, money market instruments, and deposited with credit institutions, observing the investment restrictions laid down in Clause 3 of the Prospectus.

Investments are made in euro (EUR); accordingly, the Fund is not exposed to currency risks.

At least 85% of the assets of the Fund are invested in Debt Securities or Money Market Instruments of issuers of the Baltic region.

Up to 15% of the assets of the Fund may be invested in debt securities of other Member States (of the state, state institutions, credit institutions or commercial companies) if, in the opinion of the Fund Manager, this may, in a particular period of time, provide the Fund with additional return, liquidity or risk diversification.

The Fund has no restrictions in respect of the credit ratings of issuers and securities, which accordingly means that the Fund may make investments in Debt Securities without a credit rating.

The Fund has no restrictions or a specific concentration objective in respect of any particular sector of the economy; it may make investments in Debt Securities of issuers of all sectors of the economy.

The assets of the Fund may be held in liquid assets (including cash) to the extent necessary for the operation of the Fund.

1.3. Transactions in derivative financial instruments

The Fund does not make investments in derivative financial instruments.

2. DESCRIPTION OF THE RISK PROFILE OF THE FUND AND ANALYSIS OF THE RISK RELATED TO INVESTMENTS

2.1. General risk statement

Notwithstanding the fact that the Company operates in accordance with the principles of diversification and other risk reduction principles, the general risks related to the operation of an IPS and to investments in FI remain.

Investors must be aware that the investment policy of the Fund is aimed at making investments in bonds that have not been assigned a credit rating. Such bonds involve specific risks, including general market risk, credit risk and liquidity risk.

Investors without appropriate experience should consult an independent financial adviser before making investments, so that the Investor is able to take a considered decision on the proposed investment policy of the Fund and to make sure that it and the potential risks related thereto are appropriate to the financial situation of the Investor.

2.2. Risk profile of the Fund

Investments in the Fund are related to risk, that is, to the possibility that the Investor may incur losses. The return of the Fund may be both positive and negative. An increase in the value of the Fund or the preservation thereof is not guaranteed. The historical return of the Fund does not guarantee that the Investor will achieve a similar return in the future.

The investment strategy of the Fund involves substantial specific credit risk of the issuer and liquidity, foreign investment (including increased political, economic, currency, information disclosure, legal risk and risk of the safety of holding financial instruments issued abroad), counterparty and transaction partner risks which may adversely affect the value of an Investment Certificate. In accordance with the investment strategy of the Fund, the Fund is suitable for Investors whose investment term is 3 years.

When investing its funds in the Fund, the Investor must take into account the risks related to making investments. The return of the Fund may be affected by various risk factors. The Company informs that the list of risks included in Sub-clause 2.3 of the Prospectus cannot be regarded as exhaustive – only the most significant risks related to making investments are described. By acquiring Investment Certificates of the Fund, the Investor assumes all risks related to the investments.

Before taking a decision on making investments in Investment Certificates of the Fund, the Investor must familiarise themselves with the Prospectus and rely on an assessment of the investment and of the risks related thereto carried out by the Investor themselves or by an adviser engaged by the Investor.

2.3. List of the most significant risks related to investments

It is recommended that the listed risks related to the funds invested in the Fund be discussed with your financial and tax advisers.

Each type of risk may adversely affect the results of the operation of the Fund and, accordingly, also the value of the assets. The most significant risks related to investments are listed below; this is not an overview of all risks related to investments in the Fund.

General market risk – the risk that the price of an FI will change due to factors related to changes in interest rates (in the case of debt securities) that are not related to any particular issuer of securities.

Specific market risk – a risk that covers idiosyncratic risk and event risk.

Idiosyncratic risk – the risk that the value of an FI changes more or less than the market as a whole, but not suddenly or unexpectedly.

Event risk – the risk that the value of an FI changes suddenly or unexpectedly compared with the market as a whole, and the changes in value considerably exceed the usual amplitude of value fluctuations. Event risk is related to a particular issuer of securities.

Liquidity risk – the risk that it will not be possible to sell the FI held in the investment portfolio of the Fund within the desired term and in the desired volume without significant losses.

Credit risk – the possibility of losses arising if the transaction partner or the issuer of the FI is unable or refuses to perform its obligations towards creditors.

Credit risk of the issuer – the possibility of incurring losses if the price of an FI changes due to factors related to the issuer of the FI. The activity of the issuer of an FI acquired for the Fund and the results thereof may be affected by such factors as the competence of the management of the issuer, the economic situation and changes in the sector in which

the issuer operates; among other things, the issuer may fail to perform the obligations laid down in the issue terms of the relevant FI. Events of this type may adversely affect the value of the investments of the Fund.

Country risk – the risk that the Fund will incur losses if all or the majority of the issuers or counterparties are unable to perform the obligations arising from an agreement due to changes in economic, political, legal or other internal circumstances of one state.

Political risk – the risk that the value of the investments of the Fund may incur losses in connection with changes in the political environment of a state or region, for example, a change of government, a coup d'état, a military overthrow of the government or other events that affect the political stability of a state or region or the further development of that state (region), as well as changes in the course of the relevant government or in its priorities (military action, nationalisation, confiscation, the introduction of restrictions and embargoes).

Economic risk – related to such changes in the macroeconomic situation in the foreign state in which the investments of the Fund have been made as changes in the foreign currency exchange rate, the onset of an economic recession, changes in the prices of FI caused by excessive inflation or deflation, a banking crisis, etc. Economic risk is closely related to Political risk.

Sustainability (ESG) risk – sustainability risk means events or circumstances that arise in the environmental, social or governance area and the occurrence of which may cause an actual or potentially significant adverse impact on the value of an investment. Sustainability risk factors may significantly affect the volatility and liquidity of investments, as well as cause a decrease in the value of an Investment Certificate. An adverse impact may be caused both by direct, that is, physical events or circumstances in the area of sustainability (for example, extreme climate change causing floods or prolonged periods of drought) and by events and circumstances related to the transition to sustainable development (for example, changes in climate and environmental policies, technological progress or changes in market sentiment and preferences). Sustainability risks may contribute to other already existing investment risks, including but not limited to Credit risk, Operational risk, Market risk, Liquidity risk, Legal or legislative risk and reputational risk.

Legal risk or legislative risk – the risk that may cause additional expenses and/or losses in connection with amendments to foreign regulatory enactments, by applying any decisions/acts of the executive power, the legislator or the judiciary, as a result of which the FI and/or funds included in the property of the Fund (including those held with an Intermediary) are seized or subjected to other restrictions, preventing free disposal thereof.

Risk of the application of foreign regulatory enactments – transactions with the property of the Fund, the financial instruments included in the property of the Fund, the holding and recording thereof may be subject to the regulatory enactments and market practice of a Foreign State (for example, where the issuer, depository, custodian of the financial instruments or the other party to the transaction is in a foreign state), which may provide for different (including less favourable) rules on investor protection, the holding of financial instruments, the execution of transactions, etc.; these may be unclear, subject to various interpretations, subject to frequent amendments or restrictions.

Concentration risk – the amount of possible losses from transactions constituted by the investments of the Fund in transferable securities and Money Market Instruments and the deposits of the Fund where the issuer, guarantor, deposit taker or the other party to the transaction is one and the same person. Commercial companies belonging to one group are regarded as one person.

Financial risk – the financial risk of the Fund, which is mainly related to a situation where, under the influence of external factors (not subject to the influence of the Company), Investors simultaneously request the redemption of their Investment Certificates, which leads to a decrease in the efficiency of the operation of the Fund.

Information risk – the risk that the Fund will incur losses arising from the unavailability or lack of information about the Fund or about the FI held in the portfolio of the Fund.

Operational risk – the risk of the Fund incurring losses due to non-compliant or deficient internal processes, the activity of people and systems or the influence of external circumstances, which also includes legal risk and risk related to documentation, as well as the risk of losses arising from the trading, settlement and valuation procedures carried out on behalf of the Fund.

Other risks – insurmountable force (*force majeure*), including natural disasters, calamities, strikes, mass disturbances, criminal conduct, pandemics, disruptions in the means of communication and information systems, as well as other risks that the Company is unable to foresee or influence.

2.4. The most significant risks related to the holding of FI and to counterparties

Risk of the Custodian Bank – the non-performance of the obligations of the Custodian Bank, erroneous action or malicious conduct may adversely affect the Fund, reduce the value of the property of the Fund, as well as cause a full or partial loss of the property of the Fund. The non-performance of the obligations of the Custodian Bank may be caused by, including but not limited to, its insolvency, bankruptcy, negligence or wilful unlawful action, as well as other action

without a legal basis.

Counterparty risk – the risk of losses arising due to the action/omission of the Counterparty, including due to fraud, negligence, improper execution of an order or improper recording of the FI/funds held by the Counterparty and the like, as well as in connection with the fact that the intermediary or a person engaged by it uses the assets of the Fund, including in transactions with other persons, pledges them, applies set-off rights or otherwise encumbers them with the rights and obligations of third parties, as a result of which the assets of the Fund (or a part thereof) may be completely lost or the possibility of freely disposing of them may be considerably impeded.

Risk of the insolvency of a counterparty and of other special administration – the complete or partial loss of the assets of the Fund, prolonged unavailability, impossible or impeded disposal thereof, the impossibility of exercising the rights related to the FI or the unavailability of information in connection with the insolvency (bankruptcy) of a counterparty (also a sub-counterparty) which holds the FI or which is involved in the execution of orders or in settlements, or another process by which its activity is restricted or suspended.

The insolvency of a counterparty or another similar process, as well as the holding of FI, may be subject to foreign regulatory enactments or market practice which may differ significantly from those existing in the RL. Rights to FI may be affected by unforeseeable decisions of the legislator, executive power or courts of the relevant state. The FI included in the property of the Fund may not be recovered, but within the framework of the insolvency of the counterparty their value may be compensated (or partially compensated) in cash, determining the value of the FI in accordance with the regulatory enactments of the relevant foreign state. In such a case, the Custodian Bank only distributes the funds actually received from the counterparty proportionally to those of its clients to whom the payment relates. In the case of the insolvency of a counterparty and of other similar processes, there is a risk of recovering neither the FI nor their value in cash.

Risk of the registrar of the issuer – an issuer may appoint a registrar for keeping the register of its shareholders/members, including for recording ownership rights. Such a registrar is not regarded as an agent or counterparty engaged by the Custodian Bank or by its counterparties, and the Custodian Bank, as well as its counterparty, is not liable for the action/omission of such a registrar or for the performance of its obligations. The conduct of such a registrar, including negligence, fraud, improper performance of obligations or improper registration or recording of ownership rights to FI, insolvency or liquidation may cause losses to the Fund, including the loss of the investments of the Fund or a decrease in their value.

2.5. Description of possible measures for the reduction of risk

In managing the Fund, the Company acts in the interests of the Investors and does everything to avoid the said risks or to minimise their impact; however, the Company does not guarantee that it will be possible to completely avoid these risks.

Diversification among individual FI, issuers, counterparties and sectors of the economy is the main factor which, in the long term, contributes to limiting significant losses or unjustifiably high risks. The Company considers that, by combining in the Fund several FI from various sectors of the economy, it is able to ensure a more acceptable level of risk for achieving the objectives of the Investor than by investing in individual FI.

The Company strictly observes and regularly assesses the compliance of the Fund with the norms and restrictions specified in the Prospectus, the Regulations and the regulatory enactments of the RL. If non-compliance with the aforementioned norms and restrictions is discovered, the Company takes the necessary action to remedy such non-compliance.

In order to reduce operational risks, the Company carefully develops internal regulatory documents and continuously monitors the implementation thereof, as well as ensures the appropriate qualification of all employees of the Company for the performance of their official duties.

In order to reduce Sustainability risks, the Company includes Sustainability factors in investment analysis and in investment decision-making, to the extent possible, taking into account the availability of information and data. For the analysis of sustainability factors and the assessment of risks, the Company uses data provided by international rating and information agencies and other external data providers, as well as other information at the disposal of the Company. Additional information on the integration of sustainability risks into the investment process is available on the website of the Company <https://signetbank.com/ilgtspejiba/>.

3. INVESTMENT OBJECTS AND RESTRICTIONS OF THE FUND

3.1. Investment objects

3.1.1. The Fund may invest its assets in transferable debt securities and Money Market Instruments that comply with

at least one of the following conditions:

3.1.1.1. they are traded on a Regulated Market of a Member State or in another Trading Venue referred to in Article 2(8) of Commission Regulation (EC) No 1287/2006 of 10 August 2006 implementing Directive 2004/39/EC of the European Parliament and of the Council as regards record-keeping obligations for investment firms, transaction reporting, market transparency, admission of financial instruments to trading, and defined terms for the purposes of that Directive (hereinafter — EC Regulation No 1287/2006);

3.1.1.2. they are included in the official list of a stock exchange of a Foreign State or are traded in another Trading Venue of a Foreign State referred to in Article 2(8) of EC Regulation No 1287/2006, and the choice of such a stock exchange or Trading Venue is provided for in the prospectus of the Fund;

3.1.1.3. they are not included in the official lists of stock exchanges or are not traded on Regulated Markets, but the issue terms of these FI provide that they will be included in the official lists of the stock exchanges or on the Regulated Markets referred to in Sub-clauses 3.1.1.1 and 3.1.1.2 of the Prospectus, and the inclusion of these securities or Money Market Instruments will take place within one year from the day on which the subscription for these securities or Money Market Instruments was commenced.

3.1.2. The Fund may invest its assets in transferable debt securities and Money Market Instruments that are not traded on Regulated Markets if they are freely transferable and one of the following conditions has been met:

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

3.1.2.2. they have been issued or guaranteed by the Central Bank of a Member State, the European Central Bank or the European Investment Bank;

3.1.2.3. they have been issued by a commercial company whose securities are traded in accordance with the procedure laid down in Sub-clauses 3.1.1.1 and 3.1.1.2 of the Prospectus;

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

- it is registered in an OECD Member State belonging to the Group of Ten;
- it has been assigned an investment grade rating by at least one of the international rating agencies (Moody's, Fitch, S&P, Scope Ratings);
- an exhaustive analysis of the legal framework governing the operation of the issuer confirms that the requirements governing its operation are at least as strict as those laid down by the EU.

3.1.2.5. they have been issued by a commercial company the amount of the capital and reserves of which is EUR 10 million or more and which prepares and publishes an audited annual report in accordance with the requirements for the preparation and publication of annual reports that are equivalent to the requirements laid down by the EU. Such a commercial company belongs to one group with one or several commercial companies whose shares are traded on a Regulated Market and is intended for raising funds for the group, or such a commercial company is a special purpose entity specialising in the securitisation of debts and which has concluded an agreement on the provision of liquidity with a bank that complies with the requirements set for a credit institution in Sub-clause 3.1.2.4 of the Prospectus. Investments in such Money Market Instruments are subject to investor protection that is equivalent to the protection referred to in Sub-clauses 3.1.2.1 – 3.1.2.4 of the Prospectus.

3.1.3. The assets of the Fund may be deposited with a credit institution that has received a licence for the operation of a credit institution in a Member State or in a state that is an OECD member state and that, in accordance with Regulation No 575/2013, has been recognised as a state in which credit institutions are subject to supervisory and operational requirements that are equivalent to those applied in the EU.

Deposits may be made with a credit institution if they are repayable on demand or may be withdrawn before maturity and their term does not exceed 12 months.

3.1.4. The assets of the Fund may be invested in the investment certificates (shares) of a bond Investment Fund (IF) registered in a Member State or of an equivalent undertaking for collective investment the operating framework of which is analogous to the requirements of the Law. Investments in the investment certificates (shares) of such IF and undertakings for collective investment may be made if the prospectus, management regulations or an equivalent document of such IF or undertaking for collective investment provides that investments in other funds or undertakings for collective investment may not exceed 10% of the assets of that fund or undertaking for collective investment and

that investments are made mainly in debt securities of Baltic issuers.

3.2. Investment restrictions

3.2.1. The Fund may not invest its assets in precious metals.

3.2.2. The investments of the Fund in transferable debt securities or Money Market Instruments of one issuer, except for the investments referred to in Sub-clauses 3.2.3 and 3.2.4 of the Prospectus, may not exceed 5% of the assets of the Fund. This restriction may be increased up to 10% of the assets of the Fund, but in such a case the total value of the investments exceeding 5% may not exceed 40% of the assets of the Fund.

3.2.3. The investments of the Fund in transferable debt securities or Money Market Instruments of one issuer may be increased up to 35% of the assets of the Fund if the transferable debt securities or Money Market Instruments have been issued or guaranteed by a Member State or a local government of a Member State.

3.2.4. The investments of the Fund in transferable securities of one issuer may be increased up to 25% of the assets of the Fund if they are debt securities issued by a credit institution registered in a Member State, the obligations established in which provide for investing the funds obtained in assets which, throughout the entire circulation period of the debt securities, fully secure the obligations established therein, and these obligations are to be performed as a priority in the event of the insolvency of the issuer of these securities.

3.2.5. If the value of the investments of the Fund in the cases referred to in Sub-clause 3.2.4 of the Prospectus in debt securities of one issuer exceeds 5% of the assets of the Fund, the total value of the investments of the Fund that exceeds 5% may not exceed 80% of the assets of the Fund.

3.2.6. The deposits of the Fund with one credit institution may not exceed 20% of the assets of the Fund. The said restriction does not apply to claims on demand against the Custodian Bank.

3.2.7. The investments of the Fund in the investment certificates (shares) of one IF or an equivalent undertaking for collective investment may not exceed 10% of the assets of the Fund.

3.2.8. Without regard to the investment restrictions laid down separately in Sub-clauses 3.2.2 and 3.2.6 of the Prospectus, the total investments of the Fund in transferable debt securities, Money Market Instruments and the deposits of the Fund whose issuer or guarantor, deposit taker or the other party to the transaction is one and the same person may not exceed 20% of the assets of the Fund. When applying the investment restrictions laid down in this clause, commercial companies belonging to one group are regarded as one person.

3.2.9. The investment restrictions laid down separately in Sub-clauses 3.2.2 - 3.2.6 of the Prospectus may not be combined, and thus the total investments of the Fund in transferable debt securities and Money Market Instruments and the deposits of the Fund whose issuer or guarantor, deposit taker or the other party to the transaction is one and the same person may not exceed 35% of the assets of the Fund.

3.2.10. Without regard to the provisions of Sub-clauses 3.1.1 and 3.1.2 of the Prospectus on the investments of the Fund in transferable securities and Money Market Instruments, up to 10% of the assets of the Fund may be invested in transferable securities and Money Market Instruments that do not comply with the requirements laid down in Sub-clauses 3.1.1 and 3.1.2 of the Prospectus.

3.3. Investment restrictions in respect of one issuer

3.3.1. The investments of the Fund in individual Investment objects may not exceed the following indicators:

- 3.3.1.1. 10% of the total volume of the debt securities issued by one issuer;
- 3.3.1.2. 25% of the value of one fund or undertaking for collective investment;
- 3.3.1.3. 10% of the total value of the Money Market Instruments issued by one issuer.

3.3.2. The investments of the assets of all funds managed by the Company in total, and the investments of each fund separately, whether directly or indirectly, may not exceed 10% of any of the following indicators:

- 3.3.2.1. the share capital of one issuer;
- 3.3.2.2. the total volume of the voting rights of one issuer.

3.4. Exceeding of investment restrictions

3.4.1. It is permissible to exceed the investment restrictions laid down in the Prospectus if this has been caused by the exercise of subscription rights arising from the transferable securities or Money Market Instruments included in the property of the Fund, or by other circumstances that the Company could not have foreseen. In order to remedy the exceeding of the investment restrictions, the Company must immediately carry out selling operations in accordance

with the risk reduction principle and the interests of the Investors.

3.4.2. At the moment of making an investment, it is permissible to exceed the investment restrictions laid down in Clause 3.3.1 of the Prospectus if at that moment it is not possible to determine or calculate the quantity or value of all the issued securities in which debt obligations have been established, or the value or number of the issued or outstanding investment certificates (shares).

3.4.3. The Company has a duty to inform the LB without delay of the exceeding of investment restrictions, as well as of the measures for remedying it.

3.4.4. The exceeding of the investment restrictions laid down in the Prospectus and in the Law does not annul the validity of the relevant transaction, but the Company is liable to the Investors and to third parties for the losses caused by such action, except for the cases laid down in Sub-clauses 3.4.1-3.4.3 of this Prospectus.

4. INVESTMENT PRACTICES USED IN THE MANAGEMENT OF THE FUND

4.1. General restrictions on the execution of transactions

The Company carries out transactions with the property of the Fund in accordance with the Prospectus, the Regulations, the Law and other legal acts in force in the RL.

The Company has no right to assume obligations at the expense of the property of the Fund if these obligations do not directly relate to the Fund. The Company may not carry out gratuitous transactions with the property of the Fund. Claims against the Company and the claims included in the property of the Fund may not be set off against each other.

The property of the Fund may not be pledged or otherwise encumbered, except in the cases laid down in the Law.

The Company may not take out loans at the expense of the Fund.

The Company may not, by direct agreement, alienate the property of the Fund to the Company itself and its stakeholders or to other funds managed by the Company. The Company may not, by direct agreement, acquire property at the expense of the Fund from the Company and its stakeholders or from other funds managed by the Company. These restrictions on transactions with the stakeholders of the Company do not apply to transactions with the stakeholders of the Company that are credit institutions registered in Latvia or in another Member State.

At the expense of the Fund it is not permitted to perform the obligations of the Company that have arisen in its name and at its own expense; to issue securities, except for Investment Certificates; to assume obligations arising from guarantee agreements; to grant loans.

The shareholders of the Company who have a qualifying holding in the Company may invest funds in the Fund if, when the shareholder invests funds in the Fund or withdraws from the Fund, the lawful interests of other Investors are not infringed. In addition, information on the amount of the investment of the shareholders of the Company must be provided in the report of the Fund.

The efficient management of the investment portfolio of the Fund is ensured if transactions with the property of the Fund comply with the following criteria:

- their use is justified and economically advantageous;
- their use is intended for the reduction of risk, the reduction of costs, the increase of the value or income of the Fund in accordance with the risk profile of the Fund and the investment restrictions referred to in Clause 3.2;
- the risks related to them are duly included in the risk management process of the Fund.

4.2. Selection of investment objects

The selection of investment objects takes place in accordance with the principles of the investment policy and investment restrictions of the Fund laid down in the Prospectus and in accordance with the procedure provided for in the Regulations, observing the principles of diversification and risk reduction.

When making investments at the expense of the Fund, the Company has a duty to invest only in the Investment objects provided for in the Prospectus, observing the investment restrictions laid down therein, to obtain sufficiently extensive information on the potential or acquired Investment objects, as well as to continuously monitor and analyse the financial and economic situation of those persons in whose issued securities or Money Market Instruments the assets of the Fund are or will be invested or deposited.

The Fund Managers appointed by the Management Board of the Company take decisions on the disposal of the property of the Fund and give the relevant orders to the Custodian Bank, observing both the provisions of the Prospectus and the restrictions of the investment policy of the Fund, and do so in accordance with the Regulations and in accordance with

the procedure laid down in the legal acts in force in the RL. The procedure for taking decisions and submitting orders is laid down in the Regulations.

5. RIGHTS AND LIABILITY OF INVESTORS

5.1. Rights of an Investor of the Fund

The Investor has the right to alienate their Investment Certificates without restrictions; to participate, in proportion to the number of Investment Certificates and in accordance with the Prospectus, in the distribution of the income obtained from transactions with the property of the Fund; to participate, in proportion to the number of Investment Certificates, in the distribution of the liquidation proceeds of the Fund; to request that the Company redeem the Investment Certificates.

If, through the fault of the Company, the Prospectus and the documents appended thereto contain incorrect or incomplete information that is of material significance for the valuation of the Investment Certificates, the Investor has the right to request that the Company repurchase their Investment Certificates and compensate them for all losses incurred for this reason.

The Investor has the right to receive, upon request, the reports of the Fund in accordance with the provisions of Chapter 18 of the Prospectus.

5.2. Limitation of the liability of the Investors of the Fund

The Investor is not liable for the obligations of the Company.

The Investor is liable for claims that may be brought against the property of the Fund only with the Investment Certificates of the Fund belonging to them.

An agreement that is contrary to the provisions of this sub-clause is void from the moment of its conclusion.

The provisions of the Prospectus become binding on the Investor from the moment when the Investor has acquired Investment Certificates in accordance with the procedure laid down in the Prospectus and in the Regulations.

6. PROFILE OF A TYPICAL INVESTOR

The Fund has been established for Investors who are interested in making diversified investments in debt securities with the aim of obtaining capital growth mainly from interest income. A typical Investor has the desire and the possibility to make investments for a term of 3 years. Investors may be both natural and legal persons. The Fund is suitable for both retail and professional investors. The Fund is not suitable for investors who wish to make investments in financial products the objective of which is sustainable investment.

7. TAX PAYMENTS APPLICABLE TO AN INVESTOR OF THE FUND AND THE PROCEDURE FOR MAKING THEM

The information referred to in this Chapter of the Prospectus is of a general nature. The information is current at the moment of the preparation of the Prospectus, and the Company is not liable for the procedure for the application of taxes in each particular case and in a particular state. If any uncertainties arise regarding the procedure for the application of taxes, the Investor should consult their tax adviser.

7.1. Taxation of the Fund

In accordance with the legal acts in force in the RL, the Fund is not a payer of corporate income tax; consequently, the funds of Investors accumulated in the Fund and the property belonging to the Fund are not subject to corporate income tax. If the legal acts of the RL provide for the application of taxes to the Investment objects, as well as to transactions with the property of the Fund, in such a case the Company covers these tax payments out of the property of the Fund.

7.2. Taxation of Investors

Investors independently pay the personal/corporate income tax applicable to them or any other taxes, duties or similar payments applicable to them. The Company does not assume any liability for the payment of taxes, duties or similar payments for each particular Investor, unless this is required by the legal acts of the RL applicable to the Company, foreign legal acts or intergovernmental agreements.

The Investor must take into account that the taxes, duties or similar payments applicable to them may differ

significantly depending on:

- the state of residence of the Investor – namely, the fact that income obtained from the sale of Investment Certificates is not/is subject to tax in the RL does not mean that such income could not be/would not be subject to the relevant tax in the state of residence of an Investor who is not a resident of the RL in accordance with the laws of the relevant state;
- the legal status of the Investor – the application of the relevant taxes/duties may differ for natural and legal persons, and may also differ depending on the type of activity of the Investor (whether it is an association, a foundation, a religious organisation, a trade union, a political party, a state/local government or an institution financed by the state/local government, and the like);
- supplements and amendments to the legal acts governing the tax system of the relevant state – that is, the requirements laid down in tax laws and other legal acts and in intergovernmental agreements may change over time.

In the event of uncertainties, Investors who are residents of other states must consult specialists of the relevant jurisdiction.

8. FEES AND EXPENSES OF THE FUND

8.1. Amount of the commission fee for transactions in Investment Certificates

The commission fee for the sale or redemption of Investment Certificates is a one-off fee applicable to the Investor for a transaction in Investment Certificates of the Fund. This commission is not attributed to the assets of the Fund but is set as a percentage of the amount of the transaction in Investment Certificates and is payable to the Company.

The maximum amounts of the commission fees for transactions in Investment Certificates, set as a percentage of the value of an Investment Certificate, are summarised in the table below:

Commission fee for the redemption of Investment Certificates if the holding period of the Investment Certificates is shorter than 1 (one) calendar year	0.5%
Commission fee for the redemption of Investment Certificates if the holding period of the Investment Certificates is longer than 1 (one) calendar year	0.0%

The Company does not set the terms and applicable commission fees for transactions in Investment Certificates on the secondary market.

8.2. Amount of the fees payable out of the property of the Fund

The amount of the fees payable out of the property of the Fund is set as a percentage per year of the average Net Asset Value of the Fund; they are paid to the persons listed below:

Name of the person	Maximum amount of the fees
To the Company	0.80%
To the Custodian Bank	0.15%
To the Auditor	0.10%
Total amount of the fees payable	1.30%

The fee for the execution and processing of transactions is set in accordance with the price list of the Custodian Bank in force. Payments to third parties are made in accordance with supporting documents, that is, actual costs. Other payments include the payments referred to in Sub-clauses 8.6 and 8.7 of the Prospectus.

In the interests of the Investors, the Company is entitled to reduce the amount of the fee payable to the Company out of the property of the Fund, as well as to pay the fee to the Custodian Bank, the Auditor and payments to third parties out of the funds of the Company.

8.3. Procedure for calculating the fee payable to the Company

Management fee or fixed commission

The fee to the Company for the management of the Fund is calculated each Business Day and accrued in the current month until the end of the month. The Net Asset Value of the Fund is calculated as at the end of each Business Day on the following Business Day.

The fee for the management of the Fund is paid out of the property of the Fund once a month, but not later than within 5 Business Days after the end of the month. The Company performs the calculations, and the Custodian Bank verifies and approves them and transfers the fee to the Company.

When calculating the amount of the fee received by the Company for the management of the assets of the Fund for a settlement day, it is assumed that the reporting year of the Fund consists of 365 days. It is calculated using the following formula:

$$SA_t = \frac{NAV_{t-1} \times L_m}{365} \times N$$

- SA_t** the amount of the fee payable to the Company for the management of the assets of the Fund on settlement day *t*;
- NAV_{t-1}** the Net Asset Value of the Fund at the end of calculation day *t-1*;
- L_m** the annual rate of the fee for the management of the Fund, as a percentage;
- N** the number of calendar days since the last calculation day.

The amount of the fee for a month is calculated by summing up the fee received by the Company for each calculation day in each particular calendar month:

$$SA_k = \sum SA_t$$

- SA_k** the amount of the fee payable to the Company for the management of the Fund for the current month;
- SA_t** the amount of the fee payable to the Company for the management of the Fund on a calculation day falling within the calculation month.

8.4. Procedure for calculating the fee payable to the Custodian Bank

The Custodian Bank receives a fee for the safekeeping of the assets of the Fund, as well as for the provision of other services specified in the Custodian Bank agreement, in an amount not exceeding the annual percentage rate laid down in Sub-clause 8.2 of the Prospectus, of the average Net Asset Value of the Fund per year.

The amount of the fee of the Custodian Bank is calculated each Business Day and accrued in the current month until the end of the month. The Net Asset Value of the Fund is calculated as at the end of each Business Day on the following Business Day. The fee is paid out of the property of the Fund once a month, but not later than within 5 Business Days after the end of the month.

When calculating the amount of the fee received by the Custodian Bank for a settlement day, it is assumed that the reporting year of the Fund consists of 365 days:

$$TA_t = \frac{NAV_{t-1} \times L_c}{365} \times N$$

- TA_t** the amount of the fee payable to the Custodian Bank for calculation day *t*;
- NAV_{t-1}** the Net Asset Value of the Fund at the end of calculation day *t-1*;
- L_c** the annual rate of the fee of the Custodian Bank, as a percentage;
- N** the number of calendar days since the last calculation day.

The amount of the fee for a month is calculated by summing up the fee received by the Custodian Bank for each calculation day in each particular calendar month:

$$TA_k = \sum TA_t$$

- TA_k** the amount of the fee payable to the Custodian Bank for the current month
- TA_t** the amount of the fee payable to the Custodian Bank for a calculation day falling within the calculation month.

8.5. Procedure for calculating the fee payable to the Auditor

The Auditor receives a fee in accordance with the agreement concluded in an amount not exceeding the annual percentage rate specified in Sub-clause 8.2 of the Prospectus. The amount of the fee payable to the Auditor per year is included in the calculation of the value of the Fund gradually, each day in equal parts. When calculating the amount of the fee payable to the Auditor on the current day, it is assumed that the reporting year of the Fund consists of 365 days.

The fee for the audit of the Fund is accrued and paid to the Auditor of the Fund in accordance with the agreement concluded between the Company and the Auditor.

8.6. Other payments that may be made at the expense of the property of the Fund

In addition to the fees specified, other justified expenses may also be paid out of the assets of the Fund if they are substantiated by appropriate legal and accounting documents and comply with the legal acts of the RL governing the operation of investment funds and of IPS, as well as the procedure for keeping accounting records.

Other expenses include such payments as the fee for the execution of transactions, brokerage commission fees, the fee for the registration of amendments to the Prospectus and/or the Regulations, the fee for the supervision of the Fund and payments equivalent thereto, fees for the holding of FI (including fees for the holding of the assets of the Fund with counterparties), tax certifications, the fee for the inclusion and quotation of Investment Certificates on the lists of stock exchanges, the fee for the registration of financial assets in the name of the Fund or of the Company, the fee for legal and other professional consultations, the costs related to the distribution of the Investment Certificates of the Fund, the costs of acquiring third-party research, including the set subscription fees and fees for research materials, as well as other equivalent costs and the like.

8.7. Other payments covered at the expense of the Investor

The Investor must cover all expenses incurred by the Investor in connection with the acquisition or redemption of Investment Certificates (bank commission fees for operations with FI and settlement accounts, transactions, the holding of the Investment Certificates of the Fund and other costs), as well as, in the event that the Investor fails to make full payment of the price of the Investment Certificates in accordance with the procedure and within the term laid down in the Prospectus, the Investor has a duty to cover all expenses and losses of the Fund incurred as a result of the non-execution of the submitted application for the acquisition of Investment Certificates.

The commission fees referred to in this Sub-clause of the Prospectus are made and covered by the Investor, and the amounts thereof are set by the credit institution or financial institution with which the Investor has opened their FI account and holds their Investment Certificates.

9. AUDITOR

Name:	SIA "BDO ASSURANCE"
Registration number:	42403042353
Legal address:	Kaļķu iela 15-3B, Riga, LV-1050, Latvia
Location:	coincides with the legal address
Licence:	Licence No. 182 of the Latvian Association of Certified Auditors

10. GENERAL INFORMATION ABOUT THE FUND

In accordance with the Law, "Signet Baltic Bond Fund" is an investment fund and operates in accordance with the directly applicable legal acts of the European Union, the Law and other legal acts in force in the RL, and the Custodian Bank agreement.

The Fund is not a legal person.

The Fund is an aggregation of assets constituted by the investments made in exchange for Investment Certificates, as well as the assets acquired in transactions with the property of the investment fund. The rights and obligations established in the Investment Certificates cover the entire property of the Fund.

The property of the Fund is the joint property of the Investors and must be held, recorded and managed separately from the property of the Company, of the other funds managed by it, as well as of the Custodian Bank.

The base currency of the Fund is the Euro, which the Company uses in order to calculate the total investment restrictions of the Fund and the general income and expenses related to the operation of the Fund.

11. PROCEDURE FOR THE SALE, REDEMPTION AND REPURCHASE OF INVESTMENT CERTIFICATES

11.1. Sale of Investment Certificates

The Investment Certificates are offered publicly in the RL, and they may also be offered publicly in other Member States, using Distributors or third parties engaged by them, including counterparties, dealers, information agents and other persons that are entitled to provide services of this type.

The minimum amount of an initial acquisition investment is EUR 100.00. The minimum investment amount of subsequent investments is not restricted.

11.1.1. General provisions

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

The distribution of Investment Certificates in individual states and jurisdictions is restricted by legal acts. A person who acquires Investment Certificates and refers to the Prospectus is fully liable for compliance with the requirements and/or restrictions of the relevant state and jurisdiction. The Prospectus may not be regarded as an invitation to acquire Investment Certificates.

Before acquiring Investment Certificates, we invite the Investor to familiarise themselves with the requirements of the legal acts of their state of residence and with the possible consequences of acquiring the Investment Certificates of the Fund, including in respect of the prevention of money laundering and terrorism and proliferation financing; the provision of investment services and ancillary services, including the suitability and appropriateness of an investment in the Fund to the interests of the Investor; FATCA (the *U.S. Foreign Account Tax Compliance Act*) and CRS (*OECD Standard for Automatic Exchange of Financial Account Information*), as well as with all currency exchange rules in force and applicable taxes. In the event of uncertainties regarding the applicable requirements and/or restrictions, the Investor must consult their legal adviser.

All Investment Certificates are divisible up to 3 (three) decimal places. The rounding of the value of Investment Certificates takes place according to the following principle:

- if the 4th (fourth) decimal place is 4 (four) or less, the 3rd (third) decimal place does not change;
- if the 4th (fourth) decimal place is 5 (five) or more, the 3rd (third) decimal place is increased by 1 (one) unit.

11.1.2. Procedure for the acquisition of Investment Certificates and places for submitting an Order

An application for the acquisition of the Investment Certificates of the Fund may be made by submitting an Order for the acquisition of the Investment Certificates of the Fund to the Distributor or to the Account Holder with which the Investor has an FI account opened. By submitting an Order, the Investor confirms that they have familiarised themselves with the information provided in the Prospectus and in the Regulations, agree to the provisions thereof and recognise these documents as binding on them.

In the acquisition Order, the Investor indicates a specific amount of money in the currency corresponding to the Base Currency of the Investment Fund.

An Order may be submitted in person at the office of the Distributor on any Business Day during the working hours of the office or by using the means of communication accepted by the Distributor, for example, internet banking. At the moment of the approval of the Prospectus, the Distributor of the Investment Certificates of the Fund is Signet Bank AS, Antonijas iela 3, Riga, LV-1013, Republic of Latvia, telephone number +371 67 080 000.

In order to apply for Investment Certificates through the intermediation of an Account Holder, the Investor must have an FI account opened with such Account Holders that are members of Nasdaq CSD or that, by using interbank or central depository correspondent relations, are able to ensure the holding of the Investment Certificates of the Fund in Nasdaq CSD.

If the Investor submits an Order for the acquisition of Investment Certificates through the intermediation of an Account Holder, this Account Holder must ensure and is responsible for the identification of the Investor, including for the assessment of the legal capacity and capacity to act of the representative, for the examination of the source of origin of the funds to be invested in accordance with its own procedures; likewise, the Account Holder is responsible for determining the suitability and/or appropriateness for the potential Investor in accordance with the requirements of the legal acts of the state of residence of the Investor, of the RL or of the relevant foreign state in which the Investment Certificates are sold. The Account Holder transmits the Orders to the Distributor.

When accepting an Order for the acquisition of Investment Certificates from an Account Holder that is a licensed financial institution, the Distributor requests and receives from the Account Holder a confirmation of the performance of the due diligence of Investors in accordance with the applicable regulatory enactments and of the readiness to submit, at the request of the Distributor, information on the results of the due diligence of the Investor performed, and, where

necessary, requests and receives the said information from the Account Holder.

The Distributor transmits the Orders received to the Company, which accepts the Orders for the acquisition of Investment Certificates, recording the time and date of receipt.

The Company requests and receives from the Distributor a confirmation of the performance of the due diligence of Investors in accordance with the applicable regulatory enactments and information on the results of the due diligence of the Investor performed (this also applies to those Investors who have submitted an Order through the intermediation of an Account Holder).

The Company has a duty to execute only those Orders in which all the requested information is correctly indicated, and if a confirmation of the performance of the due diligence of Investors in accordance with the applicable regulatory enactments has been received from the Distributor. The Investor is responsible for the truthfulness and completeness of the information provided. The Company or the Distributor is not liable for the losses of the Investor if they have arisen as a result of the malicious use of the name and account number of the Investor by unauthorised persons.

If the Company has received an Order on a Business Day by 15.00 RL time, the Order is executed at the price of the Investment Certificates calculated as at the day of receipt of the Order. If the Company has received an Order on a Business Day after 15.00 RL time, such an Order is regarded as received on the following Business Day.

The Company executes Orders in the sequence of their receipt.

11.1.3. Settlement procedure

Investment Certificates are issued only in exchange for the payment of their full value in cash.

The Company calculates the number of Investment Certificates in accordance with the amount of money indicated in the Order.

If the Custodian Bank is the holder of the Investment and FI Accounts of the Investor, the Investor must ensure the presence of the amount of money necessary for the acquisition of Investment Certificates in the Base Currency of the Fund in the relevant investment account on the day of submitting the Order; otherwise the Order is regarded as invalid and loses its effect.

The Distributor treats an Order for the acquisition of Investment Certificates as equivalent to an order for the acquisition of FI.

At the order of the Company, the Custodian Bank, not later than within 2 Business Days, issues new Investment Certificates, which are transferred to the FI account of the Investor, simultaneously debiting from the Investment account of the Investor the amount necessary for the acquisition of the Investment Certificates, which is transferred to the investment account of the Fund with the Custodian Bank.

If the accounts of funds and FI of the Investor are held with another Account Holder, the Investor must, following a notification from the Distributor of the receipt and confirmation of the Order, independently give instructions to the Account Holder to make settlements for the acquisition of the Investment Certificates.

Settlements for Investment Certificates are made in the Base Currency of the Fund.

The Investor covers all expenses related to the acquisition of the Investment Certificates (commission fees of the Custodian Bank for servicing, for operations of the Investment account, FI and other accounts). If the Investor, in accordance with the procedure and within the term laid down in this Sub-clause, fails to ensure in their investment account with the Custodian Bank the amount of money necessary for the full payment of the value of the Investment Certificates, the Investor has a duty to cover all expenses, as well as the losses of the Company and of the Fund incurred as a result of the non-execution of the Order for the acquisition of Investment Certificates submitted by the Investor.

11.2. Redemption of Investment Certificates

11.2.1. General provisions

The Investor has the right to request that the Company redeem their Investment Certificates.

The Company redeems Investment Certificates in the sequence of receipt of the redemption Orders.

11.2.2. Procedure for the redemption of Investment Certificates and places for submitting Orders

An Order for the redemption of Investment Certificates may be submitted to the Distributor or to the Account Holder with which the Investor has an FI account opened in which the Investment Certificates are held.

In the redemption Order, the Investor, among other things, must indicate the desired number of Investment Certificates for redemption. A redemption Order in which the Investor has indicated only the amount of money receivable for the Investment Certificates to be redeemed is regarded as incorrectly drawn up, and the Company does not execute such an

Order.

A redemption Order may be submitted in person at the office of the Distributor on any Business Day during the working hours of the office or by using the means of communication accepted by the Distributor, for example, internet banking. If the Investor submits an Order for the redemption of Investment Certificates to an Account Holder, then the Account Holder transmits the Order to the Distributor.

The Distributor transmits all Orders received to the Company, which accepts the redemption Orders, recording the time and date of receipt.

The Company has a duty to execute only those redemption Orders in which all the information specified in this Sub-clause is correctly indicated. The Investor is responsible for the truthfulness and completeness of the information provided. The Company or the Distributor is not liable for the losses of the Investor caused by the incorrect or incomplete drawing up of an Order.

A redemption Order is executed in the following manner:

- if the Order has been received by the Company on a Business Day by 15.00 RL time – at the redemption price of the Investment Certificates determined as at the second Business Day after the day of receipt of the Order;
- if the Order has been received by the Company on a Business Day after 15.00 RL time – at the redemption price of the Investment Certificates determined as at the third Business Day after the day of receipt of the Order.

11.2.3. Settlement procedure

Settlements for the redemption of Investment Certificates are made in the Base Currency of the Fund.

The Distributor treats a redemption Order as equivalent to an order for the sale of FI.

If the Custodian Bank is the holder of the investment and FI Accounts of the Investor, the Investor must ensure the presence of the number of Investment Certificates necessary for the redemption in their FI account on the day of submitting the redemption Order; otherwise the redemption Order is regarded as invalid and loses its effect.

If the investment and FI account of the Investor is held with another Account Holder, the Investor must independently give instructions to the Account Holder to make settlements for the redemption of the Investment Certificates.

Investment Certificates are withdrawn from circulation only after the receipt of a redemption Order and the crediting of the Investment Certificates to the issue account of the Fund with the Custodian Bank.

The Company calculates the amount of money corresponding to the number of Investment Certificates indicated in the redemption Order and gives instructions to the Custodian Bank to cancel the Investment Certificates.

Following the instruction of the Company, the Custodian Bank cancels the Investment Certificates not later than within 2 Business Days, debiting them from the FI account of the Investor and simultaneously crediting to the investment account of the Investor an amount of money corresponding to the number of Investment Certificates to be redeemed, by transferring it from the investment account of the Fund.

In extraordinary cases, the Company reserves the right to extend the settlement term for the redemption of Investment Certificates up to 20 Business Days. Extraordinary cases are regarded as cases where an Investor or a group of Investors submits, within 3 Business Days, redemption Orders for an amount exceeding 20% of the Net Asset Value of the Fund, and the execution thereof may materially affect the interests of the other Investors, or where the operation of the financial markets in which the investments of the Fund exceed 10% of the assets of the Fund is closed or suspended, or where any Other risk or force majeure risk has occurred.

The Investor covers all expenses related to the redemption of the Investment Certificates (commission fees of the Custodian Bank for servicing, for operations of the settlement account, FI and other accounts).

After the withdrawal of the Investment Certificates from circulation, all rights arising from the Investment Certificates terminate for the Investor, except for the right of claim in the amount of the redemption price of the Investment Certificates.

11.3. Procedure for the repurchase of Investment Certificates

If, through the fault of the Company, the Prospectus and the documents appended thereto contain incorrect or incomplete information that is of material significance for the valuation of the Investment Certificates, the Investor has the right to request that the Company repurchase their Investment Certificate and compensate them for all losses incurred for this reason.

A claim must be brought within 6 months from the day on which the Investor became aware that the information is incorrect or incomplete, but not later than within 3 years from the day of acquisition of the Investment Certificate.

A claim for the repurchase of Investment Certificates may be submitted by the Investor to the Company in writing to the address of the Company indicated in the Prospectus, appending documents confirming that the Investor has incurred losses through the fault of the Company by indicating inaccurate and incomplete data in the Prospectus and in the documents appended thereto that are of considerable significance for the valuation of the Investment Certificates.

The Company may temporarily discontinue the repurchase of Investment Certificates in extraordinary cases where this is not possible as a result of force majeure due to circumstances beyond the control of the Company and of the Fund. The repurchase of Investment Certificates may be suspended in cases where the LB exercises its rights to restrict the rights of the Company to dispose of the property of the Fund. The repurchase of the Investment Certificates of the Fund may not be carried out in the event of the liquidation of the Fund – in the event of the liquidation of the Fund, the claims of the creditors and Investors of the Fund are satisfied in accordance with the procedure laid down in the legal acts of the RL.

11.4. Circumstances due to which the redemption and repurchase of Investment Certificates may be suspended

In the event of an extraordinary situation in the financial markets, which includes, among other things, such cases where stock exchanges, banks, brokerage firms are temporarily closed or where, for any other reason, it is not possible to carry out transactions with FI, or due to the occurrence of any other force majeure circumstances, the Company may, for the duration of these circumstances, suspend trading in the Investment Certificates of the Fund. The Company informs each Investor personally without delay or publishes a corresponding notice on the internet website of the Distributor www.signetbank.com.

The redemption and repurchase of Investment Certificates may be suspended in the event that the LB exercises its rights to restrict the rights of the Company to dispose of the accounts of the Fund, as well as in the event of the liquidation of the Fund.

The redemption and repurchase of Investment Certificates may not be carried out after the commencement of the liquidation of the Fund.

In the event of the liquidation of the Fund, the claims of creditors and Investors are satisfied in accordance with the procedure provided for in the legal acts of the RL.

12. METHODS AND FREQUENCY OF CALCULATING THE PRICE OF INVESTMENT CERTIFICATES

12.1. Sale (issue) price of Investment Certificates

The sale price of an Investment Certificate is equal to the value of the Investment Certificate determined as at the day of receipt of the Order for the acquisition of Investment Certificates.

The value of the Fund, the value of an Investment Certificate and the sale price are variable and are determined each Business Day. Information on the value of the Fund and on the value of an Investment Certificate determined for the previous Business Day is available at the office of the Company and of the Distributor, or by calling the telephone numbers of the Company or of the Distributor during their working hours. This information is also published on the website of the Distributor www.signetbank.com each Business Day by 13.00 RL time.

12.2. Redemption price of Investment Certificates

The redemption price of an Investment Certificate is equal to the value of the Investment Certificate determined for the day after next following the day on which the Company received the Order for the redemption of Investment Certificates, reduced by the Commission fee, if the reduction is applicable in accordance with Clause 8.1.

The commission fee for the redemption of an Investment Certificate is calculated as a percentage (specified in Sub-clause 8.1 of the Prospectus) of the value of the Investment Certificates to be redeemed.

The redemption price of Investment Certificates is variable and is determined each Business Day simultaneously with the value of an Investment Certificate.

The redemption price of Investment Certificates is paid in the Base Currency of the Fund.

Information on the value of the Fund and on the value of an Investment Certificate determined for the previous business day is available at the office of the Company and of the Distributor, or by calling the telephone numbers of the Company or of the Distributor during their working hours. This information is also published on the website of the Distributor www.signetbank.com each Business Day by 13.00 RL time.

13. PRINCIPLES AND RULES FOR DETERMINING THE VALUE OF THE FUND

13.1. General principles for determining the value of the Fund

The accounting records of the Fund are kept on the basis of the Law, other legal acts in force in the RL and the regulations of the LB.

The International Accounting Standards are applied for the valuation of the items of the financial statements.

The valuation of the assets of the Fund is carried out in accordance with the following general accounting principles:

- **the going concern principle** – it is assumed that the Fund will continue to operate and that the Fund Manager has no intention or need to terminate the operation of the Fund or to significantly reduce the volume of the operation of the Fund;
- **the principle of consistency or permanence** – the same accounting and valuation methods are applied consistently;
- **the principle of prudence** – the valuation is carried out in all cases with due prudence;
- **the accrual principle** – income and expenses are reflected as at the moment of determining the value of the Fund, irrespective of the date of receipt or payment;
- **the materiality principle** – all material information on transactions and events is reflected at the moment of determining the value of the Fund;
- **the items of the assets and liabilities of the Fund and the components thereof are valued separately;**
- **the principle of the economic substance of a transaction** – the transactions and other events of the Fund are reflected according to their substance, in accordance with their economic content and financial substance, and not merely according to their legal form.

The Company may depart from the aforementioned principles only for justified reasons, the substance of which and the impact of which on the financial situation of the Fund and the results of its operation are explained in the notes to the financial statements.

Transactions and events in the operation of the Fund are reflected in the financial statements taking into account their economic content and substance, and not merely their legal form.

Transactions of the purchase and sale of assets are recorded on the settlement date. The Company applies the settlement date principle. The chosen method is applied consistently.

The determination of the valuation value of the FI of the Fund takes place each Business Day. For the determination of the valuation value of the FI of the Fund, the information quotation provided by the system of the Custodian Bank at the end of the previous trading day is used.

FI that are liquid but for which it is not possible to obtain quotations in an information system may be valued using the quotations offered by the counterparties of the Company or by other financial market participants.

13.2. Procedure and methods for the valuation of the assets of the Fund

The Company recognises or, accordingly, ceases to recognise the purchase or sale of financial assets using settlement date accounting.

The financial assets and financial liabilities of the Fund are classified into the following categories:

- **financial assets or financial liabilities measured at fair value through profit or loss**

Financial assets or financial liabilities measured at fair value through profit or loss are such financial assets or financial liabilities that have been acquired mainly with the aim of selling or repurchasing them in the near future;

- **financial assets measured at amortised cost**

Assets measured at amortised cost are non-derivative financial assets with a fixed or determinable payment schedule and a fixed maturity in respect of which the Fund Manager has a positive commitment and the ability to hold them until maturity.

Debt securities and Money Market Instruments measured at amortised cost are measured at amortised value using the current effective interest rate method.

- **loans and receivables**

Loans and receivables are non-derivative financial assets with a fixed or determinable payment schedule that are not quoted in an active market.

13.3. Initial recognition of the financial assets and liabilities of the Fund

Upon the initial recognition of financial assets, liabilities or a group of assets and liabilities, they are measured at acquisition value, which, in the case of financial assets, is the fair value of the consideration given for them and, in the case of financial liabilities, of the consideration received for them. Transaction costs that are directly attributable to the acquisition of financial assets or financial liabilities are included in the acquisition value of the financial assets and financial liabilities.

13.4. Valuation techniques for the financial assets and liabilities of the Fund

The value of the liabilities is calculated by summing up all the payments attributable at the expense of the Fund, including the fees payable out of the property of the Fund to the Company, the Custodian Bank, the Auditor and third parties, the liabilities arising from the borrowings of the Fund and other liabilities.

Valuation techniques are used in order to estimate the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants under the market conditions existing at the measurement date.

For the valuation of the assets and liabilities of the Fund, the Company uses the following valuation techniques:

- **the market approach** – a fair value measurement method using prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities, or a group of assets and liabilities;
- **the income approach** – a fair value measurement method based on a discounted cash flow model;
- **the cost approach** – a valuation technique that reflects the amount that would be required at a given time to replace the service capacity of an asset (often referred to as current replacement cost).

13.5. Determination of the fair value of the financial assets and liabilities of the Fund

In order to measure fair value, the Company determines:

- the particular asset or liability that will be measured (in accordance with the relevant unit of account);
- the principal (or most advantageous) market for the asset or liability;
- the valuation technique(s) most appropriate to the particular situation for determining the fair value of the asset or liability.

The valuation techniques used for measuring fair value are applied consistently. However, it is appropriate to change a valuation technique or the application thereof if, as a result of the change, the measurement will show fair value equally or more representatively in the particular circumstances. In accordance with the particular situation, the valuer may use one valuation method or a combination of several valuation methods.

When carrying out the measurement, the Company examines all possible markets for FI in order to determine the principal market or, where there is no principal market, the most advantageous market, using the available sources of information.

Unless there is evidence to the contrary, the Company considers that the market in which transactions are normally concluded is the principal market or, where there is no principal market, the most advantageous market. If an asset or liability has a principal market, the fair value measurement shows the price in that market (irrespective of whether that price is directly measurable or is estimated using another valuation technique), even if the price in another market is potentially more advantageous at the measurement date.

The Company considers that, when measuring fair value on the basis of the data of market participants, the market participants act in accordance with best market practice and their best economic interests.

The price in the principal (or most advantageous) market used for measuring the fair value of an asset or liability is not adjusted to take account of transaction costs.

In the event that an FI is quoted on a stock exchange, the Company applies the last available registered stock exchange transaction price that is not older than 3 months. If no transaction has taken place on the stock exchange, the Company applies the bid price at the close of the stock exchange session. If no transaction has taken place on the stock exchange for debt financial instruments and the closing bid price of the stock exchange is not quoted, the Company calculates the value of the debt FI using the last available transaction yield indicator (*YTM – yield to maturity*) or the yield indicator of the last closing price of the day that is not older than 3 months.

In the event that an FI is not quoted on a stock exchange, or the last known price does not reflect the actual market situation (it is not possible to sell the existing volume at the last known price; the period since the last price quotation on a registered stock exchange is longer than 3 (three) months and in other similar cases), or it is not included in the lists of a stock exchange at all, the Company determines the value using the price of equivalent FI quoted by market participants. If the price quoted by market participants is also not available, the Company measures their fair value

prudently and in good faith, using the measurement method most appropriate to the particular situation.

In the event that the income of a security is paid in the form of a coupon and its price does not include the accrued coupon, it is added in an amount corresponding to the period of time from the starting date of the calculation of the coupon until the day of calculation of the value of the Fund, taking into account the method of calculating the coupon of the debt security.

Deposits with a credit institution are classified as financial assets held until maturity and are measured at the principal amount of the deposit, adding the accrued portion of interest calculated from the last interest payment day until the day of calculation of the value of the Fund.

The value of the investment certificates of an IF or of the investment certificates (shares) of equivalent undertakings for collective investment is determined on the basis of the last available redemption price of an investment certificate of the IF as at the day of calculation of the value of the Fund.

13.6. Accounting for income and expenses

Income and expenses relating to the reporting period are reflected in the statement of income and expenses of the Fund irrespective of the date of receipt or payment thereof. Accrued revenue is included in the statement of income and expenses of the Fund only if there are no doubts as to the receipt thereof.

13.7. Frequency of determining the value of the Fund and disclosure of information

The value of the Fund, or the Net Asset Value of the Fund, is the difference between the value of the assets and the value of the liabilities of the Fund.

The value of an Investment Certificate is the value of the Fund divided by the number of Investment Certificates issued but not redeemed, that is, in circulation.

The Company determines the value of the Fund and the value of an Investment Certificate of the Fund each Business Day.

The value of the Investment Certificates of the Fund is disclosed on the following Business Day by 13.00 RL time.

The Company provides public information on the Net Asset Value of the Fund and on the value of an Investment Certificate of the Fund by the telephone numbers of the Company indicated in the Prospectus, at the office of the Company or of the Distributor, as well as on the website of the Company www.signetbank.com.

In the event that the first and the last year of operation of the Fund is shorter than a calendar year, the Company has the right to determine the length of the reporting period in accordance with the existing practice of the financial statements of investment funds.

14. DISTRIBUTION OF THE INCOME OF THE FUND

All income obtained during the investment activity of the Fund is reinvested in accordance with the investment policy of the Fund.

The income of the Investor is reflected in the increase or decrease in the net value of an Investment Certificate.

Investors participate in the distribution of the income obtained from the results of the operation of the Fund in proportion to the number of Investment Certificates belonging to each Investor.

The Investor may receive income from the operation of the Fund in the form of funds only by requesting the Company to redeem the Investment Certificates belonging to them and/or by selling them.

The income of the Fund is paid out in the Base Currency of the Fund.

15. BEGINNING AND END OF THE REPORTING YEAR OF THE FUND

The reporting period of the Fund consists of 12 months and coincides with the reporting period of the Company. The reporting period begins on 1 January of each calendar year and ends on 31 December of the calendar year.

16. MANAGEMENT COMPANY OF THE FUND

16.1. Details of the investment management company

Business name / Name: Signet Asset Management Latvia IPS

Signet Asset Management Latvia IPS / Registration No. 40103362872

K4 / NOT.052 / SAM / 02 / 22.02.2026. 24/29

Legal address: Antonijas iela 3-1, Riga, LV-1010
Telephone: +371 67 081 031
E-mail: info@signetam.com
Date of registration: 30.12.2010.
Unified registration number: 40103362872

Licence for the provision of investment management services No. 06.03.07.439/317.

The amount of the registered and paid-up capital of the Company is EUR 1 577 020.

The sole shareholder of the Company, which owns 100% of the capital shares, is Signet Bank AS, unified registration number: 40003043232.

16.2. Supervisory Board of the Company

The Supervisory Board is a body elected by the shareholders which, at the moment of the approval of the Prospectus, consists of 3 persons.

Composition of the Supervisory Board:

- 1) Sergejs Zaicevs, Chairman of the Supervisory Board;
- 2) Reinis Zauers, Deputy Chairman of the Supervisory Board;
- 3) Serge Umansky, Member of the Supervisory Board.

16.3. Management Board of the Company

The Management Board is the executive body of the Company elected by the Supervisory Board of the Company, consisting of 3 persons.

Composition of the Management Board:

- 1) Pēteris Stepiņš, Chairman of the Management Board;
- 2) Harijs Beķeris, Member of the Management Board;
- 3) Ilze Akmentiņa, Member of the Management Board.

16.4. Fund Manager

The Management Board of the Company appoints the Fund Managers, who are responsible for the performance of their functions. The Fund Manager is entitled to give orders concerning the property of the Fund in accordance with the Prospectus and the Regulations, the decisions of the Management Board of the Company and the procedure laid down in the legal acts of the RL in force.

The Fund Manager is Harijs Beķeris.

A Fund Manager may work only in one IPS and may manage several funds that are managed by one IPS.

The Fund Manager carries out continuous research of the financial market with the aim of identifying investment objects that comply with the investment policy of the Fund and the investment criteria of the Company. Before taking an investment decision, the Fund Managers take into account the current state of the macroeconomic and financial market sentiment and the possible impact of the future outlook thereof on the chosen investment object.

16.5. Other funds managed by the Company

The investment funds "Signet Bond Fund", "Signet Sustainability Promoting Fund".

16.6. Rights, obligations and liability of the Company related to the management of the Fund

Rights

The Company, in its own name and at the expense of the Investors, disposes of the property of the Fund and of the rights arising therefrom, investing in assets in accordance with the Prospectus.

In providing management services, the Company must act as an honest and diligent owner. The Company acts solely in the interests of the Investors.

When carrying out activities related to the management of the Fund, the Company does not require the consent of the Investors.

The Company has the right to receive a fee for the management of the Fund.

The Company has the right to establish and manage several funds.

Obligations

The Company has a duty to bring, in its own name, the claims of Investors before a court against the Custodian Bank or third parties if such circumstances arise. However, this does not restrict the rights of the Investors to bring such claims in their own name.

In the cases provided for in the legal acts of the RL, the Company has a duty, on its own initiative or at the request of the Investors, to convene a general meeting of the Investors.

Liability

The Company has no right to invest its funds in another IPS, or to acquire investment certificates of a fund managed by the Company.

The Company is liable for the losses incurred by the Investors through the fault of the officials authorised in the Company, by violating the legal acts of the RL, the provisions of the Prospectus or of the Regulations, as a result of the malicious use of the trust obtained and the negligent performance of their duties.

The Company is responsible for keeping the accounting records of the Fund and for the preparation of the annual and semi-annual reports. The Company is entitled to delegate the keeping of the accounting records of the Fund to an authorised person, for whose activity the Company is liable.

The Company keeps the accounting records of the Fund separately from the recording of the property of the Company and of the other investment funds managed by the Company.

17. CUSTODIAN BANK

17.1. Details of the Custodian Bank

Business name / Name:	Signet Bank AS
Legal address:	Antonijas iela 3, Riga, LV-1010, Latvia
Location:	coincides with the legal address
Telephone:	+371 67 080 000
E-mail:	info@signetbank.com
Unified registration number:	40003043232
Date of registration:	06.12.1991.
In the Commercial Register:	24.09.2004.
Licences:	Licence for the operation of a credit institution No. 06.01.05.010/546.

17.2. List of the obligations of the Custodian Bank

17.2.1. To hold the property of the Fund in accordance with the Law and the Custodian Bank agreement.

17.2.2. To ensure that the issue, sale, redemption, cancellation and annulment of the Investment Certificates of the Fund takes place in accordance with the Law, the Prospectus and the Regulations.

17.2.3. To ensure that the value of the Investment Certificates of the Fund is calculated in accordance with the Law, the regulations of the LB, the Prospectus and the Regulations.

17.2.4. To execute the orders of the Company or the orders of the persons authorised by the Company if they are not contrary to the Law, the regulations of the LB, the Prospectus, the Regulations and the Custodian Bank agreement.

17.2.5. To ensure that the income of the Fund is used in accordance with the Law, the Prospectus and the Regulations.

17.2.6. To ensure that, in transactions with the property of the Fund, the consideration to the Fund is paid in a timely manner.

17.2.7. In the event of the merger of Investment Funds, to certify that the information about the Fund required by the Law that is included in the merger plan, in respect of which it performs the functions of the Custodian Bank, complies with the requirements of the Law, of the Prospectus and of the Regulations.

17.2.8. At the request of the LB, to provide the information that the Custodian Bank has received in performing the duties of the Custodian Bank of the Fund.

The Custodian Bank has a duty to bring, in its own name, the claims of Investors against the Company if the relevant circumstances so require. This does not restrict the rights of the Investors to bring such claims in their own name.

The Custodian Bank has a duty to bring a counterclaim in the event that, in connection with its obligations, recovery is directed against the property of the Fund.

The Custodian Bank has developed policies and procedures for the management of conflict of interest situations. The system for the management and prevention of conflicts of interest is based on a pre-emptive approach, that is, the circumstances that may cause Conflict of interest situations are identified in a timely manner, and measures are taken that initially prevent the possibility of a Conflict of interest arising. The Investor may familiarise themselves with the full policy for the management of conflict of interest situations on the internet website of the Custodian Bank <https://signetbank.com/par-mums/> or on its office premises during working hours, where it can be received upon request in paper form free of charge.

17.3. Rights of the Custodian Bank

The Custodian Bank acts independently of the Company and solely in the interests of the Investors.

The Custodian Bank has the right to receive a fee for the provision of the services laid down in the Custodian Bank agreement. The fee of the Custodian Bank is covered out of the property of the Fund on the basis of an order of the Company in accordance with the Custodian Bank agreement.

The Custodian Bank may hold FI or other assets of the Fund with a third party if there is a justified reason for this, it is provided for in the Custodian Bank agreement and the requirements of the Law are observed.

The Custodian Bank is prohibited from transferring to third parties the obligations laid down in Sub-clauses 17.2.2-17.2.6 and the recording and entry of the funds of the Fund in the cash accounts of the Fund opened in accordance with the provisions of Paragraph four of Section 41 of the Law.

The holding with third parties of the assets of the Fund transferred to the Custodian Bank for holding does not release the Custodian Bank from the liability provided for in the Law and in the Custodian Bank agreement.

17.4. Liability of the Custodian Bank

The Custodian Bank is fully liable to the Fund, the Investors and the Company for the losses caused if the Custodian Bank has intentionally violated the law or the Custodian Bank agreement or has performed its duties negligently.

The Custodian Bank is liable to the Fund and to the Investors for the loss of such FI as are held with the Custodian Bank or with a third party.

In the event of the loss of FI, the Custodian Bank, without delay and as soon as possible, replaces the FI lost to the Fund and to the Investors with FI of the same category, with other FI that are equivalent in value and liquidity to the lost FI, or pays compensation in cash corresponding to the value of the lost FI. The amount of the compensation is determined in accordance with the carrying value of the FI belonging to the Fund on the day on which the irreversible loss of the FI was established.

The Custodian Bank is not liable to the Fund or to the Investors for the loss of such FI as are held with the Custodian Bank or with a third party if the Custodian Bank is able to prove that the loss arose due to such external circumstances as the Custodian Bank was unable to influence by reasonable means and the consequences of which would have been unavoidable notwithstanding efforts to achieve the contrary by reasonable means.

If the Custodian Bank has given its consent to a transaction that does not comply with the provisions of the Law, or has not submitted a claim regarding a violation of the provisions of the Law, the Custodian Bank and the Company are jointly and severally liable for the losses caused to the Fund.

The liability of the Custodian Bank laid down in this Sub-clause may not be excluded or restricted by agreement. Any agreement that is contrary thereto is void from the moment of its conclusion.

18. MANNER AND PROCEDURE FOR RECEIVING THE ANNUAL AND SEMI-ANNUAL REPORTS

Investors may receive the annual and semi-annual reports of the Fund at the office of the Company: Antonijas iela 3-1, Riga, LV-1010, Latvia, on business days from 9.00 to 17.30 RL time, or on the website of the Company on the internet <https://signetbank.com/par-mums/signet-asset-management-latvia/>.

19. REMUNERATION POLICY OF THE COMPANY

Information on the remuneration policy of the Company has been prepared in accordance with Regulation No 575/2013 and Regulation No 324 of the LB “Regulations on the remuneration policy and practice of alternative investment fund managers and investment management companies”. The remuneration policy for positions affecting the risk profile lays down the basic principles of remuneration for positions affecting the risk profile, the indicators for determining the variable part of remuneration, the conditions for the payment of the variable part of remuneration, the procedure for carrying out checks on compliance with the remuneration policy for positions affecting the risk profile, the procedure for disclosing information on the remuneration policy, as well as the responsibility of the structural units in the area of ensuring the implementation of and compliance with the remuneration policy.

The remuneration policy for positions affecting the risk profile creates such a remuneration system for positions affecting the risk profile as ensures the attraction and motivation of employees with appropriate qualifications, while at the same time not encouraging excessive risk-taking and not rewarding these employees for short-term results, but rather assessing the long-term impact of the decisions taken and the transactions carried out by them.

The current remuneration policy of the Company is available on the internet website of the Company <https://signetbank.com/par-mums/signet-asset-management-latvia/> and it may be received upon request in paper form free of charge at the office of the Company.

20. PROCESSING OF PERSONAL DATA

The Company and the Custodian Bank process Personal Data in accordance with the regulatory enactments in force in the RL and the Privacy Policy. Personal Data are processed solely for the purpose of managing the Fund.

The Company and the Custodian Bank act as controllers of the Personal Data. If third parties are involved in the processing, the Company ensures that appropriate data processing agreements have been concluded.

Personal Data may include data relating to the Investor, the representative of the Investor, the beneficial owner or other third parties.

The Company and the Custodian Bank implement appropriate technical and organisational measures in order to protect Personal Data against unauthorised access, loss, destruction or disclosure.

Personal Data will be retained only for as long as is necessary for achieving the objectives laid down in the Prospectus or in accordance with the regulatory enactments in force in the RL. Thereafter they will be securely deleted or anonymised.

The Investor has the right to access, rectify or erase Personal Data, or to restrict or object to the processing thereof, observing the requirements arising from the Prospectus or from the regulatory enactments in force in the RL.

Any transfer of Personal Data outside the European Economic Area is subject to appropriate security measures.

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ANNEX. DESCRIPTION OF THE PREVIOUS PERFORMANCE OF THE FUND

Financial indicators

EUR	31.12.2025.
Net assets, EUR	7 209 845.23
Number of Investment Certificates	68 664.359
Value of an Investment Certificate, EUR	105.001

Dynamics of the value of an Investment Certificate

Period	31.12.2025./ 09.05.2025.
Increase / decrease in the value of an Investment Certificate	+5.00%

The past performance indicators of the Fund do not determine the future results of the operation of the Fund. Historical dynamics do not guarantee similar dynamics in the future. The value of the Fund may increase or decrease, and the Investor must take into account that, by investing in the Investment Certificates of the Fund, they may receive back less than they have invested.