

## OFFER DOCUMENT

### Private Capital Alternative Investment Fund Agricultural Fund

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Authorized by the FSA under Authorization no. 6/16.02.2023

Registered with the FSA Register under no. CSC09FIAIPCP/400002

**Fund managed by  
Atlas Asset Management SA**

website: [www.atlas-am.ro](http://www.atlas-am.ro)

e-mail: [contact@atlas-am.ro](mailto:contact@atlas-am.ro)

*Investments in alternative investment funds are not bank deposits, and banks, if they are shareholders of an alternative investment fund manager, do not offer any guarantee to the investor regarding the recovery of the invested amounts.*

*The A.I.F. authorization does not imply in any way the approval or assessment by the F.S.A. of the quality of the investment in those securities.*

*Investments in the A.I.F. have not only specific advantages/benefits but also risks associated with the achievement/non-achievement of the investment strategy/policy and of the investment objective of the A.I.F., including the risk of losses for investors, the value of the investment being, as a rule, pro-rata to the risk undertaken.*

*Investors who join the A.I.F. benefit from rights and obligations only within the value limits and in the percentage of the A.I.F. assets held.*

*This A.I.F. is aimed at professional investors with an advanced degree of financial knowledge. Securities issued by the A.I.F. can also be distributed to retail investors, given that the A.I.F.'s incorporation documents comply with the conditions set out in art. 56, para. (4) of Law 243/2019.*

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## DEFINITIONS

The definitions below shall apply to the entire document, unless the context involves another interest:

<b><i>"Alternative Investment Fund Manager (AIFM)"</i></b>	A.I.F. manager, as defined at art. 3 item 2 of Law no. 74/2015, as amended and supplemented, i.e. any legal entity whose main activity is the management of one or several AIF
<b><i>"FSA"</i></b>	Financial Supervisory Authority in Romania
<b><i>"NBR"</i></b>	National Bank of Romania
<b><i>"Main Broker"</i></b>	Broker as defined in art. 3, item 10 of Law 74/2015, i.e. a credit institution, regulated investment firm or other entity subject to prudential regulation and ongoing supervision, which provides services to professional investors, in particular for the financing or execution of transactions in financial instruments as a counterparty, and which may also provide other services, such as clearing and settlement of transactions, custody services, securities lending, customized technological and operational support services
<b><i>"Fiscal code"</i></b>	Law no. 227/2015 on the Fiscal code, in force as of 1 January 2016, republished, as amended and supplemented
<b><i>"Depository"</i></b>	BRD - GROUPE SOCIETE GENERALE S.A. with the registered office in BUCHAREST, sector 1, Turn BRD, Bdul. Ion Mihalache nr. 1-7, registered with the Trade Register under no. J40/608/1991, sole registration code 361579, registered with the Bank register under no. RB-PJR-40-007/1999 registered with the FSA Register under no. PJR10DEPR/400007 of 09.12.2003. The Depository may be contacted by phone at 021.200.83.72; fax 021.200.83.73; webmail <a href="http://www.brd.ro">www.brd.ro</a>
<b><i>"Directive 2011/61/EU"</i></b>	Directive 2011/61/EU on alternative investment fund managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) no. 1060/2009 and (EU) no. 1095/2010, as amended and supplemented
<b><i>"Open-ended Alternative Investment Funds"</i></b>	A.I.F. as defined in art. 1 para. (3) of Regulation (EU) no. 694/2014, i.e. an AIF whose units are, at the request of any of the unit-holders of the AIF, repurchased or redeemed before the start of the liquidation or winding-up phase, directly or indirectly, out of the assets of the AIF and in accordance with the procedures and frequency set out in the instruments of incorporation
<b><i>"Retail investor A.I.F."</i></b>	A.I.F. that may draw resources from retail investors and/or professional investors ( <b><i>R.I.A.I.F.</i></b> )
<b><i>"Professional investor A.I.F."</i></b>	A.I.F. that draws financial resources exclusively from professional investors or from retail investors that request their classification as professional investors ( <b><i>P.I.A.I.F.</i></b> )
<b><i>"C.A.I.F."</i></b>	AIF defined under art. 6 item 1 of Law 243/2019, respectively entities without legal personality, incorporated under a contract as simple companies, without legal personality, according to the provisions of the Civil code
<b><i>"Group"</i></b>	The group defined at art. 2 para. (1) item 12 of Law no. 24/2017 on issuers of financial instruments and market operations, hereinafter referred to as Law no. 24/2017, respectively a parent-company and all its subsidiaries
<b><i>"Professional Investors"</i></b>	Professional clients, as defined in Article 3 para. 1 item 9 and presented in Annex 2 of Law 126/2018
<b><i>"Retail Investors"</i></b>	Clients that are not Professional Investors
<b><i>"Law 31/1990"</i></b>	Companies Law no. 31/1990, republished, as amended and supplemented

<b>"Law 74/2015"</b>	Law 74/2015 on managers of alternative investment funds, as amended and supplemented.
<b>"Law 126/2018"</b>	Law no. 126/2018 on financial instruments markets, as amended and supplemented
<b>"Law 24/2017"</b>	Law no. 24/2017 on issuers of financial instruments and market operations, as amended and supplemented
<b>"Law 297/2004"</b>	Law no. 297/2004 on capital market, as amended and supplemented
<b>"Law 243/2019"</b>	On the regulation of alternative investment funds and for the amendment and supplementation of certain regulatory acts, as amended and supplemented
<b>"N.T.R.O. "</b>	National Trade Register Office
<b>"U.C.I.T.S "</b>	Undertakings for the collective investment in transferable securities
<b>"Regulation 7/2020"</b>	The FSA Regulation no. 7/2020 on the management of alternative investment funds, as amended and supplemented
<b>"General Data Protection Regulation (GDPR)"</b>	Regulation EU 679/2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC
<b>"Regulation (EU) 694/2014"</b>	Regulation supplementing Directive 2011/61/EU of the European Parliament and of the Council as regards regulatory technical standards for establishing types of alternative investment fund managers
<b>"Regulation (EU) 231/2013"</b>	Regulation (EU) no. 231/2013 of the Commission supplementing Directive 2011/61/EU of the European Parliament and of the Council as regards exemptions, general operating conditions, warehousing, leverage, transparency and supervision, and other related regulations, as amended and supplemented
<b>"S.A.I. Atlas Asset Management S.A. (A.I.F.M.) "</b>	S.A.I. ATLAS ASSET MANAGEMENT S.A., company registered with the Trade Register Office under no. J40/15700/15.09.2008, sole registration code 24467322, having the registered office in Bucharest, sector 1, Soseaua Bucuresti-Ploiesti, nr. 7A, Etaj 6 biroul 1, tel: 021 3617821; fax: 021 3617822; e-mail contact@atlas-am.ro, website <a href="http://www.atlas-am.ro">www.atlas-am.ro</a> , registered with the FSA Register under no. PJ307.1A.F.I.AA/400006 as alternative investment fund manager and registered with the FSA Public Register under no. PJRO5SAIR/400030 as investment management company
<b>Real estate asset</b>	An existing building, the completion of which is certified based on a works or land acceptance protocol;
<b>"F.I.A. securities or fund units"</b>	Equity securities as defined in art. 3, item 45 of Law no. 74/2015, shares or fund units issued by the AIF depending on the legal form in which the AIF is incorporated - either according to articles of incorporation, or according to a memorandum of association
<b>"Working day"</b>	day of the working week (Monday-Friday), except days off as provided by the Labour Code as public holidays, days off established by the Romanian Government, as well as other days on which market/system operators authorized by the F.S.A. decide not to operate managed trading venues.
<b>"NAV"</b>	net accounting value
<b>"NAVU"</b>	net asset value per unit

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**CHAPTER 1 INFORMATION on the ALTERNATIVE INVESTMENT FUNDS MANAGER**

**(1) Identification data of the alternative investment funds manager**

- a) **The private capital Alternative Investment Funds Agricultural Fund** is managed by S.A.I. Atlas Asset Management S.A., a company incorporated under the provisions of Law 31/1990 for an indefinite period, registered with the Trade Register Office under no. J40/15700/15.09.2008, sole registration code 24467322, having the registered office in Bucharest, sector 1, Soseaua Bucuresti-Ploiesti, nr. 7A, Etaj 6 biroul 1, tel: 021 3617821; fax: 021 3617822; e-mail [contact@atlas-am.ro](mailto:contact@atlas-am.ro), website [www.atlas-am.ro](http://www.atlas-am.ro).
- b) The A.I.F.M. was authorized by the FSA as (i) investment management company under Decision no. 607/14.04.2009 and was registered with the FSA Public register for SAI under no. PJRO5SAIR/400030 and as (ii) alternative investment funds manager under the Authorization no. 44/15.02.2018 and registered with the FSA Public Register for A.I.F.M. under no. PJR07.1A.F.I.AA/400006.
- c) S.A.I Atlas Asset Management S.A. has no secondary offices.
- d) S.A.I. ATLAS ASSET MANAGEMENT S.A. manages the investment funds below:
  1. FDI Audas Piscator, registered with the FSA Public Register under no. CSC06FDIR/400060;
  2. FDI Piscator Equity Plus, registered with the FSA Public Register under no. CSC06FDIR/400071;
  3. FDI Monolith, registered with the FSA Public Register under no. CSC06FDIR/400077;
  4. FIA Hermes, registered with the FSA Public Register under no. CSC09FIAR/400014;
  5. FIA Herald, registered with the FSA Public Register under no. CSC09FIAR/400017;
  6. FIA DCP Investitii, registered with the FSA Public Register under no. CSC09FIAR/400015;
  7. FIA Alchemist, registered with the FSA Public Register under no. CSC09FIAP/400011;
  8. FIA Michelangelo, registered with the FSA Public Register under no. CSC09FIAR/400016.
- e) The object of activity of S.A.I. Atlas Asset Management S.A. is the management of undertakings for the collective investment in transferable securities and the management of alternative investment funds established in Romania or in another Member State.
- f) S.A.I. Atlas Asset Management S.A. does not carry out individual investment portfolio management activities of natural persons or legal entities.

**(2) The value of the capital subscribed and paid by the A.I.F.M. is lei 910,000.**

**(3) Members of the management and administration bodies of the A.I.F.M., professional experience thereof and persons replacing the managers:**

- a) The Board of Directors of the A.I.F.M. consists of the members below:
  - 1) Mr. Liviu-Stefan Arnautu – Chairman of the Board of Directors;
  - 2) Mr. Dragos Balaci – Executive Member of the Board of Directors;
  - 3) Mr. Petre Terzi - Non-executive Member of the Board of Directors.
- b) The A.I.F.M. management consists of:
  - 1) Mr. Dragos Balaci – General Manager;
  - 2) Mr. George Nistor – Deputy General Manager.

If one of the Administrators is absent, his/her duties are taken over by Mr. Arnautu Liviu-Stefan, Chairman of the Board of Directors, shareholder.

- c) Professional experience and details of the activity of the Board of Directors' members and A.I.F.M. Managers
  - *Mr. Liviu-Stefan Arnautu* - Chairman of the Board of Directors - over 14 years in the financial market; graduate of the "Romanian-American University, Faculty of Banking and Trading Relationships". Mr. Arnautu also has a degree in "Credit Risk Management" issued by the Romanian Banking Institute;
  - *Mr. Dragos Balaci* – Executive Member of the Board of Directors - over 11 years in the financial market; graduate of the "University of Economic Studies, Faculty of International Economic Relations. Mr. Balaci also holds an Advanced Studies Degree in "Intra-European Transactions" from ASE Bucharest;

- *Mr. Petre Terzi* – Non-executive Member of the Board of Directors - over 20 years in the financial-banking market; Mr. Terzi was vice president and founder of Eximbank between 1991-1996 and member of the Eximbank Board of Directors between 1991-2001; Mr. Terzi also held the position of CEC vice president and member of the Board of Directors of the Credit Bureau between 2001-2005;
- *Mr. George Nistor* – Deputy General Manager - has experience of over 20 years in capital market. Between 2009 and 2018 he activated within SSIF IEBA Trust holding management positions, General Manager and Member of the Board of Directors. Previously, he worked for 11 years at ING Bank, where he was Head of capital market trading. He has a solid background in capital markets in the areas of Investments, Equity Trading, Mergers and Acquisitions.

## CHAPTER 2 INFORMATION on the DEPOSITORY

### (1) Depository identification data:

The Depository of the **Private capital Alternative Investment Fund Atlas Agricultural Fund** is BRD - GROUPE SOCIETE GENERALE S.A. with the registered office in BUCURESTI, sector 1, Turn BRD, Bdul. Ion Mihalache nr. 1-7, registered with the Trade Register under no. J40/608/1991, sole registration code 361579, registered with the Bank register under no. RB-PJR-40-007/1999 registered with the FSA Register under no. PJR10DEPR/400007 of 09.12.2003. The Depository may be contacted by phone at 021.200.83.72; fax 021.200.83.73; webmail [www.brd.ro](mailto:www.brd.ro)

The office of the branch where the depositing activity is carried out is City Offices Building, Etaj 4, Sos Oltenitei, nr. 2, Sector 4, Cod postal 041312, Bucharest.

### (2) Depository's activity

The depository, being a commercial bank, carries out the full range of banking operations, according to the authorization issued by the National Bank of Romania. The Depository does not carry out activities other than depositing, does not reuse the **A.I.F.** assets in other ways (e.g. as collateral/pledge in other financial operations) than for the benefit of the **A.I.F.**

### (3) Delegation of activities by the Depository

- a) The Depository entrusts the assets traded on foreign markets to the following sub-custodians:
  - i. *Euroclear Bank S.A./N.V.*, with the address in B Boulevard du Roi Albert II, B-1210 Bruxelles – Belgium, tel: +32 (0)2 326 2812, website: <https://www.euroclear.com/en.html>;
  - ii. *Societe Generale*, Spółka Akcyjna Oddział w Polsce, ul. address Marszałkowska 111, 00-102 WARSZAWA – Poland, tel: +48 22 528 40 00, Fax: +48 22 528 4444, website: [www.sgcib.pl](http://www.sgcib.pl);
  - iii. *Societe Generale*, address 29 Boulevard Haussmann 75009 Paris – France, Tel: +33 1 42 14 20 00, website: <https://www.securities-services.societegenerale.com/en/>.
- b) The responsibility transferred by the Depository to the sub-custodians is to safe keep the assets of the **A.I.F.** represented by financial instruments traded on foreign markets.
- c) The Depository's obligations shall not be affected by the fact that it has entrusted to a sub-custodian all or part of the assets it holds in custody.

## CHAPTER 3 INFORMATION on the A.I.F.

### (1) Identity of the A.I.F.

- a) The name of the fund is *Private capital Alternative Investment Fund Agricultural Fund* hereinafter referred to as "**A.I.F.**".
- b) The A.I.F. was established by a memorandum of association signed on 06.02.2023 in accordance with the provisions of the Romanian Civil Code, in the form of an **open-ended A.I.F.** according to art. 1 para. 2 of EU Regulation no. 694/2014. The **A.I.F.** is classified as a **Contractual A.I.F. (C.A.I.F.)** with private capital intended to professional investors according to provisions of art. 46 item a) of Law 243/2019. The equity securities issued by the A.I.F. may also be distributed to retail investors, provided that the **A.I.F.**'s incorporation documents comply with the conditions laid down in art. 56, para. (4) of Law 243/2019.

- c) The **A.I.F.** carries out its activity in accordance with the provisions of Law 243/2019, Law 74/2015, Regulation no. 7/ 2020 and other applicable FSA regulations, as well as in accordance with the provisions of the Romanian Civil Code relating to the company.
- d) The A.I.F.M. legally represents the **A.I.F.** in its relationship with third parties and may take legal steps or enter legal relationships to protect the interests of the **A.I.F.** unit-holders.
- e) The A.I.F.M., on behalf of the **A.I.F.**, may be a shareholder in a limited liability company or a shareholder in a joint stock company, in compliance with the legal provisions, without being considered as belonging to the assets of the A.I.F.M. and may not be subject to any claim either by the creditors of the A.I.F.M. or in the event of bankruptcy or administrative liquidation of the A.I.F.M.

## **(2) Operation**

- a) The **A.I.F.** is incorporated for 180 months (15 years) of the **A.I.F.** authorization by the F.S.A. The **A.I.F.** was authorized by the FSA by **Authorization no. 6 of 16.02.2023** and is registered with the **FSA Register** under number **CSC09FIAIPCP/400002**.

## **(3) Duration of initial offer**

- (a) The duration of the initial offering of fund units is **60 calendar days** starting from the date of the **A.I.F.** authorization by the FSA.
- (b) The maximum number of fund units subject to the initial issue is 10,000 (ten thousand) units.
- (c) If, during the initial offer of fund units, subscriptions are received from at least 2 professional investors, the A.I.F.M. Management may decide to close the public offering before the expiry of 60 calendar days. In this case, the A.I.F.M. will publish on its website, within a maximum of 2 days from the date of the decision, a notification of the date of closure of the public offer. The notification shall be sent to the FSA and A.I.F. Depository.

## **(4) A.I.F. objective and investment strategy**

### **a) A.I.F. objective**

- (1) The **A.I.F.** operates on the principle of collecting financial resources from professional investors, individuals or legal entities, Romanian or foreign, to jointly invest them, to benefit from the minimization of unit costs generated by the high value of assets under management. The **A.I.F.** securities may also be distributed to retail investors, in compliance with the legal provisions.
- (2) The **A.I.F.** addresses to investors seeking to obtain attractive returns by investing their financial resources, through the **A.I.F.**, in shares/stock of unlisted companies in Romania or in other Member States whose object of activity is the ownership and/or exploitation of land for agricultural purposes.
- (3) The **A.I.F.**'s objective is to obtain attractive returns by identifying, investing in and exploiting indirectly owned agricultural property through companies acquired or established by the **A.I.F.** The **A.I.F.** aims at distributing the profits obtained in the form of benefits (similar to dividends) to its investors, the conditions for the distribution of benefits being detailed in chapter "*Distribution of obtained gain*" in this Offer Document.
- (4) The **A.I.F.** will have an investment policy with a **HIGH** degree of **risk**. The allocation of the **A.I.F.** assets will be carried out in accordance with the incorporation documents and will comply with the investment policy, the legal regulations in force and the investment limits set out in the A.I.F. documents.

### **b) Investment strategy**

- (1) Investments will be made, mainly, in shares/stock of unlisted companies in Romania or in other Member States whose object of activity is the ownership and/or exploitation of land for agricultural purposes, regardless of their legal form of organization (SRL, SA, etc.) with the aim of holding a controlling stake (majority) so that the **A.I.F.** may decide on the development and operation strategy of each company owned.. Investments will also be sought in NFI-type companies targeting agricultural producers and in companies that own or lease agricultural land and exploit it (whether it is for cereal crops, vineyards, livestock farms or the ownership and operation of vegetable/fruit or cereal warehouses).
- (2) The **A.I.F.** may also invest in real estate assets in Romania or in other Member States established according to legal provisions.



- (3) The **A.I.F.** may invest in other categories of financial instruments in Romania or in other Member States provided that the investment limits and the investment policy set out in this document are complied with. Thus, in case the A.I.F.M estimates an upward trend, the share of investments in shares admitted to trading and in other securities will increase, and it is even possible to increase the **A.I.F.** exposure through the use of derivative financial instruments (futures contracts, forward contracts, Financial Contracts for Difference, options).
- (4) If the A.I.F.M foresees a downward trend on the regulated financial instruments market, seeking the limitation of exposure on this market, in compliance with the investment limits laid down in this document. The policy implemented by the A.I.F.M on a downward trend may also follow the investment of financial resources in derivative financial instruments (futures contracts, forward contracts, Financial Contracts for Difference, options) to obtain gains in the event of a fall in the prices of the underlying assets. In such a period, the investment policy will also be geared towards fixed-income instruments, UCITS or A.I.F. securities and bank deposits.
- (5) The portfolio of financial instruments will be built initially based on the forecast macroeconomic framework and the characteristics of each individual issuer. Fundamental and technical analysis will be taken into account. The forecast macroeconomic framework will also be of major importance for the transactions to be carried out on the foreign exchange and bond markets.
- (6) The **A.I.F.** uses the leverage effect in building its portfolio of financial instruments. The leverage is expressed as the ratio between the A.I.F. exposure and the value of its net asset. The maximum leverage of the A.I.F. may not exceed the value 3.
- (7) Categories of financial instruments in which the **A.I.F.** will invest:
  - a) securities and money market instruments** listed or traded on a trading venue in Romania or in a Member State;
  - b) newly issued securities which are the subject of a public offer for admission to trading**, provided that all of the following conditions are met:
    - (i) the issue documents include a firm commitment according to which the admission to trading on a trading venue will be sought;
    - (ii) such admission must be secured within a maximum of one year of the date of issue;
  - c) securities of U.C.I.T.S. or A.I.F.** which meet the conditions set out in art. 35 item d) of Law 243/2019;
  - d) deposits with credit institutions**, which are repayable on demand or have the right of withdrawal, with a maturity not exceeding 12 months, provided that the registered office of the credit institution is located in Romania or in a Member State;
  - e) financial derivatives**, with final settlement in cash or in the underlying share of the instrument, traded on a trading venue within the meaning of item a), and/or financial derivatives traded outside regulated markets, provided that all of the following conditions are met:
    - (i) the underlying asset consists of the instruments referred to in article 35 of Law 243/2019, as well as financial indices, interest rates, precious metals, energy products and exchange rates, in which the **A.I.F.** may invest according to its investment objectives;
    - (ii) the counterparties, in the context of trading outside regulated markets, are entities subject to prudential supervision, belonging to the categories approved by the F.S.A.;
    - (iii) derivatives traded outside regulated markets are subject to daily and verifiable valuation and may, at the initiative of the A.I.F.M., be sold, liquidated or the position may be closed out daily at fair value through a reverse transaction;
  - f) money market instruments**, other than those traded on a trading venue, which are liquid and have a value that can be accurately determined at any time, except for commercial paper, provided that the issue or issuer is subject to regulations relating to the protection of investors and their savings, and the instruments:
    - (i) are issued or guaranteed by a central, local or regional administrative authority, a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a third country or, in case of federal States, by one of the component members of the federation or by a public international body of which one or more Member States are members; or

(ii) issued by an undertaking whose securities are traded on regulated markets referred to in let. a); or  
(iii) issued or guaranteed by an entity subject to prudential supervision in accordance with the criteria defined by the European legislation or by an entity which is subject to and complies with prudential rules validated by the F.S.A. as being equivalent to those laid down by European legislation; or  
(iv) be issued by other entities belonging to the categories approved by the F.S.A., provided that investments in such instruments are subject to investor protection equivalent to that provided in items (i), (ii) and (iii) and that the issuer is a company whose capital and reserves amount to at least the RON equivalent of euro 10,000,000, which presents and publishes its annual financial statements in accordance with the applicable European legislation, or an entity which, within a group of companies containing one or more listed companies, has the role of financing the group or is an entity dedicated to the financing of securitization vehicles benefiting from a bank facility line;

**g) shares in limited liability companies** governed by Law no. 31/1990, whose annual financial statements are audited in accordance with the law;

**h) securities**, i.e. (i) shares and other securities equivalent to shares, (ii) bonds and other debt securities, (iii) any other negotiable securities entitling to the acquisition of such securities by subscription or exchange, which are not admitted to trading on a trading venue;

**i) foreign currency, acquired on the domestic market, which is freely convertible** according to the criteria of the National Bank of Romania;

**j) government securities;**

**(k) real estate assets, subject to the provisions of this document;**

(8) The limits to be complied with in the construction of the portfolio are:

- (a)** The **A.I.F.** will invest at least 50% of the assets in companies not admitted to trading on a trading venue;
- (b)** The **A.I.F.** may not hold more than 40% of its assets in securities and money market instruments not admitted to trading on a trading venue, except for government securities and bonds issued by the Ministry of Public Finance and holdings acquired by the **A.I.F.** by law, for which no holding limit is established;
- (c)** The **A.I.F.** may not hold more than 10% of its assets in securities and money market instruments issued by the same issuer, except for securities or money market instruments issued or guaranteed by a Member State, by local public authorities of the Member State, or by public international bodies of which one or more Member States are members. The limit of 10% may be increased up to a maximum of 40% provided that the total value of securities and money market instruments held by the **A.I.F.** in each of the issuers in which it has holdings of up to 40% does not in any case exceed 50% of the value of its assets.
- (d)** The **A.I.F.** may not hold more than 50% of its assets in securities and money market instruments issued by entities belonging to the same group,
- (e)** Exposure to counterparty risk in a derivative transaction traded outside regulated markets may not exceed 20% of the **A.I.F.**'s assets, regardless of the counterparty to the transaction;
- (f)** The value of current accounts and cash frames within maximum 20% of the **A.I.F.** assets. This limit may be exceeded up to a maximum of 50% provided that the amounts in question come from the issue of securities, from matured investments or from the sale of financial instruments in the portfolio, and that the excess does not extend over a period of more than 90 days.
- (g)** The **A.I.F.** may not establish and hold bank deposits representing more than 30% of its assets with the same bank;
- (h)** The overall exposure to financial derivatives shall not exceed the total value of the **A.I.F.**'s assets;
- (i)** The **A.I.F.** will invest, in compliance with the legal provisions, a maximum of 10% of its assets in securities of other U.C.I.T.S. or **A.I.F.** that meet the conditions set out in art. 35, item d) of Law 243/2019;.



- (j) The A.I.F. will invest maximum 40% of its assets in real estate assets;
- (k) The A.I.F. will not invest in financial instruments such as promissory notes/bills of exchange.
- (l) The A.I.F. may not lend financial instruments representing more than 20% of its assets, and the loan period may not exceed 12 calendar months, in accordance with the regulations issued by the F.S.A. on margin transactions and lending operations;
- (m) The A.I.F. may not grant cash loans, participate in/subscribe to syndicated loans, guarantee cash loans in favour of a third party and acquire directly, partially or in full portfolios of loans issued by other financial or non-financial entities, with the exception of investments in financial instruments issued by internationally recognised financial institutions, credit institutions or non-banking financial institutions authorised by the N.B.R. or other central banks of a Member State or third countries;
- (n) In the event of the investment limits being exceeded, except in situations beyond A.I.F.M.'s control, the A.I.F.M. must get back into line with the legal requirements within 30 days of the date on which the limit was exceeded. The A.I.F.M. must inform the Depository and the F.S.A., within two working days, of the exceeding of the established limits, in a document containing a justification of the causes that led to this situation, as well as a plan of measures for the reinstatement of the legal requirements within 30 days from the date of the deviation. The exercise of the right of pre-emption in respect of existing holdings acquired by an A.I.F. from the Romanian State under other regulations does not entail exceeding the investment limits.
- (o) The A.I.F. may derogate from the investment limits referred to in items (a) - (m) above for a maximum period of 6 months from the date of the first issue of the A.I.F.'s securities, subject to supervision of compliance with risk dispersion and only if major subscriptions and divestments are recorded.

#### (5) Fund units

- a) Fund units represent a capital holding in the net assets of the A.I.F. and their purchase is the only way to invest in the A.I.F. The value of a fund unit changes during the existence of the A.I.F. Fund units issued by the A.I.F. have the characteristics below:
  - (1) Are issued in dematerialized form, of a single type, registered in the investor's account and expressed and denominated in EUR;
  - (2) Are fully paid up at the time of subscription, giving holders equal rights and obligations;
  - (3) At the date of registration of the A.I.F. by the FSA, the fund units are not traded on a regulated market, a multilateral trading system or an organized trading system;
  - (4) The nominal value of the fund unit is EUR 2,500;
  - (5) The minimum initial investment is EUR 50,000;
  - (6) Fractions of units are rounded to 2 decimals. The value of a fund unit is rounded to 2 decimals. Exchange rates and parities used in the valuation of the asset and the total value of each financial instrument in the A.I.F.'s assets are rounded to 4 decimals.

#### (6) Information on the issue and redemption of fund units

##### (a) Information on the issue of fund units

- (1) Eligible natural persons or legal entities interested in becoming A.I.F. investors must be aware of the content of the A.I.F. documents and pay the value of fund units. Until the final liquidation of the A.I.F. any holder of fund units must permanently hold at least one fund unit. Investors may subscribe to a whole number or a fraction of fund units, the first subscription being of minimum euro 50,000.
- (2) The issue price is the price paid by the investor and is represented by the unit value of the net asset calculated by the A.I.F.M. and certified by the Depository, based on the assets on the date of A.I.F. account crediting by the amount intended to be subscribed plus the subscription fee, if any.
- (3) If the collector account is credited before the days set for subscriptions, the amounts subscribed will be held in the collector account until the date set for subscription and the purchase price is the price calculated based on the assets on the date set for subscriptions. The issue price is calculated in EUR.
- (4) To be able to make fund units subscriptions, before signing the subscription form, the investor is required to submit the documents and information necessary to identify him/her in accordance with the legal provisions in force, including by providing information and documents on FATCA and CRS status. If the information

provided is incorrect or incomplete and for this reason the A.I.F.M. is unable to fulfil its legal obligations regarding the know-your-customer, the prevention of and fight against money laundering and terrorism or reporting obligations to supervisory authorities, the A.I.F.M. has the right to refuse to initiate business relations or to cease operations in case of an existing investor.

- (5) For the first subscription investors must provide the A.I.F.M. with the following documents:

**I for natural persons**

- copy of an ID with photo (CI/ BI for Romanian citizens, national identity document/passport - for citizens of the Member States of the European Union and the European Economic Area, passport - for citizens of third countries);
- if the natural person intends to authorize another person to carry out the operations in his/her account or name: a copy of an ID with photo of the authorized person (CI/ BI for Romanian citizens, national identity document/passport - for citizens of the Member States of the European Union and the European Economic Area, passport - for citizens of third countries);
- notary power of attorney, in authentic form, for the authorized person. The power of attorney must contain the operations for which the concerned person is authorized and the signature specimen of the authorized person. The power of attorney is not necessary of the holder and the authorized person fill in the subscription request together.

**II for legal entities**

- copy of the updated articles of incorporation;
  - registration certificate with the Trade Register Office/competent authority in the country of origin;
  - confirmation of company details issued by the National Trade Register Office/Recom on-line or by similar authorities in the country of origin (in original) and equivalent documents for the other types of legal entities or entities without legal personality, certifying the information referring to client identification;
  - decision of the statutory body (GMS/BoD/Sole Shareholder) or another document authorizing a natural person to represent the company in relation with the **A.I.F.**, if the authorized person is not the legal representative of the company; no document is necessary if the legal representative presents with the authorized person to fill in the subscription application;
  - copy of an ID with photograph of the legal representative/ authorized person (CI/ BI for Romanian citizens, national identity document/passport - for citizens of the Member States of the European Union and the European Economic Area, passport - for citizens of third countries);
  - For non-residents, the documents mentioned at items I and II above must be submitted/sent either in English or translated into Romanian by an sworn translator.
- (6) Natural persons holders of fund units may appoint one or more proxies to sign the subscription forms on their behalf either (i) by filling in the Authorization Clause in the Subscription Form with the identification details of the proxy holder or (ii) by a notarial power of attorney to this effect. If the Authorization Clause is filled in, the natural person shall be present, together with the authorised representative, at the first subscription request, to fill in the Subscription Form at the A.I.F.M. office. The payment of subscribed amounts is made only from the account of the fund unit holder. If the authorised person has not been entered on the Subscription Form, the fund unit holder may subsequently sign, together with the authorised person, the annex to the Subscription Form representing the Authorisation Clause.
- (7) The fund units subscription form must be filled in and submitted in original by the investor/authorized person at the A.I.F.M. office, with the documents mentioned above.
- (8) The payment of **A.I.F.** subscribed units may be done only in EUR, by bank transfer into the **A.I.F.** account. If a person intending to become an **A.I.F.** investor deposits an amount less than EUR 50,000, the A.I.F.M. will take the necessary steps to return it to the investor or to request a top-up. In the event of a request to top-up the initial amount, the net asset value per unit taken into account shall be that of the next subscription day of the subscription period, after topping up the initial amount deposited. If the amount cannot be returned for reasons not attributable to the A.I.F.M. for three years, the unidentified amounts will be recorded as **A.I.F.** income, according to the incorporation documents, together with all amounts under the "*Amounts pending settlement*" which cannot be returned/recovered for various reasons.
- (9) A person who purchases **A.I.F.** units becomes an investor in the AIF on the day the units are issued. The fund units are issued on the business day following the day on which the subscribed amounts are credited to the **A.I.F.** account. If the collector account is credited before the days set for subscriptions, the issue of the fund units shall be made on the business day following the day set as subscription date. The number of **A.I.F.** units

purchased by the investor is determined as the ratio between the amount paid by the investor and the issue price.

- (10) The allocation of fund units is on a first come, first served basis. If the number of fund units subscribed exceeds the maximum number of units issued in the respective issue (initial or subsequent), the amount corresponding to the oversubscribed fund units shall be returned to the investors in the reverse order of subscription.

**(b) Subsequent issues of fund units**

- (1) Quarterly, on March 31, June 30, September 30 and December 31 of each year, a maximum of 20,000 (twenty-thousand) units will be offered for subscription. If the date set for subsequent issues is a non-business day, the fund units will be offered for subscription on the immediately following business day at the value of the fund unit on that business day. Subscriptions are allowed only until 10 years after the date of authorisation of the A.I.F. by the F.S.A.

**(c) Redemption, cancellation and payment of fund units procedure**

- (1) Quarterly, on March 31, June 30, September 30 and December 31 of each year, **A.I.F.** investors are entitled to redeem fund units by means of a 9 months' notice sent to the e-mail address [contact@atlas-am.ro](mailto:contact@atlas-am.ro) or the A.I.F.M. office before filing the redemption request. If the date set for redemption is a non-business day, the fund units will be offered for repurchase on the immediately following business day at the value of the fund unit on that business day.
- (2) The payment deadline for the redemption of fund units shall be the last day of the last quarter before the anniversary of 15 years of **A.I.F.** operation. If the date set for redemption is a non-business day, the fund units will be offered for repurchase on the immediately following business day at the value of the fund unit on that business day.
- (3) The redemption takes place by signing and delivering to the A.I.F.M. the redemption request requesting the number of fund units or the amount to be redeemed. Redemption requests are irrevocable.
- (4) The redemption price is the price due to the investor on the date of submission of the redemption request and consists of the unit value of the net assets calculated by the A.I.F.M. and certified by the Depository based on the assets on the day on which the repurchase request was registered. The redemption price is calculated in EUR.
- (5) Any other legal fees and bank fees are deducted from the redeemed amount according to **A.I.F.** documents.
- (6) The payment of redemption-related amounts is made in EUR alone, by transfer into holder's account.
- (7) Natural persons holders of fund units may appoint one or more proxies to sign the repurchase forms on their behalf, if necessary, either (i) by filling in the Authorization Clause in the Subscription Form with the identification details of the proxy holder or (ii) by a notarial power of attorney to this effect. If the Authorization Clause is filled in, the natural person shall be present, together with the authorised representative, at the first subscription request, to fill in the Subscription Form at the A.I.F.M. office. The payment of redeemed amounts is made only from the account of the fund unit holder. If the authorised person has not been entered on the Subscription Form, the fund unit holder may subsequently sign, together with the authorised person, the annex to the Subscription Form representing the Authorisation Clause.
- (8) In the event of discrepancies in the data submitted by the investor/proxy regarding the transfer of the amounts, the additional fees for the extra operations performed shall be fully recovered from the investor.
- (9) The maximum legal deadline for payment of the redemption price is 15 days from the date of registration of the redemption request.
- (10) In case of death of the holder, the redemption can be requested only based on the inheritance documents.
- (11) The cancellation of the fund units is done on the business day immediately following the date of registration of the redemption request. The redemption and cancellation of units is done in the order of their acquisition (FIFO method).
- (12) Starting with the 12<sup>th</sup> year of operation of the A.I.F., the management of the A.I.F.M. may decide to liquidate assets on a pro-rata basis. If the A.I.F.M. management decides on pro-rata liquidations, it will

publish information on the liquidation on the A.I.F.M. website, within 10 working days from the date of the decision. The amounts distributed and the fund units cancelled as a result of the pro-rata liquidation decision will be calculated at the value of the fund unit certified by the Depository for March 31, June 31, September 30 and December 31 of each year starting from the 12<sup>th</sup> year of operation of the **A.I.F.** If these dates are non-business days, the amounts distributed, and the fund units cancelled will be calculated at the certified value of the immediately following business day.

- (13) In the case of pro-rata liquidation, the cancellation of the fund units shall take place on the business day immediately following the date of certification of the net asset value of the **A.I.F.** The cancellation of units is done in the order of their acquisition (FIFO method) following the distribution of the amounts to investors as a result of the liquidation process. The cancellation of fund units will be made directly proportional to the amounts distributed to investors.
- (14) The distribution of amounts to an **A.I.F.** investor following the liquidation process does not result into the loss of investor status, as long as the investor still holds at least one fund unit. If the distribution of amounts to an investor as a result of the liquidation process would result in that investor being left with less than one fund unit (a fraction of a unit), that investor will be paid for the value of the entire fund unit, so that his last fund unit will be cancelled and the investor will lose his **A.I.F.** investor status.
- (15) Any other legal fees and bank charges will be deducted from the amounts distributed to investors as a result of the liquidation process. The amounts distributed to investors as a result of the liquidation process are calculated in EUR. The total amount is rounded to 2 decimals.
- (16) The payment of amounts distributed to investors after the liquidation process is made in EUR alone, by transfer into holder's account.
- (17) In the event of discrepancies in the data submitted by the investor regarding the transfer of the amounts, the additional fees for the extra operations performed shall be fully recovered from the investor.
- (18) The maximum deadline for the payment of the amounts distributed to investors as a result of the liquidation process is 15 days from the date of certification of the net asset value of the **A.I.F.**
- (19) The distribution of the liquidation proceeds will be transferred to the investor's current account according to investor's instructions. If the amounts cannot be transferred to the investor's current account during this period, for reasons beyond the control of the A.I.F.M., they will be kept in a current account of the A.I.F. and investors are entitled to claim these amounts until the liquidation of the A.I.F. The amounts at the investors' disposal during this period will not be interest bearing. If, by the date of liquidation, investors have not requested the transfer of the amounts due as a result of the voluntary liquidation process, the procedure laid down in the regulations in force will be complied with on the date of the liquidation of the **A.I.F.**
- (20) In case of death of the holder, the amount distributed under the liquidation process can be requested only based on the inheritance documents.

#### **(7) Financing operations through financial instruments according to the Regulation EU no. 2365/2015**

- (1) The **A.I.F.** will not invest in financial instruments of the total return swap type, within the meaning of Regulation EU no. 2365/2015 on transparency of securities financing transactions and of reuse.

#### **(8) Methods to evaluate the net asset:**

- (1) Evaluation methods are detailed in the **A.I.F. Rules**.
- (2) The calculation of the net asset value per unit of an alternative investment fund at a certain date is done by the formula below:

$$\begin{array}{lcl} \text{Net asset value} & & \text{Net value of Fund assets at that date} \\ \text{per unit at that date} = & \frac{\text{-----}}{\text{Total number of fund units in circulation at that date}} \end{array}$$

- (3) The value of a fund unit is rounded to 2 decimals.
- (4) The record of fractions of units is done by rounding up to 2 decimals. The rounding criterion in the calculation of fund unit fractions and net asset value per unit is represented by the "rounding to the nearest integer number" method.

- (5) In case of subscription transactions, the number of fund units allocated is obtained by dividing the amount subscribed by the subscription price and rounding to 2 decimal places.
- (6) In case of redemption transactions, the amount resulting from multiplying the unit value of the net assets by the number of securities redeemed shall be rounded down to two decimal places. Where a fixed amount is repurchased, the number of fund units cancelled shall be calculated by dividing that amount by the repurchase price and rounded to 2 decimal places.
- (7) Exchange rates and parities used in the valuation of the asset and the total value of each financial instrument in the A.I.F.'s assets are rounded to 4 decimals.

**(9) Fees and other expenses**

**a. FEES BORNE BY THE A.I.F. INVESTORS**

**I. Subscription fee**

- (1) On the A.I.F. authorization date the value of subscription fee is 2% of the amount deposited by the investor.
- (2) The A.I.F.M. may charge differentiated subscription fees for legal entities and natural person investors, the level of which may go down to zero depending on the type of investor, the amount invested and the period of investment. The granting of this discount does not involve any additional cost for the A.I.F. The negotiation of the subscription fee is materialised by signing an Investment Agreement to this effect.
- (3) The A.I.F.M. may increase the amount of the subscription fee only with the authorisation of the F.S.A. and it will become effective within 15 days of the publication of the investor information note. The information note will be published on the A.I.F.M. own website within a maximum of two working days from the date of authorisation by the F.S.A. The amounts resulting from the application of the subscription fee shall be collected by the A.I.F.M.

**II. Redemption fee**

- (1) Investors shall not be charged any fee upon the redemption of fund units.

**b. EXPENSES BORNE BY THE A.I.F.:**

- (1) expenses for the payment of fees due to the A.I.F.M:

The A.I.F. management fee charged by the A.I.F.M. is maximum 0.4% month and minimum 0.1% per months, being calculated to the monthly average of the net assets of the A.I.F. The management fee is paid on a monthly basis. The management fee charged on the A.I.F. authorization date is 0.15 % per month calculated to the monthly average of A.I.F. net assets.

The management fee may be later changed by decision of the A.I.F.M. as follows:

- i. in case of a change in the fee without exceeding the maximum limit of 0.4% per month– subject to notification to the FSA and publication of the new amount of the management fee. The new amount of the management fee shall enter into force on the date of publication of the information notice.
- ii. in case of a change in the maximum fee limit– subject to authorization by the FSA and publication of the new management fee within a maximum of 2 working days from the date of authorization. The new amount of the management fee shall enter into force within 15 days from the date of publication of the information notice.

- (2) expenses for the payment of fees due to the Depository:

The A.I.F. pays a depository fee calculated to the monthly average value of the net asset, the maximum level of such fee being 0.3%/year.

Custody fees on local and foreign markets are charged for the activities below:

- (i) Custody fee for financial instruments, local and foreign markets, safe custody fee, maximum 0.3% /year;
- (ii) Settlement and processing fee for transfers of financial instruments, local and foreign markets: maximum 0.015% applied to the gross value of each transaction or maximum 30 EUR/ settlement/direction
- (iii) Corporate events fee and proxy voting fee for assets (Financial Instruments) held in custody - local market: maximum 200 lei / event.
- (iv) Fee for opening tax reclaim file - maximum 150 EUR/ file;

Method to calculate the depository fee: The transition from one fee stage to another will be made from the month following the month in which the average monthly net asset value for the calculation of the A.I.F. deposit fee has reached the established limits.

- (3) fee expenses due to intermediaries and other expenses directly or indirectly related to the trading of financial instruments– the **A.I.F.** may pay a maximum fee of 3% of the total value of the financial instrument on purchase and/or sale);
- (4) expenses on turnover fees and other banking services– according to the standard list of fees published by the bank on the date of registration of the transaction;
- (5) expenses on shares and rates due to the FSA or other competent authorities, as well as any charges or other fiscal obligations imposed as a result of the **A.I.F.** activity:
  - (a) FSA share: according to the law in force;
  - (b) Other charges: charges and tax obligations according to the public list of the local tax body in whose territorial jurisdiction are the purchased real estate assets
- (6) issuance expenses with A.I.F. documents and any reporting and transparency obligations in relation to the A.I.F.– there are no such expenses at the date of authorization of the A.I.F.;
- (7) financial audit expenses of the **A.I.F.** – maximum 1% / year of the NAV value;
- (8) the value of cancelled fund units (at the redemption price) and which have not yet been paid to investors– according to the registered redemption requests;
- (9) other expenses related to acquisitions, establishment or alienation of companies, respectively real estate assets in the **A.I.F.** portfolio :
  - (a) notarial expenses related to the sale/purchase transactions – according to the notary grid;
  - (b) lawyers' fees for legal assistance regarding transactions with shares/stock or real estate assets in the A.I.F. portfolio – maximum 5% of the value of the transaction;
  - (c) charges and fees due to lawyers in case of litigation with third parties — maximum 5% of the value of the transaction;
  - (d) charges and taxes imposed by government and local authorities - according to the public list of the local tax body in whose territorial jurisdiction are the purchased real estate assets;
  - (e) expenses on independent valuers valuing real estate assets - maximum 0.5% of the value of the asset being valued;
  - (f) charges and fees due to the state authorities regarding the registration of companies established by the **A.I.F.** – according to the list of fees published by the authorities at the date of establishment of the companies;
  - (g) legal assistance regarding the incorporation of companies by the **A.I.F.** – maximum EUR 5,000 / company incorporation;
- (10) expenses related to the purchase/renewal of the LEI code - Legal Entity Identifier - the list of the Central Depository fees can be found here: <https://lei.rocLEAR.ro/>

#### **c. REGISTRATION OF FEES**

(1) Expenses are registered on a daily basis, considering the following:

- a) the distribution of expenses does not result into significant variations of unit asset value;
- b) expenses are planned on a monthly basis, recorded daily in the net asset value calculation and adjusted at the end of the month (administration expenses, deposit expenses);
- c) expenses are estimated daily, recorded and adjusted periodically (e.g. issuance expenses, expenses for financial audit, expenses for the renewal of the L-I code - Legal Entity Identifier).

The A.I.F.M. will bear the costs of setting up, distributing and advertising the **A.I.F.**

### **CHAPTER 4 Merger, conversion and liquidation of the A.I.F.**

- a) The merger, conversion and liquidation of the **A.I.F.** is carried out in accordance with the provisions of Government Emergency Ordinance no. 32/2012, FSA Regulation 9/2014 and FSA Regulation 7/2020.

#### **I. A.I.F. merger**

- (1) A.I.F.M. may order the merger of only those Contractual A.I.F. which have a similar investment policy, risk management policy and liquidity profiles.
- (2) The open-ended Contractual A.I.F cannot merge with a closed-ended Contractual A.I.F.
- (3) The Professional Investor A.I.F. cannot be merged by absorption with a Retail Investor A.I.F.



- (4) The merger of an A.I.F. with other alternative investment funds is carried out on the initiative of the A.I.F.M. of the funds involved, by one of the following methods:
  - a) absorption of one or more funds by another fund;
  - b) creation of a new investment fund by merging two or more funds.
- (5) The absorption merger is achieved by transferring all assets belonging to one or more alternative investment funds to another fund, called the acquiring A.I.F., and entails the dissolution of the A.I.F./incorporated funds.
- (6) The merger takes place by setting up a new alternative investment fund, to which the merging funds transfer their assets in full, thus dissolving them. Through the merger, the A.I.F.M. must seek exclusively to protect the interests of the investors of the funds to be merged.
- (7) The A.I.F.M. sends to the FSA the notification of the intention to merge the funds accompanied by the project based on which the merger is carried out and by a confirmation of company details issued by the depository regarding the number of investors and the value of the net asset of the funds involved in the merger.
- (8) Within maximum 30 days from the date of submission of the documents, the FSA makes a decision to suspend the issuance and redemption of the fund units of the funds involved in the merger process, except for the full redemption of fund units, until the completion of the merger, however, not more than 90 days from the date of suspension. The suspension decision shall enter into force 30 days after its communication to the involved A.I.F.M. Within 5 days from the date of this notice, the management company(s) is/are obliged to publish and send to the FSA the proof of the publication of the announcement on the merger intention and the date on which the issuance and redemption of fund units of the funds involved in the merger is suspended.
- (9) To protect the investors, the management A.I.F.M. must specify in the merger announcement that, following the merger procedure, a value of the fund unit equal to that previously held is not guaranteed.
- (10) The A.I.F.M. has the obligation to honor all redemption requests submitted during the period between the publication of the announcement and the date of entry into force of the suspension of the issue and redemption of the fund units of the funds involved in the merger process.
- (11) In the event of absorption merger, the FSA withdraws the absorbed A.I.F.'s authorization, the absorbing A.I.F. continuing to operate. If the merger is achieved by merging several authorized funds, the FSA withdraws the operating permit of the funds involved in the merger process and authorizes the resulting A.I.F. The merged funds are managed by a single A.I.F.
- (12) The A.I.F.M. of the fund resulting from the merger shall submit to the FSA, on the working day following the merger, a confirmation of company details issued by the depository presenting the status of the new fund resulting from the merger similar to that submitted at the time of registration of the merger notification.
- (13) The A.I.F.M. involved in the merger must adopt identical evaluation criteria for the same type of financial instruments that constitute assets of the funds involved. These criteria must be identical to those established for the A.I.F. resulting from the merger.
- (14) No additional costs are charged to investors as a result of the merger process.

## **II. Conversion of the A.I.F.**

- (1) To voluntarily transform, at the initiative of the A.I.F.M., an A.I.F. (intended for professional or retail investors) in a given category of Retail Investor A.I.F. (A.I.F. intended for retail investors), the A.I.F. amends its documents to be framed in one of the categories of Retail Investor A.I.F. provided by Law no. 243/2019 and sends the entire documentation to the F.S.A., according to the procedure of authorization of a Retail Investor A.I.F. regulated by the regulations in force.
- (2) The A.I.F.M. shall send an information note to investors regarding the conversion of the concerned A.I.F. into the new category of Retail Investor A.I.F., within a maximum of two working days from the date of the authorization by the F.S.A. of the conversion of the A.I.F. into the new category of Retail Investor A.I.F. The information note includes an impact analysis on the investment portfolio of the A.I.F. generated by the conversion operation into the new category of Retail Investor A.I.F., taking into account the new investment strategy, liquidity profile, redemption frequency offered to investors, as well as the new investment limits and eligible assets imposed by the need to comply with the provisions of Law no. 243/2019 and the regulations in force.
- (3) Should investors not agree with the proposed changes, A.I.F.M. must meet the full redemption applications filed within a maximum of 15 days from the date of publication of the information notice. The 15-day deadline

can be extended up to 60 days with the approval of the F.S.A, if the A.I.F. rules do not provide for a period of less than 60 days and only where the A.I.F. holds in its investment portfolio low-liquidity assets not admitted to trading or not traded on a trading venue or stock exchange in another third country, which represents more than 50% of the assets of the A.I.F. at the date of submission of the request for transformation.

- (4) If, after the exercise of the right of withdrawal by investors, the assets of the A.I.F. are attracted from less than 2 investors, then the A.I.F. shall proceed to the liquidation of the A.I.F. in question.
- (5) The F.S.A. withdraws the authorization of the former A.I.F. on the date of its authorization in the new category of Retail Investor A.I.F., as a result of the transformation.
- (6) The individual document issued by F.S.A. authorizing the Retail Investor A.I.F. stipulates the transitional period until which the authorized Retail Investor A.I.F. complies with the provisions of Law no. 243/2019 and the regulations in force, taking into account at least the liquidity profile of the A.I.F., the underwriting frequency and the redemption frequency offered to investors and the liquidity conditions in the capital market at the time of authorization of the conversion operation, which may not exceed 90 working days from the date of issue of the individual document. Should the Retail Investor A.I.F. hold in its investment portfolio low liquidity assets not admitted to trading or not traded on a trading venue or stock exchange in another third country representing more than 50% of the assets of the A.I.F. at the time of submission of the conversion application, the 90 working days period can be extended to up to 180 working days, upon the express and substantiated request of the A.I.F.M., with the approval of the F.S.A.

### III. Liquidation of the A.I.F.

- (1) The liquidation of the **A.I.F.** may take place as a result of the FSA's withdrawal of the **A.I.F.** operating permit, in the situations below:
  - a. at the request of the A.I.F.M., based on sending a rigorous substantiation
    - i. if it is found that the value of the assets no longer economically justifies the operation of the A.I.F.;
    - ii. after reaching the operating term of the **A.I.F.** following the voluntary decision of the A.I.F.M. to liquidate the **A.I.F.**, it shall duly fulfill the capacity of administrator of the liquidation;
  - b. if a new administrator cannot be appointed, after the withdrawal of the A.I.F.M. authorization
- (2) The A.I.F.M. decision to liquidate an open-ended Contractual A.I.F. before the expiry of its lifetime is based strictly on a rigorous economic foundation and an assessment of the market value of the assets of the Contractual A.I.F., that does not favor one investor at the expense of another or that Contractual A.I.F. at the expense of other U.C.I. administered by the same A.I.F.M.
- (3) Within 15 days from the date of submission of the documents for the liquidation application, the FSA issues a suspension decision and approves the investor information note. The operation of suspending the issuance and redemption of the fund units of the A.I.F., within the procedure of liquidation of its assets, is carried out without granting the right of redemption to investors.
- (4) Within 5 working days from the start date of the suspension period indicated in the FSA decision, the A.I.F.M. will request the FSA to withdraw the A.I.F. authorization, attaching to that request the following documents and information:
  - a. the updated situation of the **A.I.F.** holdings at the time of the suspension commencement (information on the number of investors and the value of the net asset, including the unit value), certified by the **A.I.F.** depositary;
  - b. report on the updated situation of the assets and liabilities of the **A.I.F.**
- (5) Within a maximum of 15 working days from the date of communication by the FSA of the decision to withdraw the authorization of the A.I.F., an A.I.F. liquidator must be appointed.
- (6) The basic obligation of the liquidator is to act in the interest of the owners of fund units. The payment of the liquidator is made from the funds resulting from the liquidation of the A.I.F. assets.
- (7) The liquidator is responsible for paying the fees and other expenses to all subcontractors, which are paid exclusively from the liquidator's fee.
- (8) The liquidator shall seal all assets and take the necessary measures to preserve them. The liquidator shall draw up a complete inventory of the assets and liabilities of the **A.I.F.** and prepare an inventory report, including, but not limited to:

- an assessment of all assets at their market value and of the present obligations of the **A.I.F.**;
  - a list of all owners of fund units, the number and value of fund units held by each before the commencement of the liquidation process;
  - a rescheduling of the data at which the liquidation of assets is made and the distribution of the amounts resulting from liquidation takes place.
- (9) The liquidator chooses a bank in Romania or the Romanian branch of a foreign bank, of a good reputation and financial creditworthiness to open an account for the depositing of all amounts resulting from liquidation.
- (10) The liquidator exercises exclusively the operating rights on this account. No funds other than those resulting from liquidation are allowed to be deposited in this account.
- (11) The liquidator completes the liquidation within a maximum of 60 working days from the date of publication of the report. The liquidator must liquidate the **A.I.F.** assets at the maximum market value. The liquidator may request the FSA to extend the asset liquidation deadline by maximum 30 working days.
- (12) During the liquidation process of the **A.I.F.**, following the request for total redemption, the legal obligations regarding the calculation, the certification and publication apply only to the net asset of the **A.I.F.**
- (13) After the liquidation of all assets, the liquidator shall pay all expenses related to the liquidation, as well as any other costs and outstanding debts of the **A.I.F.** and will keep track of all the money withdrawn for this purpose from the amounts obtained after the liquidation. Subsequently, the liquidator begins the process of allocating the amounts resulting from the liquidation, according to the data collected in the inventory report.
- (14) The liquidator shall distribute the amounts resulting from the sale of assets to the owners of fund units, within a maximum of 10 working days from the end of the liquidation. The net amounts shall be distributed strictly based on the number of fund units held by each investor at the time of commencement of the liquidation and in compliance with the principle of equal, fair and non-discriminatory treatment of all investors, irrespective of any other criteria.
- (15) In the event of impossibility of paying the equivalent value of the fund units to some investors, the liquidator maintains in the specially created bank account the amounts due to them for an indefinite period of time. The bank account in question is opened in the form of an escrow account that does not bear interest and fees and is opened with a credit institution authorized by the NBR or a branch of a credit institution authorized in another Member State
- (16) The liquidator shall provide the credit institution with the identification data of all investors whose liquidities are placed in the respective collector account, as well as the updated balance of each investor. The liquidator prepares the final report, including the results of the liquidation and distribution of the amounts resulting from the liquidation of the assets, as well as the method of payment of the amounts due to investors and proves that such payments are made. The report is sent to the FSA within a maximum of 48 hours from the date of its preparation and is published in the F.S.A. Bulletin and on the **A.I.F.M.** website. After all payments are made, the liquidator proceeds to close the bank account. Payments due are considered to be made in full if all amounts due to investors have been paid.

## CHAPTER 5 FISCAL REGIME

- (1) The **A.I.F.** does not pay taxes on investment gains.
- (2) In case of natural persons, the gain obtained as a result of the benefits, the amounts distributed following the liquidation of the **A.I.F.** or the redemption of fund units at a price higher than the purchase price is charged according to the regulations of the Fiscal Code and the applicable instructions.
- (3) For investors who are legal entities, the gain obtained as a result of the benefits, the gain determined as the difference between the redemption price (liquidation price) and the purchase price (subscription price) is taxable profit and is subject to the provisions of the Fiscal Code on profit/income tax.
- (4) **A.I.F.M.** will calculate and withhold, if necessary, the tax due by individuals/legal entities to the state budget according to the Fiscal Code.
- (5) In case of investors residing in a country other than Romania, the applicable tax regime is the one valid in Romania, or at the investor's request, the most advantageous tax regime to the investor is applied, provided that there is a double taxation agreement between the Romanian state and the state whose tax resident the investor is. In this case the investor must present a valid tax residence certificate.

- (6) In case of other taxes and/or duties due by the **A.I.F.**, taxes or duties regulated by legal provisions adopted after the authorization of the **A.I.F.**, they will be paid according to the laws in force.

#### CHAPTER 6 GROUP OF WHICH THE A.I.F.M IS PART

- (1) The A.I.F.M. is not part of any group within the meaning of art. 2 let. j) of Law no. 243/2019.

#### CHAPTER 7 DISTRIBUTION OF OBTAINED GAIN

- (1) The **A.I.F.** may distribute annually, starting from the third year of existence, benefits for all subscribed fund units, if the value of the net assets per unit does not drop below the threshold of EUR 2,500 (nominal value of the fund unit). Considering the authorisation of the **A.I.F.** by the FSA Authorisation no. 6 dated 16.02.2023, starting from 2026 the A.I.F. will also be able to grant benefits.
- (2) The distribution of the realised gain is not guaranteed, the payment depends on the A.I.F. return, which is influenced by the specific risks.
- (3) Starting from the third year of existence, if the **A.I.F.** records a profit and the A.I.F.M. decides to distribute it as benefits, existing investors in the **A.I.F.** on 31 December of each year will be able to receive benefits up to the maximum difference between the value of the unit on 31 December of each year and EUR 2,500 (nominal value of the fund unit). The benefit will be distributed pro rata. The NAVU certified for 1 January of the following year, in case of benefits, will always be adjusted by the value of the benefit.
- (4) The decision on the appropriateness of the distribution of benefits and the total amount of the benefits shall be taken during December of each year. The elements of the decision and its reasoning will be published next year on the AIFM website, within 5 working days from the date of the asset certification for 31 December. If the A.I.F.M. is going to distribute benefits, it will publish on the A.I.F.M. website, at the same time as the publication of the benefit distribution decision, information on the value of distributable gain per fund unit.
- (5) The payment of the distributable gain will be made within a maximum of 30 days from the date of the notification by the A.I.F.M. The distribution of the gain will be transferred into the investor's current account according to investor's instructions.
- (6) If the money cannot be transferred to the investor's current account for reasons not attributable to the A.I.F.M., it will be kept in a current account of the **A.I.F.** for 3 years from the date of the payment notice. The amounts at the investors' disposal during this period will not be interest bearing. If after 3 years investors will not be transferred the amounts, they will be registered as **A.I.F.** revenue.
- (7) From fiscal standpoint, this gain is similar to the dividend and the tax is withheld. Formalities necessary to withhold and transfer the tax will be achieved by the A.I.F.M. on behalf of investors.

#### CHAPTER 8 DISTRIBUTION OF FUND UNITS

- (1) The subscription of **A.I.F.** units will be done at the A.I.F.M. office in Romania, Bucharest, sector 1, Șoseaua Bucuresti-Ploiesti, nr. 7A, Etaj 6 biroul 1.

#### CHAPTER 9 MISCELLANEOUS

- (1) A.I.F.M. will prepare, send to the F.S.A. and publish on the website [www.atlas-am.ro](http://www.atlas-am.ro) reports on the N.A.V.U. and the value of the net asset calculated on a monthly basis for the last calendar day of the month, Depository certificates, within maximum 15 days from the end of the month.
- (2) Annual and half-yearly reports of the **A.I.F.** will be published within 4 months from the end of the year, i.e. within 2 months of the end of the semester to which they refer. Semestrial and annual reports will be:
- (i) sent to the F.S.A.;
  - (ii) published, for reading, on the A.I.F.M. website
  - (iii) offered for reading at the A.I.F.M. office
- (3) The A.I.F.M. will publish annual and half-yearly reports on its own website within 5 working days of the approval thereof. In addition, the Offer Document, the **A.I.F.** Rules, the Key Information Document (PRIPs), the annual and half-yearly reports may be read by investors or made available free of charge, upon request, at the A.I.F.M. headquarters and/or on the A.I.F.M. website.

## CHAPTER 10 PUBLICATION OF NOTIFICATIONS TO INVESTORS

- (1) Notifications of any changes to the incorporation documents and other information relating to the **A.I.F.** shall be published on the A.I.F.M. website within two working days from the date of their authorization or notification to the F.S.A, as applicable.
- (2) Subsequent amendments to the **A.I.F.** offer document shall be made based on an addendum to this Offer Document, shall be communicated to investors following their notification to the F.S.A. within a maximum of 10 working days after they are made and shall enter into force on the date of their communication to investors on the A.I.F.M. website.

## CHAPTER 11 RIGHTS AND OBLIGATIONS OF INVESTORS

- (1) The **A.I.F.** investors have the rights below:
  - a) to obtain the Offer Document, the **A.I.F.** Rules, the Essential Information Document (PRIPs) and the Memorandum of Association free of charge before joining the **A.I.F.**;
  - b) to obtain, free of charge, on request, the periodic net asset value and net asset value per unit reports and the half-yearly and annual reports;
  - c) to request and obtain general information on the policy for the use of **A.I.F.** resources and the certified value of fund units;
  - d) to receive by the means specified in the subscription form (e-mail, registered letter with acknowledgement of receipt, facsimiles and at the A.I.F.M. office a certificate of investor or an account statement clearly showing the subscription/redemption operation);
  - e) to receive, on request, the statement of the personal investment account;
  - f) to redeem some or all of the units held in the fund in accordance with the redemption conditions in the **A.I.F.**'s incorporation documents;
  - g) natural persons holders of fund units may appoint one or more proxies to sign the subscription or redemption forms on their behalf for the fund units held either (i) by filling in the Authorization Clause in the Subscription Form with the identification details of the proxy holder or (ii) by a notarial power of attorney to this effect;
  - h) to become party to **A.I.F.**'s Memorandum of Association;
  - i) to monthly obtain, on request, the information on **A.I.F.** status;
  - j) to request and obtain information on the statement of assets and liabilities of the **A.I.F.** and the detailed situation of investments;

- (2) **Fund** investors shall have the obligations below:

- (1) to comply with the legal provisions in force applicable to the field of investment in fund units;
- (2) to comply with the provisions of the **Fund**'s incorporation documents;
- (3) to verify the correctness of the registration of fund units' subscription and redemption operations;
- (4) to be continuously informed about changes in the **Fund**'s incorporation documents;
- (5) to pay the fees presented in the incorporation documents, which it agrees and accepts;
- (6) if they have an e-mail address, to communicate it for the purpose of efficient correspondence;
- (7) to communicate any change in his details declared in the subscription form;
- (8) to use a power of attorney in the event that it authorized a third person to sign on its behalf the subscription or redemption form, unless the Authorization Clause in the Subscription Form is filled in;
- (9) to present the original and file a copy of the identity card/passport when redeeming fund units.

## CHAPTER 12 A.I.F. AUDITOR AND DELEGATION OF ACCOUNTING ACTIVITIES

- (1) The **A.I.F.** auditor is Deloitte Audit SRL, with the office in Bucharest, sector 1, Str. Nicolae Titulescu, nr. 4-8, etaj 2 – zona Deloitte si etaj 3, registered with the Trade Register under no. J40/6775/1995, SRC 7756924.
- (2) The A.I.F.M. has delegated the accounting activity of the **A.I.F.** to SAI Financial SRL, a specialized firm with the office in Corbeanca Locality, strada Privighetorilor nr.12, parter, apartament 3, Ilfov County, SRC 39770331.
- (3) The delegation of activity does not hinder the proper supervision of the **A.I.F.** activity and does not prevent S.A.I. ATLAS ASSET MANAGEMENT S.A. from acting in the best interest of the investor.

#### CHAPTER 13 PROTECTION OF PERSONS AS TO PERSONAL DATA PROCESSING

- (1) The processing by the A.I.F.M. of the personal data belonging to the investor/authorized person is done in compliance with the General Data Protection Regulation.
- (2) By adhering to the **A.I.F.** Offer Document, the investor/authorized person declares that he/she has been informed of the existence of the mandatory information on the protection of personal data published at the following address <https://www.atlas-am.ro/legislatie/politica-de-confidentialitate-privind-datele-personale-4>.

#### CHAPTER 14 F.A.T.C.A. AND C.R.S.

- (1) The F.A.T.C.A.'s enforcement of tax compliance requirements for foreign accounts is a set of legislative measures issued in 2010 by the United States of America to prevent and reduce tax evasion by U.S. citizens/residents. In accordance with F.A.T.C.A. provisions, financial institutions must collect and report to the U.S. tax authorities, directly or through the Romanian authorities, information about accounts held by individual and corporate customers (U.S. citizens/residents or controlled by U.S. citizens/residents) who have tax obligations to the United States, whether they are inside or outside the borders of the United States.
- (2) Romania has signed an intergovernmental agreement with reciprocity, which automatically triggered F.A.T.C.A. compliance for financial institutions registered in Romania. Therefore, the A.I.F.M. complies with F.A.T.C.A. requirements. The A.I.F.M. is registered on the Internal Revenue Service website with the identification number GIIN- 4APJM3.99999.SL.642.
- (3) Romania cooperates with the other Member States of the European Union as well as with other third countries participating in the C.R.S. to achieve an automatic exchange of financial information between tax authorities with the aim of preventing and reducing cross-border tax evasion by foreign tax residents in relation to their accounts abroad.
- (4) In this respect, the A.I.F.M. complies with the requirements of the Organization for Economic Co-operation and Development by applying an international standard for improving transparency and automatic exchange of tax information which is the C.R.S.
- (5) The purpose of the C.R.S. is to enable tax authorities to receive information for tax purposes, in a systematic manner, on financial assets held abroad by their residents.
- (6) The A.I.F.M. will process and send to the competent tax authority in Romania the information required by the legal regulations, namely: identification data of reportable clients (natural persons, self-employed persons and legal entities), tax residence jurisdiction(s), tax identification number, value of holdings, value of the last transaction initiated by the client immediately before the liquidation of holdings, etc.
- (7) For the **A.I.F.** investors to confirm their C.R.S. reportable/non-reportable status with the tax authorities, self-certification will be required declaring the country(ies) of tax residence, the tax identification number(s) assigned by the relevant authorities (if applicable) and the submission of the document(s) supporting the declared information.

#### S.A.I. ATLAS ASSET MANAGEMENT S.A.

By Mr. Dragos Balaci

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Manager

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