

***RAIFFEISEN MIKS***

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***Investment Fund***

# **PROSPECTUS**

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[www.raiffeisen-invest.at](http://www.raiffeisen-invest.at)

## **IMPORTANT INFORMATION ON INVESTMENT FUND AND FUND PROSPECTUS**

Raiffeisen Miks Fund is an open-ended collective investment undertaking with public offering, established by Raiffeisen Invest sh.a. (hereinafter: Management Company), which is the asset management company licensed by the local authority, Albanian Financial Supervisory Authority (hereinafter: AFSA), for managing assets in forms of private pension funds and collective investment undertakings. The management company performs its activity honestly and professionally in the best interest of the investors.

The collective investment undertaking with public offering or the Investment Fund is a separate pool of assets with no legal personality, established under a contractual relationship, upon licensing by Albanian Financial Supervisory Authority and managed by the management company, for the purpose of raising monetary or similar assets through public offering of units in the fund.

The assets of the fund are invested in accordance with the principle of risk diversification and the provisions of the law no. 56/2020 "On collective investment undertakings". Unit - holders have the right, not only to a proportionate participation in the fund's profit, but to also request, at any time, the redemption of their units.

The Prospectus contains all the necessary information on the basis of which potential investors will be able to form a well-grounded opinion on the objectives and key strategies of Raiffeisen Miks Fund (hereinafter referred to as the Fund), specific risks of investing in the Fund, profile of suitable investors, and fees and charges payable.

Raiffeisen INVEST sh.a confirms that this Prospectus contains all information regarding the Fund, that is material (in the context of the investment objective) and declares that the information provided in this Prospectus is in accordance with the facts and contains no omissions, which are likely to affect its significance.

The information provided in this Prospectus is expressed truthfully, accurately, and honestly in order to orient investors. Any opinions, predictions or intentions expressed do not intend the misinformation of the investors. All proper enquiries have been made to ascertain and to verify the foregoing.

The prospectus does not constitute an invitation to purchase the units of the Fund but serves as an information tool regarding the features, characteristics and risks related with the participation in the Fund.

Potential investors are advised to read this Prospectus in order to have a clear opinion on the Fund's characteristics and risks prior to making their investment decision.

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## DEFINITION OF BASIC TERMS

For the purposes of this Prospectus, the following definitions shall apply:

**Accumulation Units:** units of a fund for which the income from the investment is automatically re-invested and the benefits to the investors come from the accumulation of the value of those units.

**AFSA:** Albanian Financial Supervisory Authority.

**Assets:** securities, money market instruments, derivatives, cash, and other assets under the ownership of the Collective Investment Undertaking.

**Automatic exchange of information of financial accounts (AEIFA):** Law no.4, approved by Albanian parliament on 30/01/2020

**Board of Administration:** according to Albanian company law, the only body of the management company which has managing and supervising functions (one-tier system)

**Collective Investment Undertaking (CIU):** a legal entity or a special pool of investor assets that operates in the form of an investment fund or investment company.

**CRS:** Common Reporting Standard (CRS) constitutes a regulatory reporting requirement for Financial Institutions seated in participating jurisdictions and pursues the aim to avoid tax evasion.

**Depository (Custodian Bank):** a bank that is licensed by Central Bank of Albania to provide custodial, depository and trust services, approved also by the Albanian Financial Supervisory Authority to provide custodial services in relation to the assets of an investment fund.

**Derivative instruments:** a financial security with a value that is reliant upon or derived from, an underlying asset or group of assets. The most common underlying assets for derivatives are stocks, bonds, commodities, currencies, interest rates, and market indexes.

**Duration:** measures the sensitivity of the bond's full price (including accrued interest) to changes in the bond's yield-to-maturity or, more generally, to changes in benchmark interest rates.

**Equity market:** also known as stock market is a market in which shares are issued and traded, either through stock exchanges or over-the-counter markets. This is one of the most vital areas of a market economy because it gives companies access to capital and investors a slice of ownership in a company with the potential to realize gains based on its future performance.

**Exchange traded fund (ETF):** a collective investment undertaking that follows an index, according to which a unit or share class is shown throughout the day on a trading platform and with a market maker, which guarantees that the price of its units or shares in the market has no changes in net values of assets and, as the case may be, from the reference net values of assets. Exchange traded funds are similar to collective investment undertaking (CIU), however, in contrast to CIU an ETF is listed on the stock exchange, and it is traded daily, while its price fluctuates the same way as common stocks.

**FATCA:** United States federal law requiring all non-U.S. financial institutions to report to the IRS (Internal Revenue Service) information about financial accounts held by U.S. taxpayers, or by foreign entities in which U.S. taxpayers hold a substantial ownership interest.

**Fixed income instrument:** type of investment security that pays investors fixed interest payments until its maturity date. At maturity, investors are repaid the principal amount they had invested. Government

and corporate bonds are the most common types of fixed-income products. However, there are fixed-income exchange-traded funds (ETFs) and mutual funds available.

**Fund Manager:** a person within the management company which is responsible of portfolio management.

**Fund Rules:** the principal document governing the legal relationship between Management Company and the investors in the Fund.

**High-yield bond:** bond with a BBB- credit quality rating from Standard & Poor's or equivalent credit ratings from other widely recognized international appraisers. These bonds pay higher interest rates because they have a lower credit rating than investment-grade bonds.

**Investment fund:** a collective investment undertaking established as a contractual fund, with a single goal of providing capital from investors and investing this capital in different types of investments, according to approved investment policies, in order to gain benefits for the investment fund's shareholders.

**Investment grade bond:** bond with a credit rating of at least BBB- from Standard & Poor's or equivalent credit ratings from other widely recognized international appraisers. These securities represent a relatively low risk of default.

**Investment Portfolio:** the entirety of investments undertaken with fund's assets.

**Investor:** a person who owns units in an Investment Fund.

**Management Company:** a joint stock company established in accordance with the Albanian Company Law and licensed by AFSA to manage pension funds and/or collective investment undertakings.

**Minimum holding amount:** the value of the holding below which an account can be closed.

**Minimum Investment Period:** the investment period begins when the fund unit are purchased, and it lasts till the day of arrival of a valid request for sale at Raiffeisen INVEST.

**Money market:** The money market refers to trading in very short-term debt investments.

**Net asset value:** the aggregate value of the assets of the collective investment undertaking after deducting the total amount of the collective investment undertaking liabilities at the time of calculation.

**Net asset value per unit:** net asset value of the collective investment undertaking, divided by the number of units issued at the time of the calculation of the net asset value.

**Open-ended Investment Fund:** means an undertaking which under its constituting instrument has the obligation to redeem its participations every working day at a price related to the net asset value per participation of the undertaking.

**Portfolio diversification:** investment of the fund's assets into various securities, in order to decrease investment risks.

**Portfolio Duration:** the weighted average of the durations of individual bonds that compose the portfolio.

**Prospectus:** a document issued to the public containing the most important information on a Collective Investment Undertaking, such as the investment policy, risk management policy, fees etc.

**Public Offering:** the invitation to subscribe or purchase units in the Fund, which is addressed to an indefinite number of persons through mass media.

**Raiffeisen INVEST:** the management company of the investment fund Raiffeisen Miks.

**Rating of securities:** ranking of securities according to the level of risk associated with investing in them and return on investment, established by international rating agencies. According to Standard & Poor's Agency, long-term debt securities classified in intervals AAA to BBB- (investment grade securities) represent lower risk and consequently the expectation of return on investment is lower. Debt securities classified in the interval BB+ to D (high yield securities) represent high risk, and therefore have a higher expected return on investment.

**Regulated Market:** the multilateral system used and / or administered by a market operating entity, which unites or helps to unite the multiple trading interests that third parties have for financial instruments, in accordance with its binding regulations. Financial instruments are accepted for trading according to regulated market regulations and / or systems and the market is licensed, registered or recognized by the authority. This definition also includes over-the-counter markets where securities are issued and guaranteed by the government of the Republic of Albania provided that the sale is recognized and regulated by authority, as well as is opened to the public.

**Repurchase agreement (Repo):** an agreement with a commitment by the seller to buy a security back from the purchaser at a specified price at a designated future date.

**Return on investment:** the return received from the investment of assets

**Reverse repurchase agreement:** an agreement to buy a security and to sell it again in the future for a higher price.

**Security:** a negotiable financial instrument that concedes rights and obligations to its legal holders and that is issued and traded in order to make profit. It can be an instrument which offers evidence of debt or equity, units of investment funds or pension funds.

**Separate undertaking:** a collective investment undertaking that is not an umbrella enterprise or sub-fund.

**Stock:** transferable securities that represent an ownership share in a company, which means that the investor is buying an ownership stake in the company in the expectation of receiving a share of the profits in the form of dividends, or benefiting from the growth of its stock price, or both.

**Unit:** every equal proportional share, resulting after the division of the beneficiary interests in assets, object of the collective investment undertaking of the investment fund.



## **1 MANAGEMENT COMPANY**

### **1.1 LEGAL FORM**

Raiffeisen Invest sh.a. – the asset management company for private pension funds and collective investment undertakings is a joint stock company, headquartered at Street Tish Daija, Kika 2 Complex, Tirana, Albania. Its sole owner is Raiffeisen bank Albania with one hundred percent of the shares.

The company's registered share capital amounts to ALL 90 million.

According to the law no. 9572, dated July 3<sup>rd</sup>, 2006 "On Financial Supervisory Authority", Law no. 76/2023 "On private pension funds", Law no. 56/2020 "On collective investments undertakings", the supervision activity of Raiffeisen INVEST is undertaken by the Albanian Financial Supervisory Authority.

The object of Raiffeisen INVEST activity is:

Management of private pension funds and collective investment undertakings assets based on License no.1 issued by AFSA on 13.12.2011.

While exercising its activities, the management company acts honestly and impartially, with skills and due care, in accordance with the legal framework, professional code and best practices.

The management company is the managing legal entity of all funds under its administration as well as their representative in relation with third parties.

### **1.2 FUNDS UNDER MANAGEMENT**

Raiffeisen INVEST sh.a. manages the below funds:

1. Raiffeisen Prestigj investment fund (Code FI-B1, dated 13 December 2011)
2. Raiffeisen Invest Euro investment fund (Code FI-B2, dated 26 September 2012)
3. Raiffeisen Vizion investment fund (Code FI-B4, dated 30 July 2018)
4. Raiffeisen Miks investment fund (Code F1-B6, dated 23.10.2020)
5. Raiffeisen Private Pension Fund (Ref. FP 1, dated 18 October 2010).
6. Raiffeisen Sustainable Solid Feeder Fund (License nr.14, dated 28.03.2024)

### **1.3 THE COMPANY GOVERNING BODIES**

The governing bodies of the company are: The Shareholder Assembly, the Board of Administration and the Executive Administrators

#### **1.3.1 SHAREHOLDER ASSEMBLY**

The Shareholder Assembly is made up of representatives of Raiffeisen Bank Albania as the sole owner of the Company.

#### **1.3.2 BOARD OF ADMINISTRATION**

Board of Administration is the central body of the management company, which controls and monitors the application of commercial policies and the business development. The Board of Administration ensures that the management company's activity is in accordance with the law and accounting

standards, approves the investment and financial policy, the prospectus etc. The Board of Administration has 7 members:

**Mrs. Donalda Gjorga: Chairman of the Board of Administration**

Mrs. Donalda Gjorga is currently Director of the Treasury Department at Raiffeisen Bank. Mrs. Gjorga has completed undergraduate and postgraduate studies (MBA) in Business Administration at the Faculty of Economy in Tirana. Donalda has 21 years' experience in the banking system, of which 19 years in the field of investment in financial markets at the Treasury Department in Raiffeisen Bank. Mrs. Gjorga has completed the final tests with excellent results for: ACI Dealing and ACI Diploma offered by the Financial Market Association, which is the largest international association of Traders in financial markets.

**Mr. Peter Zilinek: Vice Chairman of the Board of Administration**

Mr. Peter Zilinek has a wide experience in asset management industry. Currently, he holds the function of Head of Group Steering, in CEE Department in Raiffeisen Capital Management, Vienna, Austria. As part of Raiffeisen Bank International (RBI) Competence Centre for Asset Management, he is representing RBI in supervisory bodies of investment and pension funds in many CEE countries. Mr. Zilinek has a master's degree in both areas, financial management and Law and he is a CFA Charter holder.

**Mrs. Elona Llaci: Member of the Board of Administration**

Mrs. Elona Llaci is currently the Director of the Strategy and Innovation Department at Raiffeisen Bank, Albania. She has 20 years of experience in the Banking sector covering various roles such as Project Financing, Corporate Credit Risk Assessment, Credit Committee Member at Raiffeisen Bank. Mrs. Llaci has extensive knowledge in the industry, expertise to orientate against the various challenges that come from a dynamic business environment, as well as having the necessary experience to successfully manage the objectives of the organization, approaching innovative solutions in order to achieve high results. Mrs. Llaci graduated in 2004 in the Finance / Accounting department at the University of Tirana, as well as being an Innovation Manager certified by the Global Innovation Management Institute.

**Mrs. Gentjana Ciceri: Member of the Board of Administration**

Mrs. Gentjana Ciceri has 26 years of experience in the financial and banking sector. She has maintained a range of diverse functions in different sectors such as Retail, Operations, etc. She has been working in the Raiffeisen Bank Retail sector for 15 years in the position of Head of Network Development, Cards and Digital Banking, Customer Experience and Development. Currently, since April 2022, he holds the position of Sales Director Retail and Network of branches. For several years she contributed as a lecturer in the subjects Money, Banks and Financial Markets, and International Finance at the Faculty of Economics of UT and at the University of New York Tirana.

**Mr. Erion Balli: Member of the Board of Administration**

Mr. Erion Balli is the Director of the "Non-Retail" Risk Management Division at Raiffesen Bank, Albania. He has long experience of about 19 years in the banking system, of which 10 years in Raiffeisen Bank sh.a. Since May 2017, he has been a member of the Supervisory Board of Raiffeisen Leasing. During the period May 2018 - September 2021 he held the position of Head of Credit Risk Management for

Corporate and Medium Enterprises. Previously, he also held other important positions in Raiffeisen and other Banks such as: Head of Management of Problem Loans Department, etc.

Mr. Balli graduated in Finance in the University of Tirana in 2003 and in 2008 he completed his master's degree in "Banking and Corporate Finance" and "Institute Universitaire Kurt-Bosch & New York University Tirana".

**Mrs. Edlira Konini - Member of the Board of Administration**

Mrs. Edlira Konini has completed undergraduate and postgraduate studies (Master's degree) in Paris, France, in Business Administration. She has 19 years' experience in the field of investment and financial markets.

Edlira joined Raiffeisen Invest in 2009, after several years of experience in the Currency Exchange sector, at the Treasury and Investment Banking department of Raiffeisen Bank, Albania, initially holding the position of the Head of Portfolio Management and then that of Deputy General Administrator. She has received excellent results of ACI Dealing Certificate, offered by the Financial Market Association.

**Mrs. Alketa Emini - Member of the Board of Administration**

Mrs. Alketa Emini has pursued her undergraduate and graduate (Master) studies in Business Administration. She has a 20-year experience in the banking system in Albania. Alketa joined Raiffeisen Invest after a 13-year experience in the Credit Risk Management Department of Raiffeisen Bank Albania where she held the position of Head of Credit Risk Management for Corporate and Medium Enterprises. Moreover, she has been a Member of the Supervisory Board of Raiffeisen Leasing Albania for 5 years.

### 1.3.3 EXECUTIVE ADMINISTRATORS

The Executive Administrators of the company are also members of the Board of Administration. They manage and organize the management company's activity, prepare and propose to the Board of Administration all internal regulations and procedures, decide on the rights, obligations and responsibilities of any employee, etc. The executive administrators are:

1. Ms. Edlira Konini – General Administrator
2. Mrs. Alketa Emini – Deputy General Administrator

### 1.3.4 KEY PERSONNEL

Mr. Lizandër Saraçi – Head of Risk Management Department

Mrs. Rezarta Arapi - Head of the Fund Management Department

Mrs. Brunilda Haxhimihali (Emini) - Head of Legal, Compliance & PPP Department

Key personnel do not exercise any management function in the parent company or another company part of the financial group.

## 1.4 OUTSOURCED ACTIVITIES

### 1.4.1 TRANSFER OF TASKS TO RAIFFEISEN BANK ALBANIA

In order to increase efficiency and utilize synergies within the Raiffeisen group, some activities of the management company have been transferred to Raiffeisen Bank Albania. Based on the experience and standard of activity of Raiffeisen Bank sh.a., the delegation is in the best interest of investors, but the management company remains responsible for the delegated functions and their progress.

Raiffeisen Bank Albania based on the service agreements concluded with the management company has assumed tasks, completely or partially in the following areas:

- Human resources: supports the management company in relation to employee training policies in compliance with the Group's standards, as well as its internal policies (Personnel Manual, Code of Conduct, etc.);
- Marketing & PR: develops and implements the marketing strategy of the management company, provides appropriate support for communication and image promotion campaigns in line with Group standards, and maintains relationships with the third parties which provide Marketing and Public Relations services;
- Sales and Distribution: performs the process of selling the fund units in the role of sales agent of the management company;
- Operational risk: advises and guides on operational risk management policies according to Group standards, risk assessment and definition of risk warning indicators, training for employees etc.;
- Internal audit: performs the full function of internal audit through ongoing checkups which ensure compliance of the activity and procedures with the legal framework and Group standards, as well as the identification of problems and exposure to intentional risks in order to improve the control system; Internal audit reports to the governing bodies of the management company.
- Archive management and some administration functions
- Information technology: supports the management company regarding hardware and software developments, undertaking safeguards including data back up and system recovery, maintaining servers and developing their architecture, designing and maintaining system recovery procedures in case of disasters etc.
- Security: performs information security services, physical security as well as business continuity services. Provides training related to these services;
- Compliance, money laundering, financial sanctions and fraud prevention: exercises measures of proper vigilance to prevent money laundering, financial sanctions, but also for the purposes of

implementation of FATCA and CRS requirements; defines standards for prevention and manages the cases of fraud and financial crime;

- Elements of data protection: Defines standards and directs the personal data protection process.

#### **1.4.2 CONFLICTS OF INTEREST ASSOCIATED WITH THIS TRANSFER**

The management company will take the interests of its investors into consideration when assigning tasks to third parties, even in the cases when third party is the parent company.

Any third party undertaking to perform certain functions delegated by the management company, is thus obliged to:

1. to implement suitable measures to identify conflicts of interest
2. to establish regulations and internal procedures for avoidance of identified conflicts of interest
3. to notify the management company of any unavoidable conflicts of interest.

Every material outsourced service is subject to consent from Albanian Supervisory Authority.

## **2 THE INVESTMENT FUND**

### **2.1 RAIFFEISEN MIKS FUND – A COLLECTIVE INVESTMENT UNDERTAKING WITH PUBLIC OFFERING**

The investment fund Raiffeisen Miks is an open ended collective investment undertaking with public offering, established by Raiffeisen Invest. . This fund's continuance is indefinite. Raiffeisen Miks Fund is not supported or is guaranteed in any form by Raiffeisen Bank or Raiffeisen Invest, it is not a banking product and the investment risk belongs entirely to the investor.

**The investment in the fund is not a bank deposit and as such it is not insured by the Albanian Deposit Insurance Agency.**

### **2.2 DATE OF FUND ESTABLISHMENT AND DURATION**

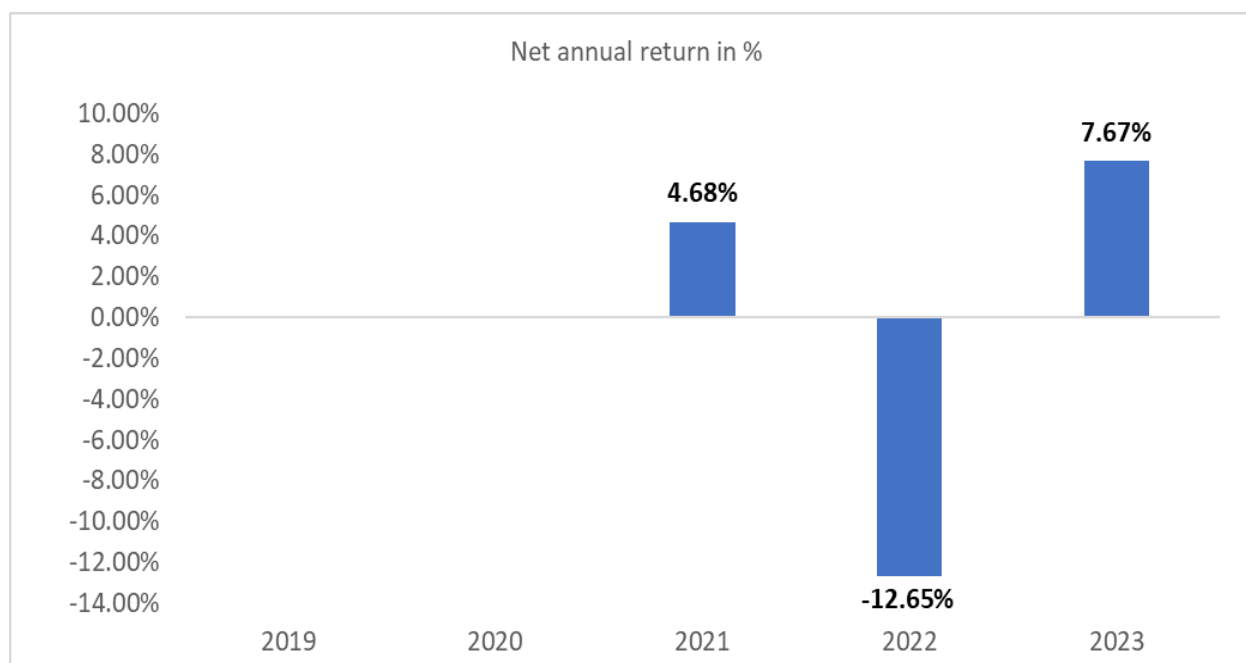
The fund was established with decision no. 153, on 23 October 2020, with the approval of Albanian Financial Supervisory Authority, decision number 153, code FI-B6.

The Fund was established for an indefinite period and began its operations on 16 November 2020.

The subscription period starts on 16 November 2020 and ends on 6 December 2020.

## 2.2.1 HISTORICAL DATA

- Annual past performance of the Fund



The management fee is deducted before calculating the return on investment. The ongoing charges based on expenses for the year ended 31.12.2023 are 1.60%.

The annual return belongs to the date December 31 of each year and presents the net profitability for the investor.

As of December 31, 2023, the cumulative performance of the fund since launch is -1.54%.

### - Risk Indicators (as of December 31, 2023)

The synthetic risk and benefit indicator stands at level 4. This indicator provides information on the risk level of the fund (from level 1 to level 7) based on the results of applying the fund's investment policy to historical data of interest rates and capital markets for the last 5 years.

The average duration of the investment portfolio is 2.23, while the average modified duration of the investment portfolio is 2.14.

Return on investment and risk data in the past are illustrative only and do not represent a promise or guarantee of return and future risk.

## 2.3 INVESTMENT GOAL AND INVESTMENT POLICY

Notice: The fund seeks to comply with its investment goals. However, no assurance can be provided that these goals will be fulfilled. The Management Company does not guarantee a specific performance for the Fund. The following description does not reflect a potential investor's individual risk profile. We recommend that investors should obtain expert investment advice for an assessment of whether the investment fund is suitable and appropriate for their personal circumstances.

### 2.3.1 INVESTMENT GOAL

Fund's investment goal is regular income and moderate capital growth over the medium term.

The fund is suitable to those investors who are willing to take a medium level of risk by being exposed to both bond and equity market.

### 2.3.2 INVESTMENT STRATEGY AND ASSET ALLOCATION

Fund's assets are invested in instruments that belong to 3 asset classes:

- fixed income
- equity
- money market or cash equivalent.

In order to achieve the investment goal, the fund invests its assets in a portfolio of fixed income instruments up to 75% of total assets. Moreover, in order to maximize the total return, the fund may invest up to 40% of assets in equities/equity funds, mainly from developed markets such as US and Europe.

**Fund's currency is Euro.** Investments and withdrawals are done in Euro.

#### 1. Fixed income

The fund invests in bonds, which are issued or guaranteed by the government of Republic of Albania or other EU countries. The fund may also invest in bonds issued by supranational institutions and/or companies, traded on a regulated market or official stock exchange in the Republic of Albania, in an EU country or in another country authorized by the FSA and in units of other investment funds whose investment focus are fixed income instruments.

The fund may invest up to 75% of its assets in fixed income instruments. Fixed income maturities will be laddered to the extent possible.

More than 35% of the value of the fund assets can be invested in transferable securities or in money market instruments approved, issued, or guaranteed by the Government of the Republic of Albania.

The target duration for fixed income portfolio is 5 and duration should not be higher than 7.

The expected role of bonds' investments is to provide a regular return for the fund through interest income.

## 2. Equities

The fund invests in equities with the aim to provide capital growth in the mid-term. Equities may comprise up to 40 % of the fund assets.

Investments in the stock market can be made through the purchase of individual stocks or through the purchases of shares] of other investment funds, which also include stocks in their investment portfolios. These funds can all be actively managed or can be traded on the stock exchange (ETF). Their exposure can be global or directed to a specific region.

The specific weight of each fund in the portfolio changes on growth potential expectations that the managers of the Fund have. Investments in other investment funds are mainly selected based on the quality of the investment process, their performance and their risk management.

The investment universe is global and there will be exposure to different geographic regions. Main investment focus will be on stocks from developed countries such as USA, Canada, Europe, and Pacific, with a maximum of 40% of the total assets.

A maximum of 8% of the fund assets can be invested in stocks from emerging countries such as Asia, Emerging Europe, India etc.

The expected role of the equity investments is to maximize the medium to long term real growth of portfolio assets, due to the capital appreciation, undertaking a risk higher than investing in bonds and by being exposed to a higher price volatility.

## 3. Money Market

Generally, a small portion of assets is held as cash equivalents, reverse repo transactions and bank term deposits with maturity of up to one-year maturity. The purpose of using money market investments, such as deposits and transaction of Repo / reverse repo agreements is to cover the short-term liquidity needs of the Fund and achieve a timely fulfillment of legal obligations to all fund investors.

Repo / reverse repo agreement transactions are performed only after a framework agreement is signed between the management company and the other party. In the transaction of repo / reverse repo agreements are used as collateral the transferable and tradable securities in regulated markets, which are considered as high-quality liquid assets.

Using Repo / Reverse Repo agreements may be associated with risks, such as risk of the other counterparty that does not repay the obligations on time, market risk due to potential changes of the collateral value, credit risk related to the collateral. To make the hedge against the risk of the other counterparty, the terms of the signed agreement will be enforced. The collateral is held in a separate account at the custodian/ sub custodian bank and to hedge against the market risk will be applied margins, such as haircuts to the collateral value.



In order to achieve its main investment objectives, the fund follows a strategy, which is based on thorough market analysis and includes:

- Effective management of the investment portfolio in order to generate yield and investment appreciation.
- Conservative structure of the fixed income portfolio – mainly composed of debt instruments, issued or guaranteed by the government of Republic of Albania and investment grade bonds.
- Selection of the bond type based on the expected yield and duration.
- Holding part of the fund's assets in financial instruments, characterized by low to medium remaining maturity and high ability to be converted in liquidity
- Equity Investments mainly in funds and ETFs, which are actively managed, very well diversified and liquid.

### 2.3.2.1 ASSET ALLOCATION

Raiffeisen Miks fund is characterized by diversification and strategic allocation of fund's assets across categories and sub-categories of assets in bonds and equity markets, which have different degrees of risk, return, and return correlation.

Outlined below is the long-term strategic asset allocation determined by this investment policy to be the most appropriate, given the Fund's long-term objective and short term constraints.

Portfolio assets will, under normal circumstances be allocated across asset and sub-asset in accordance with the **Fund Asset allocation table:**

Asset Class	Sub -asset class	*Target allocation	Asset allocation Limitation
Fixed Income		68%	Up to 75%
	Government and Corporate Securities traded in regulated markets and Units in another collective investment undertaking		Maximum
	– Investment Grade bond	30%	Up to 30%
			Minimum
	Government and Corporate Securities traded in regulated markets and Units in another collective investment undertaking	38%	Up to 45%
			Maximum

– Albania; European Emerging Markets; High Yield

Equity	Securities traded in regulated markets or on a stock exchange in developed countries such as USA, Canada, EU countries, Switzerland or Pacific countries. These securities are in the form of individual equities or units/ shares of investment funds traded or not on the stock exchange.	30%	Up to 40%	Maximum
	Securities traded on regulated markets or on a stock exchange in emerging markets in Europe or Asia. These securities are in the form of individual equities or units/ shares of investment funds traded or not on the stock exchange.	25%	Up to 40%	Maximum
		5%	Up to 8%	Maximum
Cash equivalents or money market instruments		2%	Up to 80%	Maximum
	Bank deposits, repurchase agreements, cash, and cash equivalents	2%	Up to 80%	Maximum

*\*Target asset allocation* can be changed considering the market conditions. Accordingly, the target will be revised and approved by the respective authorities.

Asset allocation Limitation indicates the upper or lower bound of the asset class specified. The fund intends to invest within the limits specified above on the relevant assets.

**The investor should consider that target asset allocation serves as an orientation and there can be no assurance that these targets will be attained.**

### 2.3.2.2 INSTRUMENTS OF INVESTMENT POLICY

The investment portfolio of the fund may consist of the following instruments to be used in the implementation of the investment policy:

- a) transferable securities and other securitized debt instruments traded on a regulated market or official stock exchange in the Republic of Albania, in an EU country or in another country permitted by AFSA.**

The fund may invest in debt securities, issued or guaranteed by Republic of Albania in domestic or international market, traded in regulated markets or stock exchanges, in debt securities issued by other EU or Non-EU countries, issued by companies and traded in regulated market or stock exchanges, belonging to Investment grade or High yield with a limitation of B- credit rating.

- b) units of investment fund licensed under the Law no. 56/2020 “On Collective Investment Undertakings”, and shares or units of other approved collective investment undertakings or Exchange traded funds (ETFs), licensed in regulated markets in EU or US.**

The investment in one single investment fund and the overall exposure to investment funds should not exceed the legal limits defined in the Law on CIU.

- c) Single equities or stocks traded in Republic of Albania or in other regulated markets**

- d) Money market instruments which are normally liquid instruments.**

Deposits with credit institutions, registered in the Republic of Albania or in an EU country or AFSA-permitted country, which mature in no more than 1 year and Repurchase agreement with maturity up to 12 months.

- e) Financial Derivative instruments**

Investments in derivative financial instruments may be used as a means of avoiding risks and in achieving the Fund's investment objectives, but the investment strategy will not change due to investing in these instruments and the risk exposure may not exceed the projected levels in AFSA regulations.

The management company is committed to respect all investment restrictions provided by Law no. 56/2020 “On Collective Investment Undertakings” and by fund investment policy and risk management policy for any of the instruments mentioned above.

## **2.4 RISK PROFILE OF THE FUND**

### **2.4.1 GENERAL INFORMATION**

The management company has in its organizational structure the Risk Management Unit, which operates independently from other operational units, including the fund management unit. This ensures the avoidance of conflict of interest, and the efficiency of ongoing risk management process.

The Risk Management Unit has established a system for monitoring the risks that the company and the Fund are exposed, through the procedures and analyzing each investment; supervise the activity of the management company and how the management of the Fund is done, as well as perform the resistance test, under normal and exceptional liquidity conditions, in order to monitor the liquidity risk of the Fund.

The assets in which the management company invests for account of the investment fund entail risks as well as income opportunities. If the investor sells fund units at a time when the prices of the assets have fallen, he may not receive all the money which he has invested in the investment fund. There is therefore no commitment to provide further capital. The investor cannot lose more than the invested amount, as there is no obligation to invest additional capital.

Risk can never be completely evaded but it can be minimized by applying adequate risk management procedures.

For that purpose, the management company has identified potential risks that investors in this fund could be exposed directly through their investments into the Fund or indirectly through the management company itself.

### **2.4.2 INVESTMENT RELATED RISKS**

When taking investment decisions, the management company will consider each individual investment within the context of the risk level of the total assets of the Fund, adhering to the principles of security, profitability, liquidity and risk diversification.

#### **(a) MARKET RISK**

The risk that the entire market for an asset class performs negatively and that this negatively affects the price and value of these investments. The performance of securities is particularly dependent on the development of the capital markets. For their part, these are affected by the general position of the world economy and by the economic and political outline conditions in the relevant countries. Low or even negative yields on money market instruments and bonds may adversely affect the fund's net asset value. Other risks related to the volatility of different market factors are the risks described below from points b to g:

## **(b) LIQUIDITY RISK**

With due regard to the opportunities and risks associated with investing in equities and bonds, the management company will predominantly acquire for the investment fund securities that are officially listed on stock exchanges or traded in organized markets that are recognized markets, are publicly accessible and are properly functioning markets.

Despite this, sales of individual securities in individual phases or in individual stock exchange segments may be problematic at the desired moment in time. There is also the risk that stocks traded in a somewhat tight market segment may be subject to considerable price volatility.

## **(c) EQUITY RISK**

Equity price risk is a certain form of market risk. This relates to the possibility of equities and quasi-equity securities experiencing significant price fluctuations. The Raiffeisen Miks fund invests up to 40% of assets in shares or shares of investment funds that invest their portfolio in shares. Being an asset class with higher volatility, the Raiffeisen Miks Fund will have a significant impact from equity price volatility. In particular, the current price of an equity or a quasi-equity security may thus fall below the price at which the security was purchased. As a market price, this price reflects the ratio of supply and demand as of the time of valuation. Economic expectations in relation to individual companies and industries as well as the general economic environment, political expectations, speculation and speculative buying are important factors shaping price trends.

## **(d) RISK IN CASE OF DERIVATIVE INSTRUMENTS**

As part of its orderly management of an investment fund, subject to certain conditions and restrictions the management company may purchase derivative financial instruments within the meaning of AFSA regulations for such type of instruments.

In case of using these instruments, the added risks to the fund may be as follows:

- Rights over the underlying instrument may lose value. The decrease of the unit price can cause losses to the fund.
- The risk of loss may not be easily measurable / predictable and may exceed the value of collateral that may have been taken as protection.
- In case of a sale to reduce derivative risk, transactions may not be possible at the valuation price, as they are not highly liquid securities.

## **(e) RISKS ASSOCIATED WITH SUBORDINATED BONDS**

Subordinated bonds – in particular, hybrid bonds and bonds with core capital characteristics which are issued by credit institutions or other financial service providers – may have a quasi-equity risk profile in

certain circumstances. They are exposed to an increased risk of the issuer being unable to fulfill its interest payment or redemption obligations or of only being able to do so in part or subject to delay.

**(f) CURRENCY RISK**

Currency Risk, also referred to as exchange rate risk, is the possibility that currency depreciation will negatively affect the value of one's assets, investments, and their related interest and dividend payment streams, especially those securities denominated in a different currency than the fund's currency.

**(g) INTEREST RATE FLUCTUATION RISK**

This refers to the possibility of a change in the market interest rate applicable at the moment of issue of a fixed-interest security or a money market instrument. Changes to the market interest rate may result from factors such as changes in the position of the economy and the resulting policy of the relevant issuer. If market interest rates rise, then the prices of the fixed-interest securities or money market instruments will generally fall. On the other hand, if the market interest rate falls, this will have an inverse effect on fixed-interest securities or money market instruments. In either case, the price development means that the yield on the security will roughly reflect the market interest rate. However, price fluctuations will vary in accordance with the maturity of the fixed-interest security. Fixed-interest securities with shorter maturities are subject to lower price risks than such securities which have longer maturities.

**(h) CREDIT RISK**

Credit risk represents the probability that the issuer of a financial instrument included in the assets of the Fund is unable to fulfill its obligations, which would have a negative impact on the value of Fund assets. Given that Raiffeisen Miks Fund plans to invest part of portfolio in debt securities that are no investment grade but with a maximum valuation in B- (according to S&P), Credit risk will be higher for this category, compared to investment grade securities. Even when securities are selected with the utmost care, it is not possible to completely exclude losses due to credit risk.

**(i) COUNTERPARTY RISK**

This is the risk that a settlement in a transfer system is not fulfilled as counterparty does not pay or deliver as expected or does so subject to delay. The settlement risk relates to not receiving a corresponding consideration upon fulfilling a transaction after providing a performance.

**(j) PERFORMANCE RISK**

The performance of the Fund may deviate from expectations and a positive performance cannot be guaranteed by the management company.

**(k) CONCENTRATION RISK**

Further risks may result from a concentration of the investment on certain assets or markets.

## **(l) RISK OF REDEMPTION IN LARGE AMOUNTS**

Depending on the size of the amount required for redemption, compared with the size of the Fund, the Fund can be obliged to significantly change its portfolio composition, in order to fulfill the requests for redemption. This can have a negative effect on the Fund's performance, because it can be obliged to sell a financial instrument prematurely, which may eventually result in a loss and decrease of unit price.

## **(m) AGENCY RISK**

Agency risk is the damage that may be caused to the fund by deliberate decision-making of the company administrators or fund managers, for personal interests, contrary to fund investors interest. To prevent these actions, Raiffeisen Invest has developed several internal procedures and regulations and has established the necessary control mechanisms.

## **2.4.3 MANAGEMENT COMPANY RELATED RISKS**

The Management Company itself faces business risks related to its specific activities (e.g. processing transactions, oversight, products distribution), and compliance risks due to increasing regulatory requirements, such as investor protection measures.

Any of the risks relating to the Management Company's activities or relating to the investment fund's activities being managed, which leads to significant losses, will damage the reputation of the Management Company, and can jeopardize its existence.

## **(n) OPERATIONAL RISK**

Operational risk is the most important risk for an asset management like RIAL that has limited direct investments. This risk can be caused by human or systems errors within the management company, the existence of inadequate internal processes, by legal or other documentation errors, as well as the marketing procedures, evaluation and payments in the name of the Fund.

## **(o) LEGAL RISK**

Legal risk is the risk of losses due to legal issues caused by the inability of the management company to enforce legal contracts, licenses and / or property rights.

## **(p) KEY PERSONNEL RISK**

The performance of the Fund is partly attributable to the aptitude of the persons in charge and thus to the correct decisions made by Supervisory Board, Investment Committee or the fund's management. However, the personnel makeup may change. New decision-makers may be less successful in their activities.

#### **(q) REPUTATIONAL RISK**

Reputational risk means the risk of the damage that can be caused to RIAL's trustworthiness in the marketplace. This risk summarizes the impact of specific events which can worsen the public's perception of the company.

#### **(r) OUTSOURCED FUNCTION RISK**

Some functions, such as fund sales, are outsourced to third parties and can generate risks because the Management Company always retains the ultimate legal responsibility for the outsourced functions.

### **2.4.4 RISKS AFFECTING BOTH INVESTORS AND RAIFFEISEN INVEST**

Some risks can impact both investors and the management company. These risks can be related to legal changes such as income taxation, methodology of NAV calculation, requirements for supervisory bodies within the asset management company, depositary function etc.

#### **(s) REGULATORY RISK**

The regulatory risk is related to the probability of changes in the regulatory framework, including tax regulations. The value of the Fund's assets may be negatively affected due to uncertainties in countries in which investments are made, such as international political trends, a change in government policy, taxation and other trends in terms of legislation and regulation.

#### **(t) RISK OF SUSPENSION OF THE REDEMPTION UNITS**

In principle, the investor may require redemption of his units at any time. However, the management company or AFSA may temporarily suspend the redemption of the units in the cases defined by the law. The unit price may be lower than prior to suspension of redemption.

#### **(u) DEPOSITARY RISK**

Depositary function should be covered by a company licensed by AFSA. If, for any reason, this company cannot fulfill its legal obligations, some fund's activities, such as NAV calculation or investment process, can be delayed.

### **2.5 THE SIZE OF INVESTMENT AND INITIAL UNIT VALUE**

The units of the Fund are denominated in EURO. The minimum invested amount in the Fund is EUR 500. The minimum value of a holding in the Fund is EUR 100. If the account balance remains less than 100 EUR, the account can be closed. In that case, the units will be redeemed at the price applicable at the account closure date.

Any payment into the fund and any redemption are to be made in EUR. In the event that the laws and regulations which are currently in force should change, the management company may decide to make the payments in another currency. Any such decision shall be submitted to prior approval by AFSA.



## 2.6 THE RIGHTS AND OBLIGATIONS ARISING FROM OWNERSHIP OF FUND UNITS

When buying units in the fund, the investor may ask for a certificate that proves the ownership of units in the fund. The certificate of purchase of units is issued upon request by investors within seven calendar days from the date of receipt of payment made to the fund. The certificate of purchase of units contains: the date of unit purchase, the fund name, the management company name and registered seat, the number of purchased units, first name and surname of the unitholder, place and date of issue of the certificate and the signature of the authorized person of the management company.

The rights vested in the units of the Fund are:

- ✓ the right to information (semi-annual reports, annual reports, etc.).
- ✓ the right to benefit from fund profits, in proportion with the participation in the fund.
- ✓ the right to unit redemption.
- ✓ the assets of the fund are subject to the right of separation, in the case of management company bankruptcy.

Regarding the obligations from fund units, the unit - holders are responsible for liabilities of the fund to the amount of their participation in the fund.

The unit holder in the fund is not responsible for the actions or omissions of the management company or depository of the fund.

The Management Company is responsible for creating and maintaining the fund's unit register. The Depository keeps at the same time the register of the fund units, as well as verifies and controls that every action of the management company, related to this register, is in accordance with the requirements of Law no. 56/2020 and bylaws on its implementation.

## 2.7 MEANS AND TERMS OF PURCHASE AND REDEMPTION OF FUND UNITS

The unites of Miks Fund will initially be offered on the market through Raiffeisen Bank sh.a network branches which consists of a staff trained and authorized for sales by the management company, and then also through the Raiffeisen ON digital platform. This platform is widely used by customers of Raiffeisen Bank sh.a in Albania. During the digital investment process, the fund's documentation (Prospectus, Key Investor Information Document, fund reports, etc.) will appear as mandatory fields, which must be read in advance by the investor before making a decision on investment. Only after the investor has read them and confirmed that he understood and agreed with the conditions provided, he will be able to continue with the online investment in the fund.

Unit redemption will also be carried out by Raiffeisen Bank branches.

No units can be sold or redeemed at other price than the following price calculated after receiving the order for purchase or withdrawals of units.

### 2.7.1 PURCHASE OF FUND UNITS

The purchase of units in the fund is performed through:

1. payment of monetary assets, where the buyer, after agreeing with the fund's documentation for the purchase of units, enters into a contractual relationship with the management company, which is obliged to manage the paid-in monetary assets as part of collective assets, in accordance with the terms and conditions indicated in the prospectus.
2. payment through conversion of units of other investment funds, in the same currency, managed by the same management company.

Any payment related to the purchase of units is done to the account of the fund, no. held with the Depository bank AL32 2151 1031 EUR1 0000 1473 1900, which is First Investment Bank, Albania, in one of the following manners:

- Transfer of funds from the bank account of the investor to fund's account at the depository bank (may be subject to banking tariffs);
- Units conversion between funds in the same currency, managed by the same management company

The purchase of units in the Raiffeisen Miks fund can be done as follows:

1. Through an immediate payment to the fund account.
2. Through regular, periodic payments, to the fund account, in the form of investment plans. In case of investment plans, the minimum invested amount in the Fund is 50 EUR.

Any investor who wants to buy units in the fund by payment of monetary assets or through investment plans, needs to sign a written application for purchase of units (purchase order) in one of the Raiffeisen Bank sh.a. network branches or through digital channels and will acquire ownership of units only at the moment of receipt of payment made on behalf of him/her in the fund.

The minimum holding period starts with the receipt of payment at fund's account with depository bank and lasts till the day of arrival of a valid request for redemption of units at Raiffeisen Invest sh.a.

The minimum investment period must be at least 5 years.

The unit purchase is made at the unit price applicable in the moment of receipt of payment, calculated in accordance with the Law no. 56/2020 "On Collective Investment Undertakings", regulations and this prospectus. If any request for purchase of units and the payment related to it is received on a non-working day (weekend, holidays), the unit purchase will be made at a price applicable on the first subsequent working day. The number of Fund units held by the investor is rounded up to 4 decimal places.

### **2.7.2 UNITS REDEMPTION**

Unitholders may request at any time the redemption of their units by filling in a redemption order. The requests for redemptions are accepted only at Raiffeisen Bank branches.

Unit redemption in the Fund is made at a price applicable on the day of arrival of a valid request for redemption at Raiffeisen Invest. At the time of redemption, monetary assets of the investors are transferred from the Investment Fund account at the Depositary bank to the investor's current account at a second-tier bank. The payment in monetary assets, from the Fund's account to the investor's account will be performed within seven calendar days from the day of arrival of a valid request for redemption at Raiffeisen Invest and will be subject to transfer fee applied from the receiving bank.

Under special circumstances, when the sale of fund assets, necessary to meet the requirements for large value redemption might compromise the position of permanent investors in the fund, a redemption in specie is allowed. This special type of redemption can be made only by transferring that part of each type of fund assets which is proportionate to the ratio of the number of units of investors seeking redemption and the fund's total asset value.

If the request for redemption of units arrives on a non-working day (weekend, holidays), the date of arrival of the request is considered to be the first subsequent working day.

### **2.8 UNITS CONVERSION**

The holders of units in an investment fund may exchange them with units in another fund, in the same currency, managed by the same management company, subject to minimum investment and minimum holding amount. Each investor who wishes to convert fund units, will sign a request for unit conversion. On a conversion of units, the number of New Units issued will be determined by reference to the respective prices of New Units and Original Units at the valuation point applicable when the Original Units are redeemed, and the New Units are issued.

No conversion will be made during any period when the right of unitholders to require a redemption of units is suspended. A conversion between two Funds will only be conducted on a Business Day when both funds have available unit prices.

The fiscal impact of the unit's conversion is the same as in the case of their sale by the investor (redemption from the fund).

### **2.9 TRANSFER OF FUND UNITS**

Every investor in the investment fund has the right to transfer his units through a transfer act determined by the management company, unless the transfer is contrary to the regulatory framework.

Any transfer act related to the units of the fund is signed by the investor who owns the units or the legal entity representative and the transferor is treated as a member in the fund until the recipient of the units is registered by the management company and the depository. The transfer of units is subject to tax according to the legislation in force.

The management company will apply a transfer fee which will be reviewed annually.

## **2.10 SUSPENSION OF SALE AND REDEMPTION OF UNITS**

Sale and redemption of units in the fund may be suspended in the following circumstances:

- The management company and the depository consider that under given exceptional circumstances, there are strong and justifiable reasons to suspend the sale and redemption of fund units, defending the interest of current and future potential investors. The management company notifies the AFSA immediately of its suspension decision. The AFSA, upon having received the notification, may however, order the annulment of the decision, if doing so is either in the public's best interest or in the best interest of fund investors.

The management company publishes on its official webpage, in a daily newspaper, being sold in the whole territory of the Republic of Albania, as well as with every viable communication tool, suspension reasons and sufficient details to the unit holders in order for them to have all relevant information about the suspension.

The suspension of unit sale and redemption shall cease as soon as the reasons for such suspension no longer exist, and no later than within twenty working days from the beginning of suspension, unless the AFSA gives its written consent for the extension of the time limit.

The management company informs the authority immediately about the resumption of business of the fund and it will be also published on a daily paper circulating in the entire territory of the Republic of Albania, as well as on the management company website.

- The AFSA evaluates that there exist strong and justifiable reasons to do so, and if this protects the interests of current and future potential investors. In such case, the AFSA orders the management company and the depository to temporarily suspend the sale and redemption of units. The AFSA publishes on its official webpage, suspension reasons and duration in cases when the duration is known. This suspension can be for a fixed or indefinite period.
- During the period when there is no management company or a depository, or when the management company or depository is liquidated or declared bankrupt or enters liquidation proceedings or is subject to similar procedures.

The resumption of unit sale and redemption is done as soon as the reasons for their suspension no longer exist.

## **2.11 MANAGEMENT OF FUND PROFITS**

The units of the fund are accumulation units, for which the income from investment is automatically re-invested and the profit to the investors comes from the accumulation of the value of those units.

The profit from investment in the fund is reflected in the increase of the unit value. The investor can withdraw the income from investment by selling all or a part of his units, in accordance with the law and this prospectus.

## **2.12 METHODOLOGY AND FREQUENCY OF CALCULATING THE VALUE OF THE ASSETS OF THE FUND AND THE PRICE PER UNIT**

The management company, on a daily basis, calculates the fund's total assets value, determines the fund's liabilities and finally calculates the fund's net asset value as well as the net asset value per unit. These above calculations are assessed and confirmed by the depositary, which is responsible for their accuracy. The methodology of fund assets and financial liabilities evaluation is based on the Law no. 56/2020, "On Collective Investment Undertakings", on the Regulation "Determining the assets value of collective investment undertakings and the calculation of their net asset value per unit or share", and also on IFRS principles.

Based on the above and on the methodology "On the calculation of net assets value of Collective Investment Undertakings in EURO currency" defined by the management company and the Depositary, the portfolio of held-for-trading and available for sale securities is revaluated each working day by applying the market price for each security actively traded on a stock exchange or in a regulated market. Otherwise, in the case of a non-active market, the revaluation is done based on the yield to maturity. The later is calculated based on the method of linear interpolation using the yields of the most recent treasury bill and bond auctions and the number of days left to maturity of the security. A spread, which is determined by the management company and the depositary, may be added to this resulting yield to maturity.

The interest income from deposits will be calculated on a daily basis, but the payment shall be made on the maturity day of the deposit. Basis for interest calculation is 360 days, and the interest starts on the settlement date as agreed upon in the transaction deal.

Each deposit with settlement date T and the maturity on date N, will generate interest from date T until date (N-1), but the payment of the interest from the counterparty will be made on date N.

Units of other investment funds will be revaluated at the net asset value per unit of the respective fund, according to the official price available on the valuation day.

In the case when the net asset value per unit has not been published or is not available on the valuation day, the units held in other investment funds will be revaluated at the most recent published price for that fund.

The price of the unit in the fund on the day of evaluation (T) is calculated by dividing the net asset value of the fund in euro by the total number of units on the day (T). That number is calculated by subtracting the number of redeemed units on the day of evaluation (T) and by adding the number of units sold on the day of evaluation (T) to the total number of units on the day before evaluation day (T-1).

<b>Total Asset Value for day T- liabilities after recalculation</b>
<b>FINAL Price on day T = -----</b>
<b>No of Units for the day T</b>

The evaluation day of Fund's assets will be (T), i.e. one day before the calculation day (T+1), during which the net asset value per unit is calculated. The depositary has the obligation to inform the AFSA on the net asset value of the fund and the price per unit daily and no later than 12 pm day (T+1).

## 2.13 NOTIFICATIONS TO INVESTORS

The management company shall compile regular reports on its own activity and fund management and submit them to the AFSA within the stipulated time frame.

The mentioned reports along with supplementary information on the fund, will be made available to investors at the management company's registered office (Street Tish Daija, Kika 2 Complex, Tirana) or via e-mail after a written request.

The prospectus of the fund will be available free of charge, in the Albanian language, at Raiffeisen Bank SH.A. branches.

According to the Law provisions, any material changes on the prospectus, are notified via mail to all unitholders and are published in daily newspapers that circulate in the entire territory of the Republic of Albania for a period of two months during which the unitholders are entitled to request redemption of their units.

Meanwhile, all the above information along with unit price will be published on the official website of the management company. In order to ensure timely receipt of the necessary information, the investor must notify the management company of any change in his contact data such as address, no. tel. etc.

## 2.14 MERGING AND WINDING UP OF THE FUND

### 2.14.1 MERGING OF THE FUND WITH ANOTHER FUND

Raiffeisen Miks Investment Fund can only be merged with a public offering investment fund. The Raiffeisen Miks Fund can be a merger fund or a receiver fund.

All rights and obligations are transferred to the receiver public offering fund, which may be an existing or newly created fund. Investors will obtain the units in the receiver fund and the participating funds in the merger are demolished.

Unit holders in the merging funds obtain an equivalent value of units in the merger fund on the merger date. To achieve this, small compensation payments can be offered to unit holders if necessary.

The Authority approves in advance any merger of investment funds with public offering. A merger agreement is concluded between the Boards of Administration of the fund management companies that are merged.

Unit holders of the merging and receiving companies have the right to withdraw their units free of charge or to convert the units of the fund that will be merged with the units of another fund with a similar investment nature, which is managed by the same management company. The right to withdraw and convert the units is valid up to 5 (five) working days, before the effective date of the merger.

#### **2.14.2 LIQUIDATION AND WINDING UP OF THE FUND**

The management company may voluntarily wind up the fund if the conditions prescribed by the Law no. 56/2020 "On collective investment undertakings" are met and especially when:

- ✓ the investment fund is not economically viable and does not meet its purpose.
- ✓ in case of termination of depository or management company duties if they are not replaced within 60 working days.
- ✓ The management company voluntarily terminates its activity.
- ✓ The management company is not able to meet its obligations and as a consequence is subject to bankruptcy and liquidation procedures.
- ✓ At the end of the merging process when the fund has transferred all assets to the receiving fund.

The public offering investment fund is liquidated at the moment of revoking the license by the authority.

##### **2.14.2.1 THE REQUEST FOR VOLUNTARY LIQUIDATION OF THE INVESTMENT FUND**

The request for voluntary liquidation of the investment fund is submitted to the AFSA by the Management Company not less than 3 (three) months, before the proposed liquidation date.

The request submitted to the AFSA for the voluntary liquidation of the investment fund states the reasons for this request and a timeline for the liquidation.

Unit holders are informed about voluntary liquidation after the AFSA approval; This information includes:

- a) reasons of the liquidation.
- b) possible consequences for unit holders
- c) relevant costs
- ç) solvency statements
- d) the planned date of the voluntary liquidation completion, including the date on which the unit holders will receive the payment of their unit value.

## **2.14.2.2 THE PROCEDURES OF VOLUNTARY LIQUIDATION AND WINDING UP OF THE FUND**

In case of winding up of the fund, due to the transfer of all assets to the receiving fund as a result of the merger, the following procedures are applied:

- a) The notification of the winding up of the fund or voluntary liquidation is sent immediately to the unit holders if this notification has not been made
- b) Unit price evaluation and placement is stopped.
- c) The investment fund ceases to issue or cancel units, except for the final liquidation
- ç) No unit transfer is registered, and no change can be made in the unit holders register
- d) The investment fund does not exercise any activity, except for the winding up activity
- dh) The responsibilities and obligations of the management company continue to be implemented until the end of the winding up.

## **2.15 FEES AND COMMISSIONS**

### **2.15.1 ONE-TIME COMMISSIONS / FEES BEFORE OR AFTER INVESTMENT**

- **Subscription Fee**

The management Company does not charge any subscription fee for purchasing fund's units. However, the investor may be subject to banking fees for the transfer of funds towards depository bank (please refer to section 2.7.1.)

- **Exit Fee**

The management company does not charge the investor with any exit fee.

### **2.15.2 COMMISSIONS / FEES PAID FROM THE FUND ASSETS**

- **Management Fee**

The management fee charged to the unit holders of the fund is up to 1.30% of the net asset value of the fund. This fee is calculated and deducted daily from fund assets, while the payment to the management company is made once a month.

- **Transaction costs**

This refers to those costs associated with the purchase and sale of investment fund assets.

- **Expenses for auditor**

The remuneration for the auditor is part of a legal agreement concluded between the Management Company and the Auditor, approved by AFSA.



- **Regulatory fees**

All fees paid to the Supervisory Authority for the Fund will be charged to the Fund.

- **Depository fees/costs**

Depository fees and costs for the services provided will be charged to the Fund.

The usual custody charges for safekeeping of financial instruments, coupon collection costs (where applicable, including normal bank fees for safekeeping of foreign securities and financial instruments outside of Albania) may be deducted from the fund (custody charges).

The fund will also be charged with fees for other services provided by the depositor / custodian.

- **Costs of communicating changes in the prospectus**

The total amount of all costs charged to the Fund is calculated each year for the previous year and is accurately published in the annual or interim audited financial reports as well as in the Key Investor Information Document, in compliance with legal requirements.

The total amount of all costs paid by the fund assets, in no case can exceed 3.5% per year of the net asset value of the fund.

### **2.15.3 COMMISSIONS / FEES PAID BY UNIT HOLDERS (INVESTOR)**

- **Conversion cost**

The management company will not charge the unit holders any cost for conversion of units between investment funds in the same currency, administered by the management company.

- **Costs of distributing annual and interim financial statements and reports to fund investors upon their request**

- **Unit holders service costs including the costs of issuing transaction certificates or unit balance certificates.**

- **The transfer fee is charged to the unit holder ordering the transfer.**

Any marketing or sale fee of the fund is paid by the management company.

The management company may change the fees of the Fund in accordance with Law no. 56/2020 "On collective investment undertakings" and regulations issued in its implementation.

Any change in fees will be reflected in changes to the Fund prospectus, which is approved in advance by the AFSA and the unit holders will be notified in accordance with paragraph 2.12 of this prospectus.

## 2.16 TAX TREATMENT OF THE FUND AND INVESTOR

Unless otherwise provided for by the tax legislation, for taxation purposes, the fund is considered as the owner of the securities or of the overall assets, as well as the final beneficiary.

All profits from investment in the Fund will be taxed according to tax legislation in force at the moment of units' redemption.

**Note:**

*The tax Provisions reflect the current legal situation. The tax effects depend on the investor's personal circumstances and may be subject to future changes. Accordingly, the tax assessment may change due to changes in legislation, court rulings or other legal acts of the fiscal administration. On these grounds, before purchasing or selling fund units we recommend that investors consult a tax advisor and obtain advice on the consequences that the investment will have on their personal tax situation.*

## 2.17 ACCOUNTING YEAR OF THE FUND

The Fund's accounting year will be the respective calendar year beginning in January and ending in December.

## 2.18 EXTERNAL AUDITOR

The external auditor of the fund is DELOITTE AUDIT ALBANIA Sh.p.k with its seat the following address:

Rr. e Kavajës, Ish Parku i Mallrave, L Building, Floor 1, 2 and 3, Tirana.

Tel: + 355 (4) 451 7920

E mail: [ecara@deloittece.com](mailto:ecara@deloittece.com)

[odbarci@deloittece.com](mailto:odbarci@deloittece.com)

Web: <https://www2.deloitte.com/al/en.html>

### Responsible Persons:

Enida Cara - (Partner)

Odeta Barci - (Engagement Manager)

Sylvia Peneva - (Engagement Quality Control Partner)

The external auditor is approved by AFSA.

## 3. DEPOSITARY OF THE FUND

The Management Company has concluded an agreement on providing depositary services for the fund with First Investment Bank of Albania, headquartered in Blv. "Dëshmorët e Kombit", Twin Tower no 2, Floor 14, Tirana.

The depositary is licensed by Bank of Albania for providing custody, depositary and fiduciary services (decision no. 13, dated March 10<sup>th</sup>, 2010). The depositary is also licensed by AFSA for providing depositary services for pension funds (decision no. 80, dated August 30<sup>th</sup>, 2010) and collective investment undertakings (decision no. 1 dated 13.12.2011)

The activities of safekeeping of the assets and other activities performed by the depositary for the account of the management company are separated, in terms of organizational structure, from the activities of the management company.

The fund assets, including bank accounts and other assets, are safe-guarded and held by the depositary in a separate account and cannot be used, whether directly or indirectly, for executing transactions for its own account or for obtaining any benefits for itself, its employees or for other purposes, other than the benefit of the unitholders.

The assets of the fund, held with the depositary enjoy the right of separation and are not included in the depositary assets, neither in liquidation or bankruptcy estate initiated under the Albanian law, nor for the execution of claims against the depositary.

The depositary acts solely in the interest of the fund unitholders.

In addition to the safe keeping of funds' assets, the depositary performs the following activities:

1. ensures that the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with the law and the fund rules;
2. ensures that the calculation of the net asset value per unit in the fund is done in accordance with the law and relevant AFSA regulations;
3. fulfills and implements the instructions of the management company if they are not contrary to the law and relevant AFSA regulations;
4. ensures the return of any relevant amount to the Fund, within the time limits set, for the transactions involving Fund's assets;
5. ensures that the fund income is used in accordance with the Law and fund rules;
6. ensures that the cash flows of the Fund are properly monitored, in particular ensures that all payments made by investors, or on behalf of the investors, by signing the units and that all monetary assets of the Fund have been recorded in the monetary assets accounts in the name of the Fund, of the management company on behalf of the Fund or of the depositary on behalf of the fund;
7. regarding the open accounts, based on paragraph 6 above, the depositary takes the necessary measures to ensure that the monetary assets of the fund are deposited in a central bank, in a bank in the Republic of Albania or a bank licensed in another country, kept in one or several accounts separated from any account used to keep monetary assets that belong to the Depositary or to other clients of the Depositary;

8. when cash accounts are opened in the name of the depository, that acts on behalf of the Fund, in these accounts are not included the monetary assets of the depository or of the entities mentioned in paragraph 7 above;
9. repurchases and redeems units and makes payments to unit holders according to the instructions of the management company, when these instructions are in accordance with the Law and relevant AFSA regulations;
10. monitors the compliance of the investments and borrowing of the collective investment undertakings with the Law and bylaws;
11. keeps the register of unit holders and transfer services;
12. reports to the management company on all actions related to the fund assets held in custody and executes the instructions of the management company.

The Depository reports immediately to the Authority in a writing form, if after the evaluation of the available facts or circumstances, there is a reason to believe that the fund management company has violated the Law or the prospectus and the fund rules.

### **3.1 CONFLICT OF INTEREST**

The Depository does not perform any activity related to the Fund or the management company that administer the fund, which may cause conflict of interest, unless the depository has a functional and hierarchical segregation of the depository duties from other duties that can cause a conflict and if this potential conflict of interest is identified, is administered and monitored properly.

The Depository does not have a license as a management company.

When the Depository performs transactions with related entities or related physical persons, implements policies and procedures which ensure that: a) all conflicts of interests arising from these transactions are identified; b) all reasonable steps are taken to avoid these conflicts of interest.

When the conflict of interest cannot be avoided, the management company and the depository administer, monitor, and declare this conflict of interest, in order to prevent any inconvenient consequences in the interests of the Fund and its investors.

## **4 ADDITIONAL INFORMATION**

The information in this Prospectus is based on current law and best practices. Any person relying on this Prospectus, should check with Raiffeisen Invest sh.a or one of Raiffeisen Bank Albania branches that this is the most current version and that no revisions or corrections have been made since it was issued.

#### **4.1 ETHICS AND CONFLICTS OF INTEREST**

Employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions.

#### **4.2 PRUDENCE**

Raiffeisen Invest sh.a shall operate the Fund under the “Prudent Person Rule” which obligates a fiduciary to ensure that investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investments considering the probable safety of their capital as well as the probable income to be derived.

The fund shall be managed with a degree of professionalism worthy of public trust.

#### **4.3 “FATCA” STATUS**

Based on the Raiffeisen Group commitments, within the scope of compliance with US tax regulations under FATCA (“Foreign Account Tax Compliance Act”), the fund will be registered with the US Internal Revenue Service (IRS). The management company will notify investors on the designated GIIN (“Global Intermediary Identification Number”) upon request. The fund is thus considered “Participating FFI” within the meaning of the above provision.

#### **4.4 AUTOMATIC EXCHANGE OF INFORMATION OF FINANCIAL ACCOUNTS**

Raiffeisen Invest sh.a complies with the law no. 4 dated 30.01.2020 “Automatic exchange of information of financial accounts”. All customers who want to open a new account are required to provide a reasonable self-Certification to determine their tax residence and their respective Tax Identification Number. According to this law, financial institutions, including Raiffeisen Invest sh.a are further required to report financial accounts maintained by customers who are resident for tax purposes in a participating jurisdiction to OECD Common Reporting Standards.

#### **4.5 COMPLAINTS**

If you have a complaint, please send it in writing to the Management Company address at Street Tish Daija, Kika 2 Complex, Tirana, Albania. All complaints will be investigated, and a response will be provided within 2 weeks of its receipt.

#### **4.6 OPTIMAL EXECUTION OF TRADING DECISIONS**

In accordance with the Best Execution Policy of the management company, the optimal execution of trading decisions is guided by the following principles:

#### 4.6.1 EXECUTION CRITERIA

With regards to specific transactions, the following criteria are relevant in order to consistently achieve the best possible execution results for the fund or the portfolio over the long term: rate/price, charges/costs, nature/size of the transaction, execution speed, probability of execution and settlement.

When considering the best execution criteria and in order to determine their relative importance, the following elements are considered: the characteristics of the fund such as investment goal, fund investment policy and fund risk profile; the characteristics of the given order; the characteristics of the financial instruments that are subject to that order; the characteristics of the execution venues to which that order can be directed; the prevailing level of liquidity at the time of execution.

The management company conducts a market conformity check after each transaction is concluded.

#### 4.6.2 SELECTION OF BROKERS / COUNTERPARTIES

Raiffeisen Invest ensures to have good relationships with high quality counterparties with an aim of maximizing execution quality in terms of price of any related dealing costs.

The selection of the trading partners (brokers), to which orders can be forwarded, occurs based on pre-defined criteria. In particular, the following criteria are considered: speed of execution, volume traded, ability to perform smoothly and punctually, ensuring optimal execution of orders, information for the market and flows (technical information), the reputation of the broker.

Following the commencement of business relations, trading partners undergo regular reviews by the management company.

#### 4.6.3 PLACES OF EXECUTION

Places of execution for fund management or Execution venues which enable to obtain the Best Execution for each Financial Instrument on a consistent basis are listed as following:

1. Regulated domestic and international markets allowed by the local legislation

Regulated markets are subject to strict operating rules governed by the relevant regulatory body in each jurisdiction in which they operate. The Albanian government bond market is regulated by the local legislation. For the domestic bonds, the transactions are done with eligible counterparty in the secondary market and through participating directly in the primary market.

2. Over the counter (OTC) market

OTC organized financial markets are used mainly for fixed income products.

As per instrument types, transactions for the different classes of bonds / equities and ETFs are normally conducted via trading platforms or directly with the counterparty. The rate/price is the key criterion for transactions conducted via trading platforms. Normally the execution factors are ranked as following:

1. Rate / price
2. Execution speed
3. Likelihood of execution and settlement

4. Nature / size of the transaction
5. Charges / costs

A fundamental differentiation can be made in terms of how the liquidity of these individual instruments is structured. If the liquidity is relatively high, the criteria rate/price and execution speed receive a higher value. If the liquidity is lower, more weight is given to the type and score of the order as well as the probability of execution and conclusion.

For money market instruments such as deposits / transactions of Repo / reverse repo agreements, the following ranking of execution factors is considered when deciding on a counterparty:

1. Interest rate terms
2. Counterparty's credit rating
3. Likelihood of execution and settlement
4. Nature / size of the transaction
5. Charges / costs

For investments in other CIU and redemption of fund units in case of investments in other CIU, the transactions are performed through First Investment Bank in its capacity of depositary bank.

The original prospectus was approved by the Board of the Financial Supervisory Authority by means of decision no. 152, on 23 October 2020.

## **APPENDIX 1: FUND RULES FOR RAIFFEISEN MIKS FUND**

### **Article 1: The Objective of the Fund rules**

1.1 The Fund Rules regulate the activity conditions of the Investment Fund Raiffeisen Miks (hereinafter referred to as the “Fund”), a collective investment undertaking with public offering, founded by Raiffeisen INVEST – Pension Funds and CIU Management Company sh.a). Furthermore, they regulate the legal relations between Raiffeisen Invest (hereinafter referred to as the “Management Company”) and the unitholders in the fund (hereinafter referred to as the “Investors”).

1.2 The Fund Rules do not necessarily contain all the information and the data presented in the prospectus. Investors are advised to study all the content of the prospectus.

### **Article 2: Legal structure of the Fund**

2.1 Raiffeisen Miks Fund is an open-ended collective investment undertaking with a public offering and open participation.

2.2 The Fund has no legal personality. The Management company Raiffeisen Invest sh.a. is the legal entity of the investment fund, who administers and represents it in relation with third parties.

### **Article 3: The Creation and Duration of the Fund**

3.1 The Fund was created for an undefined term and started its activity on 16 November 2020.

3.2 The prospectus of the Fund is approved by the Board of Administration of the Management Company Raiffeisen Invest on 16 April 2020 and was also approved by AFSA with Decision no. 152, dated on 23 October 2020.

### **Article 4: The currency of the Fund**

Fund’s currency is Euro. Investments and withdrawals are done in Euro.

### **Article 5: Accounting period**

The Fund’s accounting year will be the respective calendar year beginning in January and ending in December.

### **Article 6: The Object of the Fund activity**

The object of the Fund activity is the collection of monetary assets or similar assets through the public offer of the units, which will be invested according to the principle of risk diversification in accordance with the prospectus. The Investors have the right to participate proportionally in the profits of the fund, as well as to request at any time the redemption of their units, based on the provision of the Law no. 56/2020 “On Collective Investment Undertakings” (hereinafter referred to as “The Law”) and also on the prospectus.

### **Article 7: Participation in the Fund**

7.1 Each individual can buy units in the Fund, by entering into a legal relationship with the Management Company Raiffeisen Invest sh.a



7.2 The unit price is calculated and published every day by the Management Company. The calculation of net asset value and unit price shall be subject to control and verification by the Depositary, which shall be responsible for the accuracy of the calculation.

7.3 Each investor confirms that he has read and agreed to the terms and conditions specified in the prospectus and Fund Rules.

#### **Article 8: The rights and responsibilities of Unit- holders in the Fund**

8.1 Unit- holders in the Fund have the following rights:

- a. To have the ownership of the units and obtain a certificate of ownership.
- b. To obtain the profit through the sale of all their units or a part of them.
- c. To participate in the profit of the Fund, proportionally with the participation they have in it.
- d. To be informed periodically (annual reports, semi-annual reports upon request.).
- e. To request the redemption of a part or all units.
- f. To convert units of an investment fund into units of another investment fund, managed by the same Management Company.
- g. To Transfer the ownership of fund units.
- h. In the event of bankruptcy of the Management Company, their assets will be subject to the right of separation.
- i. Unitholders are responsible for the liabilities of the Fund, to the extent of their participation in the fund.
- j. They are not responsible for the actions or omissions of the management company or depositary of the fund.
- k. Any units of the fund gives to the investor equal right.

#### **Article 9: Investment Objective**

Fund's investment objective is regular income and moderate capital growth over the medium term. The fund is suitable to those investors who are willing to take a medium level of risk by investing in both bond and equity market.

Fund's assets are invested in instruments that belong to 3 asset classes: fixed income, equity and money market or cash equivalent. In order to achieve the investment objective, the fund invests its assets in a portfolio of fixed income instruments up to 75% of total assets. Moreover, in order to maximize the total return, the fund may invest up to 40% of assets in equities/equity funds, mainly from developed markets such as US and Europe.

The target duration for a fixed income portfolio is 5 and duration should not be higher than 7.

#### **Article 10: Minimum investment**

The minimum invested amount in the Fund is EUR 500. The minimum value of a holding in the Fund is EUR 100. If the account balance remains less than EUR 100, the account may be closed. In that case, the units will be redeemed at the price applicable at the account closure date.

The management company has not set limits on the maximum investment in the Fund.

### **Article 11: Redemption of Units**

11.1 Unit - holders have the right at any time to request the redemption of their units.

11.2 Unit- holders must fill a request for redemption of their units in the Fund.

11.3 The redemption of units in the Fund is done, within 7 calendar days from the day that a valid request arrives in RIAL.

### **Article 12: Characteristics of the Fund units**

The units of the fund are accumulation units. This means that the income from investment is automatically re-invested and the profit for the investors is reflected in the increase of the unit value. The profit is realized when the investor withdraws partially or completely the units in the Fund.

### **Article 13: The fees of the Management Company**

13.1 The Management Company will apply a management fee to all unitholders in the fund, which is 1.30% of net asset value of the Fund.

13.2 The Management Company will not apply any subscription fee or exit fee.

13.3 The Fund will bear the following expenses: transaction costs, expenses for auditor, regulatory fees, depositary fees/custody fees, costs of communicating changes in the prospectus and other prescribed communications. These expenses, in no case can exceed 3.5% per year of the net asset value of the fund.

13.4 The unit - holders will bear the following expenses: costs of issuing transaction certificates or unit balance certificates, transfer fee, costs of reports distribution upon investor request

13.5 For any changes on the fees that will be applied by the Management Company, the unit holders will be informed at least 2 months in advance, according to the procedures defined in the Law and the prospectus of the Fund.

### **Article 14: Management company**

14.1 The management company of Raiffeisen Miks investment fund is Raiffeisen Invest sh.a. - The asset management company for private pension funds and collective investment undertakings.

14.2 Raiffeisen Invest is a joint stock company, headquartered at Street Tish Daija, Kika 2 Complex, Tirana, Albania established on 18.07.2005 with Decision no. 33825 of the Court of First Instance in Tirana

14.3 The company's share capital amounts registered is ALL 90 million

14.4 Raiffeisen Invest sh.a. is supervised by the Albanian Financial Supervisory Authority and the object of its activity is:

Management of private pension funds and collective investment undertakings assets based on License no.1 issued by AFSA on 13.12.2011.

14.5 Raiffeisen INVEST sh.a. administers the funds below:

1. Raiffeisen Prestigj investment fund (Code FI-B1, dated 13 December 2011)
2. Raiffeisen Invest Euro investment fund (Code FI-B2, dated 26 September 2012)
3. Raiffeisen Vizion investment fund (Code FI-B4, dated 30 July 2018)
4. Raiffeisen Miks investment fund (Code F1-B6, dated 23 October 2020)

5. Raiffeisen Private Pension Fund (Ref. FP 1, dated 18 October 2010).
6. Raiffeisen Sustainable Solid Feeder Fund (License nr.14, dated 28.03.2024)

#### **Article 15: The obligations of the Management Company**

The Management Company throughout the administration of the Fund has the following obligations:

- a) To manage the Fund in accordance with the investment objectives outlined in the prospectus.
- b) To buy assets, on behalf and on the account of the Fund, by depositing them in the Depositary.
- c) To organize the sale of the Fund units according to the procedures defined in the Law and the prospectus.
- d) To regularly and timely disburse all the monetary obligations.
- e) To inform periodically the unit holders, according to the prospectus.
- f) To guarantee privacy of data under administration.

#### **Article 16: Tax treatment of the fund and investor**

16.1 Unless otherwise provided for by the tax legislation, for taxation purposes, the fund is considered as the owner of the securities or of the overall assets, as well as the final beneficiary.

16.2 All profits from investment in the Fund will be taxed according to tax legislation in force at the moment of units' redemption. The tax is withheld by the management company.

#### **Article 17: The Depositary**

17.1 The Management Company has concluded a contract with the First Investment Bank, Albania sh.a., with headquarters at the address Blv. "Dëshmorët e Kombit", Twin Tower no 2, Floor 14, Tirana, which according to Law no. 56/2020, "On Collective Investment Undertakings", which will provide Depositary services to the Fund's assets.

17.2 The Depositary declaration constitutes an integral part of the Fund's rules.

#### **Article 18: Accounting**

The Management Company prepares the financial statements and other financial reports in accordance with the legislation and the IFRS standards.

#### **Article 19: Audit**

19.1 The Management Company makes it possible that the financial statements are audited by authorized auditors approved by the Financial Supervisory Authority.

19.2 The external auditor of the fund is Deloitte Albania Sh.p.k.

#### **Article 20: Confidentiality and Data protection**

20.1 Raiffeisen invest sh.a provides confidentiality regarding Customer information and account data.

20.2 Raiffeisen invest sh.a is obligated to report this kind of information only on request of proper bodies/institutions which have this right in accordance with Albanian Legislation.

#### **Article 21: Approval and amendments of the Fund Rules**

21.1 The Fund Rules will be approved by the Board of Administration of the Management Company.

21.2 The Fund Rules will be attached to the prospectus and will constitute an integral part of it.

21.3 Changes and additions to the Fund rules will be approved by the Board of Administration and will also obtain the approval of the Financial Supervisory Authority in accordance with the Law Provisions.

**Article 22: Final Provisions**

22.1 Any disputes that may arise from the application or interpretation of these rules will be settled based on the Albanian Legislation.

22.2 The Fund Rules will enter into force on the date of approval by the Albanian Financial Supervisory Authority.

## APPENDIX 2: CUSTODIAN DECLARATION

Based on Law no. 56/2020, “On Collective Investment Undertakings”, in the quality of Depositary for the Investment Fund “Raiffeisen Miks”,

*I declare:*

*The assets of the collective investment undertaking will be safeguarded by the Depositary on behalf of the investors based on the principle of equality, in accordance with the number of units that each investor owns, or in the event when there exist at the same time both income units and accumulation units, in accordance with the individual ownership of the undertaking’s assets, calculated based on the number of units under the ownership of each investor;*

*The amounts in the money account are held by the Depositary only for distribution purposes.*

***The Fund is denominated in the EUR currency.***

*The accounting year will be the corresponding calendar year (January – December).*

**Depositary: FIRST INVESTMENT BANK, ALBANIA SH. A**

Authorized Representative/s:



The image shows two signatures and two circular blue stamps. The stamps contain the text "BANKA E PARITETIT" and "FIRMA E PËRSHKURIT". The signatures are in blue ink. The names and titles are printed below the signatures.

Elma Lloja	Bozhidar Todorov
Drejtor Ekzekutiv	Drejtor i Pergjithshem Ekzekutiv

## APPENDIX 3: ORDER FORM FOR BUYING UNITS IN INVESTMENT FUND "RAIFFEISEN MIKS"

Raiffeisen INVEST-  
Shoqëri Administruese e Fondëve të Pensionit &  
Sipërmarrjeve të Investimeve Kolektive sh.a  
"Tish Daija str, Kompleksi Kika 2, 2<sup>nd</sup> floor, Tirana  
Tel: +355 69 40 40 481  
Web: [www.raiffeisen-invest.al](http://www.raiffeisen-invest.al)

### IMPORTANT NOTE

#### IMPORTANT NOTE

1. Every investor should read and understand the prospectus and the rules of the Fund, before making the decision to invest in the Fund "Raiffeisen MIKS". The prospectus attached to this Order, is an integral part of it;
2. Please fill all the sections of this order (when applicable).
3. Your investment will be carried out immediately after receiving the order, and other pertinent documents by sales agent and after receiving the payment in favor of the Fund;
4. Raiffeisen Invest sh.a, will give you the possibility to have a Username & PIN, in order to control the transaction/situation of the Fund based on investor request;
5. Raiffeisen Invest sh.a, converts the investment of the customer in units, upon receiving the payment in favor of the MIKS Fund at the depositary bank-First Investment Bank sh.a.

#### \*REQUIRED DOCUMENT

The order for purchasing units in the fund is mandatory to be accompanied with identification document (ID card/passport) and also the address of the investor. For further details, please refer to the website of the company [www.raiffeisen-invest.al](http://www.raiffeisen-invest.al).

Your order will not be processed without the above-mentioned documentation.

#### \* DETAILS FOR INVESTMENT FUND:

1. Name of the Fund: **Raiffeisen MIKS**

The price of the unit will be applicable on the same day when the money is received at the fund account. The price will be calculated in accordance with Law no.56/2020 « On collective investment undertakings».

#### I. INFORMATION ON THE INVESTOR

Name: \_\_\_\_\_ Father name \_\_\_\_\_ Surname: \_\_\_\_\_

Gender: Female ☐ Male ☐

Date of birth: \_\_\_\_/\_\_\_\_/\_\_\_\_ Birthplace \_\_\_\_\_ Country \_\_\_\_\_

Nationality \_\_\_\_\_ Personal ID number \_\_\_\_\_ No. \_\_\_\_\_

Issued date \_\_\_\_/\_\_\_\_/\_\_\_\_ Expiry date: \_\_\_\_/\_\_\_\_/\_\_\_\_

State where you pay taxes \_\_\_\_\_ Address: \_\_\_\_\_

Mail address \_\_\_\_\_ Tel \_\_\_\_\_ Fax: \_\_\_\_\_

e-Mail: \_\_\_\_\_ Employed in \_\_\_\_\_ Work position \_\_\_\_\_

Address of the employer: \_\_\_\_\_

## II. THIRD PARTY INFORMATION

Name \_\_\_\_\_ Father name \_\_\_\_\_ Surname: \_\_\_\_\_

Gender: Female ☐ Male ☐ Date of birth: \_\_\_\_/\_\_\_\_/\_\_\_\_ Birthplace: \_\_\_\_\_

Nationality: \_\_\_\_\_ Personal ID number: \_\_\_\_\_ No. \_\_\_\_\_

Issued date: \_\_\_\_/\_\_\_\_/\_\_\_\_ Expiry date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Address: \_\_\_\_\_

Mail address: \_\_\_\_\_

Tel: \_\_\_\_\_ Fax: \_\_\_\_\_ e-mail: \_\_\_\_\_

Employed in: \_\_\_\_\_ Work position: \_\_\_\_\_

## III. MANNER OF INVESTMENT

1. Immediate payment ☐ 2. Investment Plan ☐

In case of investment plan, the frequency of the payment will be:

Monthly ☐ Quarterly ☐

Amount of the payment -----

Forecasted length of the investment: -----

*\* In case the investor chooses an investment plan, the terms, and conditions in force of investment fund "Raiffeisen MIKS" will be applied. In addition to the above, the following condition will be applied:*

*1. The investor must respect the chosen frequency of the payment.*

*2. The minimum investment amount in the investment plan is 50 Eur.*

*3. At any time the investor can increase or decrease the invested amount.*

*4. The investor submits the Periodic Payment Authorization Form, to each Branch of Raiffeisen Bank sh.a, specifying the amount; frequency and date of the payment. A copy of the form is attached to this Order.*

## IV. SOURCE OF INCOME

Please confirm the source of income for this transaction \_\_\_\_\_

*\* I declare under my responsibility that the investment of funds will serve only for legal purposes and that the source of my income is from legal activity.*

## V. INVESTOR DECLARATION:

*I hereby declare that I have received, read and understood, and agreed with the Key Investor Information Document (KIID), prospectus and Rules of the Fund Raiffeisen Prestigj, investment fund with a public offering, managed by Raiffeisen Invest s.a. Also, I declare that I have read, understood, and completed risk questionnaire, and I know my risk profile. I am aware that, this type of investment is not guaranteed. Signing of this purchase order means entering a legal relationship with Raiffeisen INVEST s.a. This investment is made only by my judgement, and I am aware and understood the terms of the offer, all the risks, tariffs associated with the purchase and the sale of the Units in the Raiffeisen Prestigj fund.*

*I understand that, all my personal data declared in this form and/or in any other document (order purchase/contract) declared or signed with Raiffeisen INVEST s.a, are obligatory data that will be elaborated by the latter with the highest security standards, conform all existing legal framework, with the sole purpose of offering products/services and/or to fulfill any legal obligation of Raiffeisen Invest, imposed by a legal and/or regulatory act in force in the Republic of Albania. I understand that it remains my full responsibility to update all the personal data as they may be amended, and I've been aware of the right to require Raiffeisen INVEST through a written request, to correct or delete any personal data of mine.*

## VI. PROCESSING OF PERSONAL DATA

*I declare that the information provided in this form is true and correct. I hereby give my consent to the company to collect my personal data, or third parties under my responsibility as well as to process them furtherly only for the purpose of providing the service for which I'm applying in this form. I understand that any personal information regarding my person will be treated with a higher level of security in full compliance with the provisions of Law no. 9887 dated 10.03.2008 "On the Protection of Personal Data" and bylaws issued for its implementation. Also, follows requirements of General Data Protection Regulation" GDPR.*

*Moreover, I declare and grant my consent for further processing of the personal data by Raiffeisen Invest, by transferring these data to the contracting parties which may be in the capacity of the processor in the framework of designing, maintaining, and administrating the current account. In such context, explicitly give consent that Raiffeisen Invest sha, may forward any form of KYC form, all information contained therein, and all documents that were submitted as verification or that were otherwise obtained by RBI in connection with its KYC procedures, to the following recipients (the "Recipients"):*

- members of RBI group in Austria or within the EU*
- members of RBI group in third countries outside the EU*
- other member of the Austrian Raiffeisen Banking Group*



*Any such forwarding shall be limited to Recipients that I already have a business relationship with or intend to initiate one with. This is solely made to fulfil the KYC requirements of the Recipient without us being required to submit the information and documents already submitted to RBI multiple times."*

*I have been aware to the fact that the personal data are transferred to First Investment Bank s.a, in the quality of Depositary of the Fund ,based on Law no. 10198, dated 10.12.2009 "On Collective Investment Undertakings" amended, to the subject Raiffeisen Bank Sha, Albania & CRISP Centralized Raiffeisen International Services & Payments S.R.L, having its seat in Bucharest- Rumania, so that the company may practice the needed vigilance and perform its other legal obligations that derive from the legislation in place on money laundering prevention.*

*I irrevocably authorize Raiffeisen Invest to process, transfer all my personal and financial data declared by me, present and future, to the US Tax authority, "Internal Revenue Service" IRS, Albanian Tax Authority, parent companies or any other party that may be necessary only for the purpose of realization and implementation of FATCA & CRS (pursuant to Law 4/2020 "On automatic exchange of information"), if and whenever required. The data subject to this processing and transmission are Generalities, address, Tax identification number, Number and Balance of the Account / Accounts in the fund, in a certain moment or in the moment of account closure in the fund, as well as any additional information required by IRS and the Albanian Tax Authority.*

*I hereby authorize the company to store my personal data for a term of up to 11 years after the termination of the business relationship. I am aware of the fact that for any questions or information regarding the processing of my personal data, I have the right to address my enquiries by sending an e-mail to [rba1.dataprotection@raiffeisen.al](mailto:rba1.dataprotection@raiffeisen.al).*

*Also, I understand that pursuant to the provisions of GDPR and the Law on Protection of Personal Data as well as the by-laws issued for its implementation, I may at any time exercise the right of access or the right to request the blocking, rectification or deletion of personal data processed by Raiffeisen Invest s.a. I also reserve the right to claim to "Information and Data Protection Commissioner", and the right to withdraw from this consent for my data processing at any time.*

Member

Raiffeisen Invest- Management Company of Pension  
Funds and Collective Investment Undertakings sh.a.

**Approval for the processing of personal data in case of promotional offers**

*I give my unconditional approval to Raiffeisen Invest s.a, to use my personal data for direct marketing, campaign information on my benefit for promotional offers concerning products and/or services packages that the company provides, (or may provide in the future) through one or more communication channels including but not limited to: i) the Official Mail ii) SMS iii) Phone Call iv) E-mail etc.*

*I declare that I am aware that personal offers designing will be done via profiling process which includes automated analyses of my personal data which enables the assumption regarding my economic or financial needs, financial responsibility and other characteristics that are assessed when creating such offer.*

*In such context, I authorize Raiffeisen Invest that, pursuant to the highest security standards defined in the legal and regulatory framework in force, to transfer my personal data for further processing to third parties specialized in this field. In this context my personal data can also be exchanged between members of Raiffiesen and partners inside and outside the country to provide to me information about their offers. A list of them can be provided on request.*

*This authorization includes the data of your subsidiaries provided by you. Based on this declaration of consent, data of natural persons provided by your company could be affected. We ask you to inform these persons of this possibility and refer them to RBAL Personal data protection policy: <https://www.raiffeisen.al/en/about/pages/data-protection/>*

*Furthermore, I declare that I've been aware of my right to require to the Company at any time, to revoke this approval.*

☐ I agree

☐ I disagree

Date \_\_\_\_/\_\_\_\_/\_\_\_\_

Place

**INVESTOR/THIRD PARTY**

**AUTHORIZED SALE AGENT**

Name Surname/Signature

Name Surname/Signature (stamp)