

On 22 February 2019 Avaron Management Board approved the changes to Avaron Emerging Europe Fund (hereinafter the “Fund”) rules. The Financial Supervision Authority has approved the changes at 22 April 2019 and the amended fund rules will enter into force from 1 June 2019.

There are two amendments in the Fund rules related to the costs and expenses covered by the Fund:

- Point 6.5 f – we specified the list of costs and expenses covered in relation to the registration of the Fund for marketing in different countries and the mandatory agents related thereto;
- Point 6.5 g – a new sub-paragraph was added, which enables to cover the costs related to marketing the Fund for target audience via different distribution channels.

The purpose of the amendments is to increase the transparency of the costs paid by the Fund (sub-paragraph (f)) and to make the Fund more visible to investors who do not have access to our existing distribution channels (sub-paragraph g of the new Fund rules).

Detailed information about the changes in the Fund rules:

Paragraph	Current Wording	New Wording
6.5 f	State charges related to registering amendments to the Rules and/or Prospectus and the expenses related to publishing relevant notices.	Charges related to registering and distributing the Fund abroad, incl. costs for agents required by the law, amendments to the Fund’s documentation and the expenses related to publishing relevant notices.
6.5 g	n/a	Expenses related to marketing and distribution of the Fund, including initial set-up, ongoing registration, listing and quotation fees of distribution platforms.

Considering that the amendment may result in an increase in the Fund costs (especially if the Management Company is unable to attract sufficient investors from the new markets or distribution channels), based on the Estonian Investment Funds’ Act all existing investors can redeem their units free of charge within one month of the publication of this notice (additional information: Avaron Emerging Europe Fund all units have 0% redemption fee).

New Avaron Emerging Europe Fund rules taking effect from 1 June 2019 are available at <http://www.avaron.com/documents>. For any questions or comments, please do not hesitate to contact us at phone: +372 664 4214 or e-mail: invest@avaron.com.

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