

## KEY INVESTOR INFORMATION

This document provides the key investor information about this Fund. This is not advertising material. The requirement to provide this information is stipulated in law to help you understand the nature of investing in this Fund and its inherent risks. In order to take an informed investment decision, it is necessary to study the Prospectus of the Fund as well.

### CBL Strategic Allocation Funds Sub-fund CBL Balanced Strategy Fund - USD

**ISIN: LV0000400380**

The Fund is managed by: **CBL Asset Management IPAS**  
Company of AS Citadele Banka group

### Objectives and Investment Policy

**Objective.** Long term capital appreciation of investments in share certificates (units) of investment funds registered in Latvia or other European Union member states and in securities equivalent to them. Investments can be made in money market, bonds, balanced or equity investment funds as well as ETF and equity securities traded on the regulated market of the European Union and the OECD member states without industry limitations.

**Investment Portfolio Structure.** The Sub-fund's assets are invested in share certificates of open-end funds; up to 70% of the Sub-fund's assets can be invested in equity securities or investment funds investing in equity securities, including ETF.

**Income of the Sub-fund consists of** appreciation of share certificates and shares, as well as dividends received. Income derived from the Sub-fund's assets is retained for further investments.

**Investment procedure.** When making investment decisions, the Company analyzes financial instruments aiming to select the most suitable securities with the highest growth potential.

**Profitability Standard.** The Company does not compare the Sub-fund's performance indicators against any particular benchmark.

**Base Currency of the Sub-fund:** USD (US dollars).

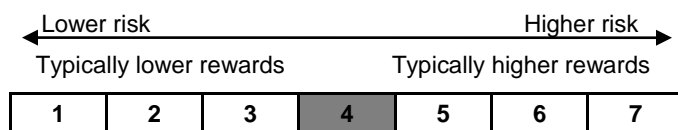
**Transactions with Derivatives.** For hedging against the risk of fluctuations in the market value of the Sub-fund's assets or in order to generate profit, the following derivative transactions are permitted on the account of the Fund: futures, plain vanilla options and swaps traded on regulated and unregulated markets. As per EU Regulation 2015/2365 the Fund will not make use of securities financing transactions.

**The Investor's Income** is reflected in the increase or decrease in the value of share certificates. The value of share certificates is determined on each business day. The investor may request the Company to repurchase share certificates of the Sub-fund, or to sell them on the over-the-counter market. The Company is obliged to repurchase share certificates of the Sub-fund from the investor upon the investor's request.

**Transactions with share certificates of the Fund.** Applications for repurchasing share certificates of the Sub-fund may be submitted to the Company or to the distributor of the Fund on any business day.

**Preferred investment period.** Given the volatility of investments and the long-term investment strategy of the Sub-fund, the Sub-fund is more suitable for investors willing to invest for the time period of at least 5 years.

### Risk and Reward Profile



**Synthetic Indicator** indicatively shows the volatility of the Fund's profitability; the higher this indicator, the higher the potential reward; at the same time it involves a higher risk to suffer losses. Synthetic Indicator of the Fund is based on historical performance of the Fund and may change in future. The lowest category of the indicator does not mean that the investments in the Fund are not exposed to risk.

The Sub-fund belongs to risk and reward category 4, because the historical annualized volatility of its yield has been average (between 5% and 10%). The specified risk category may shift over time and its current value does not guarantee a similar risk and reward ratio in future.

The historical volatility of the Sub-fund's yield does not fully reflect the particular market conditions and the specific investment strategy focused on investing in the developing countries, as well

as potential consequences of contingent events possibly increasing exposure to risks relevant to investing in the Sub-fund:

**General market risk.** The price of securities as well as the income derived from them may change due to factors related to interest rate fluctuations (in case of debt securities) or wide-ranging changes in the capital market (in case of equities) and not to any particular issuer of securities.

**Currency Risk.** A considerable share of the assets may be denominated in currencies that differ from the base currency of the Fund which may result in significant fluctuations of the Fund's value.

**Foreign Investment Risk.** Investments in markets of developing countries are associated with increased exposure to currency and information availability risk, as well as the risk inherent in custody of financial instruments issued abroad.

**Counterparty Risk.** A possibility to suffer losses if the counterparty defaults on its obligations before the final settlement towards servicing cash flow of the transaction.

## Charges

Charges you pay are used to cover operating expenses of the Sub-Fund, including expenses related to sale and distribution of share certificates. These charges may reduce the potential investment gains.

### One-off payment before or after you have made an investment

<b>Entry charge</b>	3.00%
<b>Exit charge</b>	0.00%

This is the maximum amount that may be deducted from your funds before they are invested in the Sub-fund

### Charges withdrawn from the Fund during the year

<b>Ongoing charges</b>	1.52 %
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### Charges withdrawn from the Fund on certain special occasions

<b>Performance fee</b>	None
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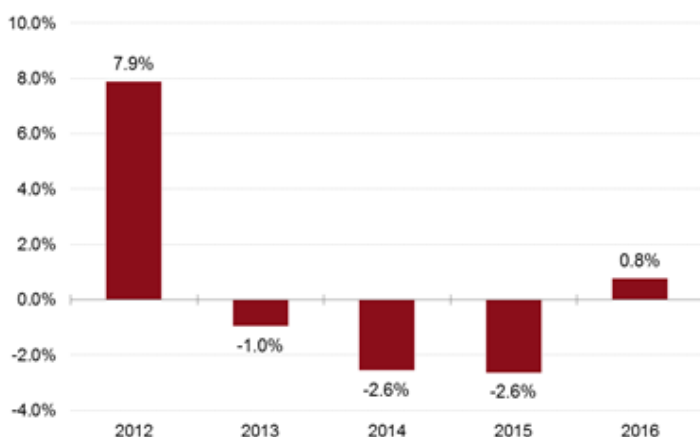
**Entry charge and exit charge.** In some cases you may have to pay less, please consult your financial advisor or the distributor of the Fund. Information on the pricelist approved by the distributor is available on the website: [www.citadele.lv/lv/tariffs/securities/broker](http://www.citadele.lv/lv/tariffs/securities/broker).

It should be noted that when trading share certificates, the investor has to cover separately the costs connected with such transactions, including bank's fees on custody and administration of Fund share certificates.

The **ongoing charge** figure is specified based on the charges paid in the previous year ended on 31 December 2016. This figure may vary from year to year. It does not include costs of portfolio transactions.

Further information on charges can be found in Chapter 7 of the Prospectus of the Fund available online at: [www.cblam.lv](http://www.cblam.lv).

## Past Performance



The Fund with sub-funds was registered on 24 August 2007 and commenced its operation on 20 September 2007.

**Former names of the Sub-fund:** Parex Balanced Strategy Fund - USD until 1 August 2010; Citadele Balanced Strategy Fund - USD until 30 March 2015.

Historical yield does not guarantee the future profitability of the Sub-fund. The value of investments can either increase or fall and the Company does not guarantee preservation of the initially invested resources.

The entry charges are not taken into account in calculations.

The Sub-fund's performance indicators are calculated in USD.

## Practical Information

Further information regarding the Fund and the Sub-fund, the Prospectus, the Rules, the annual and semi-annual reports is available free of charge on the website of CBL Asset Management IPAS.

Website: [www.cblam.lv](http://www.cblam.lv)

Telephone: (+371) 67010810

Office address: Republikas laukums 2a, Riga, LV-1010, Latvia.

Custodian and Distributor: AS Citadele banka

**Practical information:** The value of the Sub-fund is determined on each business day and, together with the most recent available selling price of share certificates, published on the website at [www.cblam.lv](http://www.cblam.lv) or on the Nasdaq OMX Riga website at: [www.nasdaqbaltic.com](http://www.nasdaqbaltic.com).

The Fund is a Sub-fund of CBL Strategic Allocation Funds (the umbrella fund) with 6 sub-funds. The investor may exchange share certificates of one sub-fund of the umbrella fund against share certificates of another sub-fund of the umbrella fund. In this case the commission fee for the exchange of share certificates of the sub-funds is determined in accordance with terms of paragraph 7.1 of the Prospectus of the Fund. The Fund does not have share certificates of different categories.

**Taxes:** The Company warns that the tax legislation of the Republic of Latvia and that of the investor's country of residence may affect the personal tax position of the investor.

**Disclaimer:** The investor may hold CBL Asset Management IPAS liable only in case the information provided in this document is misleading, inaccurate or inconsistent with the respective sections of the Prospectus of the Fund.

This Fund is registered in the Republic of Latvia and monitored by the Financial and Capital Market Commission. CBL Asset Management IPAS is licensed in the Republic of Latvia and monitored by the Financial and Capital Market Commission. The key investor information is accurate and published on 22.02.2017.

