

ARTICLES OF ASSOCIATION
OF OMX BALTIC BENCHMARK FUND INVESTMENT COMPANY
WITH VARIABLE CAPITAL

SECTION I. General Rules

1. **OMX Baltic Benchmark Fund** investment COMPANY with variable capital (hereinafter the COMPANY) shall be a harmonized collective investment undertaking.
2. The COMPANY shall be established for an indefinite period of time and operate under the laws of the Republic of Lithuania, other laws and these Articles of Association.
3. The COMPANY shall be a legal entity having commercial-economic, financial, organizational and legal independence.
4. The COMPANY shall have its seal bearing the words: OMX Baltic Benchmark Fund investment company with variable capital.
5. The COMPANY shall be a legal person with limited liability. The COMPANY shall be liable for its obligations only to the extent of its assets. The shareholders shall be liable for the obligations of the COMPANY only by the amount which they must pay for their acquired shares.
6. The COMPANY'S financial year shall be a calendar year.

SECTION II. Objectives and Nature of the COMPANY'S Economic Operations

1. The COMPANY shall be a participant in the securities market.
2. The COMPANY shall be engaged in investment of money, which is collected through public distribution of shares.
3. The COMPANY shall operate according to the laws as an investment company with variable capital.
4. The COMPANY shall carry out licensed or otherwise restricted operations only upon obtaining appropriate permits and/or licenses from the Securities Commission and/or other authorized authority.

SECTION III. Rights and duties of the COMPANY

1. In exercise of its business and economical activities the COMPANY shall have the rights and obligations provided in the laws, other regulations and the present Articles of Association.
2. The COMPANY shall:
 - 2.1. transfer the management of its property to a Management Company (hereafter the Management Company);
 - 2.2. transfer the cash and securities for depositing with a single depositary;
 - 2.3. at the request of the shareholders to redeem the shares of the COMPANY according to the procedure specified in legislation and in the present Articles of Association, by paying for them a proportionate share of their net asset value;
 - 2.4. publish the net asset value and the sale and redemption prices of own shares each time they are issued or redeemed, but at least over the time periods determined by the current legislation.
3. The COMPANY'S shares may be traded on the NASDAQ OMX Vilnius Stock Exchange (secondary market) by submitting orders for public trading brokers to buy or sell shares of the COMPANY.

4. When the issue of the COMPANY'S shares is registered at the Lithuanian Central Securities Depository, the COMPANY'S shares may be accounted with any account manager.
5. The COMPANY may enter into contracts, and shall have other civil rights and duties provided they are not in contradiction to the existing laws and these Articles of Association.

SECTION IV. COMPANY'S investment strategy

1. The COMPANY'S principal investment objective shall be the accumulation of cash resulting from the distribution of redeemable shares of the COMPANY, to invest and reinvest in order to replicate as closely as possible the composition of OMX Baltic Benchmark GI index in compliance with the requirements of liquidity and portfolio diversification.
2. The COMPANY shall invest in instruments comprising the OMX Baltic Benchmark GI (hereinafter the Index) stock index. The index shall be calculated by The Nasdaq OMX Group, Inc. and all intellectual property rights are reserved to The Nasdaq OMX Group, Inc. The COMPANY'S investment portfolio shall be formed by monitoring the Index, i.e. as far as possible, investment shall be made in all securities constituting the Index in proportion to which they are included in the Index. The Index shall be composed of shares of the largest free float share capitalization companies of Lithuania, Latvia and Estonia whose shares are listed on the NASDAQ OMX Vilnius, NASDAQ OMX Tallinn and NASDAQ OMX Riga stock exchanges (hereinafter the Exchanges). The Index shall be capitalised, namely the largest companies (undertakings) of free float capitalization shall have the highest weights in the Index.
3. The Index formation procedure, methodology for calculating and composition shall be publicised on the NASDAQ OMX website <http://www.nasdaqomxbaltic.com/>
4. The composition of the Index shall change when the capitalisation or composition of shareholders of Exchange-listed companies is changing, when new shares are included or excluded to /from the Exchange lists, or for other reasons. When the composition of the Index is changed, the COMPANY'S investment portfolio shall be revised accordingly. The Index shall be revised once every six months.
5. The COMPANY'S investments shall not be restricted by specialization in any particular industries.
6. The requirements indicated in paragraph 2 of this Section may be ignored if the Head of Administration of the Management Company of the COMPANY makes an individual motivated decision and only when it is necessary to protect interests of the COMPANY'S participants (shareholders), to avoid significant price drops of the shares in which the COMPANY has invested, decrease in liquidity, or if there is a reason to believe that other events that may lead to significant losses for the COMPANY'S shareholders may happen. Non-observance of the requirements provided in paragraph 2 of this Section may last no longer than 6 months. The Management Company must ensure that this period is as short as possible. During the period of non-compliance of the requirements referred to in paragraph 2 of this Section, the COMPANY shall invest in the stocks from the official list and in government bonds, or keep the cash on the COMPANY'S account. The COMPANY'S investment portfolio may not comply with the requirements of paragraph 2 of this Section for reasons beyond the control of the COMPANY. The Management Company shall be required to take commercially reasonable steps so that the COMPANY'S investment portfolio complies with the provisions of paragraph 2 of this Section, and address the discrepancies as soon as possible but no later than within 6 months.
7. The COMPANY, the Management Company and other persons shall be required to comply with the statutory rules on investment and portfolio diversification requirements.
8. To ensure smooth redemption of the COMPANY'S shares, up to 10 % of the COMPANY'S assets may be not invested and may be kept in cash in the COMPANY'S account.
9. The COMPANY'S assets may consist solely of:
 - 9.1. cash and money-market instruments recognized by the Securities Commission;
 - 9.2. securities.

10. The COMPANY shall have a benchmark index – the OMX Baltic Benchmark GI benchmark index. The procedure of the formation of the benchmark index shall be available in the headquarters of the COMPANY and on its internet website, or on NASDAQ OMX website <http://www.nasdaqomxbaltic.com/>.

SECTION V. Capital of the COMPANY

1. The COMPANY'S initial equity capital was LTL 1000000 (one million litas) which corresponds to EUR 289,620.01. During the formation of the COMPANY its initial capital was divided into 1,000 (one thousand) ordinary nominal shares. The initial value of one share was LTL 1000 (one thousand litas) which corresponds to EUR 289.62.
2. Shares of the COMPANY shall have no nominal value; their value shall vary depending on the COMPANY'S net asset value.
3. The COMPANY'S own capital shall not be less than the current statutory minimum capital.
4. The COMPANY shall not have authorized capital.
5. The COMPANY'S redeemable shares shall be distributed for unlimited time period and their issue size shall be unlimited.
6. During the issue or redemption of the COMPANY'S shares, the increase or reduction of the COMPANY'S equity capital shall not be specified in the COMPANY'S Articles of Association and amended Articles of Association shall not be registered in the register of companies.

SECTION VI. Rights carried by the COMPANY'S shares

1. The COMPANY'S shares are ordinary book entry nominal redemption shares carrying equal rights to their owners. The records in personal securities (shares) accounts shall be proof of ownership of the shares.
2. Shares of the COMPANY shall grant shareholders the following property rights:
 - 2.1. to sell the COMPANY their shares at the redemption price announced on the sale date;
 - 2.2. to bequeath all or part of his shares to one or more persons;
 - 2.3. to sell or otherwise dispose of all or part of the shares to other persons;
 - 2.4. to receive part of the COMPANY'S assets in case of its liquidation, in proportion to the number of shares held;
 - 2.5. other property rights specified by laws and in the COMPANY'S Articles of Association.
3. Shares of the COMPANY shall grant shareholders the following non-property rights:
 - 3.1. to attend general meetings of shareholders with a casting vote. Each fully paid ordinary nominal share shall grant one vote for its holder at the general meeting of shareholders;
 - 3.2. to receive information on commercial and business activities of the COMPANY;
 - 3.3. to appeal to the court against resolutions (decisions) of the general meeting, the Supervisory Board and the Management Company;
 - 3.4. other non-property rights specified by laws and in the COMPANY'S Articles of Association.
4. The COMPANY'S shareholders shall have no preferential rights to purchase newly issued shares.

SECTION VII. Procedure of distribution and redemption of the COMPANY'S shares and payment for redeemed shares

1. The investor shall submit an order to buy (redeem) the COMPANY'S shares in a form established by the COMPANY to the Management Company or a person authorized by the Management Company (distributor). The order to buy the COMPANY'S shares must specify

the amount of money for which the investor intends to acquire shares of the COMPANY. The number of shares of the COMPANY being acquired is not specified in the order form. The number of the COMPANY'S shares which the COMPANY will have to redeem from the investor must be specified in the order form.

2. The person who received the order to buy (redeem) the COMPANY'S shares shall return one copy of the order to the investor with a confirmation of receipt. When confirming the receipt of the order to buy (redeem) the COMPANY'S shares, the person who accepted it ought to indicate his/her full name, the name and address of the COMPANY which received the order, the date of receipt, exact time (hours, minutes) and to sign it.

3. If the investor has submitted the order to buy the COMPANY'S shares, and transferred the money specified in the order to the COMPANY'S account by 16:00 Lithuanian time (on the day X), he shall acquire the COMPANY'S shares by paying for them the sale price of the COMPANY'S shares of the day X. If the amount of money specified in the order is credited in the COMPANY'S account after 16:00 Lithuanian time (on the day X), he shall acquire the COMPANY'S shares by paying for them the sale price of the day X+1.

4. If the investor has submitted the order to redeem the COMPANY'S shares by 16:00 Lithuanian time (on the day X), the COMPANY shall redeem its shares by paying for them the redemption price of the COMPANY'S shares of the day X.

5. If the investor has submitted the order to redeem the COMPANY'S shares after 16:00 Lithuanian time (on the day X), the COMPANY shall redeem its shares by paying for them the redemption price of the COMPANY'S shares of the day X+1.

6. The investor shall acquire shares by signing the agreement with the COMPANY in a simple written form.

7. The agreement between the investor and the COMPANY obligates the COMPANY to present the shares and the investor to pay the entire amount of the subscribed shares as provided by existing legislation, these Articles of Association and contractual procedures.

8. If an investor has not paid in full for the shares of the COMPANY, it shall be considered that the share purchase and sale transaction has not occurred.

9. Title of the shares shall be acquired when a record is made in personal securities (shares') account. A record shall be made in a personal securities (shares) account not later than in 1 working day after the receipt of the money in the COMPANY'S account.

10. The COMPANY'S shares shall not be not sold on credit; their payment date may not be postponed.

11. Shares shall be paid only in monetary instalments in euros (EUR) or in litas (LTL). If payment for the shares is made in litas (LTL), the COMPANY shall exchange (convert) the litas (LTL) paid to the investor according to the rate of exchange of the bank which holds the COMPANY'S account. All costs of the conversion of litas (LTL) or other currencies to euro (EUR) and transfer costs to the COMPANY'S account shall be borne by the investor. Payment for the COMPANY'S shares with assets shall not be allowed.

12. The COMPANY'S shares shall be sold for an indefinite period.

13. The number of the COMPANY'S shares (share issue size) sold to investors shall be unlimited.

14. The Management Company shall be responsible for the distribution and redemption of the COMPANY'S shares. The COMPANY may enter into contracts for the distribution and redemption of shares with authorized third parties (distributors).

15. Shares of the COMPANY may be redeemed and distributed by a legal person with whom the COMPANY has entered into an agreement (the distributor).

16. A person with whom the COMPANY or its authorised person has entered into an agreement on the distribution of shares, with the approval of the COMPANY, may be a sub-distributor of the COMPANY'S shares. If the agreement is concluded by an authorized person (dealer), he shall be responsible for acts of the sub-distributor(s).

17. At the shareholder's request the COMPANY must redeem the COMPANY'S shares from the shareholder pursuant to the procedure described in paragraphs 5-6 above in this Section.

18. The shareholder of the COMPANY, requesting the COMPANY to redeem his shares, must submit an order for redemption to the Management Company or the authorised person of the COMPANY.

19. Before submitting an order to the Management Company to redeem the shares of the COMPANY acquired at NASDAQ OMX Vilnius Stock Exchange (secondary market) it shall be necessary to transfer the COMPANY'S shares by a non-tax transfer to the authorised person of the COMPANY (the COMPANY'S securities account manager). The instruction to transfer the COMPANY'S shares must be submitted to the financial intermediary who shall account the COMPANY'S shares purchased in NASDAQ OMX Vilnius Stock Exchange.

20. The COMPANY'S share redemption transaction shall be deemed to be concluded on the moment when the shareholder is submitted an approval of the receipt of his order to redeem the shares.

21. Since the conclusion of the redemption transaction the COMPANY'S shareholder shall lose all rights attached to the shares of the COMPANY, except for the rights arising from the redemption transaction.

22. The COMPANY shall pay for the redeemed shares not later than seven days from the receipt of the order to redeem the shares. The investor shall be paid in euros (EUR) for the COMPANY'S shares being redeemed. According to a separate agreement between the COMPANY and the investor, payment for the COMPANY'S shares being redeemed can be made in litas (LTL) or any other currency according to the exchange rate of the bank which holds the COMPANY'S account. All euro (EUR) exchange (conversion) costs shall be borne by the investor.

23. Only the Management Company and the persons authorised by the COMPANY or by the Management Company shall be entitled to sell (distribute) and redeem the COMPANY'S shares.

24. Sale and redemption of shares shall be organised in accordance with current legislation, these Articles of Association and agreements.

25. Shares shall not be subject to the provisions of the Law on Companies of the Republic of Lithuania governing subscription and payment of stock in limited liability companies. The issue of shares shall not be registered with the Securities Commission.

SECTION VIII. Procedure of purchase and selling the COMPANY'S shares on the secondary market

1. The COMPANY'S shares may be traded on the NASDAQ OMX Vilnius Stock Exchange (secondary market according to the legislation governing the operations of this Exchange).

2. Orders to buy shares of the COMPANY on the secondary market may be submitted to any financial intermediary. Before submitting an order to buy the COMPANY'S shares, funds necessary for the acquisition of shares must be transferred to the account of the financial intermediary.

3. Orders to sell the COMPANY'S shares on the secondary market can be submitted to any financial intermediary. Before submitting an order to sell the COMPANY'S shares, funds of the COMPANY must be transferred to the securities account of the financial intermediary.

4. Payments for the COMPANY'S shares sold in NASDAQ OMX Vilnius Stock Exchange (secondary market) shall be made according to the procedure established by NASDAQ OMX Vilnius Stock Exchange.

SECTION IX. Grounds and procedure of distribution, redemption and suspension of trade in the COMPANY'S shares on the secondary market

1. The Securities Commission and the Management Company of the COMPANY shall have the right to suspend redemptions of shares.
2. Redemption may be suspended for up to 3 months per year.
3. The redemption may be suspended if:
 - 3.1. it is necessary to protect interests of the shareholders of the COMPANY from possible insolvency as well as from a possible purchase price erosion in an unfavourable situation of the stock market and the downgrading of the COMPANY'S investment portfolio value;
 - 3.2. there is not enough money to pay for redeemed shares and the sale of securities held would be loss-making;
 - 3.3. by dividing or consolidating the COMPANY'S shares, the procedures of their distribution, redemption, purchase or sale price are changing;
 - 3.4. the measure is performed by the Securities Commission as provided by the applicable laws.
4. Since the decision to suspend the redemption of the shares is made, it shall be prohibited:
 - 4.1. to accept orders for redemption;
 - 4.2. to pay for the shares, which redemption was requested before the decision to suspend the redemption was made.
5. A notice of the suspension of redemption shall be communicated without delay to the persons who are intermediaries in the process of redemption and to the Securities Commission, and if the shares are traded in foreign states – to foreign supervisory authorities; as well as it should be made public through the media. In Lithuania, this will be *Verslo Žinios* newspaper.
6. If the decision to suspend the redemption of the shares has been made by the Securities Commission, the right to resume redemption shall be vested only in the Securities Commission or the court upon its reversal of the decision.
7. In other cases, the Management Company shall have the right to resume the redemption of shares.
8. The decision to resume the redemption of shares must be announced in the same manner as the redemption.
9. The COMPANY offerings may be suspended for up to 7 days when the division or consolidation of COMPANY'S shares is changing their distribution, redemption, purchase or sale price.
10. The COMPANY'S shares trading (buying and selling) in Nasdaq OMX Vilnius Stock Exchange may be suspended when the division or consolidation of the COMPANY'S shares is changing their distribution, redemption, purchase or sale price and in other cases provided for by law.

SECTION X. Management of the COMPANY

1. The COMPANY shall be managed by the general shareholders' meeting, the Supervisory Board and the Management Company
2. The rights and obligations of the Board and the chief executive officer (administration) of the COMPANY set forth in the Law on Companies of the Republic of Lithuania shall be transferred to the Management Company, unless otherwise provided by law and/or these Articles of Association. The distribution of rights and responsibilities provided in the present Articles of Association shall not be in conflict with the laws and other regulations. The Management Company shall be entitled to delegate their management functions according to the laws to another person who is entitled to provide appropriate services.
3. The COMPANY'S asset management shall be devolved to the Management Company, which shall manage it according to the right of trust under a management contract, signed by and between the COMPANY and the Management Company.
4. The Management Company's operations shall be controlled by the COMPANY'S Supervisory Board elected at the general meeting of shareholders.
5. The COMPANY'S financial accounts shall be managed by the Management Company. The Management Company shall manage the financial accounting and reporting in accordance with

the accounting and financial accounting legislation, resolutions of the Securities Commission and other laws.

SECTION XI. Powers of the general meeting of the COMPANY, the procedure for convening the meetings and their voting rules

1. All persons who are the shareholders of the COMPANY on the end of the record day of the meeting shall have the right to attend the general meeting of shareholders of the COMPANY.
2. The record date of the general meeting of shareholders shall be the fifth business day before the general meeting of shareholders of the COMPANY.
3. Resolutions of the general meeting of shareholders of the COMPANY shall be adopted by a simple majority vote, with the exception of the cases where the qualified majority of vote is required by legislation.
4. Only the general meeting of shareholders of the COMPANY may:
 - 4.1. amend the Articles of Association of the COMPANY (except for the cases provided in legislation). The resolution to amend or supplement the Articles of Association shall enter into force only after it is approved by the Securities Commission;
 - 4.2. elect and remove from office the auditors and set the conditions of payment for auditing services;
 - 4.3. elect or dismiss the Supervisory Board members;
 - 4.4. to approve, to change the Management Company and/or approve a new Management Company.
 - 4.5. approve the asset management contract with the Management Company and/or changes in the asset management contract, to authorize a person to sign on behalf of the COMPANY the approved asset management contract with the Management Company. Such decisions shall be made by at least 2/3 majority of those attending the meeting. Adoption of these resolutions may be assigned to the COMPANY'S Supervisory Board, but no more than for a 3 year period if the Articles of Association provide the maximum amount of compensation to the Management Company. The Supervisory Board shall have the right to adopt these resolutions by 2/3 majority of the board members;
 - 4.6. approve the depository, to change the depository and/or adopt a new depository. should the depository fail to comply with the statutory requirements, or fails to fulfil his obligations in part or in full, the Securities Commission of the Republic of Lithuania, in order to ensure the rights of shareholders of the COMPANY, shall be entitled to instruct the COMPANY to terminate the contract and change the depository.
 - 4.7. approve a contract with the depository and/or modifications to this contract. Such decisions shall be made by at least 2/3 majority of those attending the meeting. Adoption of these resolutions may be assigned to the COMPANY'S Supervisory Board, but no more than for a 3 year period if the Articles of Association provide the maximum amount of compensation to the depository. The Supervisory Board shall have the right to adopt these resolutions by 2/3 majority of the board members;
 - 4.8. approve annual financial statements of the COMPANY;
 - 4.9. liquidate the COMPANY;
 - 4.10. solve other issues, assigned to the competence of the general meeting of shareholders by the existing law or the Articles of Association.
5. Resolutions of the general meeting of shareholders of the COMPANY shall be adopted by a simple majority vote of those attending the meeting, with the exception of resolutions requiring a qualified majority of vote according to the Law on Companies, other legislation, or the Articles of Association.
6. The general meeting of shareholders shall be convened by the Management Company.
7. The meeting may be convened by the Supervisory Board and the shareholders whose shares are valued at no less than 10 percent of net assets. The Management Company must convene the

annual general meeting of shareholders each year within 4 months of the end of the financial year.

8. Authorized representatives of the Management Company are entitled to attend the COMPANY'S general meetings of shareholders with an advisory capacity, although the Management Company is not the COMPANY'S shareholder.

9. The extraordinary general meeting of shareholders must be convened if:

9.1. COMPANY'S liquidation is being planned;

9.2. The COMPANY is being announced or announces itself as unable to implement its financial liabilities;

9.3. The Supervisory Board of the COMPANY resigns or the number of Supervisory Board members becomes less than three;

9.4. it is requested by the shareholders with the right of initiative, or the Supervisory Board;

9.5. in other cases provided in the laws and the present Articles of Association.

10. The announcement of the convened general meeting of shareholders shall be made according to legislation in the daily *Verslo žinios* or in an electronic edition issued by the manager of legal entities of the Republic of Lithuania for public announcements, or sent by registered mail to each shareholder. Information about convening a general meeting of shareholders shall be also available according to the procedure established in the legislation governing the operations of NASDAQ OMX Vilnius Stock Exchange.

11. The notice of the general meeting of shareholders shall include all statutory information.

11.4. The COMPANY'S management body or the institution which adopted the decision to convene the general meeting of shareholders and the persons who initiated the calling of the extraordinary general meeting of shareholders.

12. Within the statutory period before the meeting the shareholders must be granted access to the documents, relating to the agenda of the meeting.

13. The general meeting of shareholders of the COMPANY may pass resolutions irrespective of the voting rights carried by the shares held by the participating shareholders.

14. The general meeting of shareholders shall not be entitled to withdraw the resolutions of the Management Company on the COMPANY asset management, or pass decisions on asset management, which would be binding to the Management Company.

15. Resolutions of meetings of shareholders may be invalidated in court, as provided by law.

SECTION XII. Competence of the Supervisory Board of the COMPANY. Procedure of replacing the Management Company and depository

1. The COMPANY'S Supervisory Board shall be a collegial body supervising the activities of the COMPANY elected from 3 (three) persons for the term of 4 (four) years.

2. The COMPANY'S Supervisory Board shall have the following powers:

2.1. select the Management Company, authorize the head of the COMPANY to sign a property management contract and make proposals to the general meeting of shareholders to approve the submitted property management contract signed with the Management Company;

2.2. select the COMPANY'S depository, authorizes the COMPANY'S representative to sign the agreement with the depository and submit the agreement signed with the depository for the approval of the general meeting of shareholders;

2.3. analyse the work of the of the Management Company, activities of the shares' distributor, the use of financial resources, the organisation of the COMPANY'S management, accounting and share planning, payment for services, forecasts of the financial condition;

2.4. submit proposals and comments on annual accounts of the COMPANY to the general meeting with shareholders;

2.5. represent the COMPANY in litigation between the COMPANY and its Management Company, the depository, the shares distributor, and other entities;

- 2.6. represent the COMPANY and empower other persons to represent the COMPANY before the court, the arbitration and the third party court;
- 2.7. submit proposals to the Management Company, the depository, the distributor of shares to withdraw their decision which are contrary to existing laws, the Articles of Association and decisions of the general meeting of shareholders;
- 2.8. adopt other decisions specified in the laws and the Articles of Association.
3. The general meeting of shareholders may remunerate the members for their work in the Supervisory Board (to pay bonuses).
4. The Supervisory Board shall meet as necessary but no less often as provided by the current legislation. Its regular meetings shall be called by the chairman of the Supervisory Board or, in his absence, by the vice chairman at the scheduled time.
5. Extraordinary meetings shall be convened at the request of no less than 1/3 of the members of the Supervisory Board, the Management Company or the auditor.
6. Procedure of convening Supervisory Board meetings, voting in them, and other operational matters are regulated by the Supervisory Board's rules of procedure.
7. If the depository fails to comply with the statutory requirements, or fails to fulfil his obligations in part or in full, the Securities Commission, in order to ensure the rights of shareholders of the COMPANY shall be entitled to instruct the COMPANY to terminate the contract and change the depository.

SECTION XIII. Corporate accounting and auditing

1. The COMPANY'S Management Company and the depository shall manage the COMPANY accounts in accordance with applicable laws.
2. The COMPANY'S financial statements are audited by the auditor (audit firm) elected at the general meeting of shareholders for the period of 1 year.
3. An audit shall be conducted in accordance with the audit legislation regulating the audit operations, and according to the terms and conditions of the agreement between the COMPANY and the auditor.
4. The auditor shall be required to check the COMPANY'S activity report and other COMPANY'S operational documents which have to be checked according to the effective statutory requirements.
5. The COMPANY'S Management Company, the depository and the distributor of shares must provide the auditor with the required accounting and financial documents.
6. The auditor's remuneration terms shall be determined by the general meeting of shareholders.
7. The internal must keep confidential the COMPANY'S secrets divulged to him in the exercise of control over the COMPANY'S financial activities and the depository operations.
8. The auditor of the COMPANY shall be liable according to the law for unsatisfactory control of the COMPANY'S operations and concealment of the COMPANY drawbacks.

SECTION XIV. Distribution of the COMPANY'S income

1. The COMPANY shall receive income by investing its assets collectively as provided by the laws and the present Articles of Association.
2. The main principle of the COMPANY'S income distribution policy is to maximize the reinvestment of income and increase the value of the shares held by shareholders.
3. The COMPANY'S revenues are distributed as follows, in order of priority:
 - 3.1. cover the COMPANY'S operational expenses;
 - 3.2. are distributed to the COMPANY'S shareholders, by redeeming their shares of the COMPANY held according to the laws;

- 3.2. invested (reinvested) as provided by the laws and the present Articles of Association.
4. The COMPANY shall not pay dividends (cash payments) to its shareholders. All dividends received by the COMPANY from enterprises shall be included into the COMPANY'S income and increase the value of the COMPANY'S shares held by shareholders.
5. The COMPANY profits shall be distributed through the depository of the COMPANY.

SECTION XV. Calculation of net assets of the COMPANY. Rules on the determination of share price

1. The COMPANY net asset value (NAV) shall be calculated on each business day according to the following procedure:
 - 1.1. Orders to purchase (redeem) shares shall be accepted in accordance with the procedure by 16:00 Lithuanian time of date X (the date when the order is submitted);
 - 1.2. The person who accepted the order shall return one copy of the order to the investor with a confirmation of receipt.
 - 1.3. If orders are submitted after 16:00 Lithuanian time, they shall be not taken in the calculations of the NAV of the business day X. They will be evaluated when calculating the NAV of the next day (X+1);
 - 1.4. after the expiration of the order except in the time of the day X, the NAV of that day X shall be calculated and used as the basis of all the calculation of the COMPANY'S share value; the calculation is completed at 17:00 Lithuanian time on the same business day.
 - 1.5. after calculating of the COMPANY'S share value, orders received on the business day (X-1) after 16:00 Lithuanian time and orders received on day X before 16:00 Lithuanian time shall be processed.
 - 1.6. after processing of the said orders, the final NAV of the business day X shall be calculated. The calculation shall be completed at 17:30 Lithuanian time on the same business day.
2. The price of one COMPANY'S share shall be equal to net asset value of the COMPANY divided by the number of shares issued by the COMPANY and not redeemed.
3. The COMPANY shall be required to publish its own (net) assets per share every time it issues or redeems their shares, but at least with the frequency determined in the existing legislation. Share prices shall be published in all the locations where the COMPANY'S shares are sold and redeemed, and on the COMPANY'S website www.indexfund.lt.
4. The value of the COMPANY'S shares shall coincide with the portion of net asset value per share of the COMPANY.
5. In case of sale of the COMPANY'S shares, the share sales price shall be increased by the amount of distribution costs per one share of the COMPANY which amount to up to 2 percent of the share price. Following the decision of the Management Company, the share distribution fee may be waived. The specific distribution fees and their application terms shall be listed in the simplified prospectus of the COMPANY.
6. In case of redemption of the COMPANY'S shares, the share redemption price may be reduced by the amount of redemption costs per one share which total up to 2 percent of the share price. The amount of the redemption cost shall be calculated by the COMPANY'S Management Company. Particular redemption fees shall be announced on the COMPANY'S simplified prospectus. The redemption fee, if any, shall accrue to the Management Company.

SECTION XVI. Valuation of net assets and assets of the COMPANY

1. The COMPANY'S Net Asset Value (NAV) shall be determined in euros (EUR) according to the principles of the NAV calculation, and shall be calculated according to the procedures established in the present Articles of Association and the COMPANY'S NAV calculation procedures.

2. The COMPANY'S assets are estimated following the data of the Management Company and the depository.
3. When calculating the NAV, the following items must be calculated separately:
 - 3.1. asset value;
 - 3.2. value of liabilities (not included in the NAV);
 - 3.3. difference between the values of assets calculated in accordance to paragraph 3.1 and liabilities calculated in accordance to paragraph 3.2, reflecting the NAV.
4. Calculation of assets and liabilities shall be based on their fair value that should reflect the net asset value at which they are most likely to be sold.
5. Liabilities shall be calculated in accordance with business accounting standards.
6. When calculating the NAV, the value of assets and liabilities denominated in the foreign currency and in litas (LTL) shall be determined according to the official exchange rate between that currency and the Euro (EUR) set by the Bank of Lithuania on the date of valuation.
7. Cost, revenue, accounts receivable and payable, investment portfolio changes, associated with the purchase, sale of instruments, as well as changes in the number of shares associated with the redemption or issue of the COMPANY'S shares must be reflected in the NAV calculations according the data on the end of the business day.
8. Assets (or part thereof) shall be written off only when the rights to these assets (or part thereof) are realized, when the validity of the rights expires, or when the rights are assigned.
9. Liabilities (or part thereof) shall be written off only when they disappear, i.e. when the liabilities indicated in the contract are carried out, voided, or lapse.
10. The following shall be necessary for the evaluation of the COMPANY'S holdings:
 - 10.1. to evaluate the portfolio of the COMPANY'S securities and the money market instruments (hereinafter they are collectively referred to in this section of the Articles of Association as securities), i.e. to evaluate each component of the portfolio and to sum up evaluation results;
 - 10.2. to evaluate other assets of the COMPANY, if any.
11. Securities are evaluated by the financial broker holding a qualification certificate issued by the Securities Commission.
12. Securities portfolio shall be evaluated in the following order:
 - 12.1. stocks of companies composing the portfolio:
 - 12.1.1. The COMPANY invests accumulated funds in shares of companies whose shares are listed on the NASDAQ OMX Vilnius, NASDAQ OMX Tallinn and NASDAQ OMX Riga Stock Exchanges. Closing price announced at the end of the trading session is used to determine their value.
 - 12.1.2. if securities in the COMPANY'S investment portfolio are traded on several regulated exchanges, their real value shall be determined using information from that regulated market where trading in those securities is more liquid, regular, and more frequent.
 - 12.2. Equity securities that are traded on regulated markets are evaluated as follows:
 - 12.2.1. According to the assessment of an independent business valuator who has the right to engage in such activities, if not more than one year has passed after the assessment period, and if no events leading to a significantly lower or higher market price than the price determined by the valuator have occurred after the valuation.
 - 12.2.2. If the valuation provided in paragraph 12.2.1 has not been carried out or if the conditions of the said paragraph are not met, the valuation shall be carried out taking into account the ratio of profit per one share of a similar COMPANY (before taxes) (using the weighted average number of ordinary shares that have been in circulation for a certain period), multiplied by the earnings per share of the valuated COMPANY:

fair price = P/E x EPS,

where:

P/E – market price per share in a similar COMPANY divided by earnings per share;
 EPS – the evaluated COMPANY'S earnings per share over the last 12 months.

12.2.3. If for some reason the methods in paragraphs 12.2.1 and 12.2.2 above can not be used, the evaluation shall be carried out according to the expected sale price determined by the selected model of evaluation (specified in the evaluation procedures), which is universally applicable and accepted in the financial markets..

12.3. Debt securities and money market instruments that are not traded on regulated exchanges:

12.3.1. if an instrument matures in more than one year, it shall be evaluated using the following formula:

$$K = \sum_{i=1}^n \frac{S_i}{\left(1 + \frac{Y}{100}\right)^{\frac{P_i}{H}}},$$

where:

K – full value of the instrument (calculated for 100 Lithuanian litas (LTL) of nominal value);

S_i – the i-th money flow for 100 Lithuanian litas of nominal value of the instrument (interval payment or the sum paid at the maturity);

Y – instrument's profitability (in percent), evaluated using market data;

H – the number of interval payments during the year (if instruments do not have intervals it is considered that this number coincides with the ordinary number of interval payments of other instruments);

n – the number of interval payments left until maturity (conditional number of interval payments if instruments don't have intervals);

P_i – the number of interval periods between NAV calculation day and the z-th money flow payment's day (might be a fraction). If an instrument has non-standard interval periods, the number of interval periods used in calculation is as if all periods are standard.

12.3.2. if maturity of an instrument in less than a year, it shall be evaluated using the following formula:

$$K = \frac{S_i}{1 + \frac{Y}{100} \times \frac{d}{360}},$$

where:

K – full value of the instrument (calculated for 100 Lithuanian litas (LTL) of nominal value);

S_i – the i-th money flow for 100 Lithuanian litas of nominal value of the instrument (interval payment or the sum paid at the maturity);

Y – instrument's profitability (in percent), evaluated using market data;

d – the number of days between the NAV calculation day and the maturity day (interval payment day);

12.3.3. using expected sale price, determined according to the chosen evaluation model (indicated in the evaluation procedures) that is generally accepted and applied in the finance markets, in cases if the evaluation of those instruments is more precise than described in sub-sections 12.3.1 and 12.3.2;

13. Cash and funds in credit institutions, except deposit accounts, are evaluated according to their nominal value.

14. Cash at hand and in the account (in litas (LTL) and in currency) are included in valuated assets according to the accounting data.

15. Dividends received are the COMPANY'S revenues that are included in the NAV. Dividends receivable, interest receivable and other income has to be included according to the state of the end of the calculation day.

- 16. Other assets, if any, in the COMPANY’S investment portfolio, shall be evaluated using the most probable selling price, determined according to the selected evaluation model that is widely recognized and applied in the finance market.
- 17. Differences of the previously estimated NAV and the NAV calculated at the fair value resulting of the NAV calculation errors (wrong calculation of the NAV, incorrect determination of the number of shares in circulation, wrong timing of information or unreliable source of such information and so on) must be compensated.
- 18. The Management Company no later than in 7 working days after the detection of calculation errors has to calculate the total amount of all losses caused by errors in the calculation to all current and withdrawn participants.
- 19. If the estimated value of the share was lower because of the NAV calculation error and the difference between the estimated false and the true value is at least 0.1 percent of the fair value of the share, the difference should be compensated by the Management Company’s own funds. When the difference is less than 0.1 percent, it may be not remunerated.
- 20. The Management Company must inform every withdrawn person entitled to receive the calculated difference amount within 30 days from the total sum calculation date.
- 21. The COMPANY’S NAV and the COMPANY’S share value must be calculated on each business day.
- 22. The COMPANY’S NAV, the COMPANY’S share value and the sale price on the current business day are published in all locations where the COMPANY’S shares are sold and redeemed, and on the COMPANY’S internet website, which must be referred to in the COMPANY’S simplified and full prospectus on each business day following the assessment, but not later than at 12:00 on the next working day.
- 23. On the last day of each month, the average COMPANY’S share value of the last month and the change of this average value from the beginning of the financial year-to-date shall be calculated using the following formula:

$$\text{Average (past month) value of share} = \frac{\sum_{n=1}^m \frac{GAV_n}{q_n}}{m},$$

where:
 GAV_n – net asset value on the n-th business day of the month;
 q_n – the number of shares on the n-th business day of the month;
 m – the number of business days in the month four which the calculations are carried out.

- 24. Average annual NAV and average annual NAV per participant shall be calculated using the number of business days of that year:

Average annual NAV:

$$E(GAV) = \frac{\sum_{n=1}^m GAV_n}{m},$$

where:
 GAV_n – net asset value on the n-th business day of the year;
 m – the number of business days of the year for which the calculations are carried out.

Average annual NAV per participant:

$$E(GAV^i) = \frac{\sum_{n=1}^m \frac{GAV_n \times q_n^i}{q_n}}{m},$$

where:

GAV_n – net asset value on the n-th business day of the month;

q_n – the number of shares on the n-th business day of the year;

q_n^i – the number of shares held by the i-th participant on the n-th business day;

m – the number of business days of the year for which the calculations are carried out.

25. The Management Company calculates the average annual NAV per individual i-th participant after the fiscal year end.

SECTION XVII. COMPANY'S cost structure and their payment principles

1. The COMPANY has to cover the following expenses from its assets:
 - 1.1. management fee to the Management Company for the COMPANY'S asset administration.
 - 1.2. other costs associated with the COMPANY'S management, which are outlined in paragraphs 3.1-3.5 of Section III of these Articles of Association.
 - 1.3. custodian fee to the depository for custodian services.
 - 1.4. brokerage fee to brokerage companies for financial brokerage (intermediary of public trading) services;
 - 1.5. OMX Baltic Benchmark GI index use licensing fee;
 - 1.6. Fees associated with the Fund's shares quotation in the Exchange: fees to NASDAQ OMX Vilnius Exchange, fees to AB Lietuvos centrinis vertybinių popierių depozitoriumas (Lithuanian Central Securities Depository) (hereinafter the LCVPD), charges to the issuer's market maker, the principal agent of the issuer and the account manager – UAB FMĮ Orion Securities. Specific fees related to the Fund's stock exchange listing are listed in the Fund's full prospectus;
2. Fees to the Management Company for the management of the COMPANY'S assets (investment consulting, financial records, annual and semi-annual reports, NAV calculation and so on) shall be equal to 1% of the annual average of the COMPANY'S net asset value.
3. Other costs associated with the COMPANY'S management shall include:
 - 3.1. auditor's remuneration for audit services and advice;
 - 3.2. pay for legal consultants for legal advice and representation;
 - 3.3. costs associated with the presentation of information to the COMPANY'S shareholders and investors and their service costs;
 - 3.4. expenses paid to financial intermediaries, banks, stock exchanges and others for transactions of assets, various intermediation, money transfers, fees for opening and managing accounts, commissions fees and other expenses associated with managing of the COMPANY'S assets.
 - 3.5. costs associated with the public presentation of information on the COMPANY, the COMPANY'S advertising, marketing and attraction of investors to the COMPANY;
4. The COMPANY shall use its own funds to cover the costs associated with securities acquisition, securities sale, conversion of the securities' value at market value (including cases where securities are sold at below the purchase price), state charges, realized and unrealized stock value decline, currency exchange rate impact.
5. Remuneration to the custodian for the COMPANY'S property records (depository services) may not exceed 0.3% of the annual average of the COMPANY'S net asset value.

6. Additionally, a fixed fee of not more than 30 litas (LTL) or the equivalent fee in euros (EUR) shall be paid to the depository for every money and securities transaction within the COMPANY'S cash and securities accounts.
7. Remuneration for the distributor of shares and sub-distributors for the distribution of shares may not be greater than 2% of the share price. The said 2% fee shall, according to the procedure established by law, be charged on the investor acquiring the COMPANY'S shares by accordingly increasing the price of the share being sold.
8. Remuneration for public trading intermediaries for financial brokerage services (intermediary of public trading) is determined in the contract signed with him.
9. Remuneration for the auditor for audit services may not exceed LTL 30,000 or the equivalent in euros (EUR), excluding payment for additional advice.
10. The COMPANY'S funds may be used only for the payment of costs associated with the COMPANY'S operations. The largest amount of the reimbursement of expenses paid from the assets of the COMPANY can not exceed 3% of the annual average of the COMPANY'S net asset value. All incidental COMPANY'S expenses that are not determined herein or exceeding the established limits must be borne by the Management Company.
11. The remuneration for the Management Company shall be calculated every time the COMPANY'S NAV is calculated, and shall be paid at the end of the month, in 10 working days. At the end of the year, the remuneration for the Management Company shall be adjusted. Overpayment to the Management Company accumulated during the year shall be returned to the COMPANY in 10 working days, and shortages of the remuneration to the Management Company shall be transferred to the Management Company in 10 working days.
12. The fee for the Depository for the management of the COMPANY'S shares (depository services) shall be calculated each time the COMPANY'S NAV is calculated, and shall be paid at the end of each quarter within 10 working days. At the end of the year, the fee to the depository for the accounts of the COMPANY'S shares shall be adjusted. Overpayment of the fee accumulated during the year shall be returned to the COMPANY in 10 working days, and shortages of the remuneration to the depository shall be deducted from the COMPANY'S accounts in favour of the depository within 10 working days.
13. Funds intended to cover other cost associated with the COMPANY'S activities identified in paragraphs 3.1– 3.5 of this Section that are not paid periodically or in accordance with established procedures shall be accumulated in the COMPANY'S accounts and transferred when these costs arise.

SECTION XVIII. Procedure of communicating the COMPANY'S notices, prospectuses, and reports

1. Information which must be made available to shareholders or other persons shall be published in accordance with the laws in the newspaper *Verslo žinios*, or in an electronic edition issued by the manager of legal entities of the Republic of Lithuania for public announcements, or sent by registered mail to each shareholder. The Management Company or the liquidator shall be responsible for timely and proper communication of resolutions and other notifications.
2. The COMPANY shall announce:
 - 2.1. full prospectus of the COMPANY;
 - 2.2. short prospectus of the COMPANY;
 - 3.3. report of each fiscal year;
 - 3.4. report for the first six months (hereinafter the half-year) of each fiscal year (half year report).
3. Sufficient information shall be provided in the full and short prospectuses so that the investor can properly evaluate the offered investment and related risks. The nature of risk should be explained clearly and easy to understand in the full prospectus. The structure and form of instruction of the short prospectus should be clearly understandable to the average investor.

4. The annual report must contain financial statements, and other information required by the Securities Commission enabling the investors to make reasonable conclusions on the COMPANY'S business and its results.
5. The Articles of Association of the COMPANY are presented as an appendix of the full prospectus.
6. If information published in the full and short prospectuses changes, the prospectuses have to be corrected no later than within 7 days after such changes take effect. Changes might be presented in appendices indicating what was changed and deleting wrong information from the old prospectus or by presenting new prospectus.
7. The data of the annual financial statements shall be audited. The auditor's finding including reservations, and the auditor's report has to be presented as an appendix of the annual report. The auditor's report shall specify whether the net assets valuation has been made, whether the assets have been invested in compliance with the instruments of incorporation and shall list all breaches of this Law and other legal acts.
8. The Securities Commission may establish other requirements of the content and submission procedure to the Securities Commission of the full prospectus, short prospectus, annual and half year reports.
9. The annual and half year reports shall be announced and submitted to the Securities Commission in following terms:
 - 9.1. annual report – within 4 months after the end of the fiscal year;
 - 9.2. half-year report – within 2 months after the end of the reporting semester.
10. A free copy of short prospectus should be given to the share purchasers supplied free of charge before signing an agreement.
11. Free copies of full prospectus, the latest annual report, and half-year report should be given to the purchasers of the shares at their request.
12. Annual and half-year reports are made available to the COMPANY'S shareholders at no cost, at their request.
13. Annual and half-year reports have to be made available to the public in places indicated in full and short prospectuses.
14. Public offerings of shares must indicate that there are prospectuses prepared, as well as the places where the public can get access to them or see them.
15. Only information provided in the prospectuses and periodical reports shall be used in the COMPANY'S advertisements.
16. The COMPANY may charge its participant with LTL 0.5 payment for one copy of the COMPANY documents in an A4 format page that may be requested by the COMPANY'S shareholder and/or investor. The documents indicated by the laws and the present Articles of Association shall be made available free of charge.

SECTION XIX. Liquidation and bankruptcy of the COMPANY

1. The COMPANY may be liquidated on the following grounds:
 - 1.1. the court or the creditors' meeting has passed a resolution to liquidate the bankrupt COMPANY.
 - 1.2. The court has made an order to liquidate the COMPANY for the violations of law established by the laws of the Republic of Lithuania;
 - 1.3. the court has ruled that the incorporation of the COMPANY is unlawful;
 - 1.4. the General Meeting has adopted a resolution to liquidate the COMPANY;
 - 1.5. the Securities Commission has withdrawn the authorization;
 - 1.6. other statutory cases.
2. The sale and redemption of the COMPANY'S shares shall be discontinued after the decision to liquidate the COMPANY passed in the general meeting of shareholders. Such a decision shall

be communicated within one day to the persons engaged in the distribution and redemption of the COMPANY'S shares.

3. The authority that chooses to liquidate the COMPANY shall appoint a liquidator who is given legal authority. From the date of appointment of a liquidator the COMPANY'S management bodies, other than the general meeting of shareholders, shall lose the mandate to manage the COMPANY.

4. The liquidator, in accordance with the law, shall notify the registrar of companies of the change of the COMPANY'S status and data on the liquidator. The name of the COMPANY which has acquired the status of a company in liquidation shall be preceded by the words "in liquidation".

5. The COMPANY under liquidation may only conclude contracts which are related to its liquidation.

6. Information about the liquidation process of the COMPANY and deadlines shall be given for each shareholder of the COMPANY who might require it, a third party directly concerned and to the Securities Commission.

7. The assets of the COMPANY in liquidation shall be sold following the procedure laid down by the Securities Commission and the settlement with shareholders shall be made in cash.

8. The liquidator shall furnish to the Securities Commission information about the progress of liquidation following the procedure laid down by the Commission.

9. The COMPANY'S bankruptcy procedure shall be carried out in accordance with the legislation governing the bankruptcy proceedings, and shall only be conducted in the court.

10. The Securities Commission shall have the right to file with the court a petition for the institution of bankruptcy proceedings against the COMPANY.

SECTION XX. Other issues of the COMPANY'S activities

1. Issues of the COMPANY'S activities, in as much they are not addressed in the present Articles of Association, shall be managed according to the procedure specified in the laws and other legal acts of the Republic of Lithuania.

Vaidotas Petrauskas

Director General
of Investment fund Management Company
UAB "INVESTICIJU PORTFELIU VALDYMAS"
(the Management Company of the COMPANY)

Vilnius, 04 November 2010