

# Key Information Document

This Document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

## » Product

Name: Bond Portfolio  
 Manufacturer: AS LHV Pank  
 Competent authority: Estonian Financial Supervision Authority  
 Contact Details : www.lhv.ee, info@lhv.ee, +372 6800400  
 This key investor information is effective from 25. March 2021.

You are about to purchase a product that is not simple and may be difficult to understand

## » What is this product?

**Type** Investment portfolio unit.

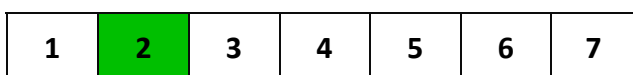
**Objectives** Bond Portfolio invests into cash, deposits of banks, money market instruments, bonds, convertible bonds, bond fund units or bond fund shares and other interest bearing instruments. Investments, which issuer's long term credit rating is Ba1/BB+ or lower, shall not exceed 25% of the market value of the portfolio. The weighted average duration of the portfolio shall not exceed 3.50 and the market value of debt obligations, which term until maturity is longer than five years, shall not exceed 25% of the total market value of the portfolio's assets. Bond Portfolio invests only into debt obligations, where the issuer is the government or corporation of European. Bond Portfolio does not lend against the securities; the portfolio invests into securities that are nominated in euros. The returns on the portfolio's investments will be reinvested.

**Intended Investor** Bond Portfolio is suitable for investor, who wishes to keep the investment risks on low level to avoid substantial decrease of the value of the assets, and who plan to stay invested for at least 5 years.

**Maturity** This product is open ended and has no maturity.

## » What are the risks and what could I get in return?

### Risk Indicator



←----->  
**Lower risk** **Higher risk**



The risk indicator assumes you keep the product for 5 years. The summary risk indicator is a guide to the level of risk of this product compared to other products.

It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 2 out of 7, which is a low risk class. This rates the potential losses from future performance at a low level, and poor market conditions are very unlikely impact the capacity for you to receive a positive return on your investment.

The fund invests a substantial proportion of its assets in bonds. Its issuers can become insolvent and consequently the bond can lose its value partially or completely.

Investment EUR 10 000				
Scenarios		1 year	3 years	5 years
Stress scenario	What you might get back after costs. Average return each year.	€9 900 -1.00%	€9 829 -1.71%	€9 780 -2.20%
Unfavourable scenario	What you might get back after costs. Average return each year.	€9 992 -0.08%	€10 112 0.37%	€10 259 0.51%
Moderate scenario	What you might get back after costs. Average return each year.	€10 102 1.02%	€10 305 1.01%	€10 512 1.00%
Favourable scenario	What you might get back after costs. Average return each year.	€10 207 2.07%	€10 494 1.62%	€10 764 1.48%

This table shows the money you could get back over the next 5 years (recommended holding period), under different scenarios, assuming that you invest 10000 euros. The scenarios presented are an estimate of the future performance based on evidence from the past, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the product. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. The figures shown include all the costs of the product itself, but may not include all the costs you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

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## » What happens if the AS LHV Bank is unable to pay you?

An asset manager shall keep the portfolios' investments in separate account and invest these separately from other assets. In case of the insolvency of an asset manager, your claims will be satisfied from the underlying assets to the extent possible. LHV Pank is the member of the Investor Guarantee Fund of Estonia.

You may face a financial loss should the asset manager default on its obligations. There is no compensation scheme in place to cover possible losses.

## » What are the costs?

The reduction in yield shows what impact the total costs you pay will have on the investment return you may get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest 10000 euros. The figures are estimates and may change in the future.

**Table1: Costs over time**

The person selling you this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact all costs will have on your investment over time.

Investment Scenarios (€10 000)	If you cash in after 1 year.	If you cash in after half recommended period of 5 years (after 3 years)	If you cash in at the recommended period of 5 years
Total costs	€96	€286	€477
Impact on return.	0.96%	0.95%	0.95%

**Table 2: Composition of costs**

The table below shows:

- The impact each year of the different types of costs on the investment return you might get.
- What the different cost categories mean.

One-off costs	Entry costs	0.00%	The impact of the costs you pay when entering your investment.
	Exit costs	0.00%	The impact of the costs of exiting your investment.
Recurring costs	Portfolio transaction costs	0.00%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	0.95%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	0.00%	The impact of performance fee. We take these from your investment if the product outperforms its benchmark.
	Carried interests	0.00%	The impact of carried interest. We take these when the investment has performed better than a given percentage.

## » How long should I hold it and can I take my money out early?

Recommended holding period is 5 years.

This product has no required minimum holding period but is designed for long term investment. You may sell your shares in the product on any day on which the banks are normally open for business in Estonia.

## » How can I complain?

If you want to lodge a complaint about the product, the product manufacturer or the person advising on or selling the product, you can contact our Customer service:

Tallinn +372 610 3000, [www.compensalife.ee](http://www.compensalife.ee), Narva mnt. 63/2, 10152 Tallinn, e-mail at [info@compensalife.ee](mailto:info@compensalife.ee).

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## » Other relevant information

Additional information documents pertaining to the product such as factsheets are available on our webpage at [www.compensalife.ee](http://www.compensalife.ee), [www.compensalife.lv](http://www.compensalife.lv), [www.compensalife.lt](http://www.compensalife.lt). The information presented in this document is based on EU-requirements and may therefore differ from individual pre-contractual information requirements under applicable law.