



## Key Information Documents (KID)

### Basic information document

This document displays basic information about this investment product. This document is not promotional material. The provision of this information is required by the legislation of the Czech Republic in order to help the investor understand all the main risks, costs, potential gains and losses associated with this product, and for comparison with other products.

#### GENERAL INFORMATION

- Product name: arbitráž

Fund Asset Manager: LOCK STOCK a.s., Registration number: IC: 069 25 618

Legal address: Pobřežní 394/12, Karlín, 186 00 Praha 8, Czech Republic

Registration with the Czech National Bank (CNB): number 2018/094774 /CNB / 570

Contacts:

- Tel.: +420 770 642 959
- E-mail: [info@lockstock.cz](mailto:info@lockstock.cz)
- Website: [www.lockstock.eu](http://www.lockstock.eu)

#### PURPOSE OF THE PRODUCT

The fund finances arbitrage transactions \* on the exchanges moex.com, theice.com, spbexchange.ru, nyse.com. This strategy allows investors to receive stable income without market risk.

\* **Arbitrage** (from the French Arbitrage - fair decision) in the economy - several logically related transactions aimed at extracting profit from the difference in prices for the same or related assets at the same time in different markets, or in the same market in different moments in time. Since this type of transaction contributes to making a profit on the difference in prices in one or several markets, including international ones, then, in addition to personal benefit for arbitrageurs, they also have a common sense for all. Arbitrage pushes prices towards equilibrium in multiple markets.

\*\* **Arbitrator** is a trader who makes arbitration transactions.

#### FUND REGULATOR

LOCK STOCK a.s. Foundation registered with the Czech National Bank (ČNB) in accordance with § 15 of Law No. 240/2013 Sb on Investment Companies and Funds (ZISIF). The fund is not subject to regulation by the CNB, but it must fulfill the reporting obligations in accordance with paragraph 1 of Article 110 of the EU Delegated Regulation 231/2013, supplementing Directive 2011/61 / EU of the European Parliament and of the Council.



## PROSPECTED INVESTOR

This product is intended only for qualified investors within the meaning of the law § 272 (1) ZISIF. The product is suitable for investors who want to complement their portfolio with alternative investment types with a higher potential of return and are willing to bear the risk of loss described below.

Investor's investment horizon: 2 years. Minimum entry threshold: 40,000 Euro

## WHAT ARE THE RISKS AND PROPOSED INCOME

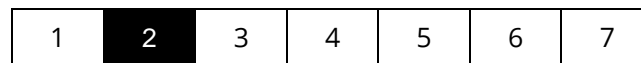
### Risk indicator

The aggregate risk score is a guide to the risk level of this product as compared to other products. It shows how likely it is that the product will lose money due to changes in the markets or because we cannot pay you.

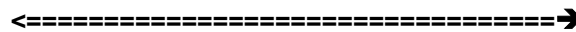
We have classified the risk of this product as 2 out of 7, which is in the low risk class.

This estimates the potential losses from future results to be low, but poor market conditions can affect your bottom line.

Risk calculation is provided in an additional application.



Low risk



High risk

The risk indicator assumes that you are holding the investment for 5 years. The actual risk can vary significantly if you stop investing at an earlier period. The entire amount of your invested capital in the Company is without threat of loss on the stock exchange, and can be guaranteed to be returned by the exchange. Most of the company's assets are invested in euro-dominated funds and are therefore subject to exchange rate fluctuations between other currencies and the euro.

## Performance scenarios

The following table shows how much of an investor's fixed assets he will be able to return within 5 years under various scenarios of the development of events, assuming that 100,000 euros have been invested. These scenarios illustrate the value of your investment. You can compare them to scripts in other products. The following scenarios represent an estimate of future results based on past evidence of how the value of such an investment is changing and is not an accurate indicator. What you get will depend on how the market works and how long you keep the investment. The stress scenario shows what you can get in extreme market conditions and does not take into account the situation when we cannot pay you. Figures shown include all costs of the product itself, where applicable.



Investment scenarios		1 year	3 years	5 years Recomm ended period
Stressful scenario	What you can get after taking into account all the costs. Average income for each year.	2 000 ( 2 )%	9 000 ( 3 )%	15 000 ( 3 )%
Unfavorable scenario	What you can get after taking into account all the costs. Average income for each year.	5 000 ( 5 )%	18 000 ( 6 )%	30 000 ( 6 )%
Moderate scenario	What you can get after taking into account all the costs. Average income for each year.	10 000 ( 10 )%	33 000 ( 11 )%	60 000 ( 12 )%
Favorable scenario	What you can get after taking into account all the costs. Average income for each year.	12 000 ( 12 )%	42 000 ( 14 )%	70 000 ( 14 )%

### What happens if an asset manager is insolvent or liquidated?

Investors' assets transferred for management are not the property of the asset manager of LOCK STOCK a.s and are separated from the assets of LOCK STOCK a.s. All investor assets are held in investments or on separate accounts of the asset manager LOCK STOCK a.s. In the event of insolvency or liquidation of the asset manager LOCK STOCK a.s. all assets of the fund will be divided among individual investors according to their share of the total assets.

### WHAT ARE THE COSTS OF INVESTMENT?

#### Rate of decline in profitability (RIY)

The Yield Impairment Index (RIY) shows how the total cost can affect profitability. General expenses include one-time, recurring and additional expenses. The amounts shown here are the cumulative costs of the product itself in relation to three different holding periods. They also include a potential contractual penalty for early termination of the transaction (if provided by the contract). For these indicators, it is assumed that the nominal amount is EUR 100,000. These figures are approximate and may change in the future.

### TABLE 1: COSTS OVER TIME

#### Cost representation

Decline in Return (RIY) shows how the total costs you incur will have on the return on the investment you can get. Total costs include one-time, recurring and additional costs.

The amounts shown here represent the cumulative cost of the product itself over three different investment periods. The numbers assume that you are investing 100,000 euros. Figures are approximate and may change in the future.



The company is required to include the following information under the Law. The law was designed for investments that generate income directly for investors.

**Cost over time**

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

Investment scenario 100,000 Euro	When leaving after 1 year	When leaving after 3 years	When leaving at the end of the recommended period
Total costs	2 000	1 000	0
Rate of decline in profitability (RIY)	2 %	1 %	0%

**TABLE 2: EXPENDITURE STRUCTURE**

The table below shows:

- the impact of each year of different types of costs on the return on investment that you can receive at the end of the recommended holding period;
- significance of different cost categories

Impact on income for the year			
One-time expenses	Entrance costs	0%	The impact of the costs that you pay when you enter your investment.
	Expenses for withdrawing investments	0%	Impact of costs when taking investments out of management
Operating costs	Portfolio transaction costs	0-0,5%	Impact of costs on the purchase or sale of assets in the portfolio transferred to management
	Other operating costs	0-2%	Impact of costs charged to the manager annually
Additional expenses	Pay for outstanding management results	20-35%	Cost impact extra ordinal outstanding management result
	Management fee	20%	Impact of asset management costs

**HOW LONG SHOULD I HAVE TO HOLD THIS INVESTMENT?**

The minimum investment period is 1 year. At the end of the investment period, reinvestment is possible.



## **CAN I COLLECT THE MONEY EARLY?**

- **Possibility of early exit** - Possibly no earlier than 6 months and with the consent of the asset manager.
- The period within which the decision will be made by the fund to agree to an early exit - Up to 3 working days / or immediately, depending on the amount.
- The period within which funds will be sent to the client after the fund makes a decision on early withdrawal - from 10 to 15 working days.
- Commission for early exit - no.

## **HOW TO SUBMIT A COMPLAINT?**

You can make a complaint:

to Contact Center ph: +420 770 642 959 or by e-mail:

info@lockstock.cz Сайт: www. lockstock.cz

## **ADDITIONAL INFORMATION**

It is necessary to conclude an appropriate agreement governing this product. This document and the information presented therein should in no way be construed as an offer to buy or sell a related product, nor can it be considered individual advice from an asset manager or consultant.