



Summary of Prospectus
of the Closed-End Financial Sector Investment Fund
iFond Financial Romania

Public offering subscription period: 22.07.2010 - 11.08.2010

Approved by CNVM under Decision No. 28/20.07.2010

IPO price: RON 202/fund unit

<p>Management company SAI Intercapital Investment Management SA</p>  <p>www.ifond.ro</p>	<p>Manager/Distributor SSIF Intercapital Invest SA</p>  <p>www.intercapital.ro</p>	<p>Distributor BRD - Groupe Societe Generale SA</p>  <p>www.brd.ro</p>
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Fund investments are not bank deposits and the banks, in their capacity as shareholders of an asset management company, provide the investor no guarantee with regard to the recovery of the invested amounts; the approval by National Securities Commission (CNVM) of the initiation and carrying out of the public offering of fund units does in no way whatsoever imply the approval or assessment by CNVM of the quality of the investment in the respective units, but only highlights the observance by the Offeror of the provisions of Law No. 297/2004 and of the National Securities Commission Regulation No. 15/2004; funds provide not only specific advantages, but also carry the risk of missing the goals, including the risk of loss for investors; the gains drawn from investments are usually proportionate to risk.

The fund prospectus, the subscription form and comprehensive information about the fund are available at the offices of the management company of iFond Financial Romania, on the web page of SAI Intercapital Investment Management SA (www.ifond.ro), the web page of SSIF Intercapital Invest (www.intercapital.ro) and at the offices of the Manager/Distributor Intercapital Invest SA, as well as of the distributor BRD - Groupe Societe Generale SA.

This English prospectus summary represents a convenience translation from the Romanian fund prospectus. In case of discrepancies between the English version and the Romanian version, the Romanian version shall prevail.

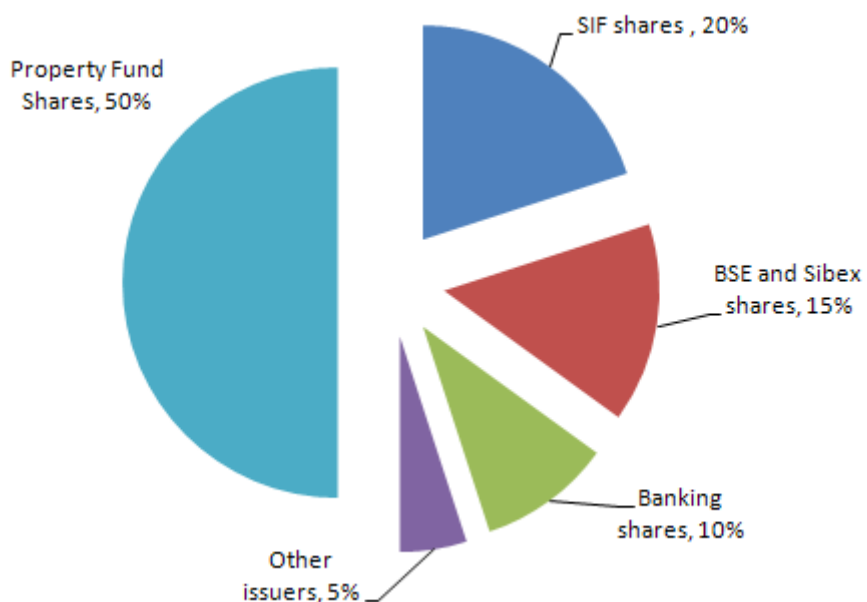
We present below a summary that is exclusively and should be read as an introduction to the Fund Prospectus, without claiming to be exhaustive, and which was developed only based on detailed information found in the Prospectus and annexes thereto, and needs to be corroborated with these. Investors should not limit themselves to reading this summary.

We recommend that you carefully read the entire Prospectus, in particular the investment risks presented at the "Risk Factors" section, as well as the other information in the remaining of the Prospectus sections. Any decision to invest in fund units needs to ground on the Prospectus information considered as a whole.

Fund Concept

The purpose of the iFond Financial Romania sector fund is to provide performance to its investors by investing in shares issued by the Property Fund (PF, *Proprietatea* Fund or *Fondul Proprietatea*), shares of financial services companies and other related financial instruments.

The allocation target of the Fund's assets following the successful closing of the public fund units offering described in the present document, is as follows:



iFond Financial is the first closed-end investment fund specialising in the financial sector on the Romanian Capital Market. Given the liquidity parameters of the Romanian Capital Market and the structure of listed issuers, the selection of the financial-banking sector is based on the high weight of issuers belonging to this sector in the total turnover of the Bucharest Stock Exchange (BSE or *Bursa de Valori Bucuresti*) regulated market (over 50%). Furthermore, the recent listing of the two exchange

operators in Romania, BSE and Sibex, the potential future listing of the Romanian Commercial Bank (RBC or *Banca Comerciala Romana*) and the future listing of the Property Fund – one of the most important investment funds in Central and Eastern Europe, along with providing investors access to the latter's shares previous to PF's listing, were additional reasons for the launch of iFond Financial Romania (the investment of iFond Financial Romania in the Property Fund will take place after Property Fund gets registered as an undertaking for collective investment - UCI of type *AOPC* with CNVM).

The asset structure presented above represents an allocation target for the moment of the fund's release. The effective structure of allocations at the moment of launch, respectively the weight of each investment class presented above, can be subject to changes depending on the evolution of financial markets, the prices of the assets sought for investments and the availability of these assets between the moment the present document is being prepared and the moment of the successful closing of the public offering for the fund's initiation. After the release, the fund's investment strategy will be adjusted by an active management of its holdings.

Main features of fund units and offering

- **Fund:** iFond Financial Romania financial sector fund managed by SAI Intercapital Investment Management SA;
- **Offering type:** Public offering of fund units;
- **Fund registration number in CNVM Registry:** CSC08FIIR/400018
- **Date and number of CNVM Approval:** 28/20.07.2010
- **Fund units subject to the public Offering:** Nominative, registered and dematerialised fund units;
- **Number of fund units on offer and total nominal value:** RON 2,000,000 representing 10,000 units with the possibility to increase the amount to a total nominal value of RON 8,000,000 representing 40,000 units;
- **Successful offering closing:** if a minimum of 5,000 fund units worth a total nominal amount of RON 1,000,000 are subscribed;
- **Guarantee of successful closing of public offering:** As part of the Offering, Intercapital Invest, the manager/distributor of the issue, has signed an underwriting commitment under which the Manager/Distributor pledges to the successful closing of the issue, by the subscription of a number of fund units representing the difference between the minimum number of 5,000 fund units required for the successful closing of the offering and the number of units effectively subscribed by the investors at the end of the offering, should the total number of subscribed units be less than 5,000 at the end of the offering;
- **Nominal value:** RON 200/fund unit;

- **IPO price:** The selling price is RON 202/fund unit, out of which RON 200 is the nominal value of a fund unit and RON 2 is the subscription fee charged by the fund management company, SAI Intercapital Investment Management SA respectively, and paid by the latter to the distributors;
- **Minimum number of fund units that can be subscribed by one Investor:** 1 fund unit;
- **Maximum number of fund units that can be subscribed by one Investor:** 40,000 fund units;
- **Starting date of offering:** 22.07.2010
- **Subscription period:** 15 working days, between 22.07.2010 and 11.08.2010, with extension possibility. Any subscription made as part of the public offering is irrevocable, except for the case that an amendment is operated on the Prospectus, according to the legislation in force;
- **Intermediation method:** Placement of fund units based on underwriting commitment whereby Intercapital Invest, acting as offering Manager/Distributor, ensures the successful closing of the issue, by the subscription of a number of fund units representing the difference between the minimum number of 5,000 fund units required for the successful closing of the offering and the number of units effectively subscribed by the investors at the end of the offering, should the total number of subscribed units be less than 5,000 at the end of the offering;
- **Fund units allocation in case of oversubscription:** according to the "Pro Rata" principle, if the number of subscribed units exceeds the number of units put up for sale, the increase clause included, according to the provisions of the Fund Prospectus;
- **Allocation date:** The third working day after the last subscription day of the public offering and the date when, based on the Allocation Index (published in an ad at least 24 hours before allocation date), upon the written instruction of the Manager/Distributor, BSE proceeds to allotting the subscriptions performed under the offering and to carrying out the transactions due under this process. The allocation date is the same as the transaction date;
- **Manager/Distributor:** SSIF Intercapital Invest SA;
- **Offering distribution:** At the offices of Intercapital Invest SA, BRD - Groupe Societe Generale SA and of any authorised distributor, according to the prospectus provisions, as well as through ktrade, the online stock trading system of Intercapital Invest SA, according to the prospectus provisions;
- **Fund life:** 5 (five) years since issue date as defined in the fund prospectus, with extension possibility according to the prospectus provisions
- **Buyback of fund units:** Fund units shall be bought back on the Fund's maturity date, five years after issue date, according to the provisions of the issue Prospectus, except for the cases set forth at Art. 212 para. (4) of CNVM Regulation No. 15/2004. Except for the buyback on due date and of the buyback in the case set forth at Art. 212 para. (4) of Regulation 15, there are no other early buyback clauses. Buyback procedures are presented hereinafter:

- ⇒ **Buyback of fund units on maturity date:** If, on the fund's maturity date, specifically five years after issue date, no decision is reached to extend the Fund's life, the investors shall request the full buyback of the fund units they hold. If, on the fund's maturity date, specifically five years after issue date, the decision is reached to extend the Fund's life according to the provisions of the Fund Prospectus, the investors can opt between further staying in the fund, or having their fund units entirely bought back, based on the buyback applications filed in 15 days after the issue of the notice on the life's extension. In the eventuality that its life is extended, the Fund shall set a new maturity date with the possibility for subsequent extension, which will be announced in an ad published in daily Ziarul Financiar within two days at the most after approval by CNVM. The Fund can extend its life time an unlimited number of instances.
- ⇒ **The buyback of the fund units in the case set forth at Art. 212 para. (4) of CNVM Regulation No. 15/2004:** The investors who do not agree with the future changes operated on the Fund's registration documents can request the full buyback of the fund units they own.
- ⇒ **Buyback procedures:** For buyback, the investors shall send to the headquarters of the Management Company, SAI Intercapital Investment Management SA, an original full buyback application within 15 days from the date of the fund's maturity date, or within 15 days beginning with the publication in daily Ziarul Financiar of the info note on the change of the fund's documents or the extension of its life according to the issue prospectus, depending on the case the buyback application is filed for.
- ⇒ The buyback form will be available on the website of the Management Company www.ifond.ro or at the headquarters of the Management Company.

Depending on the applications received, the Management Company shall request every day that the Central Depository lock up in the investors' accounts of the number of fund units held which are subject to buyback applications. The management company shall each day refer to the Central Depository the buyback applications in electronic format, accompanied by all requested documents, according to the buyback procedure. The Central Depository shall provide the management company daily conformation, in electronic format, of having locked up the accounts of the respective investors. Only after receipt from the Central Depository of conformation of the accounts' lock-up shall the Management Company honour the buyback applications within 15 days at the most after their registration at the headquarters of the management company. If the day the payment should be performed is a non-work day (Saturday, Sunday or officially declared a holiday), the payment shall be performed on the working day that follows the due payment day.

The buyback price is the price the investor is entitled to collect on the date the buyback application is filed and represents the last net asset value per unit calculated by the Management Company and certified by the depository, effective for the day the buyback application was registered. The Fund's net asset value per unit shall be calculated by the Management Company, shall be certified by the fund's custodian and is published once a month. Whatever other legal taxes and dues are in effect on the date the buyback application is filed shall be deducted from the buyback value. All bank fees and charges are at the investor's expense.

If the Central Depository cannot lock up an account because the fund units are no longer there, the Management Company shall not perform the related disbursement and the buyback application shall be voided.

After all payments related to buyback applications are performed, the Management Company shall request the Central Depository to cancel the bought back units. The investors' accounts remain locked up until the date the bought back equity is cancelled. Within three days at the most after the management company receives from the Central Depository the list with the investors' portfolios after the annulment of fund units for which buyback was requested, the Management Company shall send CNVM the list of fund holders. After that, the management company shall undertake all due diligence for CNVM to release a new registration certificate for the fund stating the new number of fund units.

In whichever of the cases, the fund units can be bought back by the holders or their delegates, under observance of the delegation clause. Once filed at the headquarters of the Company the buyback application is irrevocable. The Buyback Application shall be accompanied by the following documents that are mandatory for the investors/delegates:

- Resident/non-resident individuals: Copy of an identification document (ID card for Romanian individuals/passport for non-residents); original notary-sealed proxy for the delegate;
- Resident/non-resident legal entities: copy of an identification document (ID card for Romanian entities/passport for non-residents) for the legal representative/the person initially mandated by the company; the decision of the company's statutory body, if the company mandates a person other than the legal representative/initial delegate to carry out buyback operations; if necessary (for non-resident legal entities) this document must be translated into Romanian by an authorised translator).

⇒ **Trading:** Upon the successful closing of this Offering, the iFond Financial Romania sector fund, through its management company, pledges to take all the necessary steps for the fund units

to be admitted to trading and be traded on the spot regulated market of the Bucharest Stock Exchange throughout the fund's life (until the final maturity date). The approval in principle of the admission to trading on the regulated market managed by the Bucharest Stock Exchange was already obtained and the fund units will be effectively admitted to trading after the successful closing of the Public Offering, provided that the Bucharest Stock Exchange also issues the final approval for admission to trading.

Presentation of the iFond Financial Romania sector fund

The initiator of the Fund's formation is the asset management company SAI Intercapital Investment Management SA, authorised by CNVM under Decision No. 661/14.03.2006, registered with the Trade Register office attached to the Bucharest Court under No. J40/20560/2005, Single Registration Code 18195622, entered in the CNVM Register under No. PJR05SAIR/400020 of 14.03.2006, with the registered office in Bucharest, No. 33 Aviatorilor Blvd., 1st floor, Sector 1, phone +4021 222 8749, fax +4021 222 8750, email office@ifond.ro, webpage www.ifond.ro.

The company has a subscribed and paid share capital of RON 770,000 and is set up in Romania, according to the provisions of Law No. 31/1990 on trading companies, republished, with subsequent amendments and additions, of the Romanian Civil Code and of the Commercial Code, as well as of the provisions of Law No. 297/2004 on the capital market, with subsequent amendments and additions, of CNVM Regulation No. 15/2004 on the authorization and operation of asset management companies, collective investment undertakings and custodians, and other CNVM regulations in force, which are all provisions regulating the asset management activity.

The Closed-end Sector Investment Fund **iFond Financial** is an Undertaking for Collective Investment (UCI) of type *AOPC* with a permissive investment policy, which publicly attracts financial resources from individuals and legal entities, managed by SAI Intercapital Investment Management SA. The fund is established following the successful conclusion of the public offering of fund units presented in the fund prospectus, has a 5 (five)-year maturity as of issue date, as defined in the present prospectus (with extension possibility), and a face value of the fund unit of RON 200. After Proprietatea Fund shares are listed on a regulated market, the Closed-end Sector Investment Fund **iFond Financial** will turn into an UCI of type *AOPC* specialising in stock investments, set up by publicly attracting financial resources from individuals and legal entities, as defined in CNVM Regulation No. 15/2004 and the CNVM Instruction No. 2/2006.

The Fund's investment strategy pursues two goals:

1. Capitalising on the medium and long-term growth potential of the Romanian financial services sector through investments in financial instruments issued by banks, investment funds, market operators (stock exchanges) or other providers of financial services.
2. In the short term, after the Property Fund registers as UCI of type *AOPC* with CNVM, providing investors' access to the Property Fund shares through investments in this issuer of up to 50% of total assets, until the Property Fund is admitted to trading.

The carrying out of these goals implies an active management of the fund's resources by the directing thereof towards shares of issuers from the financial and banking sectors with growth potential.

After the Property Fund gets listed on a regulated market, the strategy of the closed-end investment fund iFond Financial provides the gradual reduction of stakes held with Property Fund, depending on the evolution of the trading price, or maintaining a maximum 40% of the assets in shares of this issuer, as the case may be. The fund's strategy implies maintaining important stakes in Property Fund throughout the life of iFond Financial, as well as investments in the other assets of strategic importance to the Issuer: Other listed funds, banking shares and shares in market operators.

The Fund's investment policy will pursue the accomplishment of the investment goals under observance of the following rules:

- Investing in financial instruments issued by issuers from the financial-banking sector and fund units released by issuers of strategic importance for the Romanian economy and capital market, including (without being limited to): Property Fund, the Financial Investment Companies (*Societati de Investitii Financiare* or SIF), the Bucharest Stock Exchange, Sibex, BRD - Groupe Societe Generale, Banca Transilvania.
- Active management, respectively a portfolio management strategy whereby the manager make investments with a view to outperform the average performance of the Romanian Capital Market.

iFond Financial investments made with a view to attaining the aforementioned goals shall observe the requirements for the prudent diversification of the portfolio established by CNVM for an UCI with a permissive investment policy.

After Property Fund gets listed on a regulated market, the strategy of the closed-end investment fund iFond Financial provides the gradual reduction of stakes held with Proprietatea Fund, depending on the evolution of the trading price, or maintaining a maximum 40% of the assets in shares of this issuer, as the case may be. The fund's strategy envisages maintaining important Property Fund stakes throughout the life of the closed-end fund iFond Financial.

The iFond Financial sector fund is set up based on the contract for a civil law company signed by Claudia Racovitan as General Manager of the Fund's Management company – SAI Intercapital Investment Management SA. The Fund's regulatory authority is the National Securities Commission seated at No. 2 Foisorului Street, Sector 3, Bucharest, phone +4021 326 68 74, fax +4021 326 68 48/+4021 326 68 49, website www.cnvmr.ro, email cnvm@cnvmr.ro.

The Fund's units represent the capital an individual or legal entity holds in the Fund's net assets and is of a single type: nominative, registered and dematerialized. Fund units are entirely paid for at the date of settlement and shall be issued in one series only, conferring equal rights and obligations on the holders. The initial face value of a fund unit at issue date is RON 200.

Fund units are considered as issued beginning with the first working day after Settlement Date. After the successful closing of the public offering of fund units, within a maximum of 30 days, SAI Intercapital Investment Management SA shall request the Fund's admission to trading on the spot regulated market of the Bucharest Stock Exchange.

The Fund's management company shall invest the capital obtained in the offering mentioned in the fund prospectus, according to the legal provisions in force and within the limits presented in the prospectus.

SAI Intercapital Investment Management SA, in its capacity as Fund management company, declares that until the date of the drafting of the prospectus, the Fund has not prepared any financial statements. The auditing company of iFond Financial is SC 3B Expert Audit, company affiliated to the Russell Bedford International network, and headquartered in Bucharest, No. 114 Aurel Vlaicu Street, Single Registration Code RO10767770, Trade Register entry number J40/6669/1998.

Fund units can be acquired by resident or non-resident investors, individuals or legal entities.

The Fund's life is limited, from the issue date to the Fund's due date (date of Fund maturity). The fund's due date (fund maturity) is in 5 (five) years after issue date, with extension possibility, according to the fund prospectus.

There are no early buyback clauses, except for the cases set forth at Art. 212 para. (4) of CNVM Regulation No. 15/2004 on the amendment of the Fund's registration documents.

Depending on the fund's performance and the evolution of the financial markets and of the assets the Fund invests in, the management company can opt for increasing the fund's capital by new issues of fund units. Subsequent fund unit issues imply the drafting of a new, updated fund prospectus,

according to the legal provisions in force, should changes have occurred to the content of the previous prospectus.

The newly issued fund units shall be offered for subscription to existing Investors in the first place, proportionally to the number of fund units they already hold. The period for exerting the preference right is of minimum 7 (seven) calendar days and maximum 30 (thirty) calendar days. The Management Company shall establish the period for exerting the preference right and shall notify it to the investors via the Bucharest Stock Exchange at least 5 calendar days before the start of the period.

The investors who benefit from the right of preference set forth at the previous point are those entered in the Investors Registry held by the Central Depository at a calendar date established by SAI Intercapital Investment Management SA, called identification date. The management company shall announce the identification date through the system of the Bucharest Stock Exchange at least 15 calendar days before this date.

The fund can issue new fund units in amount of at least 15% of the number of existing ones at the end of the previous calendar year. Fund units left unsubscribed at the end of the subscription period can be put up for public offering or can be cancelled. In case of public offering, the units shall be offered exclusively through the technical system of the Bucharest Stock Exchange. In case of oversubscription, a pro rata allocation shall be performed. The management company shall publish an ad in daily Ziarul Financiar regarding the increase of the fund's capital and the related procedures.

The subscription of fund units confers on the subscriber the capacity of fund investor. The capacity of investor runs throughout the period during which the investor holds at least one fund unit. No investor can hold a fraction of a fund unit. The capacity of investor is certified by the Account Statement issued by the Central Depository at the investor's request. The subscription is performed by filling out a Subscription Form. Fund units shall be fully paid for according to the provisions of the present prospectus.

Guarantee of successful closing of public offering. SSIF Intercapital Invest, the Manager/Distributor of the Offering, has signed a minimum subscription commitment with Management Company SAI Intercapital Investment Management SA, under which SSIF Intercapital Invest pledges to subscribe on its own behalf whatever difference between the minimum number of 5,000 fund units required for the successful closing of the offering and the number of units actually subscribed in the offering, should the total number of subscribed units be less than 5,000 at the end of the public offering. This commitment removes the risk of an unsuccessful closing of the public fund units offering.