



Capital-protected fund HORIZON Commodity 1

Product by KBC Asset Management for the Bulgarian market
Offered by ELANA Fund Management

- Capital-protected fund in EUR
- 100% protection of capital at maturity
- Generates return from the best performing assets of 2007 – commodities
- Performance related to 6-commodity index – crude oil, aluminum, copper, zinc, nickel, lead
- EUR 100 per share – only in subscription period 9 June – 4 July 2008

Name and origin of the fund:	The capital-protected HORIZON Commodity 1 is a Belgian fund designed to be distributed only on the Bulgarian market. Commodity 1 is one of the sub-funds of HORIZON with asset manager KBC Asset Management.
Legal status:	The public offering of the fund was approved by the Belgian Banking, Finance and Insurance Commission (CBFA) and the Bulgarian Financial Supervision Commission (FSC). The prospectus documentation of the fund in Bulgarian language is available on www.elana.net .
Launch	9 June 2008
Maturity	Total of 3 years Dates: 9 June 2008 – 29 July 2011
Currency	EUR
Type of fund	Capital-protected fund – 100% protection upon maturity
Period of initial public offering - subscription	9 June – 4 July 2008
Minimum investment	Basic value of 1 share = EUR 100
Protection	Protection of EUR 100 per share (initial

	value on subscription) at maturity date If an investor enters the fund after the subscription period, they get protection on EUR 100 per share at maturity.
Investment strategy	The fund seeks to preserve at maturity 100% of the initial value on subscription. The fund strives to achieve a capital gain that is contingent on a possible increase in the value of the Broad Commodity Index, which is a weighted commodity index calculated by TIJD Beursmedia and includes 6 commodity components.
Commodity index basket	Aluminium, crude oil, copper, zinc, nickel, lead
Net asset value & share prices	Net asset value is calculated twice a month. NAV and prices per share (issue and redemption) are announced on www.elana.net
Scenarios of possible performance outcome	<u>The good scenario</u> The value of the stock index has marked increase at maturity – investors get their 100% protected capital plus % of the generated return based on participation rate. <u>The bad scenario</u> The value of the stock index has decreased at maturity – – investors get their 100% protected capital but 0% profit <u>Exit before maturity</u> If an investor exits the fund before maturity, investment is not 100% protected. Whether they might get their initial capital, even though plus return, depends on the impact of the following factors at the exit moment: interest rates in EU, commodity index value, volatility of the markets, strike price of the fund, call options and the time remaining to maturity.
Entry fee	2%
Entry fees on secondary market (after 4 July 2008)	2% entry fee 1% administration fee at entry
Exit fee	0% - exit at maturity Amount to cover the costs of the purchase/sale of assets: Orders <= EUR 1250000 - 1% Orders > EUR 1250000 - 0.5% Exit within 1 month of entry – Max. 5%
Other fees	Detailed information about the charges for the sub-fund which are included in the price per share – on www.elana.net
Tax treatment	Capital gains a re tax-free for Bulgarian

Fund performance reporting	investors Performance of the fund with NAV history and value of the stock index is reported twice a month on www.elana.net . Quarterly, 6-months and annual reports are published on www.elana.net and www.kbcam.be .
Service for investors	ELANA Fund Management represents the fund in Bulgaria and provides the information and customer service to the investors
Custodian	KBC Bank The fund bank account in Bulgaria is at EIBANK, part of KBC Group

Warning:

The capital gain achieved by the sub-fund depends on the performance of a financial index that is limited in its composition because of the limited diversification present in the commodities market. More specifically, there 6 index components. This means that the performance of one index component can have a substantial effect on the performance of the index and consequently on the potential capital gain the sub-fund can achieve, though this does not jeopardise the capital protection afforded. Capital gains are not guaranteed. The investment in the fund is not guaranteed by any state guarantee fund or any other type. Past performance is no guarantee for the future performance

Contact our consultants at the nearest ELANA Investment centre, check www.elana.net or call toll-free 0800 14 400