

On the basis of article 7, paragraph 1 and article 21 from the Law on investment funds (Republic of Macedonia Official Gazette number 9/2000 and number 29/2007), as well as the article 49 of the Statute of the Asset management company INNOVO STATUS AD SKOPJE, the Decision on changes and amendments of Prospectus of an Open investment fund INNOVO STATUS AKCII for which an approval from Security Exchange Commission is received by an Decision no. 07-2678/3 dated on 16 July, 2008, the Board of Directors of the Company on the meeting, held on 08.08.2008 adopted the following consolidate text of:

PROSPECTUS

of an Open investment fund INNOVO STATUS AKCII

a) Data about the open fund

1. Trade name of the open fund

The trade name of the fund is: Open investment fund INNOVO STATUS AKCII.

The short name of the fund is: Open investment fund INNOVO STATUS AKCII.

In the business operations with foreign countries the trade name of the Fund is written with Latin alphabet and it reads: INNOVO STATUS AKCII.

The Fund is managed by the Fund management company INNOVO STATUS AD SKOPJE, with its head office, located on Bld. Partizanski odredi 8/m Skopje (hereinafter referred to as: Company).

The depository bank of the Fund is NLB Tutunska Banka AD Skopje.

2. The objectives and the policy of the open fund

INNOVO STATUS AKCII (hereinafter referred to as: Fund) is established for the purpose of collecting money assets, by way of a public announcement for selling share documents and investing the collected funds in accordance with the Law on investment funds, the Statutes and the Prospectus.

The Company, for purpose of making long-term revenues, invests the funds, in securities and money deposits on local and foreign money markets.

INNOVO STATUS AKCII represents an open investment fund, not a legal entity, whose owners have the right of share documents redemption, following the Law, the Statutes and this Prospectus.

INNOVO STATUS AKCII enables both to institutional and individual investors, access to a lot of securities markets, managing the liquidity of their assets through the diversified structure of its securities portfolio and low costs.

Investors in the Fund can be both local and foreign individuals and legal entities. INNOVO STATUS AKCII is intended for investors that accept a diversified structure of their securities portfolio, which leads to lower risk, compared with individual investment.

The Fund's assets shall include securities, cash deposits and other assets. Fund's securities shall include:

1. securities listed or traded on a stock exchange or sold on the money market or other regulated market.

2. newly issued securities, if the issue terms include an obligation that an application for listing of the security on a stock exchange, money market or other regulated markets. This sort of investment bears higher risk, in comparison with the fixed deposits. However, the investments in the Fund results with higher profitability.

By investing the Fund's assets, the Company will stay within the investment limits in accordance with the legal regulative, such as:

1. In securities, issued by a single issuer, will not be invested more than 20% of the Fund's assets, except in the R. of Macedonia debtor securities, which investment is unlimited.
2. The Fund will not invest more than 20% of the entire issued shares to a single issuer.
3. The Fund will not invest more than 15% of the entire nominal value of debtor securities, issued by a single issuer.
4. The Fund will not invest more than 15% of the entire issued shares by a single issuer and not more than 10% of the entire nominal value of debtor securities issued by a single issuer
5. The Fund will not invest more than 25% of its assets value in the Depository bank or in other monetary assets.
6. The Fund will not invest in securities, issued by the Depository bank nor in its deposits.
7. The Fund will not invest in securities, issued by other funds.

The Company will invest the Fund's assets in the following securities markets: R.Macedonia, Bosnia and Herzegovina, Croatia, Slovenia, Montenegro and Serbia.

The Fund's assets will be invested in the following instruments:

Type of instrument	Securities markets	Percent
Shares	R. Macedonia	Up to 100%
Shares	Bosnia and Hercegovina Croatia Slovenia Monte Negro Serbia	Up to 40%
Long term debt securities	R. Macedonia Bosnia and Hercegovina Croatia Slovenia Monte Negro Serbia	Up to 50%
Short term debt securities	R. Macedonia Bosnia and Hercegovina Croatia Slovenia Monte Negro Serbia	Up to 25%
Deposits	Commercial banks in R. Macedonia	Up to 25%

3. Principals by investing funds

In investing funds, for purpose of achieving its objectives and policy, the Company shall act in accordance with the following principles: profitability, liquidity, risk diversification; transparency; protection of the customer's interest; responsibility, professionalism, confidentiality, secrecy of the data; impartiality; neutrality and will act with the cautiousness of an experienced businessperson.

4. Types of investment risks

The basic and long-term objectives of the Company is safe and professional investment of collected money assets, permitted and defined by the Law, liquidity of the Fund, enabling permanent and liberated purchase of the shares in the Fund, leading to higher investment profitability in accordance with the accepted risks.

The profitability is determined by existence of some risks, such as:

Market risk: The price of the securities, that make the Fund assets, may significantly oscillate, dependent on various factors on securities market, such as : audited reports, announcement of profit distribution by the Company, change of the business activities in some industries etc. These factors might effect the investment policy of the Company, resulting with unsatisfactory ascend or descend in the share units value.

The Company can reduce the risk, but can not entirely eliminate it, by managing the market risk by means of investing the Fund's assets in numerous financial instruments. The diversification of the portfolio generates decrease of the risk on the complete portfolio. The Company will invest in shares of different companies and in different economy branches, restricting the maximum invested shares in a single company.

Interest risk: This risk may negatively influence the value of the Fund's assets, especially those, consisting of debtor securities. The raise of the interest rates effect the market value of the long-term securities. The Company intends to invest its assets in debtor securities with different maturity terms and to use derivative financial instruments

Credit risk: This risk suppose the probability, the Company-securities issuer, where the Fund' assets is invested, is not able to fulfill its liabilities, i.e. to repay the matured principal and interest, which will negatively influence the liquidity and the value of the Fund's assets. The Company intends to reduce the credit risk by investing its assets in securities, after a prior credit analyses, investment diversification and by following the trends and events in the economy and the politics.

Liquidity risk: This risk exists as the Fund intends to invest in developing capital markets with shorter history of their stock exchanges, where the risk is higher, compared with the developed capital markets. This may lead to changes in the Fund's assets value.

Currency risk: The currency risk is owed to the fluctuation of the foreign currency rates in ratio to the denar. It results with changes in the value of the already invested financial instruments, expressed in local currency. In this case the Company shall invest in financial instruments expressed in different foreign currencies.

Inflation risk: In case of inflation a significant portion or the entire profit of the share document owners may be compensated, so that they may not receive the real profit or it will be insignificant. The Company intends to keep the balance between its assets with fixed or changeable profitability, following the investment policy and the objectives of the Fund.

Political risk: This risk is connected to the possibility of eventual local political crisis, in the countries, where the Company invests, or modifications in their economy regulative. This risk is correlated to mistaken policy of a country government, resulting with negative influence on the companies and investor failures. The Company intends to invest the Fund's assets in countries, where the political crisis have minimum influence on the securities markets.

Risk resulting from modification in the tax regulative: The modification in the tax regulative may negatively influence the Company's financial results. It may consequence with reduction in the profitability of the Fund's investments .The modification in the tax regulative is beyond the Company's control.

Other risks: Other risks that may effect the investments of the Fund's assets are: possibility of political instability or wars in the region or outside. Any future predictions about extreme situation can not be foreseen, but methods for minimization of their negative effects can be found.

Summarizing the above, the risk in investing on the securities markets is characterized by a possibility or a probability that the profits might be insignificant or negative. In comparison to the bank's fixed deposits, that are secured by the Savings Insurance Agency, the investments in the Fund's assets are not guaranteed.

5. Regulative for calculation and utilization of the Fund's revenues

The Fund's revenues are calculated on the grounds of the international accounting standards, dependent on the classification of the financial instruments in certain portfolios.

The Fund's revenues are used for covering the Fund's liabilities, prescribed by the Law and this Prospectus, as well as for reinvestment, based on the objectives and the business policy of the Fund.

6. Availability of the financial reports

The Company prepares the Fund's audited annual financial reports, submitting them to the Securities Commission, within 3 months after the approval of the Fund's annual balance sheet. The financial reports are also submitted to the investors, on the e-mail address, indicated on the share document acquisition form. Within the same period they are published in at least 1 daily newspaper and on the Company's Internet site as well.

The Company also prepares quarter financial reports about the Fund and distributes them to the Securities Commission and to members of the Fund within two months following the end of the quarter. The financial reports are also submitted to the investors, on the e-mail address, indicated on the share document acquisition form. Within the same period they are published on the Company's Internet site as well.

The annual and quarter financial reports, as well as the additional information about the Fund are available to the investors in the Company's premises, on its web site and through the pre-agreed distribution network.

The Company submits reports to the Securities Commission for each change that may significantly influence an investor's investing decision, within 3 days after its issuance. The same report is also submitted to the investors, on the e-mail address, indicated on the share document acquisition form. Within the same period it is published on the Company's Internet site as well.

Investors intending to purchase share documents will be enabled, free of charge, to receive the Prospectus, a copy of the last financial audited report, the quarter not-audited report and the reports, containing the amendments in the Prospectus.

7. Regulative for valuation of an open fund net assets

The depository bank calculates the net assets value of the Fund, by subtracting the total asset value from the entire liabilities of the Fund.

The calculation of the net value of the Fund's assets is based on the methodology of evaluation prescribed in the Regulative Book, issued by the Securities Commission, which also includes the methodology of calculation the net value of each share unit.

The net value of the Fund's assets is calculated for each day in the year and it is indicated in denars and euros, according to the middle exchange rate of National Bank of R. Macedonia.

8. The method of calculating the fees and expenses of the Fund Management Company, the depository bank or third parties, being on account of the open Fund's assets

Art. 20

On account of the Fund's assets the following fees and expenses are calculated:

- Managing fee;
- Depository bank, or eventual third parties commission;
- Expenses arising from acquisition and purchase of the Fund's assets;
- Publishing costs;
- Printing costs, related to issuing of share documents;
- Other costs that may appear during the business activities, such as: financial reports auditing costs; marketing costs; costs for issuing a statement on account, upon individual request of a share document owner; costs related to issuing a new password for access through the web site on an individual account; and other costs that may appear during the business activities.

An investor is charged for the costs, related to issuing of share documents, defined in art.8.6.

8.1. Managing fee

The managing fee of the Company is deducted from the entire assets value of the Fund. It amounts 2% annually, calculated on the entire assets value.

This fee entirely belongs to the Company. It is calculated daily, at the end of each day, after the net value of the Fund's assets is being calculated, representing a percentage of the total assets of the fund. The amount of the managing fee is determined by dividing the annual value percentage with the number of the days in the current year.

The managing fee is payable on the last day in the current month, as a summery of all daily fee values in that month.

8.2. Depository bank, or eventually third parties' commission

8.2.1. On the basis of the Contract, concluded with the depository bank, its commission is calculated daily, by using the proportional method on the entire assets value of the Fund.

The Company is obliged to pay the depository bank's commission, according to the Contract, the Law, the Statutes and the Prospectus.

The Company, in accordance with the Contract, on account of the Fund's assets, annually pays commission to the depository bank, amounting 0,35% calculated on the total value of the Fund's assets, for performing the following services :

- keeping the Fund's assets;
- ensures the monetary assets, arising from share documents acquisition, immediately are placed on the Fund's separate account, held with the Depository bank;
- issues share documents, accepts the redeemed share documents, performs the payments in favor of the share document owners ;
- determines the value of the individual share units in the Fund
- executes orders given by the Company, compliant with the Law and the regulative of the Fund;
- ensures that the revenues of the Fund are utilized in accordance with the Law and the Statutes of the Fund.

The fees stated in paragraph 3 are calculated based on the value of the different coefficients of the annual value with the number of the days in the current year.

The Company, on account of the Fund, pays the Depository bank for following services:

- Opening and managing fees for monetary and securities accounts, held in foreign countries, with the sub-depository banks and securities depositaries, covering the actual expenses

- Expenses, related to court procedures or procedures in front of other governmental bodies, which subject matter are the rights, liabilities and the assets of the Fund, covering the actual expenses

- Expenses, related to prosecution of a claim, by the share document owners, for compensation of damage, caused by the Company, acting in opposition to the Law, the Statutes and this Prospectus

- Other actual expenses

The Company, in agreement with the depository bank, may adopt resolution for modification of the depository bank's commission. This resolution is pre-agreed by the Company's Board of Directors and after its adoption it is announced in one daily newspaper, covering the entire territory of R. of Macedonia.

8.3. Expenses arising from acquisition and purchase of the Fund's assets

To these expenses belong all expenses related to acquisition and purchase of the Fund's assets (brokerage commissions, stock exchange tax, Securities Depository tax, taxes and all eventual other expenses, related to transactions reconciliation) . The amount must not exceed the actual expenses, arising from the contracts, i.e. the fee schedules of the indicated institutions. These expenses are on account of the Fund's assets.

The expenses arising from acquisition and purchase of assets are dependent on the type of the securities and their value.

8.4. Announcement expenses

The announcement expenses cover all expenses for compulsory announcements, as well as the costs for publishing the Prospectus, the financial reports and the announcements of the shares value in the media will not be charged as part of the funds expenses.

8.5. Expenses related to printing share documents

Printing expenses, related to issuing of share documents-they are actual expenses that have to be paid for printing share documents, will not be charged as part of the funds expenses.

8.6. Expenses, related to issuing share documents

The commission for issuing share documents (entering commission), represents a commission, payable by the investor by each payment in the Fund.

The fee for issuing share documents is added to the calculated net asset value of the funds share documents cumulatively, by implementation of the following rates on the entire amount paid:

- Up to 250.000 denars – 4%
- From 250.000 to 1.000.000 denars – 2,5%
- From 1.000.000 to 5.000.000 denars – 1,5%
- From 5.000.001 denars to 30.000.000 denars – 0,5%
- Exceeding 30.000.001-0,1%

8.7. Expenses, related to redeeming and pay out of share documents

The fee for redeeming and pay out of share documents (out-going commission) represents a commission, payable by each redemption of share documents. This commission is free of charge.

8.8. Other expenses, stated by the Fund's Statutes

The Company has the right for collecting fees, related to other services, defined by the Statutes, such as:

- marketing expenses;
- the auditing expenses.
- expenses related to issuing a statement on account, upon individual request of a share document owner;
- expenses related to issuing a new password for access through the web site on an individual account;
- other expenses that may appear during the business activities.

These expenses will not be charged as part of the funds expenses.

9. Method and place of paying out the share document owners from the Fund's gains

The Fund's gain is determined on the basis of the audited financial report and the annual balance sheet. It entirely belongs to the share document owners, dependent on their share proportion in the Fund's assets.

Fund's gain policy is its gain to be reinvested in the Fund. The share document owners agree with the reinvestment of the Fund's gain in their acquisition application.

The rights for a portion in the Fund's gains, the share document owners get by purchasing share documents, after a previous written application for acquiring or selling share documents.

10. The amount of the basic capital and rights and liabilities of the Company

The basic capital of the Fund Management Company INNOVO STATUS AD SKOPJE amounts EUR 132.654,00, i.e. 8.121.780,95 denars, calculated on the middle exchange rate of NBRM, valid on the day before the adoption of the Decision for amendment of the basic capital.

The Company disposes the Fund's assets, in its name and for Fund's account, in compliance with the provisions of the Law on investment funds, the Statutes and this Prospectus. It has all the rights arising subsequently, with the following limits:

- The Company should not on account of the share document owners grant credits or undertake guaranteed contractual obligations;
- The possessions, belonging to the Found must not be pledged or in any way burdened, nor, for purpose of covering debtors claims the possession right can be assigned. The legal activities, conflicting this provision have no legal effect to the share document owners.
- The Company must not sell securities, on account of the share document owners, in case, at the moment of execution of the selling transaction the share documents are not included in the Fund's assets. This transaction is considered as null and void.

The Company, for the liquidity necessities of the Found, may for short term debit up to 5% of the Fund's assets. For debits higher than 5% permission from the Securities Commission is required.

The Company is obliged to manage the Fund's assets with carefulness of an experienced business person, independently of the depository bank, and entirely in favor of the share document owners.

The Company is responsible for managing the Fund in accordance with the legal and sub-legal provisions, the international regulations and regulative, as well as in accordance with the Statutes and the Prospectus.

The Company on the grounds of the legal and sub-legal provisions, this Statutes and the Prospectus independently adopts professional decisions, related to investing the Fund's assets in financial instruments. The decisions are based on precise and estimated research of the market movements.

In case of amendment of the legal regulative or in case of any oscillations on the securities market the Company, for purpose of protecting the interests of share document owners, may adjust the investment policy of the Fund, following the new conditions. In this respect it may modify the provisions of this Statutes and the Prospectus, by a prior consent given by the Securities Commission. The Company prepares a report about these modifications and delivers it to the Securities Commission.

The same report is distributed to the investors, on the e-mail address, indicated on the share document acquisition form. Within the same period the report is published in at least 1 daily newspaper and on the Company's Internet site as well.

The Company is responsible for managing the business activities of the Fund with its entire assets, and it is also responsible for the legal activities, concluded on behalf of the share document owners.

11. Rights and liabilities of the depository bank

The Fund's depository bank is NLB Tutunska Banka AD Skopje.

The depository bank, in execution of its activities is independent and acts solely in favour of the interests of the share document owners.

The depository bank, despite acting as a guardian of the fund's assets, also conducts the following activities:

- The monetary assets, collected by selling share documents to be deposited immediately in a separate account of the Fund held with the bank;
- Issues share documents, accepts redeemed share documents, performs the payments of the profit share in favor of the share document owners ;
- determines the value of the individual share units of the Fund;
- executes orders given by the Company, compliant with the Law and the regulative of the Fund;
- ensures that the revenues of the Fund are utilized in accordance with a Law and the Statutes of the Fund;
- carries out the liquidation and other activities in accordance with the Contract, concluded between the Company and the depository bank.

The depository bank, in its name and for account of the share document owners, collects their claims from the Company. This activity does not exclude the right of the share document owners to collect their claims independently.

The depository bank is responsible to the Company and the share document owners for the damage, arising from not execution or incorrect execution of its activities, prescribed by the Contract, the legal and sub-legal provisions.

The depository bank is obliged the activities, it is authorized by the Contract, to carry out with care of an experienced business person.

12. The method and procedure of informing the share document owners

The Company informs the share document owners about:

- Its annual and quarter financial reports;
- The daily net value of the Fund's assets and the value of an individual share unit;
- The selling and redeeming prices of the share documents.
- Termination of share documents redeem and pay outs;
- The amendments in this Statutes and the Prospectus;
- Other information prescribed by the legal and sub-legal provisions;

The share document owners can be informed about any aspect of the Fund's activities through:

- The web site of the Fund
- Media
- On-line information
- Written information

- Telephone

The method and the procedure of informing the share document owners is dependent on the chosen information method.

12.1. Company's web site

Information about the Company, the Fund, the way of funds investment and other information are available on the Company's web site. (www.inovostatus.com.mk). All information that are announced, in the media by the Company, are also announced on its web site.

12.2. Media

The Company, by the regulative, is obliged to announce in one daily newspaper the following activities: the public announcement, the annual financial reports, the daily net value of its assets, the daily value of the share unites in the Fund, the price for selling and redeeming the share documents as well as the termination of the redeem and payment of the share documents.

12.3. On-line information

The on-line information enables inspection of the number of share units, possessed by a single share document owner, their acquisition price, the current price and the investment profit. Taking into consideration that this information is very personal, the share document owner receives a user name and a password for accessing the system. The user name and the password are entered on a special indicated place on the Company's web site (on-line).

The share document owners can state questions and receive answers by e-mail, the Company's address is info@innovostatus.com.mk.

In case the questions are related to personal information, the share document owner's e-mail address has to be registered as an address for correspondence.

12.4 Written information

Upon request of the share document owners the Company may deliver written information about of the number of share units, possessed by a single owner, their acquisition price, the current price and the investment profit. This written information is delivered on the address, pointed to the Company by a share document owner as an address for correspondence.

Compliant with the Law, the Company may distribute to the potential share document owners the Prospectus, at least 7 days before their presentation of the acquisition application. The Prospectus is also available on the Company's web site.

12.5. Information by Telephone

The Company enables telephone information on the following numbers: (tel.+389 2 3 215 923;+ 389 2 3 215 924; +389 2 3 2165 926). If the information contains personal information about the owner, he has to indicate his user name and password.

13. The portion of the share document owner's investments, used for covering the expenses for issuing share documents and their method of calculation

The method of calculation of the expenses for issuing share documents is more precisely defined in point 8.6 of this Prospectus.

14. Information about an open Fund's developments, place and method of announcement

The development of the open Fund is followed daily through the value of the share units. This information is available on the web site of the Company.

The investment structure is announced in accordance with the legal and sub-legal provisions.

15. Method of profit distribution in an open Fund

The Fund's gain is determined on the basis of the audited financial report and the annual balance sheet .It entirely belongs to the share document owners, dependent on their share portion in the Fund's assets.

The Fund's profit is reinvested in the Found, the share document owners agree with the reinvestment of the Fund's gain in their acquisition application.

The rights for a portion in the Fund's gains, the share document owners get by purchasing share documents, after a previous written application for acquiring or selling share documents.

The share document owners gain profit, in proportion to their share in the assets of the Fund. The profit represents a difference value between the incoming and out coming price of the share documents, decreased for all expenses and fees.

16. Investor's tax obligations and rights

In compliance with the effective legal procedures, the investors have tax obligations and rights.

The share document owners are tax payers in accordance with the Law on gain tax (capital gain) .A capital gain represents a difference value between the acquisition and the selling price of the share units.

At the moment of issuing of this Prospectus, the amount of the capital gain is 10% tax of the 70% difference value between the acquisition and the selling price of the share units.

17. For purpose of risk decease, the possibility of concluding optional and terminal activities and implementation of similar instruments and methods

By decreasing the investment risk diversification, the Company, for purpose of protection from various investment risks, may undertake strategies and methods, by concluding optional and terminal activities and implementation of similar instruments.

18. Duration of the Fund

The Found is incorporated on unlimited time period

19. The investment structure of an open Fund, condition not later than 15 days after the presentation of the data to the Securities Commission

Table 1 – Structure of the types of investments in the open-ended fund

		<i>Date:</i> 23.06.2008		<i>In denars</i>
	1	2	3	4
A	Issuer name / code of security	Amount of the securities and portion of the voting rights provided by the issuer	% of the value of the open-ended fund assets	% of the whole issue of the individual security owned by the open-ended fund
	1.Ownership securities			
	1.1.Issuers-residents of R.M listed on the Stock Exchange			
	Stopanska Banka AD Bitola (SBT)	3.499.570	16,14%	0,1283%
	RZ Uslugi AD Skopje (RZUS)	275.000	1,27%	0,0350%
	Alkaloid AD Skopje (ALK)	3.055.871	14,09%	0,0283%
	Makpetrol AD Skopje (MPT)	2.713.639	12,51%	0,0356%
	Granit AD Skopje (GRNT)	2.964.236	13,67%	0,0760%
	Komercijalna Banka AD Skopje (KMB)	3.715.430	17,13%	0,0356%
	Makedonski Telekomunikacii AD Skopje (TEL)	2.251.468	10,38%	0,0043%
	Arcelormittal Skopje-HRM AD Skopje (RZLE)	78.985	0,36%	0,0016%
	Stopanska Banka AD Skopje (STB)	312.105	1,44%	0,0035%
	Skopski Pazar AD Skopje (SPAZ)	540.000	2,49%	0,0211%
	Zemjodelski Kombinat Pelagonija AD Bitola (ZPKO)	396.900	1,83%	0,0226%
	RZ Tehnicka kontrola AD Skopje (RZTK)	32.945	0,15%	0,0261%
	Kjubi Makedonija AD Skopje (KJUBI)	657.800	3,03%	0,0417%
	Fabrika za cevki 11 Oktomvri AD Kumanovo (CEVI)	40.973	0,19%	0,0041%
	Lotarija na Makedonija AD Skopje (LOTO)	76.405	0,35%	0,0217%
	Total	20.611.327	95,05%	
B	Bank sight deposits	Amount of the sight deposits	% of the value of the open-ended fund assets	
	Sight deposits in banks	18.694	0,086%	
	Total	18.694	0,086%	

C	Fixed-term bank deposits: short-term and long-term	Amount of the fixed-term deposits	% of the value of the open-ended fund assets	
	Short term deposits	1.000.000	4,61%	
	Total	1.000.000	4,61%	
D	Other investments	Amount of the other deposits	% of the value of the open-ended fund assets	
	Dividend receivables	54.180	0,250%	
	Interest receivables	1.746	0,01%	
	Total	55.522	0,37%	
	A+B+C+D	21.685.543	100%	

b) Information about the unit certificates of the open-ended fund

20. Types and the basic elements of the share documents, in compliance with art. 23 from the Law on investment funds

A share document includes:

- Mark, showing that it represents a share in an investment fund;
- Name of the fund and the head office of the Company that manages the fund, name of the depository bank;
- Number of the share document;
- Number of the share units, included in the document;
- Data about the owner of the share document and evidence that the document is not assignable;
- Liabilities of the Fund Management Company;
- Rights of the share document owner;
- Place and date of issuing the share document; and
- Signatures of the authorized people of the Company that manages the fund and the depository bank.

21. The rights of the share document owners, in compliance with art.22, paragraph 2 from the Law on investment funds

Possessing a share document, to its owner are guaranteed his rights in the Fund.

To a share document owner the following rights are guaranteed:

1. The right for being informed;
2. The right of a proportional share in the Fund's net gains;
3. Upon his written request, the right for redemption of a share document by the Company and
4. The right of a proportional share of the remainder of the bankruptcy estate.

22. Procedure and conditions for issuing and selling share documents

The Fund Management Company issues and sells share documents, after having received permission for incorporation by the Securities Commission.

The investors may each business day present their applications, with the required enclosures, for acquiring share documents. The application is filled in on a particular form, prepared by the Company. The application form is available on the registered premises of the Company, on its web site and through the distributional network, incorporated on a pre-agreed basis.

By presenting the application, in case the client is an individual, he should identify himself with his personal documents, (ID or a passport) . The legal entities should present a valid document for the legal status, in compliance with the legal regulative, or documents, showing the current status of the registration or other authorized body.

If the individuals or legal entities are presented by an attorney, to the application form a notary verified power of attorney, showing firm authorization for acquiring share documents, has to be included.

In some peculiar cases (under age person, person with inability, or partially unable person) the application form is presented by the legal custodian (parent, custodian, adopted parent) .

The clients acquire share documents on price valid on the day of acquisition, in case the funds are paid latest 14:00 p.m. on that day. In case the funds are paid after 14:00 p.m. the acquisition price is the price valid on the following day.

To the selling price of the share documents is included the amount of expenses for issuing share documents, prescribed by the Statutes and this Prospectus.

The share documents are sold only for monetary assets.

The share documents are handed after the entire sell price is being paid.

The monetary assets, after deducting the issuing expenses, prescribed by the Law and this Prospectus, are immediately included in the Fund's assets. If the share documents are issued and their value is not included in the Fund's assets, the Company has to compensate the amount that is missing.

The Company and the Depository Bank shall maintain track of the issued share documents in electronic form.

The Company, to the investors that have bought share documents, issues a Certificate for acquisition of share documents. The Certificate is delivered, latest 5 (five) business days, on the address, indicated in the application form.

The share documents can be handed personally to the client, or to an attorney with a valid notary verified power of attorney.

In case the client requires the share documents to be delivered to him by registered or other type of mail, he has to pay additional expenses, not exceeding the actual costs, prescribed by the Statutes and this Prospectus.

23. The procedure and conditions for redemption and pay out the share documents and the conditions for termination of share documents redemption and pay out

Every share document owner has the right for redemption and by this redemption he shall withdraw from the Fund. The price paid for a share document must be paid in full, free of any deductions.

The share document owners should not use this right for redemption within one year after the date of publishing the first public announcement for acquisition, except in particular cases, stated by the Statutes and this Prospectus, i.e.:

- In case of supreme force (fire, flood etc.) that may occur to the owner of the share documents;
- In case of an inevitable and urgent hospital treatment to the owner or a member of his family;
- In case of overcoming a financial illiquidity (bankruptcy procedure, liquidation, debt repayment for purpose of avoiding a pledge execution)

The share documents are redeemed on price equal to the share value, stated on the following day, after the presentation of the application for redemption. An application form, presented after 14:00 p.m. is treated as it is received on the following day. The redemption price is expressed as a figure with 4 (four) decimals.

The owner of the share documents may any time present an application for partially or entirely redeeming of his share documents on a special form –Request for redemption of share documents. This form is available in the Company’s premises, on the Company’s web site and through the distribution network, established on a pre-agreed basis. In the redemption procedure the share document owners identify themselves with their identification documents, in the same manner as by acquisition.

The share document owner is informed in written about the effected request for redemption, which may be handed personally or by an attorney.

The Company and the Depository Bank shall maintain track of the redeemed share documents in electronic form.

The Company, to the investors, that have sold their share documents, issues a certificate within 5 (five) business days, on the address, indicated in their request.

The Company may temporary cease the redemption of share documents, for purpose of protecting the interests of the share documents owners. In case of redemption ceasing the Company should not issue new share documents. The redemption ceasing may be effected only after a received consent from the Securities Commission .The Company is obliged to inform the share document owners about redemption ceasing in written.

The Commission may force the Company to cease the redemption of the share documents and temporary to stop issuing new documents, if it is in favor of protection the share document owners’ interests.

24. Procedure and location by redeeming share documents

The Company, having received the application for redeeming , authorizes the depository bank to effect the relative payment in favor of the share document owner’s account, indicated in the application form, latest 7 (seven) days after presentation of the application .

An application form, presented after 14:00 p.m. is treated as it is received on the following day.

The depository bank may terminate the Contract with the Company in particular legal cases, such as: the Company stops managing the Fund; the Securities Commission terminates the Company’s working authorization; ,the Company stops with its operational activities, in accordance with the cases complied by the Law; within 3 months

after the first public announcement for share documents acquisition the collected and paid monetary assets amount less than EUR 500.000,00 in denar counter value; the value of the Fund's assets is lower than EUR 500.000,00 in denar counter value, within period of 6 months. The depository bank, within 6 months after the termination of the Contract with the Company discharges the Fund and pays out the share document owners from the Fund's assets.

25. The method of calculating the issuing and selling prices of share documents

The initial price of a share unit in the Fund is 100 MKD. The lowest value for share documents purchase amounts MKD 1000,00

The price of the share documents issuing and selling is calculated on the basis of the esteemed net value of the Fund's assets, divided with the total number of the registered shares, on the day when the calculation of the Fund's net assets is being performed. This calculation is based on the respective Regulative Book, adopted by the Securities Commission, regarding calculation of the Fund's net value assets, as well as the calculation of the single share units' value. To this calculation are also added the expenses for share documents issuing. The value of the share unit is determined by the depository bank, each business day for the previous day, and it is confirmed by the Company. The selling price of the share documents is expressed as a figure with 4(four) decimals.

The net value of the Fund's assets is calculated in the method that initially is calculated the market value of the instrument, the Fund has invested in, shares, bounds and other short-term securities, that are valued on the basis of the Regulative Book for calculation of the Fund's net value assets, as well as the calculation of the single share units value, adopted by the Securities Commission. The market value is determined by the official market prices and the foreign currency rates. For each Fund's asset, that no marked value can be stated, i.e. there are no relevant information for its market price, the market value is calculated by the methodology of estimation, based on international accounting standards. From the market value stated in this manner, is deducted the value of the Fund's liabilities and expenses, which in accordance with this Prospect are to be deducted from the Fund's assets.

26. Prices and expenses announcement, method, manner and the dynamics

The prices and expenses are announced on the Company's web site and in its premises as well. In case the interested clients are not able to get the information on the described manner, they can be informed by phone or in written form.

The dynamics in informing is dependant on the method of communication.

27. The legal status of the share document owners

By acquiring a share document, its owner becomes an owner of a respective portion of the Fund asset.

The share documents are not transferable, except in cases prescribed by the Law.

The legal status of the share document owners is regulated by the Statutes and this Prospectus.

c) Information about the open-ended Fund Management Company (hereinafter: Company)

28. The trade name, head office and the main registration number of the Company

The trade name of the Fund Management Company is INOVO STATUS AD SKOPJE (hereinafter referred to as: Company)

The short name of the Company is: INOVO STATUS.

In the business operations with foreign countries the name of the Company is written with Latin alphabet and it reads: Drustvo za upravuvanje so fondovi INOVO STATUS AD SKOPJE.

Its head office is located on Bld. Partizanski Odredi 8/m, 1000 Skopje, Republic of Macedonia

The main registration number is 6255582.

29. Date of incorporation and date of termination of the Company (in case it is incorporated for a limited period)

The Company was incorporated on 21.08.2007, on an unlimited time period.

30. Availability of the Company's general regulative books

The Company's regulative books (the Statutes and the other general regulative books) are available in the Company's premises and on its web site.

31. Number and date of the Company's permission for incorporation

The Company was incorporated by permission, issued by the Securities Commission, no 07-1562/6 dtd. 08.08.2008. It was registered in the Central Trade Register Book of Republic of Macedonia on 21.08.2007.

32. The average number of the employees, important information about them and the educational structure

Operations in the Company are performed by high educated employees, certified with licenses for investment advisors issued by the Securities and Exchange Commission, in average number of three, on the following positions:

- Executive manager and
- Two fund managers- high educated and certified with licenses for investment advisors issued by the Securities and Exchange Commission

33. Name, family name, professional qualifications and working experience of the people - members of the Board of Directors and the Executive Manager of the Company

1. Vladislav Panev, executive member, citizen of the Republic Bulgaria, M.A. degree in economics, transport management, on the University for national and world economy in Sofia, 7 year working experience. In 2002 he has gained a Certificate of an investment consultant .He started his career as a financial reporter in the newspapers „Bankar,, and „Dnevnik,, and continued as a portfolio manager in „KD Investments,, EAD. In 2006 he is an executive manger in, KD Securitis,, EAD. Today he is employed in, Status Kapital,,

AD, a fund management company, where he is the President of the Board of Directors . He speaks fluently English, German and Russian. During his working activities he had participated in much training for purpose of improving his skills on the field of his business activities.

2. Rajna Katarova, non-executive member of the board of directors citizen of the Republic Bulgaria, MA University for national and world economy in Sofia, and M.A. degree in marketing, 19 year working experience. She started her career in 1996, as an expert in MBMD- Institute for marketing and social researches. Key expert of the Managing and Supervisory Counsel of the Municipality Bank AD Sofia. She continued her career as a main expert in Stolichna Municipality. Later she is a member of the Board of Directors of the, Company for energy saving,, AD. Today she is a member of the Board of Directors of Status Imoti, ADCIC. She speaks English and Russian.

3. Georgi Razvigorov, non-executive member, citizen of the Republic Bulgaria. He started his career as an expert for analyses. From 2001 to 2003 he was a financial consultant of various production and consultant companies. He continues his career as a member of the Board of Directors of Laureat Bulgaria Property Fund,, AD. He has 10 year working experience on the capital market. He speaks English.

4. Desislava Radkova, non-executive and independent member of the Company's Board of Directors, citizen of Republic of Bulgaria, graduated on the University of International and national economy in Sofia. She started her career as financial analyst. Since 2005 works as financial analyst and performs financial analysis and forecasts of public companies, business planning, financial analysis and following of the capital market. She speaks fluent English. She has 8 years working experience in the area of capital markets.

5. Mia Stefanovska-Zografska, executive member, Executive Manager, from Skopje, Republic of Macedonia. She finished high school in Skopje, „Josip Broz-Tito,, gymnasium ,in 2000 she graduated on the University „Cyrilus and Methodius,, in Skopje in the Law School, direction financial law. She has 5 year working experience on the Macedonian Stock exchange AD Skopje. In 2003 she passed the exam for working with securities, organized by the Securities Commission. She also possesses a brokerage certificate since 2006, and passed the jurisdiction exam in 2005.

34. List of share holders, who directly or indirectly posses shares in the Fund Management Company, and all other data from table 2

Complete name and location of the share holders	Number and amount of shares	% of shares in the entire share capital of the Compny
1	2	3
1. Brokerage House Inovo Broker AD Skopje ul. Mitropolit Gologanov, 60 Bld.1, kat2, in Skopje	-amount EUR 65.000 -number of votes 65000 ordinary shares	50%

2. Status Invest AD Sofia , Bld. Carigradski Chosse 9, Sofia, bulstat 1211705420	-amount EUR 26.00 - number of votes 26000 ordinary shares	20%
3. Stok Plus OOD Sofia , ul. Knjaz Boris 1-vi br. 16, Sofia, bulstat 131364191	ordinary shares	
4. Vlasdislav Panev ul. Bacho Kiro 58 Sofia, R. Bulgaria	amount EUR 14.300 - number of votes 14300 ordinary shares	11%
5. Marina Dimova Sivkova z.k. Rasadnika bl. 62, vh. G, ap. 66 Sofia	amount EUR 3.900 - number of votes 3900 ordinary shares	3%
6. Kalin Vasilev Dimitrov , ul. Dragalevska 23, 4/53 Sofia	amount EUR 3900 - number of votes 3900 ordinary shares	3%
7. Borislav Nikov 20 Feliks Kanitz, 1/16 Sofia	amount EUR 3.900 - number of votes 3900 ordinary shares	3%
8. Stajko Ganchev , ul. Aleksandar Pushkin 63/21 Sofia	amount EUR 2.600 - number of votes 2600 ordinary shares	2%
9. Sevdalin Rusanov Rusanov	amount EUR 3.900 - number of votes 3900 ordinary shares	3%
10. Jovance Taskovski ul. Spiro Crne 28, Skopje	amount EUR 2.654 - number of votes 2654 ordinary shares	2%

Basic capital of the Company:

EUR 132.654

Total number of shares : 132654 ordinary shares

Total: Nominal value : EUR 1 for a share

Voting right: 1 share bears one vote in the Company's Assembly

35. The amount of the Company's basic share capital, registered in the Trade Register Book

The basic capital of the Fund Management Company INNOVO STATUS AD SKOPJE amounts EUR 132.654,00, i.e. 8.121.780, 95 denars, calculated on the middle exchange

rate of NBRM, valid on the day before the adoption of the Decision for amendment of the basic capital.

36. Provisions in the Statutes, determining modifications in the amount of the basic share capital

Fund Management Company Innovo Status AD Skopje reached Decision no.02-56/13 dated 29 February, 2008 for increase of the company's basic capital by issuing new shares in a second emission on a private offering according which the amount of the basic capital is amended and amounts EUR 132.654, i.e. 8.121.780, 95 denars, calculated on the middle exchange rate of NBRM, valid on the day before the adoption of the Decision for amendment of the basic capital.

37. Events in the last two years, effected by modifications in the basic share capital, or by the number of issued share of the previous emission, i.e. emissions

Fund Management Company Innovo Status AD Skopje increased basic capital in accordance with the Decision for increase of the company's basic capital by issuing new shares in a second emission on a private offering as mentioned in the previous paragraph.

38. Data about the Company's activities

Table 3

1	2	3	4
Type of investment fund	Name of the investment fund	Initiation date of managing that fund	Amount of the net value of the fund's assets
Open investment fund	INNOVO STATUS AKCII	31.10.2007	Total 7.120.332,21 denars
5	6	7	8
Number of shareholders, i.e. unit certificates holders	Number of paid in shares, i.e. unit certificates in circulation	Value of a unit open-ended fund i.e. market price of the shares of the investment company	Average annual profitability of the fund according to the prescribed methodology
12	70.160,8459	101,4858	1,48%

d) Business results and their audit

Data from audited annual report of the Fund Management Company Innovo Status AD Skopje

INCOME STATEMENT OF INNOVO STATUS AD SKOPJE
For the year ended 31 December 2007

In denars
2007

Fee and commission income for Fund management	8.279
Income from front-end load	79.770
Fee and commission income	88.049
Expenses for Fund management	
Marketing costs	121.887
Fees to the Central Securities Depository	33.252
Fees and commissions from banks	-
Other expenses	-
Gains/(losses) from Fund management	(67.090)
Expenses for Company management	
Material costs	418.514
Depreciation	20.071
Nonmaterial costs	382.605
Staff costs	351.739
Gains/(losses) from Company management	(1.240.019)
Interest income (net)	2.398
Other income/expenses (net)	2.533
Profit/(loss) before income tax	(1.235.088)

BALANCE SHEET OF INNOVO STATUS AD SKOPJE
As at 31 December 2007

	<i>In denars</i>
	2007
ASSETS	
Current assets	
Cash and cash equivalents	656.664
Securities held for trading	-
Matured portion of securities	-
Short term deposits in banks	-
Receivables from the Fund	81.329
Pre-paid expenses	243.686
Total current assets	981.679
Non-current assets	
Property and equipment	312.997
Intangible assets	-
Securities held to maturity	5.555.668
Total non-current assets	5.868.665
TOTAL ASSETS	6.850.344
LIABILITIES	
Payables to agents	-

Trade payables	118.116
Other current liabilities	-
Total liabilities	118.116
SHAREHOLDER'S EQUITY	
Share capital	7.967.316
Reserves	-
Gains/(losses) for the year	(1.235.088)
Total shareholder's equity	6.732.228
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	6.850.344

Data from audited annual report of the Open-ended investment fund Innovo Status Shares

STATEMENT OF OPERATIONS OF INNOVO STATUS AKCII INVESTMENT FUND
For the year ended 31 December 2007

	<i>In denars</i>
	2007
Investment income	
Interest income	1,971
Dividend income	-
Realized capital gains	-
Net foreign exchange gain	-
Other income	-
Total investment income	1,971
Expenses	
Fees to the Fund management company	8,279
Fees for issuance of share documents	79,770
Interest expense	-
Realized capital losses	-
Fees to the Depository Bank	1,449
Fees to the Central Securities Depository	830
Other expenses	-
Total expenses	90,328
Net investment gain/(loss)	(88,358)
Unrealized investment gain/(loss)	115,365
Amortization of premium/discount on securities with fixed maturities	-
Increase/(decrease) in the fair value of financial assets	-
Total unrealized gains/(losses) from investments in securities	115,365
Total increase/(decrease) of net assets	27,008

STATEMENT OF NET ASSETS OF INNOVO STATUS AKCII INVESTMENT FUND
As at 31 December 2007

	<i>In denars</i>
	2007
Cash and cash equivalents	2,742,284
Investment receivables	350
Pre-paid expenses	-
Investments in securities and deposits	<u>2,742,634</u>
Financial assets held for trading	
Securities issued by domestic companies listed on the Macedonian Stock Exchange	4,371,283
Financial assets available for sale	
Securities issued by domestic companies listed on the Macedonian Stock Exchange	-
Financial assets held to maturity	-
Short term debt securities held to maturity	-
Domestic long term debt securities held to maturity	-
Short term deposits	90,000
Long term deposits	-
Total assets	<u>7,203,917</u>
Investment liabilities	
Payables to Depository Bank	1,435
Payables to Central Securities Depository	820
Payables for brokerage fee	-
Payables to Fund management company	8,199
Payables to Fund management company for front-end load	73,130
Deferred cost	-
Total liabilities	<u>83,585</u>
NET ASSETS	7,120,332
Number of issued share documents	70,160.8459
Value of one share document	101.4858

STATEMENT OF CHANGES IN NET ASSETS OF INNOVO STATUS AKCII INVESTMENT FUND
As at 31 December 2007

Net investment gains/(losses)	(88,358)
Total unrealized gains from investment in securities	<u>115,365</u>
Net increase of net assets	27,008
Proceeds received from holders of share documents	<u>7,093,325</u>
Total increase of net assets from transactions with share documents	7,093,325
Total increase of net assets	7,120,332
Net assets at the beginning of the period	-
Net assets at the end of the period	7,120,332

NUMBER OF SHARE DOCUMENTS

Number of paid share documents 70,160.8459
Number of withdraw share documents

NUMBER OF SHARE DOCUMENTS 70,160.8459

- Average annual profitability of Open-ended investment fund Innovo Status Akcii on 31 December, 2007 is 1,48% according to the audited annual report of the Open-ended investment fund Innovo Status Akcii.
- The authorized auditor of the Company for performing auditing, evaluation and financial consulting is ELIT Dance DOOEL Skopje. Its head office is located in Skopje , Bld. Jane Sandanski no.39-2/1, 1000 Skopje.

e) Information about the people, responsible for the Prospectus issuing

39. Declaration, given by the people, responsible for the Prospectus issuing

„We declare that the data, presented in the Prospectus are authentic and true, i.e. in the Prospectus are stated all essential data that may effect the investor’s judgment about investing in the open Fund,,:

- Vladislav Panev, non-executive member and President of the Board of Directors;
- Rajna Katarova, non-executive member of the Board of Directors;
- Georgi Razvigorov, non-executive member of the Board of Directors;
- Desislava Radkova non-executive and independent member of the Board of Directors and
- Mia Stefanovska-Zografska, executive member, Executive Manager.

40. Names of the people, their positions in the Company and telephone numbers, where the share document investors may get additional and more precise information about the share documents, matter of public offer

Mia Stefanovska- Zografska, Executive Manager (tel. +389 2 3215 926)

Blagica Zografska- Fund manager (tel. +389 2 3215 923; fax +389 2 3215 924)

Blagoj Mitrov- Fund manager (tel. +389 2 3215 923; fax +389 2 3215 924)

41. Authorized auditor

The authorized auditor of the Company for performing auditing, evaluation and financial consulting is ELIT Dance DOOEL Skopje. Its head office is located in Skopje , Bld. Jane Sandanski no.39-2/1, 1000 Skopje.

BOARD OF DIRECTORS

PRESIDENT

Vladislav Panev