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# Nordic Equities

## KAPITALFÖRVALTNING AB



### FUND RULES FOR NORDIC EQUITIES Global Stars

#### § 1 The Legal Status of the Investment Fund

The name of the fund is Nordic Equities Global Stars (the Fund). The fund is a security fund (UCITS fund) in accordance with the Investment Funds Act (SFS 2004:46). In addition to the above mentioned Act, operations are conducted in accordance with the Fund Rules, and with other regulations based on stipulations in laws or statutes. The Fund may not acquire its own rights or assume liabilities/obligation. However, the fund is an independent taxable entity. Fund assets are owned by the unit holders jointly, the Fund units are of equal size, and carry an equal right to the Fund assets.

#### § 2 Fund Manager

Nordic Equities Kapitalförvaltning AB (the Fund Company), corporate identity number 556571-9126, manages the Fund and represents the unit holders in all matters concerning the Fund.

#### § 3 Depositary and its Duties

The Fund's depositary is Skandinaviska Enskilda Banken AB, corporate identity number 502032-9081. The duties of the depositary are to receive the Fund's assets, to hold them in safe custody, and to ensure that the assets in the Fund are received by the depositary without delay. In addition, the depositary shall ensure that the valuation, redemption and sale of fund units and management of the Fund are conducted according to law, regulations and Fund rules. The depositary shall act independently of the Fund Company and exclusively in the interests of the unit holders.

#### § 4 Nature of the Investment Fund

The Fund's strategy is to, based on an assessment of the markets' valuation and growth potential, invest in those

financial instruments that the Fund Company considers to be most worthy of purchase.

The Fund is an equity fund focusing on the Nordic market, with emphasis in Sweden. The Fund may have a relatively concentrated portfolio, which could result in higher volatility in the Fund. The Fund's objective is to achieve long-term added economic value.

#### § 5 The Investment Fund's Investment Objectives

The Fund's capital may be invested in transferable securities, money market instruments, units in collective investment undertakings and deposited in account at credit institutions.

At least 90 percent of the Fund's assets are invested in equities or equity-related instruments. In connection with the purchase and redemption of fund units, the limit value may be lowered

No more than 10 percent of the Fund assets may be deposited in credit institution accounts.

The fund has a Nordic profile with normally more than 75 percent of the fund assets invested in shares traded in Sweden, Norway, Finland or Denmark.

The Fund does not endeavour to achieve an even geographic or sectoral diversification of investments. Moreover, the focus is diversified, and thus not specialised on any particular sector.

A maximum of 10 percent of the Fund assets may be invested in other investment funds or in international fund companies.

#### § 6 The Investment Fund's Investment Area

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The Fund's capital may be invested in regulated marketplaces within EES, or in corresponding markets in Europe and North America. However, in Europe and North America, trade may also occur in other market places.

### § 7 Specific Investment Objectives

The Fund's capital may not be invested in such transferable securities and money market instruments as referred to in Chapter 5, section 5 in the Investment Funds Act (SFS 2004:46), other than as permitted pursuant to Chapter 5, section 3 of the Investment Funds Act (SFS 2004:46). Nor may the Fund's capital be invested in OTC derivatives.

Trading in derivative instruments and the provision of security loans may take place in order to render more efficient management of the Fund's assets, and for the protection of the Fund assets against exchange rate losses, or other risks.

### § 8 Valuation

The value of the Fund is established by deducting the debts (accrued payments, tax, and other liabilities) from the assets (financial instruments and liquid assets, including accrued return). The value of a fund unit equals the value of the Fund divided by the total number of fund units.

The Fund unit value is calculated once a week at a time when the Fund is open for trade. Financial instruments included in the Fund are valued at market value, defined as price paid, or, in the absence of such a price, bid price. If there is a lack of such prices, or if those prices are misleading according to the Fund Company, the Fund Company may establish the value based on objective grounds. The time for market valuation is stated in the information brochure.

The pricing information delivered from the Fund Company to the media (or similar institutions) should always be considered as being preliminary, due to the risk of change, and is hence not to be considered as legally binding for the

Fund Company. The most recent valuation of fund unit prices is available at the Fund Company.

The calculations of fund units and fund unit prices are carried out with at least four decimals.

### § 9 Sale and Redemption of Fund Units

Fund units are sold (unit holder purchase) and redeemed (unit holder realization) by the Fund Company. The Fund is open for purchase and redemption of units each banking day. However, if any of the markets which the Fund units are traded on are closed or partly closed on a trading day, the fund is also closed. Notwithstanding, the Fund Company has the right to stay open even though the fund is closed for trading.

The purchase and redemption prices (fund unit value) are unknown at the time of the purchase and redemption application. Information regarding the fund unit value are available at the Fund Company no later than the third banking day after the trading day.

Application to purchase Fund units shall be made using a form prescribed by the Fund Company. The application shall be completed and payment must be available in the Fund account no later than two banking days before the trading day. If payment is received later, the Fund Company has the right to decide that purchase is made. Once payment has been received by the Fund Company, the purchase cannot be cancelled by the buyer. The purchasing price may not be limited. A minimum amount of SEK 50 000 at the initial deposit (unit owners purchase) is required by the Fund Company. On subsequent deposits in the Fund the minimum amount required is SEK 10 000 at time.

Application to redeem fund units shall be made using a form prescribed by the Fund Company. Complete application must be received by the Fund Company no later than two banking days before the trading day. However, if the

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application is received later, the Fund Company has the right to decide that redemption is made. The minimum redemption amount is SEK 10 000, or, if the value of the shareholder's total shareholding is less than this amount, the shareholder's total holding. The application to redeem Fund units can be withdrawn only if the Fund Company admits to it. Redemption of Fund units may not be limited. The amount of redemption is paid to one account owned by the unit holder, even if the unit holder is a minor.

### § 10 Extraordinary circumstances

The Fund may be closed with regards to entry and exit upon the occurrence of such extraordinary circumstances that a valuation of the Fund's assets in a manner that guarantees the equal rights of unit holders is not possible.

### § 11 Charges and Compensation

Applicable fees are presented in the information brochure or separate sheet appended to the information brochure.

Upon redemption of a Fund unit, acquired during the last 12 month, the price shall amount to the value of the Fund unit on the trading day less a charge of maximum 1.5 per cent of the Fund unit value.

Compensation may be paid to the Fund Company from the Fund's capital. The fixed compensation to the Fund Company in respect of management of the Fund, safe custody of the Fund's assets, supervision, audit, and costs incurred in the protection of the Fund's interests, such as legal fees, shall be calculated daily, and may, on an annual basis, not exceed 1.5 percent of the Fund's value. The compensation is withdrawn from the Fund each month.

Commission, bank charges, and other transaction costs are paid by the Fund and are payable in addition to what is stated above.

Where appropriate, value added tax applicable is payable on all compensations and charges.

### § 12 Dividends

The fund pays dividends to the shareholders during the September–November period following the expiry of the financial year. The basis of the dividend is the dividends received by the Fund. The Fund's prospectus sets out how the calculation is made. In the interests of the shareholders, the Board of the Fund Management Company may decide on a higher or a lower amount than the dividends received by the Fund. Accrued dividend paid in at the time of purchase of fund units may be added to the dividend, and accrued dividend paid out at the time of the redemption of fund units may be subtracted.

Dividend is payable to unit holders who, on the dividend date established by the Fund Company, are registered as unit holders. Dividend due on fund units will, following deduction of preliminary tax, be issued in the form of new fund units allocated to the unit holder.

Unit holders who rather wish to receive dividends in cash must notify the Fund Company thereof on a form provided by the Fund Company no later than 31 July of the year following the expiry of the financial year. In case the Fund Company receives an application for cash dividends later than the aforementioned date, the Fund Company is nevertheless entitled to approve cash dividends.

### § 13 The Fund's Financial Year

The Fund's financial year is the calendar year.

### § 14 Half-yearly Accounts and Annual Report, Amendment of Fund Rules

The Fund Company will produce half-yearly accounts and an annual report for the fund within two and four months following the close of the half-year and of the financial year respectively. The half-year accounts and annual report may

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be obtained from the Fund Company and the depositary, and are sent to unit holders on request.

Should the Fund Company decide to amend the Fund rules, the decision shall be submitted to the Swedish Financial Supervisory Authority for approval. The decision will be made public by being obtainable from the Fund Company and the depositary, and will be notified in the way the Swedish Financial Supervisory Authority decides.

### § 15 Pledging and Assignment

Fund units may not be pledged. Assignment of fund units is subject to the Fund Company's consent. Such consent shall be granted by the Fund Company provided the assignment takes place for the implementation of a division of marital property, inheritance, or relates to an assignment between different legal entities within the same group. Other assignments may be allowed in exceptional cases. Upon the assignment of fund units, the assignee shall assume the assignor's acquisition value in respect of the fund units. The Fund Company shall be entitled to compensation for the cost incurred by an assignment, nominee-registration, and re-registration.

### § 16 Other Important Information

Neither the Fund Company, nor the depositary, are responsible for damages resulting from Swedish or foreign legal enactment, the measures of Swedish or foreign authorities, acts of war, industrial action, blockade, boycott, lockout, or any other similar circumstance, for example external data or telecommunications related faults. In the event of industrial action, blockade, boycott or lockout, the above applies even if the Fund Company or the depositary is the object of, or initiates, such measures of conflict itself.

Damages arising from other circumstances will not be compensated by the Fund Company or the depositary if they have exercised due prudence. Neither the Fund Company, nor the depositary, is in any circumstances liable for indirect damages.

The Fund Company and the depositary are not responsible for damages caused by market place, deposit bank, central depositor of securities, clearing organisation, or other assignees that the depositary, with due attention, has appointed or that has been designated by the Fund Company. Neither is the Fund Company, nor the depositary, responsible for damages arising from restrictions in the right of disposition that may be applied against the depositary in terms of financial instruments.

Should the Fund Company or the depositary be prevented from implementing a measure in whole or in part due to circumstances specified in the first paragraph of this section, such a measure may be postponed until the cause of prevention has ceased.

Neither the Fund Company, nor the depositary is to pay penalty interest in the event of deferred payment.

For further information regarding the liability of the Fund Company in damages, reference is made to Chapter 2, section 21 and chapter 3 section of the Investment Funds Act (SFS 2004:46).

This is an approximation and not a legal translation of the Swedish formal version. The Swedish version has been approved by the Swedish Financial Supervisory Authority 2017-06-07. The English version has not been verified or approved.