

## FUND RULES – NORDIC EQUITIES SWEDEN

The fund rules have been approved by Finansinspektionen 2013-05-21 to apply from 2013-06-24

### § 1 Legal status of the mutual fund

The name of the fund is Nordic Equities Sweden (the fund). The fund is a securities fund under the Swedish Investment Funds Act (2004:46). Operations are conducted, in addition to the Act, in accordance with the fund rules and other regulations issued pursuant to law or statute. The fund cannot acquire its own rights or assume obligations. However, the fund is an independent taxable entity. The assets of the fund are jointly owned by the unit holders and the units in the fund are of equal size and carry equal rights to the property included in the fund.

### § 2 Fund manager

Nordic Equities Kapitalförvaltning AB (the fund company), reg. no. 556571-9126, manages the fund and represents the unit holders in all matters relating to the fund.

### § 3 The depositary and its tasks

The custodian of the fund is Skandinaviska Enskilda Banken AB (publ.), reg. no. 502032-9081. The tasks of the custodian are to receive and store the fund's property and to ensure that the assets of the fund are delivered to the custodian without delay. Furthermore, the depositary shall ensure that the valuation, redemption and sale of fund units and the management of the fund are carried out in accordance with the law, regulations and fund rules. The depositary shall act independently of the management company and exclusively in the interest of the fund unit holders.

### § 4 Nature of the fund

The fund's objective and strategy is to invest in the financial instruments that the management company considers to be most desirable based on an assessment of market valuation and growth potential.

The fund is an equity fund specialising in the Swedish market. The fund's assets shall primarily be invested in financial instruments admitted to trading on a regulated market in Sweden, or in an account in Sweden. Up to 10 per cent of the fund's assets may be invested in other financial instruments, in accordance

with § 6. The fund does not aim for an even sectoral spread of investments.

The fund may have a relatively concentrated portfolio which may lead to higher volatility in the fund.

### § 5 The fund's investment objectives

The fund's assets may be invested in transferable securities, money market instruments, fund units and in accounts with credit institutions.

### § 6 The fund's investment area

The fund's assets may be invested in financial instruments traded on regulated markets, or equivalent, in Europe and North America.

### § 7 Specific investment objectives

The fund's assets may not be invested in such assets as referred to in Chapter 5. Section 5 of the Swedish Investment Funds Act (2004:46).

The fund's assets may not be invested in OTC derivatives. Trading in such derivative instruments, as referred to in Chapter 5, Section 12 of the Swedish Investment Funds Act (2004:46), and the granting of securities loans may take place in order to improve the efficiency of the management of the fund's assets and to protect the fund's assets against exchange rate losses or other risks. The fund may not issue put options.

### § 8 Valuation

The value of the fund is calculated by deducting from the assets (financial instruments and cash and cash equivalents including accrued income) the liabilities incurred by the fund (accrued expenses, taxes and other liabilities). The value of a fund unit is the value of the fund divided by the total number of fund units.

The unit value is calculated daily. Financial instruments included in the fund are valued at market value. This means the price paid or, if no such price is available, the purchase price. If there are no such prices or if the price is misleading in the opinion of the fund company, the fund company may determine the value on objective grounds. The time of the daily market valuation is stated in the information brochure.



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The price information provided by the fund company to the media or similar is always preliminary, is subject to change and is therefore not binding on the fund company. The latest calculated fund unit value can be obtained from the management company.

The calculation of fund units and the fund unit value is made to at least four decimal places.

## **§ 9 Sale and redemption of fund units**

Fund units are sold and redeemed at the Management Company. The fund is open for sale and redemption every banking day (hereinafter referred to as a business day). However, the fund is not open on days when one or more of the markets on which the fund's holdings are traded are fully or partially closed (e.g. so-called "half days"). However, the management company is entitled to be open on these days as well.

The sale and redemption price (fund unit value) is unknown at the time of the purchase and redemption notification. Information on the fund unit value is published on the fund company's website and can be obtained from the fund company no later than the fifth banking day after the sale or redemption has taken place.

Notification of purchase of fund units must be made on the prescribed form. The complete application and payment must be received by the fund company no later than 2 p.m. on the business day. If the application or payment is received later, the management company is nevertheless entitled to decide that the purchase will be made on the same day. Once payment has been received in the fund's account, the purchase cannot be cancelled by the buyer. The purchase of units cannot be limited by price. The minimum amount for the fund company's first sale (the unit holder's purchase) is SEK 50,000. Thereafter, the minimum deposit in the fund is SEK 500 per occasion. The minimum monthly savings is SEK 500.

Notification of redemption of fund units must be made on the prescribed form. The complete notification must be received by the fund no later than 2 p.m. on the business day. If the notification is received later, the fund company is nevertheless entitled to decide that the redemption will take place on the same day. Immediate redemption is only made if this can be done without selling securities in the fund. If immediate redemption is not possible, the securities shall be sold

as soon as possible and redemption shall take place when cash has been received. The redemption notice can only be cancelled if the management company so permits. Redemption of units cannot be limited by price. The minimum redemption amount is SEK 500, or if the value of the unitholder's total unit holding is less than this amount, the unitholder's total holding. The redemption proceeds are paid to a bank account belonging to the unitholder, this also applies to minor unitholders.

## **§ 10 Opening hours of the Investment fund**

In order to implement the fund's strategy and objectives, the management company has the possibility to decide that new subscriptions may not be made if the value of the fund exceeds SEK 3,000,000,000. The fund may also be closed for entry and exit in the event that such extraordinary circumstances have occurred that make it impossible to value the fund's assets in a way that ensures the equal rights of fund unit holders.

## **§ 11 Fees and remuneration**

The current fees are presented in the fund's information brochure or related annex.

The sales price of a fund unit is the value of the fund unit on the transaction date plus a fee of up to 3.0 per cent of the value of the fund unit.

The redemption price of a fund unit is the value of the fund unit on the transaction date less a fee of up to 1.5 per cent of the value of the fund unit.

Remuneration may be paid to the management company from the fund's assets. The fixed remuneration to the management company for the management of the fund, the safekeeping of the fund's assets, supervision, auditors and costs for safeguarding the fund's interests, such as legal fees, is calculated on a daily basis and may not exceed 1.55 per cent of the fund's value each year. The remuneration is taken from the fund each month.

Brokerage, bank charges and other transaction costs are paid by the fund and are in addition to the above.

All remunerations are also subject to the value added tax applicable at any given time.

## **§ 12 Dividends**

The fund pays dividends to unit holders during the month of September – November following the end of

the financial year. The basis for the distribution is the dividend received by the fund. The fund's information brochure explains how the calculation is made. The Board of Directors of the fund Management Company may, in the interest of the unitholders, set the dividend at a higher or lower amount than the dividend received by the fund. Dividends may be increased by accrued dividends paid on unit purchases and decreased by accrued dividends paid on unit redemptions.

Dividends are paid to unitholders who are registered for fund units on the distribution date set by the management company. After deduction of preliminary tax, new fund units shall be allocated to the unitholder for the dividend payable on the fund unit.

Unitholders who instead wish to receive a cash dividend must notify the management company no later than 31 July of the year following the end of the financial year on a form provided by the management company. If the management company receives the notification of a cash dividend later than the above-mentioned date, the management company is nevertheless entitled to approve a cash dividend.

### **§ 13 Financial year of the fund**

The financial year of the fund is the calendar year.

### **§ 14 Half-yearly and annual report, amendment to the fund rules**

The management company shall prepare half-yearly and annual reports for the fund within two and four months of the end of the half-year and financial year respectively. The half-yearly and annual reports shall be kept available at the management company and the depositary and sent to unit holders who have requested them.

If the management company decides to amend the fund rules, the decision shall be submitted to the Financial Supervisory Authority for approval. The decision shall be published by being made available at the fund management company and the depositary and announced in the manner determined by the Financial Supervisory Authority.

### **§ 15 Pledging and transfer**

Fund units may not be pledged. The transfer of fund units requires that the fund company authorises the transfer. Such consent is given by the fund company if the transfer is made in order to carry out a division of

property, inheritance or relates to a transfer between different legal entities within the same group. Other transfers may be authorised in exceptional cases. When transferring fund units, the acquirer assumes the transferor's acquisition value of the fund unit. The Management Company is entitled to charge compensation for the cost of a transfer, trustee registration and re-registration.

### **§ 16 Other necessary and reasonable information**

The fund company or the depositary is not liable for any loss due to Swedish or foreign legislation, Swedish or foreign government measures, acts of war, strikes, blockades, boycotts, lockouts or other similar circumstances, such as data or telephone failures. The reservation regarding strikes, blockades, boycotts and lockouts also applies if the management company or the depositary is subject to or takes such industrial action itself.

Damage incurred in other cases shall not be compensated by the management company or depositary if they have exercised normal care. Under no circumstances shall the management company or the depositary be liable for indirect damage.

The management company or the depositary is not liable for any loss caused by a marketplace, custodian bank, central securities depository, clearing organisation, other providers of similar services, or any other agent that the depositary has used with due care or been assigned by the management company. Nor is the management company or the depositary liable for any loss arising from a restriction on disposal that may be applied to the depositary in respect of financial instruments.

If the fund management company or depositary is prevented from implementing all or part of a measure due to circumstances referred to in the first paragraph of this section, the measure may be postponed until the obstacle is removed.

The management company or depositary shall not be required to pay interest in the event of deferred payment.

For further information regarding the fund company's liability for damages, please refer to Chapter 2, Section 21 of the Swedish Investment Funds Act (2004:46).

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