

PROSPECTUS

# AuAg Gold Mining

FUND	AuAg Gold Mining
ISIN A	SE0020677946
ISIN B	SE0020677953
ISIN C	SE0020677961
ISIN D	SE0020677979
ISIN E	SExxxxxxxx
ISIN F	SE0020677987
ISIN G	SE0020677995
ISIN H	SE0020678001
ISIN I	SE0020678019
ISIN J	SE0020678027
ISIN K	SE0020678035
ISIN L	SE0020678050
ISIN M	SE0020678050
ISIN N	SE0020678076
ISIN O	SE0020678084
ISIN P	SE0020678092
ISIN Q	SE0020678092
ISIN R	SE0020678118
ORG. NO.	515603-3010



## FUND MANAGEMENT COMPANY

AIFM Capital AB

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[www.aifmgroup.com](http://www.aifmgroup.com)

The Company, with org. no. 556737-5562, was formed on 3 September 2007. The Company's share capital is SEK 1,300,000, and the registered office and Company headquarters are located in Kalmar, Kalmar County (Sweden).

The Company's Board of Directors consists of Chairman of the Board Per Netzell and members Thomas Dahlin and Alf-Peter Svensson. Thomas Dahlin is the CEO and Johan Björkholm is the Deputy CEO.

## THE FUND MANAGEMENT COMPANY MANAGES THE FOLLOWING MUTUAL AND SPECIAL FUNDS

- Plain Capital BronX
- Plain Capital StyX
- Plain Capital LunatiX
- PROETHOS FOND
- Vinga Corporate Bond
- Augmented Reality Fund
- Räntehuset Fond
- Aktiehuset Fond
- AuAg Silver Bullet
- AuAg Precious Green
- AuAg Essential Metals
- eSports Fund
- Tenoris One
- Go Blockchain Fund
- World xFund Allocation
- Arden xFund
- Lucy Global Fund
- Gainbridge Novus Nordic

AIFM GROUP AB / AIFMGROUP.COM

GREV TUREGATAN 20, STOCKHOLM

LARMGATAN 50, KALMAR

HOPPETS TORG 5, JÖNKÖPING

- Ericsson & Partners Edge
- SOIC Dynamic China
- Case Hållbar Select
- Case Hållbar Sverige Index
- Case Räntefond Investment Grade
- Case Småbolagsfond
- Case Volt Systematic
- Sensum Strategy Global
- Space Fund

## THE DEPOSITARY

Skandinaviska Enskilda Banken AB (publ.)

Registered office: Stockholm

Main business: Banking and financial activities as well as activities that have a natural connection therewith. Org. no. 502032-9081

## AUDITORS

Öhrlings PricewaterhouseCoopers AB

Daniel Algotsson is the principal auditor.

## THE FUND

The information in this prospectus refers to the AuAg Gold Mining mutual fund. The fund is a mutual fund under Sweden's Act (2004:46) on mutual funds.

The fund is normally open for sale and redemption every banking day. However, the fund is not open for sale and redemption on those banking days when the valuation of the fund's assets cannot be carried out in a way that ensures the fund unit holders' equal rights as a result of one or more of the underlying markets not being open for trading.

The fund may also be closed for sale and redemption in the event that such extraordinary circumstances have arisen that mean that a valuation of the fund's

assets cannot be carried out in a way that ensures the equal rights of the fund unit holders.

## SHARE CLASSES

The fund has the following share classes:

Share class	Currency	Minimum initial subscription amount	Maximum fee
A	SEK	None	2%
B	EUR	None	2%
C	SEK	SEK 2,000,000	1.2%
D	EUR	EUR 200,000	1.2%
E	USD	None	2%
F	GBP	None	2%
G	CHF	None	2%
H	NOK	None	2%
I	DKK	None	2%
J	PLN	None	2%
K	HUF	None	2%
L	USD	USD 200,000	1.2%
M	GBP	GBP 200,000	1.2%
N	CHF	CHF 200,000	1.2%
O	NOK	NOK 2,000,000	1.2%
P	DKK	DKK 2,000,000	1.2%
Q	PLN	PLN 1,000,000	1.2%
R	HUF	HUF 100,000,000	1.2%

The share classes differ in terms of their investment currency, minimum initial subscription amount and fees. The minimum initial subscription amount refers only to the first subscription amount.

## OUTSOURCING AGREEMENTS

The Company has signed agreements with several partners regarding the distribution of fund units. The company has also entered into contract agreements with AIFM Services AB regarding fund administration and FoF AuAg Asset Management

AB regarding the fund's portfolio management of financial instruments. See the Company's website for an updated list of its partners.

## FUND UNIT REGISTRY

The Fund Management Company keeps a register of all unit holders and their holdings. The unit holder's holdings are reported in annual statements, which also contain tax return data.

## TERMINATION OF THE FUND OR TRANSFER OF THE FUND OPERATION

If the Company decides that the fund should be terminated or that the fund's management, with the consent of Finansinspektionen (the Swedish financial supervisory authority) shall be transferred to another company, all unit holders will be notified by post. Information will also be available at the Company and the Depositary.

The management of the fund shall be taken over immediately by the Depositary if Finansinspektionen revokes the Company's licence or if the Company has entered into liquidation or been declared bankrupt.

## OBJECTIVES AND INVESTMENT POLICY OF THE FUND

The fund is a feeder fund that invests its funds in the recipient fund AuAg ESG Gold Mining UCITS ETF, which is a sub-fund of HANetf ICAV, hereinafter referred to as the "recipient fund". The fund's objective is to provide a return that is in line with the recipient fund. The recipient fund is an open Irish

collective asset management umbrella fund with segregated liability between the sub-funds, with variable capital established in accordance with Irish law and approved by the central bank in accordance with the 2011 regulations for fund management companies, as amended. The recipient fund's management company, HANetf Management Limited, is authorised in Ireland and regulated by the central bank.

The recipient fund's prospectus and other information are available at <https://www.hanetf.com/product/22/fund/auag-esg-gold-mining-ucits-etf-acc>.

The recipient fund's objective is to follow the price and yield development of the Solactive AuAg ESG Gold Mining index. The index consists of shares issued by companies that are active in the gold mining industry and that have a low ESG risk rating. In order to include or exclude companies in the index, a quarterly rebalancing takes place that follows an ESG best-in-class strategy (BIC). This means that only the 25 stocks with the lowest ESG risk rating are included in the index composition. The fund therefore lacks a benchmark index.

At least 85 percent of the fund's value is invested in fund units in the recipient fund. Fifteen percent of the fund's value may be invested in cash and cash equivalents needed for the management of the fund. The fund's objective is to provide unit holders with a return that is in line with the recipient fund's development. The return for the fund may deviate from the return for the recipient fund depending, for example, on how large a share of the fund is made

up of cash and cash equivalents, as well as on the effect of costs and fees.

The recipient fund is a passively managed equity fund, which means that, to the extent possible, it invests in securities pursuant to the weightings in the Solactive AuAg ESG Gold Mining index.

The fund's trading in financial instruments may take place on a regulated market or an equivalent market outside of the EEA. Trading may also take place in another market within or outside of the EEA that is regulated and open to the general public.

The fund is a feeder fund that lacks the ability to invest its assets in such transferable securities and money market instruments as referenced in Ch. 5, § 5 of the Swedish Act (2004:46) on mutual funds.

The Fund Management Company and HANetf Management Limited have concluded an agreement pursuant to Ch. 5 a, § 9 of the LVF on the exchange of information and co-ordination. The purpose is, among other things, to ensure procedures and communication regarding the calculation of the fund unit price, any interruptions in trading, and other circumstances that may affect the fund and its unit holders. The agreement is provided free of charge on request by contacting AIFM Capital AB on +46 (0)480-36 36 66.

## THE FUND'S RISK PROFILE

As the fund is a feeder fund that invests at least 85 percent of the fund's value in fund units in the

recipient fund, the fund's risks are associated with the recipient fund's risks. The primary risks of investing in the fund are market risk, currency risk, counterparty risk, and liquidity risk.

Investments in equity always involve a market risk in the form of fluctuations in share prices. In a fund, this risk is reduced as a result of the fund owning equities in several companies (diversification) whose prices do not show exactly the same fluctuations.

The fund is also exposed to the following risks: Sustainability risk (i.e. circumstances related to the environment, society, or corporate governance that could have a significant negative impact on the value of the investment), which is managed by integrating sustainability into investment decisions.

In the fund's management model, sustainability risk is integrated into investment decisions whereby the fund selects, rejects, and pursues active-influence dialogue with the companies based on a sustainability perspective. By proactively pursuing this process, the fund, through its investments, influences the companies in each sector that are already prominent in the area of sustainability and also those that are working to develop their sustainability profile.

The process is also used to deselect companies that do not meet the requirements. Companies that do not make extensive investments in sustainability-related activities, and which the fund rejects, may have greater financial outcomes due to lower costs. Investments in these companies could generate

better returns and thus entail a risk that the fund performs worse than the market index during certain periods.

However, the fund expects that companies that invest in sustainability-related activities may, over time, generate better returns than companies which do not. Selecting companies that invest in sustainability-related activities also reduces the risk of having a significantly negative impact on the fund's value should circumstances of an environmental, social, or corporate-governance nature arise.

*Liquidity risk*, i.e. the risk that a security can be difficult to value or that it cannot be converted at the intended time without a major price reduction or high costs.

*Currency risk*: If the fund invests in financial instruments issued in currencies other than the base currency, a currency risk arises. The fund's value may vary due to fluctuations in exchange rates. The changes can affect the value both positively and negatively.

*Operational risk*, i.e. the risk of loss due to a lack of internal procedures or external factors such as legal and documentation-related risks, as well as risks resulting from trading, settlement, and valuation procedures.

*Counterparty risk*: The risk of losses due to a counterparty being unable to fulfil its obligations in accordance with the agreed terms, for example not delivering securities or cash and cash equivalents.

## THE LATEST NAV PRICE



The latest NAV is available from the fund's distributors and the Company.

### **EQUAL TREATMENT**

All units in the funds are of equal size and carry an equal right to the funds' assets. In a fund, however, there may be units of various kinds, so-called unit classes or share classes. Share classes in one and the same fund may be associated with different conditions for dividends, fees, the minimum subscription amount and the currency in which units are subscribed for and redeemed. The units in one share class shall be of equal size and, within the share class, carry an equal right to the fund's assets. This means that the Company applies the principle of equal treatment of fund unit holders with adjustment for any conditions that apply to a certain share class.

### **FEES**

Below is the maximum annual management fee that, in accordance with the fund rules, the Company may deduct from the fund to cover costs for management and storage of the fund's assets and for supervision and auditors.

#### **Share classes A, B, E, F, G, H, I, J and K**

##### Maximum fee

The maximum fee the Fund Management Company may deduct from the fund:

Annual fixed management fee: 2.0% of the fund's value.

##### Applicable fees

The following is the annual applicable management fee that the Fund Management Company deducts from the fund:

Current annual fixed management fee: 0.8% of the fund's value.

#### **Share classes C, D, L, M, N, O, P, Q and R**

##### Maximum fee

The maximum fee the Fund Management Company may deduct from the fund:

Annual fixed management fee: 1.2% of the fund's value.

##### Applicable fees

The following is the annual applicable management fee that the Fund Management Company deducts from the fund:

Current annual fixed management fee: 0.5% of the fund's value.

#### **Special information about costs and fees in feeder funds**

Transaction costs in connection with the purchase of the recipient fund's underlying holdings affect the recipient fund's outcome and, by extension, the feeder fund's outcome as well. Transaction costs for the feeder fund's purchases in the recipient fund are paid by the feeder fund and, by extension, the fund unit holders.

The feeder fund pays a management fee to the recipient fund. The unit holders in the feeder fund pay a management fee to the Fund Management Company as stated in the previous paragraph. The recipient fund may not charge feeder funds any subscription, redemption, or performance-based fee.



The management fee charged in the recipient fund amounts to 0.6 percent.

## **SALES AND REDEMPTIONS**

The sale and redemption of units takes place through the Company and co-operating intermediary institutes. Requests for sales and redemptions may be revoked only if permitted by the Company.

The fund is normally open for the sale (unit holder's purchase) and redemption (unit holder's sale) of fund units every banking day.

However, the fund is not open for sale and redemption on those banking days when the valuation of the fund's assets cannot be carried out in a way that ensures the fund unit holders' equal rights as a result of one or more of the recipient fund's underlying marketplaces not being open for trading.

Requests for sales and/or redemptions must be made in writing and be received by the Company before 15:00 CET on full banking days and no later than 11:00 CET on half banking days (the day before a public holiday) in order for the sale and/or redemption to take place at the price determined at the end of the day the request was received by the Company. Sales and redemptions thus take place at a price unknown to the unit holder at the time of the request.

If funds for redemption need to be procured through the sale of securities, the sale and redemption shall be executed as soon as possible. Should such a sale significantly harm the interests of other unit holders,

the Company may, after notifying Finansinspektionen (the Swedish financial supervisory authority), delay the sale in whole or in part.

## **THE FUND'S TARGET GROUP**

As the fund's investments, through the recipient fund, are exposed to equities, it is important to be able to ride out negative market changes. The fund is suitable for savers who do not need access to their capital for at least five years.

## **POSSIBILITY OF CHANGES TO THE FUND RULES**

The Company may submit changes to the fund rules to Finansinspektionen following a decision by the Company's Board of Directors. If Finansinspektionen approves changes to the fund rules, the changes may affect the fund's characteristics, i.e. its investment policy, fees and risk profile.

## **DERIVATIVE INSTRUMENTS**

The fund may not use derivative instruments of any kind or for any purpose.

## **HISTORIC RETURNS**

As the fund launches in 2023, there are no historical results.

*Historical returns are no guarantee of future returns. The value of a fund can go down as well as up and you may get back less than you invest.*

## ACTIVITY LEVEL AND BENCHMARK INDEX

The fund's objective is to provide a return that is in line with the recipient fund.

The recipient fund's objective is to follow the price and yield development of the Solactive AuAg ESG Gold Mining index.

The fund will report the active risk when there is a sufficient history.

## LIABILITY FOR DAMAGES

The Company and the Depositary are not responsible for damage due to Swedish or foreign legislation, Swedish or foreign government action, war incidents, strikes, blockades, boycotts, lockouts or other similar circumstances. The proviso in respect of strikes, blockades, boycotts and lockouts applies even if the Company or the Depositary is the subject of or takes industrial action.

Damages that arise in other cases shall not be compensated by the Company or Depositary if normal due care has been taken. Under no circumstances is the Company or Depositary liable for indirect damages or for damages caused by: a stock market or other marketplace, custodian bank, central securities depositary, clearing organisation or other provider of such services, whether Swedish or foreign, or a contractor hired by the Company or Depositary exercising due care. The same applies if the above-mentioned organisations or contractors have become insolvent. The Company or Depositary is not liable for damages that may arise as the result of a restriction on disposal that may be applied to the Company or Depositary.

If there is any obstacle to the Company taking action due to a circumstance specified in the first paragraph, the action may be postponed until the obstacle no longer exists. If a fund unit holder suffers damage as a result of a violation of Sweden's Act on mutual funds or the fund rules by the Fund Management Company, the Company shall pay compensation for the damage.

In respect of damages incurred by unit holders due to the Company or Depositary violating the Swedish Act (2004:46) on mutual funds or its fund rules, there are provisions in Ch. 2, § 21 and Ch. 3, §§ 14-16 of the LVF. The Fund Management Company holds extra funds in the capital base to cover risks of liability for damages due to part of or negligence in the business.

## REMUNERATION POLICY

The Fund Management Company's Board of Directors has adopted a remuneration policy that is compatible with and promotes sound and effective risk management. The remuneration policy is designed to counteract risk-taking that is incompatible with the risk profiles of the funds managed by the Fund Management Company.

The Fund Management Company applies a remuneration system with only fixed remuneration to employees. The design, which excludes commissions and individual bonuses, stimulates sustainable performance, as well as sound and effective risk management that benefits the funds and unit holders.



The annual reports of the funds provide information on the size of the remuneration and allocation by staff category. Current and future unit holders can, upon request, obtain a paper copy of the remuneration policy free of charge.

## **TAX RULES**

**Fund tax:** On 1 January 2012, new tax provisions for funds and fund holdings came into force, which brought an end to the tax on the fund itself, while a new tax on holdings of directly owned units in mutual funds was introduced. **Tax on fund savers:** In the case of dividends, preliminary tax is deducted (does not apply to legal persons). Capital gains/losses are reported in income statements sent to Skatteverket (the Swedish Tax Agency), but no tax is deducted. **NOTE:** capital losses on unlisted funds may be deducted only to 70%. The new tax provisions for funds and fund holdings brought an

end to the tax on the fund itself, while a new tax on holdings of directly owned units in mutual funds was introduced. In their declaration, the fund unit holder must include a standard income amounting to 0.4% of the capital base. The capital base consists of the value of the units at the beginning of the calendar year. The standard income is then included in the “capital” income category and taxed at 30%. For legal persons, the standard income in the “business activities” income category is taxed at 22%. Income statements are submitted for natural persons and Swedish estates. Legal persons have to calculate standard income and pay tax themselves. The tax may be affected by individual circumstances and anyone who is unsure of any tax consequences should seek expert assistance.

## **FUND RULES: AUAG GOLD MINING**

**Adopted by the Board of Directors: 17**

April 2023

**Approved by FI: 12 July 2023**

### **§ 1 NAME AND LEGAL STATUS OF THE FUND**

The fund's name is AuAg Gold Mining. The fund is a mutual fund in accordance with Sweden's Act (2004:46) on mutual funds ("LVF").

The fund may not acquire rights or assume obligations. The Company specified in § 2 represents the unit holders in matters concerning the fund, decides on the assets included in the fund and exercises the rights deriving from the fund. The fund is aimed at the general public; see also § 17.

Operations are conducted in accordance with these fund rules, the articles of association of the Fund Management Company, LVF and other applicable statutes.

The fund's assets are jointly owned by the fund unit holders. The units within each share class carry equal rights to the assets included in the fund.

#### Share classes

The fund has the following share classes:

Share class	Currency	Minimum initial subscription amount	Maximum fee
A	SEK	None	2%
B	EUR	None	2%
C	SEK	SEK 2,000,000	1.2%
D	EUR	EUR 200,000	1.2%
E	USD	None	2%
F	GBP	None	2%
G	CHF	None	2%
H	NOK	None	2%
I	DKK	None	2%
J	PLN	None	2%
K	HUF	None	2%
L	USD	USD 200,000	1.2%
M	GBP	GBP 200,000	1.2%
N	CHF	CHF 200,000	1.2%
O	NOK	NOK 2,000,000	1.2%
P	DKK	DKK 2,000,000	1.2%
Q	PLN	PLN 1,000,000	1.2%
R	HUF	HUF 100,000,000	1.2%

The content of the fund rules is common to all share classes unless otherwise stated. The fund consists of share classes, which means that the value of one unit in one class will differ from the value of one unit in another class.

The share classes differ in terms of their investment currency, minimum initial subscription amount and fees. The minimum initial subscription amount refers only to the first subscription amount.

### **§ 2 FUND MANAGER**

The fund is managed by AIFM Capital AB, org. no. 556737-5562, hereinafter referred to as “the Company”.

### **§ 3 THE DEPOSITARY AND ITS TASKS**

The fund’s assets are held by Skandinaviska Enskilda Banken AB (publ), corporate identity number 502032-9081, hereinafter referred to as “the Depositary”.

The Depositary shall receive and retain the property included in the Fund and execute the Company’s instructions relating to the mutual fund provided they do not conflict with the provisions in the Swedish Act on Mutual Funds, other statutes, or the fund rules, as well as ensure that:

- the sale, redemption, and cancellation of fund units takes place in accordance with the provisions of the law and these fund rules;
- the value of the fund units is calculated according to the provisions of the law and these fund rules;
- remuneration for transactions affecting a fund’s assets is paid into the fund without delay; and
- the fund’s income is used in accordance with the provisions of the law and these fund rules.

The Depositary shall act independently of the Company and exclusively in the interest of the fund unit holders.

### **§ 4 CHARACTER OF THE FUND**

The fund is a feeder fund that invests its funds in the recipient fund AuAg ESG Gold Mining UCITS ETF, which is a sub-fund of HANetf ICAV, hereinafter referred to as the “recipient fund”. The fund’s objective is to provide a return that is in line with the recipient fund.

The recipient fund’s objective is to follow the price and yield development of the Solactive AuAg ESG Gold Mining index. The index consists of shares issued by companies that are active in the gold mining industry and that have a low ESG risk rating. In order to include or exclude companies in the index, a quarterly rebalancing takes place that follows an ESG best-in-class strategy (BIC). This means that only the 25 stocks with the lowest ESG risk rating are included in the index composition. The fund therefore lacks a benchmark index.

### **§ 5 THE FUND’S INVESTMENT POLICY**

At least 85 percent of the fund’s value is invested in fund units in AuAg ESG Gold Mining UCITS ETF, which is a sub-fund of HANetf ICAV (the “recipient fund”). Fifteen percent of the fund’s value may be invested in cash and cash equivalents needed for the management of the fund.

The recipient fund is a passively managed equity fund, which means that, to the extent possible, it invests in securities pursuant to the weightings in the Solactive AuAg ESG Gold Mining index.

The fund’s prospectus and fact sheet include information on differences in the outcomes of the fund and the recipient fund; a summary of the

recipient fund's objectives, investment orientation, and risk profile; and the organisation of the Fund Management Company that manages the recipient fund.

As the fund is a feeder fund that invests at least 85 percent of the fund's value in fund units in the recipient fund, the fund's risks are associated with the recipient fund's risks. The primary risks of investing in the fund are market risk, currency risk, counterparty risk, and liquidity risk.

## **§ 6 MARKETPLACES**

The fund's trading in financial instruments may take place on a regulated market or an equivalent market outside of the EEA. Trading may also take place in another market within or outside of the EEA that is regulated and open to the general public.

## **§ 7 SPECIAL INVESTMENT FOCUS**

The fund is a feeder fund that lacks the ability to invest its assets in such transferable securities and money market instruments as referenced in Ch. 5, § 5 of the Swedish Act (2004:46) on mutual funds.

The fund may not use derivative instruments. The fund's assets may not be invested in OTC derivatives.

## **§ 8 VALUATION**

The value of the fund is calculated by deducting the fund's liabilities from the fund's assets. Because the fund consists of share classes, the value of a fund unit is to be determined by considering the

conditions attached to each respective share class. The value of a fund unit in a share class consists of the value of the share class divided by the number of outstanding shares in the share class. The value of the fund units is normally calculated every banking day. The fund's assets are valued at current market value. The current market value can be determined by different methods, which are applied in the following order:

1. If financial instruments are traded on a market as specified in Ch. 5, § 3 of the LVF, the latest price paid shall be used or, if such does not exist, the latest purchase price.
2. If the price according to method 1 does not exist or is clearly misleading, the current market value shall be derived on the basis of information about a current transaction in a corresponding instrument between independent parties.
3. If methods 1 and 2 cannot be applied, or according to the Company become clearly misleading, the current market value shall be determined by applying a principle applicable to the financial instrument in question on the market, where applicable, if not misleading, through an established valuation model.

To determine the value of fund units, the Company uses the most recently reported unit value. In the event that fund units are traded on a market as specified in Ch. 5, § 3 of the LVF, the fund units are primarily valued according to point 1 above.

The unit value is normally calculated each Swedish banking day, with the exception of the days when the fund's assets cannot be valued in a way that ensures the equal rights of the fund unit owners, such as when the recipient fund is not open for trading.

## **§ 9 SUBSCRIPTION AND REDEMPTION OF FUND UNITS**

The fund is normally open for the sale (unit holder's purchase) and redemption (unit holder's sale) of fund units every banking day.

However, the fund is not open for sale and redemption on those banking days when the valuation of the fund's assets cannot be carried out in a way that ensures the fund unit holders' equal rights as a result of one or more of the recipient fund's underlying marketplaces not being open for trading.

Requests for sales and/or redemptions must be made in writing and be received by the Company before 15:00 CET on full banking days and no later than 11:00 CET on half banking days (the day before a public holiday) in order for the sale and/or redemption to take place at the price determined at the end of the day the request was received by the Company. Sales and redemptions thus take place at a price unknown to the unit holder at the time of the request.

When purchasing fund units, the subscription payment must be posted to the account belonging to the fund no later than 15:00 CET on full banking days and no later than 11:00 CET on half banking days.

Requests for the sale or redemption of fund units may be withdrawn only if permitted by the Company.

If funds for redemption need to be procured through the sale of securities, the sale and redemption shall be executed as soon as possible. Should such a sale significantly harm the interests of other unit holders, the Company may, after notifying Finansinspektionen (the Swedish financial supervisory authority), delay the sale in whole or in part.

Requests for the sale or redemption of fund units received by the Company when the fund is closed for sale and redemption in accordance with that stated in this rule, second paragraph and in § 10, normally take place at the price on the following banking day.

For share classes C, D, L, M, N, O, P, Q, and R there is a minimum initial subscription amount for the first deposit of SEK 2,000,000 for C, EUR 200,000 for D, USD 200,000 for L, GBP 200,000 for M, CHF 200,000 for N, NOK 2,000,000 for O, DKK 2,000,000 for P, PLN 1,000,000 for Q, and HUF 100,000,000 for R. For other share classes, there is no minimum subscription amount.

The value of a fund unit is normally calculated every banking day. However, the fund unit value is not calculated if the fund is closed for sale and redemption with regard to the circumstances specified in this rule, second paragraph and § 10. The principles used in determining the fund unit value are stated in § 8.

Information on the fund unit price is normally available from the Company and co-operating distributors on a daily basis.

#### **§ 10 CLOSURE OF THE FUND IN EXTRAORDINARY CIRCUMSTANCES**

The fund may be closed for sale and redemption in the event that such extraordinary circumstances have arisen that mean that a valuation of the fund's assets cannot be carried out in a way that ensures the equal rights of the fund unit holders.

#### **§ 11 FEES AND COMPENSATION**

From the fund's assets, a fee shall be paid to the Company for its management of the fund. The fee includes costs for depositaries – see § 3 – as well as for Finansinspektionen's supervision and for auditors. The fee is paid in an amount of no more than 2.0% per year for share classes A, B, E, F, G, H, I, J, and K and 1.2% per year for share classes C, D, L, M, N, O, P, Q, and R. The fee is payable monthly in arrears and is calculated daily as a 1/365 share. The value of the fund units is calculated after deduction of the fixed fee.

The fund invests at least 85 percent of the fund assets in the recipient fund. The fund's prospectus provides information on all the costs and fees for the fund that are attributable to the investment of the fund's assets in the recipient fund, including information on the highest fee that may be paid for the management of the recipient fund. Any discounts and remuneration arising from investments in the recipient fund shall accrue to the fund.

Brokerage and other transaction-based expenses for the fund's purchase and sale of fund units in the recipient fund, as well as tax, are charged to the fund in addition to the annual fee.

The fees pursuant to the above are subject to the VAT rate applicable at any given time.

#### **§ 12 DIVIDEND**

The fund does not pay dividends.

#### **§ 13 FINANCIAL YEAR OF THE FUND**

The fund's financial year is the calendar year.

#### **§ 14 SEMI-ANNUAL AND ANNUAL REPORTS, AMENDMENT OF FUND RULES**

The Company shall submit an annual report for the fund within four months of the end of the financial year and a semi-annual report for the fund for the first six months of the financial year within two months of the end of the half-year.

The annual report and the semi-annual report must be available at the Company and the intermediary institute and be sent free of charge to unit holders upon request.

Amendments to the fund rules shall be decided on by the Board of Directors and be submitted to Finansinspektionen for approval. After approval, the fund rules shall be kept available at the Company and the Depositary and, where applicable, be announced in the manner directed by Finansinspektionen.

#### **§ 15 PLEDGING AND TRANSFER**

Pledging takes place through written notification to the Company or intermediary institution. The notification must state the unit holders, pledgee, which units are covered by the pledge and any restrictions on the scope of the lien. The pledge is registered in the unit holder register. The Company must notify the unit holder in writing of such registration. Pledging ceases when the Company or intermediary institution has received notification from the pledgee that the pledge has ceased and deregistration in the unit holder register has taken place.

Unit holders may transfer their fund units to another party free of charge through written notification to the Company or intermediary institution. The notification of transfer must state the transferor, to whom the fund units are being transferred and the purpose of the transfer. A transfer is approved only if the acquirer takes over the transferor's acquisition value.

## **§ 16 LIMITATION OF LIABILITY**

In the event that the Depositary or a Custodian has lost financial instruments that are deposited with the Depositary or the Custodian, the Depositary shall return financial instruments of the same type or an amount corresponding to their value to the Fund Management Company on behalf of the fund without undue delay. The Depositary is, however, not responsible for the loss of financial instruments caused by external events outside of the reasonable control of the Depositary, the consequences of which are impossible to avoid despite all reasonable measures being taken, such as damage due to Swedish or foreign legislation, Swedish or foreign

government action, war incidents, strikes, blockades, boycotts, lockouts, or other similar circumstances. The proviso in respect of strikes, blockades, boycotts, and lockouts applies even if the Depositary is the subject of or itself takes such industrial action. Similarly, the Company and the Depositary are not responsible for damage due to Swedish or foreign legislation, Swedish or foreign government action, war incidents, strikes, blockades, boycotts, lockouts, or other similar circumstances. The proviso in respect of strikes, blockades, boycotts, and lockouts applies even if the Company or the Depositary itself is the subject of or takes such industrial action.

If the Company or the Depositary inflicts damage on unit holders by violating the LVF or these fund rules, the Company or the Depositary shall compensate such damage. This section (§ 16) thus does not limit the unit holders' right to damages according to Ch. 2, § 21 and Ch. 3, §§ 14-16 of the LVF.

Damage that has arisen in cases other than those referred to in the first paragraph above shall not be compensated by the Company or Depositary if they have taken normal care. The Company and the Depositary are not liable in any case for indirect damage, nor are they liable for damage caused by a custodian bank or other contractor hired by the Company or the Depositary with due care or for damage that may arise due to a restriction that may be applied against the Company or the Depositary.

If there is any obstacle to the Company or the Depositary taking action due to a circumstance specified in the first paragraph above, the action may be postponed until the obstacle no longer exists.



## § 17 ALLOWED INVESTORS

The fund is aimed at the general public, but not at investors whose subscription to a unit in the fund is in conflict with provisions in Swedish or foreign law or regulations. The fund is also not aimed at those investors whose subscription or holding of units in the fund means that the fund or fund company becomes obliged to take a registration measure or other measure that the fund or fund company would not otherwise be obliged to take. The Fund Management Company has the right to refuse subscription to such investors as are referred to in this paragraph. The Fund Management Company may redeem the unit holders' shares in the fund despite the unit holders' objection:

- if it transpires that unit holders have subscribed to a unit in the fund in violation of the provisions in Swedish or foreign law or regulations; or
- if due to the unit holders' subscription or holding in the fund, the Fund Management Company becomes obliged to take a registration measure or other measure for the fund or Fund Management Company that the fund or Fund Management Company would not otherwise be obliged to take had the unit holder not held shares in the fund.

### Regarding US investors

The fund or the fund units are not and are not intended to be, at any time, registered in accordance

with the United States Securities Act of 1933, United States Investment Companies Act of 1940, or other applicable law in the United States. Units in the fund (or rights to fund units) may not or will not be offered, sold, or otherwise

distributed to or on behalf of US persons (as defined in the regulations of the United States Securities Act of 1933 and interpreted in the United States Investment Companies Act of 1940). Anyone wishing to acquire units in the fund must state their national domicile to the Company. Unit holders are also obliged to, if applicable, notify the Company of any changes in their national domicile. Buyers of units in the fund must further confirm to the fund company that they are not a US person and that the fund units are acquired through a transaction outside the United States in accordance with Regulation S. The subsequent transfer by the Depositary of securities units or rights to them may be made only to a non-US person and shall take place through a transaction outside the United States which is covered by exemptions according to Regulation S.

If the Company deems that it has no right to offer, sell or otherwise distribute fund units as above, the Company reserves the right to refuse execution of such an assignment for the purchase of units in the fund and, where applicable, without prior consent, redeem such unit holder's holdings of units in the fund on their behalf and thus pay additional funds to them.