

FUND RULES FOR CATELLA BALANSERAD

§ 1 The legal status of the Fund

The name of the fund is **Catella Balanserad** ('the Fund'). The Fund is a special fund pursuant to the Swedish Investment Alternative Fund Managers Act ('AIFMA').

The Fund is intended for the general public (physical and legal persons) and the assets of the Fund are owned jointly by the fund unit holders. Each fund unit confers equal rights to the property included in the Fund. The Fund cannot acquire rights or assume obligations; nor can the Fund institute legal action before a court of law or other public authority. The Alternative Investment Fund Manager specified in § 2 (the 'AIF Manager') represents fund unit holders in all matters concerning the Fund, takes decisions concerning the property included in the Fund and exercises the rights derived from the property.

The Fund is managed in accordance with these fund rules, the articles of association of the AIF Manager, AIFMA and other applicable statutes.

§ 2 Fund manager

The fund is managed by Catella Fondförvaltning AB, corporate registration number 556533-6210, in these fund rules called the 'AIF Manager'.

§ 3 The depositary and its duties

The Fund's depositary is Skandinaviska Enskilda Banken (publ), corporate registration number 502032-9081 ('the Depositary'). The duties of the Depositary include executing the AIF Manager's instructions pertaining to the Fund if the instructions do not conflict with the provisions of AIFMA, the articles of association, or these fund rules.

The Depositary shall furthermore accept, verify and hold in custody the property included in the Fund, monitor the Fund's monetary flows and ensure that:

- sales and redemptions etc. of fund units comply with the provisions of AIFMA, the articles of association and these fund rules;
- the net asset value per fund unit is calculated in compliance with the provisions of AIFMA, the articles of association and these fund rules;
- payment for transactions that affect Fund assets is made to the Fund without delay; and that
- Fund income is applied in compliance with the provisions of the AIFMA, the articles of association and these fund rules.

§ 4 Characteristics of the Fund

The Fund is an actively managed fund-of-funds that invests in equity funds, fixed income funds and hedge funds (including ETFs). The investment objective is to achieve a return over time that exceeds the Fund's composite benchmark index in accordance with the provisions of the Fund's prospectus. In order to reach its targets, the Fund is also permitted to invest in

other financial instruments, such as bonds and money market instruments. The Fund may have a more concentrated portfolio than other funds-of-funds and this may entail higher risk.

The Fund's selection of investments takes place through a combination of financial analysis and sustainability analysis.

§ 5 Investment strategy

At least 50 percent of the Fund's assets shall be invested in fund units. The Fund is also able to invest its assets in accounts with credit institutions, and in transferable securities and money market instruments, and in derivatives whose underlying assets are financial indices, interest rates, exchange rates and foreign currencies. The Fund's investments may be made in both Swedish and international markets. Fund units in which the Fund invests must be issued by funds under satisfactory supervision.

The Fund's assets may not be invested companies or funds and UCITS funds that invest in companies that violate any of the 10 principles of the UN Global Compact. For further information about the UN Global Compact, please refer to the prospectus for the Fund.

The Fund's rules differ from those that apply to UCITS funds as below

The Fund has been granted exemption from Chapter 5, § 1, first paragraph, 3a) of the Swedish Investment Funds Act ('IFA') and is thus permitted to invest in special funds and alternative investment funds that may invest in such derivatives referred to in Chapter 12, § 12, second paragraph AIFMA.

The Fund has been granted exemption from Chapter 5, §15, first paragraph, 3 c) of the IVA and is thus permitted to invest in special funds and alternative investment funds that apply investment rules relating to leverage, short selling, borrowing and lending that are not equivalent to those that apply to UCITS funds.

The Fund has been granted exemption from Chapter 5, §15, first paragraph, 3 d) IFA and is thus permitted to invest in special funds and alternative investment funds that do not provide a half-yearly report or equivalent.

The Fund has been granted exemption from Chapter 5, § 16, first paragraph IFA and is permitted to invest a maximum of 50 percent of the value of the Fund in fund units in an individual fund or UCITS. The Fund is thus permitted to hold fund units in fewer funds than is permitted for UCITS funds.

The Fund has been granted exemption from Chapter 5, § 16, second paragraph IFA and is permitted to invest up to the entire net asset value of the Fund in such funds referred to in Chapter 5, § 15, first paragraph, 3 IFA.

Risk level and measures of risk The Fund measures its risk level through standard deviation, measured over rolling 24-month periods, which indicates the degree of fluctuation in value growth. The Fund's target is a standard deviation in the range of 4-15 percent. It should be noted in particular that the average level of risk may be higher or lower, depending on the market climate and investment orientation or extraordinary events.

§ 6 Marketplaces

The Fund's assets can be invested on a regulated market, trading platform/MTF or other market that is regulated and open to the public within the EEA or on equivalent markets outside the EEA. To the extent provided by law and these fund rules, trading can also take place by means other than through the above markets.

The Fund's purchases and sales of fund units take place through the fund management company of each fund.

§ 7 Special investment strategy

The Fund is not permitted to invest in such transferable securities and money market instruments referred to in Chapter 5, § 5, first paragraph IFA.

The Fund is permitted to use derivatives, including OTC derivatives, to improve management efficiency and reduce management risk and expenses.

The assets of the Fund are invested to a significant extent in other UCITS funds, special funds and fund managers.

§ 8 Valuation

The net asset value of the Fund is calculated by deducting liabilities related to the Fund, including accrued expenses and taxes, from its assets (financial instruments, cash and cash equivalents and other assets, including accrued returns).

Financial instruments included in the Fund are valued at fair value (market value). The last price paid is normally used to determine the fair value of financial instruments. If such price information is unavailable or misleading, the latest bid and/or ask price is used. If the AIF Manager deems the aforementioned valuation methods to be misleading, value will be determined based upon other objective grounds. Objective grounds refers to valuation based upon available information on the last price paid in connection with external transactions in instruments or an indicative bid price from a market maker, if a market maker has been appointed by the issuer. If such information is unavailable or is deemed unreliable by the AIF Manager, fair value is determined according to generally accepted valuation models based on information from independent brokers or other external independent sources.

The net asset value per fund unit is the net asset value of the Fund divided by the number of outstanding fund units.

The AIF Manager calculates the net asset value per fund unit each banking day and publishes this information on the AIF Manager's website.

§ 9 Sales (subscription) and redemptions of fund units

Fund units are sold (purchases by fund unit holders) and redeemed (sales by fund unit holders) by the AIF Manager. Sales can be made both through one-time subscription or monthly purchases. No charges are deducted for the sale and redemption of units.

Sales and redemptions can be made on any banking day. Requests for sales and redemptions must be made in writing to the AIF Manager using the form provided by the AIF Manager or in accordance with the AIF Manager's instructions. The price per fund unit upon subscription and redemption requests may not be limited. Requests for sales and redemption may only be revoked with the consent of the AIF Manager. More detailed terms and conditions for sales and redemptions of fund units are provided in the prospectus.

Upon redemption of fund units, payment is normally made within 5 banking days following execution of the redemption.

The sale and redemption price for a fund unit is the net asset value of the fund unit at the date of sale or redemption calculated as in § 8. The price is unknown to the client/unit holder at the time of request. Information on the sale and redemption price for fund units is provided each banking day by the AIF Manager on its website.

Fund units will be redeemed on the redemption date requested if funds are available in the Fund. If funds for the redemption must be obtained through the sale of assets of the Fund such sales will take place and redemption will be executed as soon as possible. If such a sale would significantly disadvantage other unit holders' interests, the AIF Manager may delay the sale, following notification to Finansinspektionen (the Swedish Financial Supervisory Authority).

The Fund is not open for sales and redemptions on banking days when a valuation of the Fund's assets cannot be conducted in a manner that assures the equal rights of fund unit holders, such as a consequence of one or more of the markets on which the Fund's trade takes place and/or underlying funds being partly or entirely closed or due to such extraordinary circumstances referred to in § 10.

§ 10 Extraordinary circumstances

The Fund may be closed for sales and redemptions in extraordinary circumstances that prevent valuation of the Fund's assets in a manner that assures fair treatment of all unit holders.

§ 11 Fees and charges

Payment may be made from the Fund's assets for storage, management, analysis, administration, accounting and record keeping, supervision and auditing of the Fund.

The Fund's maximum charge is 1.80 percent per year of which fixed fees paid to the AIF Manager shall not exceed 1.75 percent per year and shall be calculated on a daily basis on the net asset value of the Fund. Fixed fees paid to the Depositary shall not exceed 0.05 percent of the net asset value of the Fund per year. Fees and charges are deducted from the Fund on a monthly basis.

See the fund prospectus for information about the maximum fixed charges and performance fees that may be charged for management of the funds in which the Fund invests.

When Fund assets are invested in funds managed by the AIF Manager, the Fund is not charged an annual management fee or performance fees, where applicable, for that portion of management to the AIF Manager.

VAT may be due and payable on the above fees and charges.

Brokerage fees and other expenses related to the Fund's purchases and sales of financial instruments and taxes are paid directly from the Fund. The Fund may, to the extent permitted by current legislation, also be charged expenses for analysis.

§ 12 Dividends

The Fund shall not pay dividends.

§ 13 Financial year

The financial year for the Fund is the calendar year.

§ 14 Half-year reports, annual reports and amendments to fund rules

The AIF Manager shall prepare annual reports for the Fund within four months of the end of the financial year and half-yearly reports within two months of the end of the half year. The annual report and the half-yearly report shall be available to unit holders at the AIF Manager and the Depositary and provided free of charge within the stated time frames to unit holders that have requested this information.

Any decision by the board of directors of the AIF Manager to amend these fund rules shall be subject to the approval of Finansinspektionen. Decisions that entail amendment of the fund rules shall be published by being made available at the AIF Manager and the Depositary and shall be announced in the manner prescribed by Finansinspektionen.

§ 15 Pledging and transfer

In conjunction with the pledge of fund units the pledge holder and/or pledging party must notify the AIF Manager in writing. The notice shall state the identity of the unit holder, the identity of the pledge holder, the fund units covered by the pledge and any restrictions on the scope of the pledge.

The notice must be signed by the pledging party. The AIF Manager shall record the information about the pledge in the unit holder register and notify the pledging party thereof in writing. When the pledge has expired the AIF Manager shall, following notification from the pledge holder, remove the information about the pledge from the register.

The AIF Manager is entitled to charge the unit holder a fee, not to exceed SEK 500, for administering the pledge.

Unit holders are permitted to transfer fund units. The AIF Manager is entitled to charge the unit holder a fee, not to exceed SEK 500, for administering the transfer.

§ 16 Limitation of liability

If the Depositary has lost financial instruments held in custody at the Depositary or its custodian bank, the Depositary shall return financial instruments of identical type or the corresponding amount to the Fund without undue delay.

The AIF Manager and the Depositary shall not, however, be liable for loss of financial instruments or other loss caused by an external event beyond the reasonable control of the AIF Manager or the Depositary, such as loss consequential upon Swedish or foreign legislation, acts of Swedish or foreign governmental authorities, acts of war, strikes, blockades, boycotts, lockouts, or other comparable circumstances. The reservation with respect to strikes, blockades, boycotts, and lockouts shall apply notwithstanding that the AIF Manager or the Depositary is the subject of or takes such a measure.

Loss that has arisen in cases other than those referred to in the second paragraph above shall not be compensated by the AIF Manager or the Depositary if they have exercised due care. The AIF Manager and the Depositary shall not be liable in any circumstance for indirect loss or loss caused by a Swedish or foreign stock exchange or other marketplace, custodian bank, central securities depository, clearing organisation, or other entities that provide equivalent services, or other delegates retained by the AIF Manager or the Depositary with due care, nor for loss which may arise as a consequence of restrictions on the right of disposition which may be imposed upon the AIF Manager or the Depositary. The same shall apply to loss caused by the insolvency of the aforementioned organisations or delegates.

If the AIF Manager or the Depositary is prevented from taking measures as a consequence of a circumstance set forth in the second paragraph above, these measures may be delayed until the impediment has ceased to exist. If payment is delayed, the AIF Manager or the Depositary shall not pay penalty interest. If interest has been previously agreed, the AIF Manager or the Depositary shall pay interest at the rate in effect on the due date.

If the Depositary is prevented from accepting payment for the Fund by reason of a restriction of the right of disposition specified in the third paragraph above, the Depositary shall have the right to interest for the period during which the impediment existed only in accordance with the terms in effect on the due date.

The AIF Manager shall not be liable for loss caused by the Depositary or its custodian bank. Nor shall the AIF Manager be liable for loss caused by a unit holder's breach of law or other

statute or breach of these fund rules. Unit holders are hereby notified that unit holders are responsible for ensuring that the documents they provide to the AIF Manager are true, accurate and duly signed and for ensuring that the AIF Manager is informed of any changes pertaining to information provided.

The professional liability of the AIF Manager and the Depositary is otherwise regulated under Chapter 8, §§ 28-31 and Chapter 9, § 22 AIFMA.

§ 17 Permitted investors

The circumstance that the Fund is directed at the general public does not mean that it is directed at such investors whose purchases or holdings of units in the Fund contravene the provisions of Swedish or foreign law or ordinance. Nor is the Fund directed at such investors whose acquisition or holdings of units in the Fund would obligate the Fund or the AIF Manager to take authorisation or registration measures or other measures that the Fund or AIF Manager would not otherwise be obligated to perform.

The AIF Manager has the right to decline to issue units to such investors referred to above.

The AIF Manager may redeem a unit holder's units in the Fund - notwithstanding the objections of such a unitholder - if it proves that the unitholder has acquired units in the Fund in contravention of the provisions of Swedish or foreign law or ordinance or that the AIF Manager has by reason of a unit holder's acquisition of or holdings in the Fund become obligated to take registration measures or other measures for the Fund or the AIF Manager that the Fund or AIF Manager would not be obligated to perform if the unit holder did not hold units in the Fund. The units shall be redeemed on the date determined by the AIF Manager and in accordance with that provided in § 9 above.