

FUND RULES

Augmented Reality Fund

Adopted by the Board of Directors: 2018-03-12
Approved by FI: 2018-06-08
Applies from: 2018-06-08

§ 1 NAME AND LEGAL STATUS OF THE FUND

The fund's name is Augmented Reality Fund. The fund is a mutual fund under the Act (2004:46) on mutual funds ("LVF").

The fund's assets are jointly owned by the fund unit holders and each fund unit carries an equal right to the assets included in the fund. 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.

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

Share classes

The fund has two share classes; share class A and share class B. Share class A is mainly aimed at private individuals and companies, while share class B is mainly aimed at institutions. The minimum subscription amount for share class A is SEK 100. The minimum subscription amount for share class B is SEK 10 000 000. The share classes are not distributing. The value of a unit in one share class will differ from the value of a unit in another share class. The units within each share class are equal and entail equal rights to the assets included in the fund.

§ 2 FUND MANAGER

The fund is managed by AIFM Capital AB, org.nr 556737-5562, hereinafter referred to as the Company.

§ 3 THE DEPOSITARY AND ITS TASKS

The depositary is Skandinaviska Enskilda Banken AB, org.nr 502032-9081, hereinafter referred to as the Depositary. The depositary executes the company's decisions regarding the fund and receives and stores the fund's assets.

In addition, the depositary verifies that the decisions relating to the fund taken by the company, such as valuation, redemption, and the sale of fund units, are made in accordance with the law, regulation, and these fund rules.

§ 4 CHARACTER OF THE FUND

The fund is an actively managed equity fund that makes global investments in equities and in equity-related transferable securities with a focus on Augmented Reality ("AR"), Virtual Reality ("VR"), or Mixed Reality ("MR") companies. The fact that the Fund is actively managed means that the Fund does not follow any index, but investments are based on the Company's analyses.

The aim is for the fund to exceed its benchmark over a rolling five-year period. The fund's benchmark index consists of the Dow Jones Global Index converted into Swedish kronor.

§ 5 THE FUND'S INVESTMENT POLICY

The fund's assets may be invested in transferable securities, fund units, and in an account with credit institutions.

Transferable securities refer to, among other things, shares and share-related transferable securities, including, for example, depositary receipts and other types of securities that give the right to acquire such transferable securities as stated above through subscription or exchange. The fund must invest at least 75 percent of its assets in equities and equity-related transferable securities.

The fund shall mainly invest its assets globally in shares and equity-based transferable securities issued by companies involved in activities related to AR, VR, and/or MR technology. Such activities may include, for example:

- The creation or development of software that uses or enables the use of AR, VR or MR technology.

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- The creation or development of hardware that uses or enables the use of AR, VR or MR technology.
- The creation or development of platforms for the use of or based on AR, VR or MR technology.
- Other products or services that use, involve, enable or are part of the use of AR, VR or MR technology.

The Fund may invest a maximum of 10 percent of its assets in units of other funds.

§ 6 MARKETPLACES

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

§ 7 SPECIAL INVESTMENT FOCUS

The fund's assets may be invested in the transferable securities referenced in Ch. 5 § 5 of the LVF.

The fund may not use derivative instruments. The fund's assets may not be invested in money market instruments.

§ 8 VALUATION

The value of a fund unit is part of the fund's total value divided by the number of outstanding fund units for each share class. The value of the fund units is calculated every banking day. The value of the fund is calculated by deducting from the assets the liabilities relating to the fund. 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 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 method 1 or 2 cannot be applied, or according to the Company becomes 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 misleadingly, through an established valuation model.

For such transferable securities as are referred to in Ch. 5 § 5 of the LVF, a determination of the market value is made on objective grounds according to a special valuation based on information on the most recent payment price or indicative purchase price from the market maker if such is designated for the issuer.

If such information does not exist or if the information is considered by the company to be unreliable, the market value is determined by, for example, obtaining information from independent brokers or other external independent sources. Such information may, for example, be an issue price or knowledge that trading has been carried out at a certain price in the relevant security.

To determine the value of fund units, the Company uses the most recently reported unit value.

§ 9 SUBSCRIPTION AND REDEMPTION OF FUND UNITS

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

However, the fund is not open for sale and redemption on such banking days where the

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valuation of the fund's assets cannot be made in a way that ensures the fund unit holders' equal rights as a result of one or more of the underlying funds not being open for sale and redemption.

Requests for sales and/or redemptions must be in writing and be received by the Company before 15:00 on full banking days and no later than 11:00 on half banking days (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 on full banking days and no later than 11:00 on half banking days. Requests for the sale or redemption of fund units may only be withdrawn if the Company allows it.

If a redemption must be acquired through the sale of securities, the sale and redemption must be executed as soon as possible. Should such a sale significantly harm the interests of other unit holders, the Company may, after notification to Finansinspektionen (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 what is stated in this provision, second paragraph and § 10, are normally made at the rate on the following banking day.

The value of a fund unit is normally calculated every banking day. However, the calculation of fund unit value does not take place if the fund is closed for sale and redemption with regard to the circumstances specified in this provision, 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 cooperating 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 which mean that a valuation of the fund's assets cannot be made 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 custodians, see § 3, as well as for Finansinspektionen's (Swedish Financial Supervisory Authority) supervision and for auditors. The fee is paid in an amount equal to not more than 2.10% per year of the fund's value for share class A and 1.15% for share class B. The value of the fund shares is calculated after deduction of the fixed fee.

In addition to the above fee, a collectively calculated profit-based fee is paid to the company. The performance-based fee corresponds to a maximum of 20% of the excess return provided by the fund when compared to the yield of the Dow Jones Global Index converted into SEK ("reference rate").

The performance-based fee, which is calculated daily, is paid only when the relative value development of the fund has exceeded the development of the reference rate on the date in question. In order for the performance-based fee to be paid, the unit price must also exceed the rate prevailing when the performance-based fee was last paid, the so-called high watermark.

In the case of redemption of fund units after a period when the fund has performed worse than the reference rate i.e. when the fund has an accumulated under-return compared to the index development, no compensation is paid to unit-

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holders in the form of repayment of previously withdrawn performance-based fees.

The value of the fund units is calculated after deduction of fixed and profit-based contributions. The performance-based fee is calculated after deduction of the fixed fee. See the fund's prospectus for the indication of the maximum fixed and performance-based fees that may be charged for the management of the mutual- or special-funds in whose fund units the funds are invested.

Commissions and other transaction-based costs for the fund's purchases and sales of financial instruments as well as taxes are charged to the fund.

§ 12 DIVIDEND

The fund does not pay dividends to unit holders or anyone else.

§ 13 FINANCIAL YEAR OF THE FUND

The financial year of the fund is the calendar year.

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

For the fund, the Company shall submit an annual report within four months from the end of the financial year and a semi-annual report for the first six months of the financial year within two months from 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 sent free of charge to the unit holders who have requested this information.

Amendments to the fund rules shall be decided by the Company's Board of Directors and shall be submitted to Finansinspektionen (Swedish Financial Supervisory Authority) for approval. After approval, the fund rules shall be kept available at the Company and the custodian and,

where applicable, announced in the manner directed by Finansinspektionen (Swedish Financial Supervisory Authority).

§ 15 PLEDGING AND TRANSFER

Pledging is made by written notification to the Company or the intermediary institution. The notification must state the unit holders, mortgagees, which units are covered by the pledge and any restrictions on the scope of the lien. Registration of the pledge takes place in the unit holder register. The company must notify the unit holder in writing of such registration. Pledging ceases when the Company or the intermediary institution has received notification from the mortgagee 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 by written notification to the Company or an intermediary. The notification of transfer must state the transferor, to whom the fund units are transferred and the purpose of the transfer. Transfer is only approved if the acquirer takes over the transferor's acquisition value.

§ 16 LIMITATION OF LIABILITY

The Company's and the Depository's liability for damages does not limit the unit holders' right to liability for damages according to Ch. 2 § 21 and Ch. 3 § 14-16 LVF. The Company and the Depository are not responsible for damage due to Swedish or foreign legislation, Swedish or foreign government action, war event, strike, blockade, boycott, lockout, or other similar circumstances.

The reservation in respect of strikes, blockades, boycotts, and lockouts applies even if the Company or the Depository itself is the subject of or takes such a conflict measure.

If the Company or the Depository inflicts damage on unit holders by violating the LVF or these fund

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regulations, the Company or the custodian shall compensate such damage (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's depositary if they have been normally careful. 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 an obstacle for the Company or the Depositary to act due to a circumstance specified in the first paragraph above, the action may be postponed until the obstacle has ceased.

§ 17 ALLOWED INVESTORS

The fact stated in § 1, that the fund is aimed at the public, does not mean that it is aimed at such investors whose sale of a share in the fund or participation in the fund is in conflict with the provisions of Swedish or foreign law or regulation. Nor is the fund aimed at such investors whose sale or holding of units in the fund means that the fund or the Company becomes obliged to take a registration measure or other measure that the fund or the Company would not otherwise be obliged to take. The Company has the right to refuse sales to such investors as referred to above in this paragraph.