

FUND RULES

Tenoris One

Adopted by the Board of Directors: 2020-05-07
Approved by FI: 2020-08-14
Applies from: 2020-08-14

§ 1 NAME AND LEGAL STATUS OF THE FUND

The fund's name is Tenoris One. The fund is a special fund under the Act (2013:561) on alternative investment fund managers ("LAIF").

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, LAIF, and other applicable statutes.

The fund is aimed at the general public, see further § 18.

§ 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 Swedbank AB (publ) org. no. 502017-7753, 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's objective is to generate an average return of 7 percent per year over a rolling five-year period. The fund is thus an absolute yielding fund. The fund intends to generate returns through

varied exposure to different asset classes and markets according to the current market view. The fund places without geographical limitation.

The management strategy is mainly based on quantitative analysis of price movements and changes in returns for different markets and asset classes.

§ 5 THE FUND'S INVESTMENT POLICY

The fund's assets may be invested in transferable securities, derivative instruments, mutual fund units and in an account with credit institutions. The fund may invest a maximum of 10 percent of the fund's assets in mutual fund units.

The fund's assets may be invested in derivative instruments with the underlying assets referenced in Ch. 5 § 12, first paragraph of the Act (2004:46) on mutual funds (hereinafter referred to as "LVF") and other underlying assets, provided that that the holdings are traded on any financial market and do not entail an obligation to deliver or receive the underlying asset. Other underlying assets are derivative instruments where the underlying asset is or refers to commodities or commodity-related indices. The fund considers the principle of risk diversification by treating an individual commodity as an issuer.

The fund may invest without limitation to a particular industry or geographical area. The fund is allowed to place a larger part of the fund's assets in an account with credit institutions.

Currency derivatives can be used to separate securities and currency exposure. The currency risk is not hedged and fluctuations in exchange rates may affect returns.

The fund has been granted the following exemptions from Ch. 5 of the LVF:

- exemption to Ch. 5 § 6 (first paragraph, third point) and Ch. 5 § 13, the fund may invest a maximum of 15 percent of the

FUND RULES

Tenoris One

Adopted by the Board of Directors: 2020-05-07
Approved by FI: 2020-08-14
Applies from: 2020-08-14

fund's assets in transferable securities or derivative instruments attributable to an individual issuer. Such exposures in excess of 5 percent may together represent a maximum of 50 percent of the fund's value.

- exemption to Ch. 5 § 15 (first paragraph) of the LVF, the fund may invest a maximum of 10 percent of the fund's assets in fund units that do not comply with Ch. 5 § 15 of the LVF in respect of the requirement to provide semi-annual statements.
- exemption to Ch. 5 § 11 and Ch. 5 § 21-22 § of the LVF, the fund may place a maximum of 40 percent of the fund's assets in the account of the same credit institution which is a bank and a maximum of 30 percent of the fund's assets with a single credit institution that is not a bank.

The fund's investments may vary between 100 percent invested in the account of credit institutions to 100 percent equity, interest rate, or commodity-related placement. The fund's total risk measured as a standard deviation in rolling 12-month periods shall be in the range of 5 to 15 percent under normal market conditions. The fund's total risk should thus be lower or in line with the Swedish stock market. The total exposure of the fund, calculated according to the commitment method, shall never exceed 200 percent.

§ 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 may invest in the transferable securities referenced in Ch. 5 § 5 of the LVF.

The fund's assets may be invested in derivative instruments as part of the investment policy. The fund may invest in derivative instruments as set out in Ch. 5 § 12 (paragraph 2) of the LVF, so-called OTC derivatives.

§ 8 VALUATION

The value of a fund unit is part of the fund's total value divided by the number of outstanding fund units. 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.

To determine the value of fund units, the Company uses the last recognized unit value.

FUND RULES

Tenoris One

Adopted by the Board of Directors: 2020-05-07
Approved by FI: 2020-08-14
Applies from: 2020-08-14

For transferable securities and money market instruments referred to in Ch. 5 § 5 of the LVF, the Company establishes a market value on objective grounds according to special valuation. The special valuation is based on data on the latest price paid or indicative bid price from the independent market-maker if appointed. If this information is missing or not deemed reliable, the market value is determined by independent brokers or other external independent sources.

For OTC derivatives, there is normally no public data on the latest price paid as well as the latest bid and ask price. The market value of OTC derivatives is therefore normally determined on the basis of generally accepted valuation models i.e. Black & Scholes, or other valuation models provided by independent third parties.

§ 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. The minimum initial subscription amount is SEK 100.

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

FUND RULES

Tenoris One

Adopted by the Board of Directors: 2020-05-07
Approved by FI: 2020-08-14
Applies from: 2020-08-14

§ 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 corresponding to a maximum of 1.50% per year of the fund's value. The fee is calculated daily in 1/365-part. 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.

In addition to the above fee, a collectively calculated performance-based fee is paid to the Company. The performance-based fee corresponds to a maximum of 20% of the excess return that the fund provides when compared with the return for the OMRX T-BILL index ("reference rate").

The performance-based fee, which is calculated daily, is paid only when the fund's relative value development has exceeded the development for the reference rate during the relevant day. In order for the performance-based fee to be paid, the fund unit price must also exceed the fund unit price that prevailed when the performance-based fee was last paid, so-called Highwatermark.

Upon redemption of fund units after a period when the fund has developed worse than the reference rate, i.e. when the fund has an accumulated underperformance compared with the index development, no compensation is paid to unit holders in the form of repayment of previously charged performance-based fees.

The value of the fund units is calculated after a deduction of fixed and performance-based fees. The performance-based fee is calculated after a deduction of the fixed fee.

§ 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.

FUND RULES

Tenoris One

Adopted by the Board of Directors: 2020-05-07
Approved by FI: 2020-08-14
Applies from: 2020-08-14

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 has liability under Ch. 8 § 28-31 of the LAIF. The Depositary has liability under Ch. 9 § 22 of the LAIF.

The Company and the Depositary 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 Depositary itself is the subject of or takes such a conflict measure. If the Company or the Depositary inflicts damage on unit holders by violating the LAIF or these fund regulations, the Company or the custodian shall compensate such damage (Ch. 8 § 28 LAIF).

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 DEPOSITARY'S RESPONSIBILITY

The Depositary's disclaimer applies with limitation of what is stated in Ch. 9 § 22 of the LAIF. In the event that the Depositary has lost financial instruments held at the Depositary or its custodian bank, the Depositary shall without undue delay return financial instruments of the same type or an amount equal to the value to the fund. However, the Depositary is not responsible for the loss of the financial instruments or other damage caused by an external event outside the custody institution's control such as for damage caused by Swedish or foreign law, Swedish or foreign government action, war event, strike, blockade, boycott, lockout or other similar circumstance. The reservation regarding strike, blockade, boycott, or lockout applies even if the Depositary is subject to or itself takes such conflict action. The depositary is not responsible for damage caused by – Swedish or foreign – stock exchange or other marketplace, central securities depository or clearing house.

The Depositary is not responsible for any damage incurred by the Company, investors in the fund, or another due to the disposal restriction that may be applied to the Depositary in respect of securities. The same applies in the case of loss of Financial Instruments held by the Custodian Bank or other persons providing equivalent services engaged by the Depositary with due care for the custody of financial instruments and with which the Depositary has agreed on the transfer of liability with the right of the Company to make claims directly against the custodian bank. Such transfer of liability from the Depositary to the custodian bank is a consequence of the fact that the Depositary has instructed the custodian bank to store foreign financial instruments in a local market in the manner set out in the existing depository agreement between the Depositary and the Company.

Damage incurred in other cases shall not be compensated by the Depositary unless it has been

FUND RULES

Tenoris One

Adopted by the Board of Directors: 2020-05-07
Approved by FI: 2020-08-14
Applies from: 2020-08-14

normally prudent and subject to the applicable mandatory law.

However, the Depositary is in no case liable for indirect damage.

If the Depositary is prevented from enforcing, in whole or in part, any measure under this agreement due to the circumstance referred to in the first subparagraph, the measure may be postponed until the obstacle has ceased. In the event of deferred payment, the Depositary shall not pay default interest. If interest is promised, the Depositary shall pay interest at the interest rate in force at the due date.

If, as a result of circumstances referred to in the first subparagraph, the Depositary has prevented receiving payment for the Funds, the Depositary has, for the period during which the obstacle existed, entitled to interest only under the conditions in force at the due date.

§ 18 ALLOWED INVESTORS

The fact that the fund is aimed at the public does not mean that it is aimed at investors whose sale of a stake in the fund or participation in the fund is contrary to the provisions of Swedish or foreign law or regulation. Nor is the Fund directed at investors whose sale or holding of shares in the fund means that the fund or the Company becomes obligated to take registration action or any other action that the fund or the Company would otherwise not be obligated to take. The Company has the right to refuse sales to investors referred to in this paragraph.