

## **FUND RULES**

### eSports Fund

Adopted by the Board of Directors: 2020-06-30  
Approved by FI: 2020-09-22  
Applies from: 2020-09-22

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

The fund's name is eSports 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. 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.

#### **§ 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 equity-related transferable securities with a focus on companies active in eSports, gaming, game development and subcontractors to these. The fact that the fund is actively managed means that the

fund does not follow any index, but the management is 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, derivative instruments, mutual fund units and in an account with credit institutions. Transferable securities refer to shares and share-related transferable securities, including, for example, depository receipts and other securities that grant the right to acquire such transferable securities listed above by subscription or exchange. The fund shall invest at least 90 percent of its assets in shares and share-related transferable securities.

The fund shall invest at least 90 percent of its assets in shares and share-related transferable securities issued by companies involved in eSports, gaming, game development and game suppliers. eSport refers to a generic term for competitions performed on computers or game consoles. See the fund's prospectus for a closer description of the fund's investment universe. Examples of companies in the above-mentioned areas can be:

- Companies in the field of production, arrangement and streaming of eSport competitions.
- Companies in gaming that actively promote eSport through training, marketing, or similar activity.
- Companies mainly involved in producing, developing, or placing new games or improving older editions of games.
- Companies which are subcontractors of equipment and accessories to the above mentioned.

## **FUND RULES**

### **eSports Fund**

Adopted by the Board of Directors: 2020-06-30  
Approved by FI: 2020-09-22  
Applies from: 2020-09-22

The fund may invest a maximum of 10 percent of its assets in units of another fund. The fund invests globally and without geographical limitation. The fund's assets may be invested in derivative instruments with such underlying assets as specified in Ch. 5 § 12, first paragraph, of the LVF.

#### **§ 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 derivative instruments as part of the fund's investment focus. The fund may not invest in such transferable securities and money market instruments referred to in Ch. 5 § 5 LVF. The fund also may not invest in such derivative instruments as specified in Ch. 5 § 12 second paragraph 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.

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

The fund is normally open for subscription (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.

## FUND RULES

### eSports Fund

Adopted by the Board of Directors: 2020-06-30  
Approved by FI: 2020-09-22  
Applies from: 2020-09-22

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 corresponding to a maximum of 2.10% per year

of the fund's value. The fee is calculated daily in 1/365-part.

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 Dow Jones Global Index converted to SEK ("reference rate").

The performance-based fee, which is calculated daily, is paid only when the fund's relative value development has exceeded the performance of 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, the so-called high watermark.

Upon 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 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.

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.

## **FUND RULES**

### eSports Fund

Adopted by the Board of Directors: 2020-06-30  
Approved by FI: 2020-09-22  
Applies from: 2020-09-22

#### **§ 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 Depositary'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 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 LVF or these fund 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

## **FUND RULES**

### eSports Fund

Adopted by the Board of Directors: 2020-06-30  
Approved by FI: 2020-09-22  
Applies from: 2020-09-22

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.