

**FUND RULES:
ESPORTS FUND**

Adopted by the Board of Directors:

30 June 2020

Approved by FI: 22 September 2020

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

The fund's name is eSports Fund. The fund is a mutual fund in accordance with Sweden's 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. no. 556737-5562, hereinafter referred to as "the Company".

**§ 3 THE DEPOSITARY AND ITS
TASKS**

The Depositary is Skandinaviska Enskilda Banken AB, org. no. 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, regarding, for example, valuation, redemption and sale of fund units, are made in accordance with laws, regulations 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 operating in the fields of eSports, gaming and game development and their subcontractors. The fact that the fund is actively managed means that the fund does not follow any index; instead fund management is based on the Company's analyses.

The aim is for the fund to exceed its benchmark index over a rolling five-year period. The fund's benchmark index is 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, fund units and in an account with a credit institution. Transferable securities refer to, among other things, equities and

equity-related transferable securities, including, for example, depository 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 90% of its assets in equities and equity-related transferable securities.

The fund shall invest at least 90% of its assets in equities and equity-related transferable securities issued by companies operating in the fields of eSports, gaming and game development and by their subcontractors. “eSports” is a collective term for competitions held on computers or games consoles. See the fund prospectus for a more detailed description of the fund’s investment sphere. Examples of companies in the above-mentioned fields may include:

- Companies involved in the production, arrangement and streaming of eSports,
- Companies within gaming that actively promote eSports through, for example, education, marketing or similar activities,
- Companies mainly involved in the production, development or publication of new games or the improvement of older versions of games,
- Companies that are subcontractors of equipment and accessories for the above-mentioned.

The fund may invest a maximum of 10% of its assets in units of other funds or UCITs. The fund invests globally and without geographical limitation. The fund’s assets may be invested in derivative instruments with underlying assets specified in Ch.

5, § 12, first paragraph of Sweden’s Act (2004:46) on mutual funds (hereinafter referred to as “LVF”).

§ 6 MARKETPLACES

The fund’s trading in financial instruments shall take place on a regulated market or 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’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 its investment policy. The fund may not invest in such transferable securities and money market instruments as referenced in Ch. 5, § 5 of the LVF. Neither may the fund invest in such derivative instruments as referenced in Ch. 5, § 12, second paragraph 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 the liabilities relating to the fund from the assets.

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 that 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 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.

§ 9 SALE 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. The minimum initial subscription amount is SEK 100.

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 funds not being open for sale and redemption.

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 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.

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 charged in an amount corresponding to a maximum of 2.10% per year of the fund's value. The fee is calculated daily at 1/365th.

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 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 charged only when the relative value development of the fund has exceeded the development of the reference rate on the day in question. In order for the performance-based fee to be charged, the unit price must also exceed the unit

price on the date the performance-based fee was last charged, the so-called high-water mark.

In the case of redeeming 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 to the development of the index – no compensation is paid to unit holders in the form of repayment of previously deducted performance-based fees.

The value of the fund units is calculated after deductions for fixed and performance-based fees. The performance-based fee is calculated after deducting the fixed fee.

Brokerage and other transaction-based expenses for the fund's purchases and sales of financial instruments and tax 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 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

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 of the LVF). 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 (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 statement in § 1, that the fund is aimed at the general public, does not mean that it is aimed at such investors whose sale of units in the fund or whose participation in the fund otherwise conflicts with the provisions of Swedish or foreign laws or regulations. Nor is the fund aimed at such investors whose sale or holding of units in the fund means that the fund or

Company becomes obliged to take a registration measure or other measure that the fund or Company would not otherwise be obliged to take. The Company has the right to refuse sales to such investors referred to above in this paragraph.

CALCULATION EXAMPLE, ESPORTS FUND

Calculation example, variable fee, collective model. Twenty percent fee on accumulated excess return, daily trading. The reference rate is the Dow Jones Global Index.

	DAY 0	DAY 1	DAY 2	DAY 3	DAY 4	DAY 5
The fund's unit price, previous day		100	100.584	102	103.20	105.64
The fund's unit price before calculating variable fees but after deducting fixed fees		100.605	102	103.5	106	103.5
Value of the Dow Jones Global Index	3000	3015	3100	3050	3080	2990
Fund performance since the previous day		0.61%	1.41%	1.47%	2.71%	-2.03%
Index performance since the previous day		0.50%	2.82%	-1.61%	0.98%	-2.92%
Fund performance compared with index performance		0.11%	-1.41%	3.08%	1.73%	0.89%
NAV high-water mark	100	100.5	103.42	102.00	104.22	105.64
Excess return cf. high-water mark per unit		0.105	-1.42	1.50	1.78	-2.14
Performance-based fee per unit (20% of excess return)		0.021	0	0.30	0.36	0
Performance-based fee as a percentage (percentage of NAV before performance-based fee)		0.02%	0.00%	0.29%	0.34%	0.00%
The fund's unit price after calculating variable fees	100	100.58	102	103.20	105.64	103.50

The example reflects events over five days. At the start, the NAV price is 100 and the index for the Dow Jones Global Index is at 3000.

- Day 1: a performance-based fee is charged because the fund has performed 0.11% better than the reference rate. The price after the variable fee is therefore 100.58 as 0.021 per unit is charged in performance-based fees (equates to 0.02%).
- Day 2: no performance-based fee is deducted because the increase in value of the fund is less than the increase in the reference rate. The reference rate increases 2.82% on the previous day, which means the high-water mark is upwardly adjusted by the corresponding 2.82%.
- Day 3: the fund rises by 1.47%, while the reference rate falls by 1.61%. The high-water mark is then adjusted downwards to the previous high-water mark because the reference rate is decreasing.
- Day 4: the fund performs better than the reference rate. A performance-based fee is therefore deducted. The high-water mark is adjusted upwards by the movement of the reference rate ($103.20 + (1+0.98\%) = 104.22$). The excess return is thus 1.78% per unit.
- Day 5: the fund goes down 2.03%. The reference rate falls 2.92%. The high-water mark is not then adjusted downwards; rather it remains at the previous NAV level. So even though the fund has outperformed the reference rate, no performance-based fee is charged.