

Fund rules for Lannebo Corporate Bond

§ 1 The fund's legal status

The name of the investment fund is Lannebo Corporate Bond, hereinafter referred to as the fund. The fund is a UCITS fund in accordance with the Swedish Securities Fund Act (2004:46), hereinafter referred to as the LVF. Business operations are conducted in accordance with these fund rules, the Articles of Association for the management company, the LVF and other applicable administrative provisions.

The fund's assets are jointly owned by the fund unitholders. Each unit of each share class holds equal right to the assets included in the fund. The management company as stated in § 2 manages the fund and represents the unitholders in all matters relating to the fund, decides on the assets included in the fund, and exercises any rights arising from the fund. The fund cannot acquire rights or assume any obligations.

The fund has the following share classes:

- A. Share class SEK – traded in Swedish krona (see § 9.2 below) and has a maximum management and custody fee of 1.1 per cent per year (see § 11.1 below).
- B. Share class EUR – traded in Euro (see § 9.2 below) and has a maximum management and custody fee of 1.1 percent per annum (see § 11.1 below).
- C. Share class SEK C – traded in Swedish krona (see § 9.2 below) and has a maximum management and custody fee of 0.6 per cent per year (see § 11.2 below) and is subject to distribution terms (see § 9.3 below).
- D. Share class EUR C – traded in Euros (see § 9.2 below) and has a maximum management and custody fee of 0.6 per cent per year (see § 11.2 below) and is subject to distribution terms (see § 9.3 below).

§ 2 Management company

The fund is managed by Lannebo Fonder AB, corporate registration number 556584-7042, hereinafter referred to as the management company. The management company holds registers of all unitholders and pledgees.

§ 3 Depositary and its role

The depositary for the fund is Skandinaviska Enskilda Banken AB (publ), corporate registration number 502032-9081.

The depositary shall maintain the fund's assets and manage deposits and payments in respect of the fund.

The depositary shall execute the management company's instructions relating to the fund as long as it is not in conflict with the provisions of the Swedish Investment Funds Act or any other regulation or the fund rules and ensure that:

1. the subscription, redemption and cancellation of units in the fund are carried out according to the Swedish Investment Funds Act and the fund rules,
2. the value of the units in the fund are calculated according to the Swedish Investment Funds Act and the fund rules,
3. payments for transactions involving the fund assets are paid to the fund without delay, and
4. the fund's revenue is applied in accordance with the regulations and the fund rules.

The depositary's duties are governed by the Swedish Investment Funds Act and the EU Commission's delegated regulation (EU) 2016/438 of December 17, 2015 supplementing the European Parliament and of the European Council Directive 2009/65/EC in regards of requirements for depositaries.

§ 4 Nature of the fund

The fund is an actively managed fixed income fund that focuses on investments in corporate bonds. The fund may also be invested in other assets such as government and mortgage bonds and in credit institution accounts.

The geographical focus is Sweden and the Nordic region

The duration of the fund is a maximum of ten years.

The fund may invest both in transferable securities and money market instruments with low or no credit rating and in transferable securities and money market instruments with high credit ratings, known as investment grade.

While exercising due care and attention, the main financial objectives of the fund are to achieve the highest possible growth and to obtain a good spread of risk.

§ 5 The fund's investment policy

The fund shall be invested in transferable securities, money market instruments, fund units, derivatives, and in accounts with credit institutions. The fund may invest a maximum of (10) per cent of its value in other funds or management companies.

Underlying assets of derivatives included in the fund must consist of or relate to assets in accordance with chapter 5 § 12, first paragraph of the LVF.

In referring to the prevailing market conditions, the management company determines the average duration of the fund holding. The average duration of the fund is between one and ten years.

The fund's assets may, as part of its primary geographic focus on the Nordic region, be invested, among others, in securities that at the time of investment are admitted to trading on a regulated market in the Nordic countries, or that fulfil the requirements to be admitted to trading on such a market within one year of issue, or that are issued by an issuer which at the time of the investment has its registered office in the Nordic region, or that at the time of investment is traded in a local Nordic currency in part on the accounts of a credit institution that has its registered office in the Nordic countries. Further examples of investments covered by the fund's geographical focus may be specified in the prospectus of the fund.

§ 6 Marketplaces

The fund can be invested in a regulated market or equivalent market outside the EAA or on another market within or outside of the EAA which is regulated and open to the public.

§ 7 Specific investment policy

The fund may make use of such transferable securities and money market instruments as detailed in chapter 5 § 5 of the LVF.

In accordance with chapter 5 § 8 of the LVF, the fund may contain an unlimited number of obligations and other promissory notes issued or guaranteed by the state, a municipality or a national or municipal authority in a country within the EEA or by any intergovernmental body in which one or several states within the EEA are members, provided that they are derived from at least six different issues and that no acquisition exceeds 30 per cent of the fund value. In respect of funds intended to be invested in at over 35 per cent of the fund value,

information on the issuers or guarantors issuing or guaranteeing promissory notes can be found in the information brochure.

The fund may use derivative instruments as part of the fund's investment strategy. The fund may invest in OTC derivatives in accordance with chapter 5 § 12, second paragraph of the LVF.

The fund uses currency derivatives to hedge their holdings.

The fund may use such techniques and instruments as referred to in chapter 16 § 10 of the Swedish Financial Supervisory Authority's regulations (FFFS 2013:9) on securities funds in order to create leverage.

§ 8 Valuation

The value of a fund unit is the fund value divided by the number of outstanding fund units. The value of the fund is calculated by subtracting the fund liabilities from the assets, including non-billed taxes as determined by the management company, plus the fees set forth in § 11 below.

The fund assets are calculated as follows:

- Transferable securities, money market instruments, fund units and derivatives are valued at the prevailing market value (the last traded price or if not available, the last bid price). If such rates are not available, or the management company believes them to be misleading, the transferable securities, money market instruments and derivative instruments are recorded at the value that the management company objectively determines.
- Such transferable securities and money market instruments as explained in chapter 5 § 5 of the LVF are given a market value in accordance with specific valuation. The basis for the specific valuation can include: market prices from unauthorised regulated markets or 'market makers'; other financial instruments traded on a regulated market or index, adjusted for differences in credit risk and liquidity (the reference value); discounted cash flows (discounted value); or the capital share of the equity (closing value).
- For OTC derivatives, a market value is established in accordance with specific valuation. The basis for the specific valuation includes market prices from unauthorised regulated markets or 'market makers', a reference valuation based on an identical derivative traded on a regulated market or a market value based on generally accepted valuation models (e.g. Black & Scholes for European options).
- Liquid assets, including bank account deposits, short-term investments in money markets and funds in credit institution accounts.
- Accrued interest.
- Accrued dividends.
- Payments not settled.
- Other fund receivables.

The fund liabilities are calculated as follows:

- Accrued management remuneration.
- Remuneration to the depositary.
- Acquisitions not settled.
- Tax liabilities.
- Other fund liabilities.

Since the fund has several share classes, the management company must take this into account when calculating the value of a fund unit in the respective share class. The value of a unit in a particular share class of the fund is made up of the share class divided by the number of outstanding shares of the relevant class.

The value of fund units shall be calculated daily (each business day) by the management company.

§ 9 Sale and redemption of fund units

§ 9.1 General provisions

Subscriptions (unitholder 'purchases) and redemptions (unitholders' sales) can be made on each banking day.

The request for subscription or redemption of units is made as stated on the management company's website, www.lannebofonder.se, or as directed by the management company.

Should a redemption require funds to be obtained through the sale of securities, such sales shall be carried out and the redemption shall occur as soon as possible.

Subscriptions are at a minimum amount of SEK 100 or the equivalent in Euro.

Requests for redemption may only be revoked if the management company permits.

The subscription price of a fund unit will be the unit value on the business day the subscription is made. The redemption price of a fund unit will be the unit value of the business day the redemption is done with a deduction of any redemption fees according to §11. Subscriptions and redemptions are made at a price that is not known to the unit holder at the time of the request for subscription or redemption.

Information on the purchase and redemption price is published on the management company's website no later than the banking day after the banking day when the fund value is determined as above.

§ 9.2 Conditions for the currency in which the subscriptions and redemption of units take place

Subscriptions and redemption of fund units in SEK and SEK C share classes are in Swedish krona.

Subscriptions and redemption of fund units in the EUR and EUR C unit classes are in Euro.

§ 9.3 Terms for distribution of fund units in unit class SEK C and EUR C

Subscriptions of SEK C and EUR C unit classes are available through a distributor, who has entered into an agreement with the management company, providing investment advice on an independent basis or portfolio management to a customer and, consequently, may not receive and retain compensation from the management company but is paid directly by the customer.

§ 10 Extraordinary circumstances

The fund can be closed for sale or redemption if extraordinary circumstances arise which mean that valuation of the fund's assets cannot be conducted in a manner to ensure equal rights for each fund unitholder; for example if one or several fund trading markets are partially or entirely closed.

§ 11 Fees and remuneration

§ 11.1 Fees for unit class SEK and EUR

Fees shall be paid to the management company and the depositary as follows:

- i. The management company is paid in the form of a fixed fee. The maximum fee is 1.0 per cent per annum of the unit class's share of the fund's value. The fee includes remuneration to the fund management and the costs for regulatory oversight and auditors.
- ii. Depositary fees for the fund assets attributable to the unit class. The fee may amount to a maximum of 0.10 per cent per annum of the unit class's share of the fund's value.

The maximum fee that may be taken from the fund under i and ii above is 1.1 per cent per annum of the unit class's share of the fund's value.

§ 11.2 Fees for unit class SEK C and EUR C

Fees shall be paid to the management company and the depositary as follows:

- i. The management company is paid in the form of a fixed fee. The maximum fee is 0.5 per cent per annum of the unit class's share of the fund's value. The fee includes remuneration to the management of the fund, with the exception of such compensation to distributors referred to in §9.3 above, and costs for regulatory oversight and auditors.
- ii. Depositary fees for the fund assets attributable to the unit class. The fee may amount to a maximum of 0.10 per cent per annum of the unit class's share of the fund's value.

The maximum fee that may be taken from the fund under i and ii above is 0.6 per cent per annum of the unit class's share of the fund's value.

§ 11.3 Brokerage fees etc.

Brokerage fees, as well taxes, are charged to the fund when the fund buys and sells financial instruments.

§ 12 Dividends

As a general rule, the fund does not distribute dividends. However, the management company can decide on distributing dividends to unitholders if, in the management company's opinion, it is necessary to take advantage of the unitholders' joint interests. Dividends are then distributed on a suitable day and to the extent that is considered appropriate. For the dividends accruing in a fund unit, the management company will, following any deductions for withholding tax, purchase new shares on behalf of unitholders who are registered to receive fund units on the day set aside for this purpose. The dividend on behalf of a unitholder – following any tax deductions – will instead be paid to the unitholder. Such a request must be carried out on the day determined by the management company, if not before.

§ 13 The fund's financial year

The fund's financial year is a calendar year.

§ 14 Half-year report and annual report, changes to the fund rules

The management company must prepare annual reports and half-yearly reports. On request, the documents shall be sent free of charge to the unitholders and be made available at the management company and

depositary, at the latest by four months following the end of the financial year (annual report); and two months following the middle of the year (half-yearly report).

Changes to the fund rules may only be made through a decision from the management company board and must be passed to the Swedish Financial Supervisory Authority for approval. Once the change is approved, the decision shall be made available at the management company and depositary and announced in a manner indicated by the Swedish Financial Supervisory Authority.

§ 15 Pledging of fund units

Unitholders may pledge their units in the fund, unless the fund unitholder is an insurance company that invested the insurance premiums on behalf of the policyholders in accordance with the Swedish Insurance Business Act (2010:2043) or a pension saving institution that invested the pension funds on behalf of the policyholders in accordance with the Swedish Act on Individual Pension Savings (1993:931).

When pledging, the unitholder or their representative and/or the pledgee must inform the management company in writing accordingly. The notification must include:

- the name of the fund unitholder,
- the name of the pledgee,
- which fund units are included in the pledge, and
- any limitations in the scope of the pledge.

The management company shall sign the pledge in the fund unitholder register and inform the fund unitholder in writing of the pledge registration. The pledge shall cease when the pledgee informs the management company in writing. The management company has the right to claim remuneration from the unitholders for the registration. This fee is a maximum of SEK 500.

§ 16 Limitation of liability

§ 16.1 Limitation of the management company's liability

Without deviating from the provisions of Chapter 2, §21 of the Swedish Investment Funds Act, the following applies regarding the management company's liabilities:

The management company is not liable for damages due to Swedish or foreign legal statutes, measures taken by Swedish or foreign authorities, event of war, strike, blockade, boycott, lockout, interruptions in data communications or other similar circumstances. The reservation concerning strike, blockade, boycott and lockout applies even if the management company is subject to or itself undertakes such a conflict.

Losses incurred in other cases shall not be compensated for by the management company if normal caution has been observed. The management company is in no case liable for indirect or consequential damages.

The management company is not liable for damages caused by the depositary. Nor shall the management company be liable for damages caused by unitholders or others that violate the law, ordinances, regulation or these fund rules. In this regard, unitholders are informed that they are responsible for documents submitted to the management company are correct and duly signed and that the management company is informed of changes in the information provided.

The management company is not liable for damages caused by - Swedish or foreign - stock exchanges or other marketplaces, custodian bank, central securities depository, clearing, or others providing similar services, including a contractor hired with due care by the management company or depositary. The same applies to

damages caused by the insolvency of the above-mentioned organizations or contractors. The management company also is not liable for any damages arising from disposal restrictions that may be applied to the management company or depositary in respect of financial instruments.

In the event the management company is prevented from taking measures, fully or in part, due to circumstances mentioned above, the measures may be postponed until the obstacle has ceased. If, as result of such circumstances, the management company is prevented from executing or receiving payment, the management company or unitholder shall not be liable to pay interest on late payment. Corresponding exemption from the obligation to pay interest on late payment applies even if the management company temporarily defers the date of purchase or redemption of fund units pursuant to §10.

§ 16.2 Limitation of the depositary's liability

Without deviating from the provisions of Chapter 3 14–16 §§ of the Swedish Investment Funds Act, the following applies regarding the depositary's liabilities:

In the event that the depositary has lost financial instruments deposited with the depositary, the depositary shall without undue delay return financial instruments of the same kind or issue an amount of equivalent value to the management company on behalf of the fund. However, the depositary is not liable for the loss of financial instruments caused by an external event outside the depositary's reasonable control, and whose consequences were impossible to avoid even though all reasonable efforts have been made, such as damage caused by Swedish or foreign legal statutes, measures taken by Swedish or foreign authorities, event of war, strike, blockade, boycott, lockout, interruptions in data communications or other similar circumstances. The reservation concerning strike, blockade, boycott and lockout applies even if the depositary is subject to or itself undertakes such a conflict.

The depositary is not liable for any damages other than the damages referred to in the first paragraph, unless the depositary intentionally or negligently caused such other damage. The depositary is not responsible for such other damages if the circumstances mentioned in the first paragraph are present.

The depositary shall not be liable for damages caused by a - Swedish or foreign – stock exchange or other marketplace, registrar, clearing organization or other provider of equivalent services, nor for - other than those mentioned in the first paragraph - damages caused by the depositary or other contractors with whom the depositary with due skill, care and diligence hired and regularly supervised or that is designated by the management company. The depositary is not responsible for damages caused by the insolvency of the said organizations or contractors. However, a contract for the custody of assets and ownership controls does not limit the depositary of its liabilities for losses and other damages under the Swedish Investment Funds Act.

The depositary is not liable for damages arising from the management company, unitholders of the fund, the fund or others in the event of disposal restrictions which may apply to the depositary regarding financial instruments. The depositary is in no case responsible for indirect damages. If the depositary is prevented, fully or in part, from execution of this agreement due to circumstances referred to in the first paragraph, the action may be postponed until the obstacle has ceased. In case of deferred payment, the depositary shall not pay interest on late payment. If interest is paid, the depositary shall pay interest at the interest rate applicable on the due date. If, as result of the circumstance referred to in the first paragraph, the depositary is prevented from receiving payment for the fund, the depositary has the right to interest payments for the period during which the issue hindered payment only under the terms of the due date.

§ 17 Permitted investors

The fact that the fund is aimed at the general public does not mean that it is intended for those investors whose sale of units in the fund or other participation in the fund is in conflict with the provisions of Swedish or foreign laws or regulations. Neither is the fund aimed at such investors whose sale or possession of units in the fund would mean that the fund or the management company is obliged/required to take registration action or other measures that they would not otherwise be obliged/required to take. The management company has the right to refuse sale to such investors as referred to above in this paragraph.

The management company may redeem the holder's units in the fund – to the unitholder's contestation – if it appears that the unitholder has subscribed for units in violation of the provisions of Swedish or foreign law or regulations; or that if, due to the unitholder's sales or holdings in the fund, the management company is forced to undertake registration measures or other measures for the fund or management company, which the fund or management company would not be required/obliged to take, if the unitholder did not hold units in the fund.

Redemption as per the preceding paragraph shall be enforced immediately. The provision for payment of redemption amounts in § 9 above shall remain applicable even in the case of redemption in accordance with § 17.

The fund rules were adopted by the Board of the Management Company 17 October 2018.