

*This is a translation of the original Finnish document. If there are any discrepancies between this translation and the original Finnish document, the Finnish document shall prevail.*

These rules were furnished to the Finnish Financial Supervisory Authority for information purposes and they became effective on 20.2.2023.

### **Section 1 Name of Fund and Applicable Legal Provisions**

The name of the common fund is Erikoissijoitusrahasto Asilo Argo in Finnish, Specialplaceringsfond Asilo Argo in Swedish and Asilo Argo (non-UCITS ) in English (hereinafter, the "Fund").

The Fund is a special investment fund referred to under the Finnish Act on Common Funds, (213/2019, hereinafter, the "Common Funds Act") and the Finnish Act on Alternative Investment Fund Managers (162/2014, hereinafter, the "Alternative Investment Funds Act"). The Fund deviates from a regular common fund under the Common Funds Act in terms of investing and diversifying its assets, as well as the prerequisites concerning the publication of the value of the fund unit as well as subscription and redemption times.

### **Section 2 Management Company**

The Fund is managed by UB Fund Management Company Ltd (hereinafter, the "Management Company"). The Management Company represents the Fund in its own name, acts on its behalf in matters pertaining to the Fund and exercises rights associated with the assets of the Fund.

### **Section 3 Outsourcing of Functions**

The Management Company may outsource its functions to agents. The Fund Prospectus contains details of the functions for which the Fund has retained agents from time to time.

### **Section 4 Custodian**

The custodian of the Fund is Skandinaviska Enskilda Banken AB (publ), Helsinki Branch (hereinafter, the "Custodian"). The Custodian may retain entities specialised in custody service operations supervised by the Finnish Financial Supervisory Authority or a comparable foreign authority to assist it with carrying out its tasks. The Custodian is responsible for its operations as stipulated in the Common Funds Act.

### **Section 5 Investing the Fund's Assets and Objective of the Fund**

The Fund is an international equity fund. The long-term objective of the Fund's investment activities is to exceed the average return of the international stock market. The Fund promotes characteristics related to the environment and the society in accordance with Article 8 of the EU SFDR Regulation (Sustainable Finance Disclosure Regulation). Further information on the ESG criteria is available in the fund prospectus.

Assets of the Fund may be invested in the following investment objects:

1. Shares and equity-linked instruments. These must be traded in public trading on the stock exchange list of a securities exchange or traded in another regulated, recognized market place that operates regularly and is open to the public. The Management Company maintains a list of the market places used by the Fund. The list is available from the Management Company.
2. Money-market instruments traded on a regulated market referred to under the Finnish Act on Trading in Financial Instruments or in a multilateral trading facility within a member state of the European Economic Area, or traded in another, regularly operating, recognised market place open to the public. The money-market instruments may be issued by corporations, states, public entities and other entities.
3. Deposits in credit institutions domiciled in an EEA state, Australia, Japan, Canada, New Zealand, the United States or Switzerland. The deposits must be repayable or withdrawable on demand and must mature no later than within 12 months.

Investment restrictions:

- A) The issuer-specific weighting of the Fund's investments must be no more than 10 % of the Fund's assets.
- B) Item A) notwithstanding, no more than 20 % of the Fund's assets may be invested in the securities of the same issuer so that simultaneously the number of such investments must not exceed two (2) investments. With full equity exposure, the Fund's assets must, therefore, always be invested in the securities of a minimum of eight (8) different issuers.

- C) In calculating the investment restrictions under items A and B, one whole must pursuant to Chapter 1, Section 6 of the Finnish Accounting Act be deemed to include entities belonging to the same corporate group.
- D) The Fund may not invest in derivatives contracts.
- E) The Fund's overall risk is illustrated with equity exposure. The Fund's equity exposure may not exceed 100 % of the Fund's assets.
- F) The Fund must possess the cash funds required by its operations. No more than 50 per cent of the Fund's assets may be invested in deposits received by the one and the same credit institution.

## **Section 6 Fund Unit Register and Fund Units**

The Management Company maintains a register of all fund units and fund unitholders and registers any changes in the fund units.

The Fund has growth units and distribution units. A fund unit entitles to a portion of the Fund's assets divided in proportion to the number of fund units, taking into account the relative values of the fund unit series and fund unit categories. One fund unit is composed of ten thousand (10 000) equal fractions. One fund unit fraction confers a right equivalent to one unit fraction of the Fund's assets and return on its assets.

The Board of Directors of the Management Company may resolve that the Fund has fund unit series deviating from each other in terms of their management fee. The Board of Directors of the Management Company shall resolve upon the level of the management fee for each fund unit series, as well upon the minimum subscription quantities that are required for subscriptions. The fund unit series and their valid management fees and minimum subscription quantities are stated in the Fund Prospectus and in the document entitled "Fund Fees and Minimum Subscriptions" (hereinafter, the "Price List") in force from time to time.

## **Section 7 Subscription and Redemption of Fund Units**

Subscriptions and redemptions of Fund units are executed on the last banking day of each calendar month (subscription and redemption day). Fund units may be subscribed for and redeemed at the Management Company and other subscription venues specified in the Fund Prospectus. Subscription and redemption orders may be submitted on any day, but they shall, however, be executed in accordance with the below rules. Information regarding the values of fund units as well as of the subscription and redemption fees referred to under Section 8 are available to the public at the Management Company and at other subscription venues of the Fund on each day banks in Finland are generally open for business (hereinafter, the "Banking Day"), and every day on the Management Company's website ([www.unitedbankers.fi](http://www.unitedbankers.fi)). The Board of Directors of the Management Company shall resolve upon the minimum quantity or minimum value of units that must be subscribed for or redeemed at any one time.

### Subscription

In conjunction with the subscription, the subscriber must state which unit series they are subscribing for. A subscription order is accepted by the Management Company once due and sufficient information regarding the subscriber and their identity as well as the magnitude of the subscription has been furnished to the Management Company. A subscription order is binding upon the unitholder. A subscription order is payable in conjunction with the subscription, or, with the permission of the Management Company, latest prior to confirming the subscription.

A subscription for Fund units may be executed on the last Banking Day of each calendar month (hereinafter, the "Subscription Day"). Subscription orders must be submitted for the purposes of the subscriptions of each Subscription Day latest by 1 p.m. (Finnish time) on the Subscription Day, in order for same to be effected at the value of the Subscription Day in question. A subscription notice binding upon the unitholder is effected by paying the subscription fee in the Fund's subscription account so that the subscription payment is in the Fund's subscription account latest on the Subscription Day before 1 p.m. In case a subscription order or subscription payment is received after the said time, the subscription shall be carried out at the value of the following Subscription Day. The Board of Directors of the Management Company may resolve to temporarily deviate from the restriction concerning the time for execution of the Fund's subscriptions and execute subscriptions also at other times, provided this is justified in light of the operations of the Fund.

The Management Company has the right to accept or reject an effected subscription or a subscription order. In case the Management Company has not been provided with sufficient information for the carrying out of the subscription, the subscription may be rejected.

The number of fund units being subscribed for is calculated by dividing the subscription payment received by the Management Company, less the subscription fee, by the value of the fund unit. The number of the units subscribed for is calculated at the accuracy of one ten-thousandth (1/10 000) by rounding down the number of units. The remainder is added to the Fund capital.



### Redemption

A fund unitholder is entitled to having their fund units redeemed by the Management Company. The Management Company has the corresponding obligation to redeem the relevant fund unit. In connection with the redemption, the unitholder must hand over any unit certificate issued for the subscription. The redemption takes place from the assets of the Fund.

Fund unit redemptions may be executed on the last Banking Day of each calendar month (hereinafter, the "Redemption Day"). For a redemption order to be carried out at the value of the desired Redemption Day, the redemption order must reach the Management Company latest five (5) Banking Days prior to the relevant Redemption Day. The redemption must take place immediately from the assets of the Fund. In case the assets for the redemption must be obtained by selling property of the Fund, the sale must take place without any undue delay, however, latest within two (2) weeks of the redemption being requested from the Management Company. In this case, the redemption shall be carried out at the value of the fund unit on the day the money from the sale of investment objects is received. For special reasons, the Finnish Financial Supervisory Authority may grant permission to exceed the above deadline.

The assets obtained from the redemption, less the redemption fee, if any, shall be paid out to the fund unitholder's bank account on the Banking Day following the day the redemption was executed.

Redemption orders are carried out in the order they are received and a redemption order may only be retracted upon the Management Company's permission. Nevertheless, the Management Company may resolve that redemptions submitted during the same Redemption Day are to be executed simultaneously and paid out, if necessary, in instalments in proportion to the redemption amounts.

### Swapping

Swapping fund units in this Fund for units in another fund managed by the Management Company may only be effected by redeeming units in this Fund and subscribing for new units in another fund managed by the Management Company with the amount of money received from the redemption. In case a fund unitholder swaps fund units for units in another fund being simultaneously managed by the Management Company, following the same subscription and redemption practices, the Redemption and Subscription Day shall be deemed to be the Banking Day on which the swap orders were received and registered by the Management Company by 1 p.m. (Finnish time). An additional requirement for same is that the fund being redeemed possesses the cash funds necessary for the swap. Otherwise, a swap for another fund managed by the Management Company shall be executed in the same timetable as any normal redemption of owned fund units and subscription for the fund units of another fund.

### General

In Finland, subscriptions and redemptions may be paid in euros and in other countries in which the Fund possesses marketing authorisation, in the currencies mentioned in the Fund Prospectus.

### **Section 8 Fees for Orders Pertaining to Fund Units**

The Management Company charges a fee for the subscription of fund units of no more than two (2) per cent of the subscription amount. The fee chargeable for the redemption of fund units is no more than one (1) per cent of the fund unit value.

The Management Company shall have the right to charge from the fund unitholder the processing fee stated in the Fund Prospectus valid from time to time for the issuance and delivery of a written no-setoff certificate and for the registration of the transfer of title to fund units.

The Board of Directors of the Management Company shall resolve upon the amounts of the subscription, redemption and swapping fees. Details of the applicable fees have been set forth in the Fund Prospectus and price list in force from time to time. With the resolution of the Board of Directors of the Management Company, the redemption fee may be paid to the Fund in part or in full.

### **Section 9 Suspension of Subscriptions and Redemptions, Management Company's Right to Refuse to Carry Out Orders and Management Company's Right to Redeem the Customer's Fund Units**

Upon the resolution of the Board of Directors of the Management Company, the Management Company may on a temporary basis suspend subscriptions for the Fund units, if in the assessment of the Board of Directors of the Management Company the equality of the Fund unitholders or another weighty interest specifically necessitates same. Such reasons may, for instance, comprise the following: 1) it is not expedient from the point of view of the

unitholders already owning units in the Fund to accept additional investments into the Fund, 2) the value calculation of the Fund has been impeded or become increasingly complicated owing to reasons beyond the Management Company's control, or 3) there is an exceptional event disrupting the functioning of the financial market.

Upon the resolution of the Board of Directors of the Management Company, the Management Company may on a temporary basis suspend redemptions of the Fund units, if in the assessment of the Board of Directors of the Management Company the equality of the Fund unitholders or another weighty interest specifically necessitates same. Such reasons may, for instance, comprise the following: 1) the value calculation of the Fund has been impeded or become increasingly complicated owing to reasons beyond the Management Company's control, or 2) there is an exceptional event disrupting the functioning of the financial market.

Upon the resolution of the Board of Directors of the Management Company, the Management Company shall have the right to redeem the fund units of an individual fund unitholder without a redemption order submitted by the fund unitholder or without the fund unitholder's consent owing to a weighty cause pertaining to the fund unitholder (e.g. being placed on an international sanctions list and actions in violation of the sanctions would be likely to cause considerable detriment to the operations of the Management Company).

### **Section 10 Calculation of the Value of the Fund**

The value of the Fund (Net Asset Value, "NAV") is calculated and published on each Banking Day (hereinafter, the "Value Calculation Day"). The value of the Fund is calculated by deducting the Fund's liabilities from the assets of the Fund. In Finland, the value of the Fund is denominated in euros. In other countries where the Fund possesses marketing authorisation, currencies stated in the Fund Prospectus are utilised. In the calculation of such foreign currency-denominated values, the same exchange rates are applied as when calculating the value of the Fund's assets.

The Fund's investment objects traded on a securities exchange, are valued at their market value, which is the latest rate available at the relevant marketplace on the Value Calculation Day, unless otherwise provided below.

Money market instruments are valued at the market value corresponding to the residual maturity, adjusted with the security-specific risk surcharge, or at the last available fair market value on the Value Calculation Day, which as a rule is the average of the buy and sale quotations or the closing rate obtained from a public price monitoring system or other reliable source at the said time.

The Fund's deposits and other receivables as well as debts are valued taking into account their principal and the interest accrued by the Value Calculation Day.

The values of the Fund's foreign currency-denominated assets and liabilities are converted into euros using the last available foreign exchange rates of the public price monitoring system on the Value Calculation Day.

In case no reliable market value is available for an investment object, the investment object shall be valued in accordance with the objective principles affirmed by the Board of Directors of the Management Company.

### **Section 11 Calculation of the Value of the Fund Unit**

The Management Company shall calculate the value of the Fund Unit for each Value Calculation Day. The Management Company shall publish the fund unit value latest on the next Banking Day following the Value Calculation Day. The value of the fund unit is quoted in euros. The value of each fund unit is the Net Asset Value ("NAV") of the said fund unit series divided by the number of issued fund units of the said fund unit series. The value of the fund unit is calculated at the accuracy of four (4) decimal places.

Information regarding the value of the fund unit is available from the Management Company and the Management Company's website.

### **Section 12 Remuneration Payable from the Fund's Assets**

#### ***Fixed Management Fee***

The Management Company is paid a fixed management fee out of the assets of the Fund as remuneration for managing the Fund. The Board of Directors of the Management Company shall affirm the exact amount of the fixed management fee, which shall not exceed one and a half (1.5) per cent per annum, calculated from the Fund's assets.

The amount of the fixed management fee is calculated for each fund unit series on each Value Calculation Day in the following manner:

*The number of days since the previous Value Calculation Day, divided by the actual number of days in a calendar year, times the annual fee percentage times the value of the Fund on the Value Calculation Day.*

The fixed management fee is calculated and deducted from the published value of the fund unit daily. The fixed management fee is paid out to the Management Company each calendar month in arrears.

### **Performance-based management fee**

Alongside the fixed management fee, the Management Company charges from the Fund a performance-based management fee amounting to no more than thirty (30) per cent of the profit generated by the Fund in excess of the annual reference yield. The reference yield shall be the return from the MSCI ACWI IMI TRI equity index, converted into euros. For the purposes of calculating the performance-based management fee, the Fund's profit shall be based on the performance of the Fund's units before charging the performance-based management fee, if any.

The reference yield of the Fund is calculated each Value Calculation Day. Also the difference in the return relative to the reference yield is calculated on the daily level. A daily provision is made regarding the potential performance-based management fee in the value calculation of the day in question. The Management Company's right to a performance-based management fee is, however, determined only per calendar month. The performance-based management fee (potential provision) is calculated daily for each unit series as follows:

*Performance-based management fee = fee percentage times (x-y) times z, where*

*x stands for the value of the Fund unit on the Value Calculation Day before charging the performance-based management fee*

*y stands for the value of the reference yield on the Value Calculation Day*

*z stands for the number of fund units on the Value Calculation Day*

The performance-based management fee will be charged to the Fund only if the following conditions are met:

1. the development of the Fund unit must exceed the reference yield accrued since the last Banking Day of the preceding calendar month. The reference yield shall be the value of the Fund unit on the last Banking Day of the preceding calendar month, adjusted with the return of the benchmark index when examined from the last Banking Day of the preceding calendar month;
2. the value of the Fund unit must exceed its previous highest value at which unitholders' subscription and redemption orders could be executed, *i.e.* the Fund follows the so-called High Water Mark principle.

If the previous highest value of the Fund unit at which unitholders' subscription and redemption orders could be executed exceeds the reference yield at the time of calculating the performance-based management fee, the High Water Mark principle set forth under item 2 above shall be applicable. In such circumstances, when comparing the value of the Fund to the value of the reference yield, the previous development of the fund unit is only taken into account to the extent the fund unit value exceeds its previous highest value.

Any performance-based management fee is deducted from the published value of the unit daily. The performance-based management fee is paid to the Management Company retrospectively each calendar month.

### **Custody Fee**

The Custodian is paid a fee out of the Fund's assets as remuneration for retention of the Fund's securities and for the other statutory duties of the Custodian. The amount of the remuneration is determined on the basis of the custodian agreement between the Custodian and Management Company, according to the actualised costs.

The custody fee is deducted from the published value of the fund unit daily. The custody fee is paid out to the Custodian monthly in arrears.

### **Other Fund Expenditure**

In addition, expenditure pertinent to investment activities may be paid out from the assets of the common fund. Such expenditure may include, for instance, transaction fees charged by the Custodian in relation to the clearing of trading attributable to the transfer and/or recording of securities between the registers maintained by different sub-custodians along with the procedural fees charged by foreign sub-custodians pertaining to third party services, as well as banking costs pertinent to the investment activities.



Continuous other expenditure of the Fund known to the Management Company in advance (e.g. costs of investment research) shall be deducted from the published value of the fund unit daily. Occasional variable other Fund expenditure (e.g. banking costs) shall be deducted from the published value of the fund unit pursuant to an invoice monthly in arrears. Such occasional variable other Fund expenditure has not been deducted from the published value of the fund unit on a daily basis. All other expenditure to be deducted from the assets of the Fund shall be paid to the service providers in arrears, against an invoice.

Further information regarding the above-mentioned fees is available from the Fund Prospectus and Price List in force from time to time.

### **Section 13 Profit Distribution of the Fund**

The Annual General Meeting of the Management Company shall decide on the return to be distributed annually to the holders of distribution units. The intention is for the distribution of returns to be consistent. The return distributed on distribution units will be deducted from the capital of the fund calculated for distribution units. No return is distributed on growth units and the value thereof does not change as a result of any return distributed on distribution units.

The return shall be paid to the holder of distribution units recorded in the Management Company's register of fund units on the day determined by the Annual General Meeting of the Management Company (hereinafter, the "Matching Day"). The return will be paid to the bank account notified by the unit holder on the payment day determined by the Annual General Meeting, which shall be no later than within one (1) month from the Matching Day. If the holder of distribution units has not notified the Management Company of a bank account to be used for the payment of the return, any such return, which has not been collected within five (5) years after its original collection date, will be transferred back to the assets of the Fund.

### **Section 14 Financial Periods of the Fund and Management Company**

The financial period of the Fund and of the Management Company is the calendar year.

### **Section 15 Unitholders' Meeting**

A meeting of unitholders must be convened when the Board of Directors of the Management Company considers there to be cause for same, or if the auditor, independent member of the Board of Directors or fund unitholders holding in total no less than one twentieth of all the issued fund units so demand in writing for the purpose of addressing an issue raised by them.

The Management Company is obligated to inform the unitholders in the manner stipulated in Section 15 of any initiative received by it to convene a meeting, as referred to under Chapter 26, Section 9 of the Alternative Investment Funds Act, or of another meeting initiative by a unitholder, in case the unitholder proposing the convening of a meeting does not have the minimum holding mentioned above. For a justified reason, the Management Company may refuse to effect notification to such an effect, if it deems that there are no grounds for convening a meeting. The Management Company must inform the unitholder who proposed the convening of a meeting of its refusal and of the grounds for such a refusal.

### **Section 16 Notice of Unitholders' Meeting and Registering for the Unitholders' Meeting**

A meeting of the unitholders is convened by the Board of Directors of the Management Company. Notice of the unitholders' meeting shall be sent personally either by mail or email or the notice shall be published in at least one (1) national newspaper no earlier than four (4) and no later than two (2) weeks prior to the meeting.

In order to be allowed to attend the meeting, a unitholder must confirm their attendance to the Management Company latest on the registration date mentioned in the notice of meeting, which may be no earlier than five (5) days prior to the meeting.

A unitholder is not entitled to exercise any of the rights conferred upon the unitholder at the meeting before their fund units have been registered, or before they have informed the Management Company of their acquisition and presented evidence of same. The right to attend a meeting of the unitholders and the number of votes at the meeting is determined on the basis of the situation prevailing ten (10) days prior to the meeting.

### **Section 17 Fund Prospectus, Semi-Annual Report and Annual Report**

The Fund Prospectus, Key Investor Information Document ("KIID"), semi-annual report as well as the annual report of the Fund and of the Management Company are published in the manner stipulated in the Common Funds Act. The semi-annual report is published within two (2) months of the end of the review period, and the annual report for the

Fund and Management Company is published within three (3) months of the end of the financial period. The aforementioned documents are available from the Management Company and from the venues mentioned by the Management Company.

### **Section 18 Amendment of Fund Rules**

The Board of Directors of the Management Company shall resolve upon amending the Fund Rules. Amendments to the Fund Rules must be furnished to the Financial Supervisory Authority for information purposes. Amendments to the Fund Rules shall become effective one (1) month from the date when the amendments were brought to the unitholders' attention in the manner set forth under Section 18 below.

Once an amendment to the Rules has become effective, it shall be applicable to all the Fund unitholders. The Board of Directors of the Management Company may in accordance with the legislation governing the Fund resolve upon the winding up, division and merger of the Fund.

### **Section 19 Notices to Fund Unitholders**

The Management Company may deliver notices to the unitholders either by mail or, subject to the Fund unitholders' consent, by email, using the United Bankers Group online service, or by publishing an announcement in a national newspaper. The Fund Management Company may, subject to the Common Funds Act, provide unitholders with notices concerning the Fund also by publishing a notice on United Bankers Plc's website. A notice sent by the Management Company to the address last notified by the unitholder to the Management Company or by e-mail or using the United Bankers Group online service, shall be deemed to have come to the knowledge of the unitholder latest on the fifth (5) day from sending the notice. A notice published in a national newspaper or on the website shall be deemed to have come to the knowledge of the unitholder on the day of publication.

### **Section 20 Disclosure of Information**

The Management Company shall have the right to disclose information concerning the Fund unitholders in accordance with the legislation in force from time to time.

### **Section 21 Governing Law**

The operations of the Management Company and of the Fund shall be governed by the laws of Finland.