

# Swedbank Pension Fund V100 rules

Effective as of 01.01.2022

TRANSLATION FROM ESTONIAN

In case of any discrepancies, between this translation and original Estonian version, the text of Estonian version shall prevail.

## 1. The Fund

**1.1** Swedbank Pension Fund V100 (hereinafter the **Fund**) is a public common investment fund established by Swedbank Investeerimisfondid AS on the 3<sup>rd</sup> of September 2003 for providing voluntary funded pension. The Fund is a voluntary pension fund complying with the terms and conditions provided by the current legislation of the Republic of Estonia (hereinafter the **Legislation**).

**1.2** The registered office of the Fund is at Liivalaia 8, Tallinn 15040, Republic of Estonia.

**1.3** The Fund is a pool of money collected through the public issue of the Fund units (hereinafter the **Units**) and assets acquired through the investment of such money, which jointly belongs to the Fund's unit-holders (hereinafter the **Investors**) and is managed by the Management Company. The Fund is not a legal entity.

**1.4** The financial year of the Fund is from 1 January until 31 December.

**1.5** The Fund is managed by Swedbank Investeerimisfondid AS (hereinafter the **Management Company**), registry code 10194399, registered office at Liivalaia 8, Tallinn 15038, Republic of Estonia.

**1.6** Transactions with the Units of the Fund can be made at the registrar of the Units or via its account managers (hereinafter the **Account Manager**). The contact details of the Intermediaries are provided in the prospectus for public offering of Units (hereinafter the **Prospectus**).

**1.7** The main objective of the activities of the Fund is to provide the Investors with supplementary income after they reach the retirement age in addition to the state pension. The Fund provides the Investors with opportunities to invest money in conformity with the principles provided in these rules (hereinafter the **Rules**) and the Prospectus. The objective of the investments and activities of the Fund is long-term growth of the value of the assets of the Fund.

**1.8** The Management Company does not guarantee the Investors either any rate of return on investments into the Fund or the preservation of the initial investment made by the Investor in the Fund. The past performance or the previous history of the activities of the Fund neither guarantees nor indicates the future performance of the Fund or meeting the goals of the Fund. When investing in the Fund, the Investor accepts that investments in the Fund always involve risk and the investments made in the Fund may result in both profit and loss for the Investor.

## 2. Investment Policy of the Fund

**2.1** The Management Company follows the objective of the investments and activities of the Fund and the restrictions established in the Legislation, the Rules and the Prospectus while investing the assets of the Fund.

**2.2** To achieve the objective of the investments and activities of the Fund, the Management Company may, following the investment restrictions of the Fund, invest the assets of the Fund in bonds, equity, money market instruments, shares and units of investment funds, deposits of credit institutions, derivative instruments, immovables, infrastructure

objects, precious metals and other assets, as well as issue loans on the account of the Fund.

**2.3** The ratio of equity, equity funds and other instruments similar to equity in the Fund is up to 100% of the value of the assets of the Fund. Instruments meeting the conditions specified in the Prospectus are considered as equity, equity funds and other instruments similar to equity. Shares of investment funds that are not equity funds are not considered as equity.

**2.4** When investing the assets of the Fund, the Management Company does not specialise by sectors of economy, regions or countries. Detailed proportions of the type of asset, the type of issuer, the region, country or the branch of economy shall be designated by the Management Company in the course of everyday management of the Fund. The assets of the Fund may be invested into different currencies and the investments of the Fund may be denominated in different currencies.

### 3. Units of the Fund

**3.1** Unit is a registered immaterial security, which reflects the Investor's holding in the assets of the Fund. A Unit may not belong to several persons at the same time. Units may be the joint property of spouses. Units shall be acquired and held by natural persons only and the Management Company and any person who has operated as a Management Company under the procedure provided in the Legislation and the Rules. Transfer or encumbering of the Unit is prohibited.

**3.2** The Fund has one class of Units – E-units. The Unit name is Swedbank Pension Fund V100.

**3.3** Units are divisible. Shares resulting from division of a Unit (fractional units) are rounded to the accuracy of three digits after the decimal point. The rules of rounding are as follows: figures NNN.NNNO to NNN.NNN4 are rounded down to NNN.NNN and figures NNN.NNN5 to NNN.NNN9 are rounded up to NNN.NN(N+1).

**3.4** The share of the Investor in the assets of the Fund is determined by the ratio of the number of the

Units held by him or her to the total number of the Units held by all the Investors. In case of change of the above ratio, the size of the Investor's share changes accordingly.

**3.5** The Units provide the Investors with equal rights on equal grounds (e.g. transaction with Unit made via different person intermediating Unit transactions can constitute a different ground).

**3.6** The Units give the Investor neither the decision-making power nor voting right in conducting transactions with the assets of the Fund. The Fund has no general meetings of the Investors. The Investor has no right to demand termination of the Investors' community or separation of the Investor's share from the assets of the Fund.

**3.7** Pursuant to the Rules and the Legislation, the Investor is entitled:

**3.7.1** to demand that the Management Company redeem the Units held by the Investor in cases and pursuant to the procedure provided by the Rules;

**3.7.2** to make a contribution by the units held by the Investor into a supplementary funded pension insurance contract;

**3.7.3** to agree on a supplementary funded pension to redeem the Units held by the Investor;

**3.7.4** to switch the Units held by the Investor to the units of another voluntary pension fund;

**3.7.5** to bequeath the Units held by the Investor;

**3.7.6** to own a proportional share of the assets and earnings of the Fund arising from the number of Units held by the Investor and receive a proportional share of the assets remaining upon liquidation of the Fund arising from the number of Units held by the Investor;

**3.7.7** to examine (including through an authorized representative) the data concerning the Investor entered into the Unit register and to receive extracts thereof;

**3.7.8** to receive information about the activities of the Fund as stipulated in the Prospectus;

**3.7.9** to act in any other manner provided by the Legislation or the Rules.

**3.8** The Units are registered with the Unit register of the Fund and no material document certifying ownership is issued for the Unit. The rights and obligations arising from the Unit shall be created upon the issue of the Unit to the Investor. The Unit shall be deemed issued as of the making of an entry concerning the respective Unit in the Unit register. The ownership of Units and the rights and obligations of the Investor and Management Company arising from the Units are deemed created as of the making of a respective entry in the Unit register. The ownership of a Unit is certified by an entry in the Unit register.

**3.9** The rights and obligations arising from the Unit shall be terminated upon the redemption of the Unit. The Unit is considered redeemed upon the deletion of the respective Unit from the Unit register. The ownership of Units and the rights and obligations of the Investor and Management Company arising from the Units are deemed terminated upon the deletion of the Unit from the Unit register.

**3.10** While conducting transactions and exercising the rights arising from the Units, the Investor is required to act in good faith and in compliance with the Legislation and the Rules. The purpose of exercising the rights of the Investors cannot be to inflict damage to other Investors, the Management Company, the Fund's depository, the registrar of the Unit register or third parties.

**3.11** Upon determining and publishing the net asset value of the Fund and the net asset value of the Unit, the Management Company proceeds from the principles provided in its internal rules, the Prospectus and the Legislation. The aforementioned internal rules are published as described in the Prospectus. The net asset value of a Unit is equal to the total net asset value of the Fund divided by the number of the Units which have been issued and not redeemed by the moment of calculation, whereby the number of the Units has been adjusted by the Units specified in the sale, purchase and switch orders received, but not yet settled by the Management Company.

**3.12** Units are issued at the Unit subscription price. The Unit subscription price is the net asset value of the Unit, to which the subscription fee may be added. The Unit subscription price is calculated on the basis of the net asset value of the Unit, which is calculated first after the banking day of receipt of the respective order i.e. every calendar day except for Saturday, Sunday and the national holidays of the Republic of Estonia (hereinafter the **Banking Day**) in conformity with terms and conditions provided in the Prospectus. The limit of the Unit subscription fee rate is provided in the Prospectus.

**3.13** The Unit is redeemed for the Unit's redemption price. The Unit's redemption price is the net asset value of the Unit from which the redemption fee may be deducted. The Unit Redemption Price is calculated on the basis of the net asset value of the Unit, which is calculated first after the Banking Day of receipt of the respective order in conformity with the terms and conditions provided in the Prospectus. The limit of the Unit redemption fee rate is provided in the Prospectus.

**3.14** When issuing and redeeming Units, the Management Company has the right to charge the Investors the subscription and redemption fees. The Management Company has the right to change, within the limits set by the Prospectus, or waive charging the subscription and redemption fees at its own discretion. The principles of reducing redemption and subscription fees for the Investors are provided in the Prospectus.

**3.15** In publishing the Unit subscription and redemption price the Management Company proceeds from the principles provided in the Prospectus and the Legislation. The subscription and redemption fees as well as any service fees of the person intermediating Unit transactions are paid by the Investor. The Investor can obtain information about the Intermediary's service fees related to the subscription or redemption of the Units or that may regularly be borne by the investor (i.e. account management fees) from the respective person intermediating Unit transactions.

**3.16** The income received from the investment of the assets of the Fund is not distributed to the Investors,

but is reinvested. The growth or decline of the value of the assets of the Fund achieved in the investment of the assets of the Fund is reflected in the change (growth or decline) of the net asset value of the Fund and the net asset value of the Unit. The Investor's income arises from the growth of the net asset value of the Unit. The Investor becomes liable for taxes on the bases and pursuant to the procedure provided by the legislation. Taxation of the income earned from the Fund is described in the Prospectus.

#### **4. Transactions with the Units of the Fund**

**4.1** The Units are issued by the Management Company. The issue of the Units is public, without limitations as to time and volume. The Units are issued exclusively for money at their subscription price.

**4.2** The Investor can acquire Units by submitting a purchase order through the Account Manager to the registrar of the Units in the prescribed form. To acquire Units, the Investor shall transfer the sum for which the Investor wishes to acquire Units to a subscription account of the registrar of the Units with the payment details specified in the Prospectus. The detailed procedure for submission of a purchase order is established in the Prospectus.

**4.3** By submitting the purchase order, the Investor confirms that the Investor has examined the Rules and the Prospectus to the necessary extent, agrees to them and undertakes to adhere to them.

**4.4** The number of Units to be acquired by the Investor is calculated by dividing the amount received into the assets of the Fund from the Investor on the basis of the purchase order by the subscription price of the Unit on the Banking Day following the day of receipt of the purchase order by the registrar of the Units taking into account the terms and conditions provided in the Prospectus. The resulting number of Units is transferred to the Investor's pension account at a time specified in the Prospectus.

**4.5** More detailed terms and conditions of issuing and acquiring the Units are described in the Prospectus.

**4.6** At the request of the Investor, the Management Company redeems the Units held by the Investor in accordance with the provisions of the Legislation, the Rules and the Prospectus.

**4.7** The Investor can redeem Units by submitting a sales order in the prescribed format to the registrar of the Units or the Account Manager. The detailed procedure for the redemption of Units is described in the Prospectus.

**4.8** On the Banking Day following the day of receipt of the sales order, the number of Units specified in the sales order is multiplied by the Units redemption price, taking into account of the terms and conditions provided in the Prospectus, to calculate the amount that the Investor receives as a result of redemption of the Units. The respective Units are deleted from the Register and from the Investor's pension account simultaneously with making the payment to the Investor.

**4.9** To redeem Units upon entry into an insurance contract for supplementary funded pension, the Investor shall submit an application to the Account Manager in the prescribed form. The redemption price of the Units is the redemption price calculated on the day of receipt of the application by the registrar of the Units taking into account the terms and conditions provided in the Prospectus. The redemption of the Units and transfer of the insurance premium specified in the insurance contract to the bank account of the insurer shall be organised by the registrar of the Units in coordination with the insurer within 15 Banking Days following the submission of the application. No payments shall be made to the investor upon redemption of the Units for entering into an insurance contract for supplementary funded pension.

**4.10** To redeem Units upon agreement of the supplementary funded pension the Investor shall submit an application to the Account Manager in the prescribed form. On the basis of the supplementary funded pension, periodic payments are made to the Investor from the Fund until the end of the supplementary funded pension. The registrar of the Units shall organize the redemption of the Units and the payment. The detailed procedure for the

procedure of the supplementary funded pension is described in the Prospectus.

**4.11** The Investor has the right to exchange the Units only for the units of another voluntary pension fund provided the switch is not prohibited pursuant to the Legislation. No payments are made to the Investor upon the switch of the Units.

**4.12** To switch units, the Investor shall submit a Unit switch application in the prescribed form to the registrar of the Units or the Account Manager. The detailed procedure for the switch of Units and submission of the application is established in the Prospectus.

**4.13** Upon switch of units, the Units shall be redeemed, and the units of another voluntary pension fund shall be issued. As a result of switching the Units, the Investor acquires a corresponding number of the units of another voluntary pension fund for the Redemption Price of the Units taking into account the terms and conditions provided in the Prospectus. Upon exchange of Units, the Investor shall pay the redemption and subscription fee provided for in the Rules and the Prospectus, unless otherwise provided in the Rules or the Prospectus.

**4.14** Upon switching Units, the Investor must take into account possible service fees of the person intermediating Unit transactions that are paid by the Investor. The Investor can obtain information about the service fees from the respective person intermediating Unit transactions.

**4.15** The Management Company has the right to suspend the Unit transaction under terms and conditions stipulated in the Legislation and in the Prospectus.

**4.16** In case of the Investor's death, the successor is entitled to request the transfer of all the Units or any part thereof to the successor's pension account or redemption of the Units. The rules and procedure for the inheriting of Units is described in the Prospectus in further detail.

## 5. Rights and Obligations of the Management Company

**5.1** The activities of the Management Company in management of the Fund are established and shall comply with the Rules and the Legislation.

**5.2** By the declaration of intention made for the acquisition of the Units, the Investor consents to the processing of the Investor's data (including personal data) pursuant to the Swedbank's regulation "Principles of processing Client Data", which is available at the website [www.swedbank.ee](http://www.swedbank.ee), in the branches of the Estonian companies of Swedbank and in the registered office of the Management Company. The persons authorised by the Management Company to process personal data (authorised processors) and their contact details are also available at the above website. The Management Company has the right to send notices and reports about the Fund at any known postal or e-mail address of the Investor.

**5.3** The Management Company has the right to dispose of and possess the assets of the Fund and other rights arising therefrom. In managing the Fund, the Management Company shall conclude transactions in its own name and on behalf of the Investors collectively, i.e. on behalf of the Fund.

**5.4** The Management Company invests the assets of the Fund and performs other duties specified in the Legislation, unless the respective duties have been assigned to third parties through contracts. The Management Company may transfer any and all activities related to the management of the Fund to any third person to the extent and in compliance with the procedure prescribed by the Legislation. The transfer of duties to third persons shall not relieve the Management Company from the liability in connection with management of the Fund.

**5.5** The Management Company has the right to refuse to perform a purchase order if in the opinion of the Management Company it is necessary for the purpose of protecting the interests of the existing Investors of the Fund.

**5.6** Other rights arising from the Legislation also apply to the Management Company.



## 6. Fees and Costs Payable out of the Fund

**6.1** The following fees and costs shall be paid out of the Fund: the management fee payable to the Management Company (hereinafter the **Management Fee**), the fee payable to the Fund's depository for services rendered (hereinafter the **Depository's Charge**) the transfer costs and services fees directly relating to the transactions made on account of the Fund and research costs related to the counterparty of the transaction, costs related to the safekeeping of the assets of the Fund, costs relating to taking loans on account of the Fund (including costs relating to repurchase agreements and reverse repurchase agreements and other securities-borrowing transactions), legal fees related to the Fund (including court expenses), liquidation costs, taxes, levies and interest charges (including negative interest charges relating to deposits and other fixed income investments) related to the Fund's investments, costs of auditing the Fund's reports, costs relating to exercising the rights related to the assets of the Fund.

**6.2** The Management Fee and the Depository's Charge are deducted from the market value of the assets of the Fund on a daily basis and paid no later than on the last day of the month following the accounting month. The Management Fee and the Depository's Charge are calculated on the basis of the following: the actual number of days in the period divided by the actual number of days in the year (actual/actual). More detailed principles regarding calculation of the fees and costs are described in the Prospectus.

**6.3** The fees and costs paid out of the Fund shall not exceed 3% of the annual average market value of the assets of the Fund unless a lower rate is provided by the Legislation. The rate of the Management Fee is established by the Management Company. The Depository's Charge is determined by agreement of the Depository and the Management Company and has VAT added to it at the rate provided by the Legislation.

## 7. Limitation of Liability

**7.1** The Management Company is not liable for the proprietary obligations of the Fund. The Management

Company is not liable for damages to the Fund or the Investor unless it has breached an obligation stipulated in the Management Company's articles of association, the Rules, the Prospectus or documents enacted thereunder. The Management Company is not liable for losses resulting, amongst others, from acts of war, Estonian or foreign legal or political actions, natural disasters, acts of diversion or other force majeure situations that could not have been foreseen or that result in losses that could not have been avoided by acting with ordinary prudence.

**7.2** The depository of the Fund is not liable for damage arising from the loss of securities, the safekeeping of which has been outsourced to a third person, if such loss occurred as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary or when it can prove that all requirements applicable to the outsourcing of safekeeping of assets were fulfilled; when a written agreement between the Fund's depository and such third person explicitly states that the obligations of safekeeping of the securities are outsourced to such a third person and in case of loss of the securities, the Management Company, the Fund or the Fund's depository on behalf of the Management Company or the Fund have the right to raise a claim against such a third person; the depository agreement explicitly allows for the indemnification of the Fund's depository and an objective reason for such indemnification is presented.