



Prospectus

SEB European Equity Small Caps

Undertaking for Collective Investment in Transferable Securities under the Luxembourg law of 17 December 2010 on Undertakings for Collective Investment

March 2015

Important information

It is not permitted to supply information or explanation that differs from the Prospectus or the Management Regulations.

SEB Asset Management S.A. is not liable if and to the extent that such divergent information or explanations are supplied.

Statements made in this Prospectus are based on the law and practice currently in force in the Grand Duchy of Luxembourg and are subject to changes in those laws or practice.

The Prospectus is only valid, when used in connection with the applicable KIID, the Management Regulations and the audited annual report of the Fund, the report date of which must not be older than 16 months. This report should be accompanied by the un-audited semi-annual report of the Fund, if the annual report date is older than eight months.

The distribution of the Prospectus and the offering of the Units may be restricted in certain jurisdictions. It is the responsibility of any persons in possession of this Prospectus and any persons wishing to subscribe to Units pursuant to this Prospectus to inform themselves of, and to observe all applicable laws and regulations of any relevant jurisdictions. Prospective investors should inform themselves as to the legal requirements and consequences of applying for, holding and disposing of Units and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

This Prospectus does not constitute an offer or solicitation to subscribe to the Units by anyone in any country in which such offer or solicitation is unlawful or unauthorized, or to any person to whom it is unlawful to make such offer or solicitation.

The distribution of this Prospectus in certain countries may require it to be translated into languages specified by the regulatory authorities of those countries. Should any inconsistency arise between the translated and the English version of this Prospectus, the English version shall always prevail.

Glossary of terms

The following summary is qualified in its entirety by reference to the more detailed information included elsewhere in this Prospectus.

Base Currency	the currency of denomination of the Fund being the euro (EUR)
Board of Directors	the board of directors of the Management Company
Central Administration	The Bank of New York Mellon (Luxembourg) S.A.
Class / Unit Class	the Management Company may decide to issue separate classes of Units whose assets will be commonly invested but where a specific entry or exit charge structure, minimum investment amount, distribution policy or any other feature may be applied
Collateral Policy	The collateral policy for OTC derivatives & efficient portfolio management techniques for SEB Asset Management S.A.
CSSF	the Luxembourg Financial Supervisory Authority " <i>Commission de Surveillance du Secteur Financier</i> "
Custodian Bank	Skandinaviska Enskilda Banken S.A.
Directive 2009/65/EC	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities
EU	European Union
ESMA	European Securities and Markets Authority, previously the Committee of European Securities Regulators
FATF	Financial Action Task Force
Fund	SEB European Equity Small Caps is organised under the Law as a common fund (<i>FCP – fonds commun de placement</i>).
KIID	key investor information document(s) of the Fund
Law	the Luxembourg law of 17 December 2010 on undertakings for collective investment
Management Company	SEB Asset Management S.A.
Management Regulations	the management regulations of the Fund as amended from time to time
Member State	a member state/states of the EU. The states that are contracting parties to the Agreement creating the European Economic Area other than the Member States of the EU, within the limits set forth by this Agreement and related acts, are considered as equivalent to Member States of the EU.
Mémorial C	Luxembourg official gazette, <i>Mémorial C, Recueil des Sociétés et Associations</i>
NAV – Net Asset Value per Unit	the value per Unit determined in accordance with the relevant provisions described in this Prospectus and the Management Regulations
OECD	Organisation for Economic Cooperation and Development

Prospectus	the currently applicable prospectus of the Fund, as amended and updated from time to time
UCI	Undertaking for collective investment
UCITS	Undertaking for collective investment in transferable securities subject to Directive 2009/65/EC, as further defined in article 2 (2) of the Law
Unitholder	the holder of Units in the Fund
Units	units of the Fund
Value at Risk or VaR	<p>The Value at Risk methodology provides an estimate of the maximum potential loss over a specific time period and at a given confidence level, i.e. probability level. Usually for UCITS, the time period is one (1) month/20 business days and the confidence level is 99%.</p> <p>For example, a VaR estimate of 3% on a 20-days' time period with a 99% confidence level means that, with 99% certainty, the percentage the Fund can expect to lose over the next 20 days' period should be maximum 3%.</p>
Valuation Day	This day is defined as any bank business day in Luxembourg, except 24 December and 31 December ("Bank Business Day").

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The Fund

1. General information

SEB European Equity Small Caps is an open-ended common fund ("FCP" – "*Fonds commun de placement*") registered under Part I of the Law. The Fund qualifies as an Undertaking for Collective Investment in Transferable Securities (UCITS).

The Fund was set up on 30 April 1999 for an undetermined duration.

The money in the Fund is invested by the Management Company, or where applicable, the appointed investment manager, acting in its own name on behalf of the joint account of the Unitholders in securities, money market instruments and other eligible assets (the "Eligible Assets"), based on the principle of risk-spreading.

Unitholders as joint owners have an interest in the assets of the Fund in proportion to the number of Units they hold. All Fund's Units have the same right. In accordance with the Law, a subscription of Units constitutes acceptance of all terms and provisions of the Prospectus and the Management Regulations.

The Management Regulations lastly modified with effect from 11 November 2011, have been deposited with the Luxembourg Trade Register and the relating notice has been published in the *Mémorial C* on 17 November 2011.

2. Involved parties

2.1. Presentation of involved parties

Management Company	SEB Asset Management S.A. 4, rue Peternelchen L-2370 Howald
Board of Directors of the Management Company	
Chairperson	Erika Lundquist Managing Director Skandinaviska Enskilda Banken S.A. Luxembourg
Members	Ralf Ferner Managing Director SEB Asset Management S.A. Luxembourg Elisabeth Scheja Sterner Head of Global Product & Distribution Strategy SEB Wealth Management, Stockholm Marie Winberg Director Business Strategy Retail Banking Skandinaviska Enskilda Banken AB (publ) Stockholm
Conducting officers	Ralf Ferner, Managing Director Matthias Ewald, Deputy Managing Director Loic Guillermet, Deputy Managing Director
Central Administration (including the administrative, registrar and transfer agent function) and Paying Agent in Luxembourg	The Bank of New York Mellon (Luxembourg) S.A. 2-4, rue Eugène Ruppert L-2453 Luxembourg
Investment Manager	Skandinaviska Enskilda Banken Danmark, Bernstoffsgade 50, DK-1577 Copenhagen V
Global Distributor	Skandinaviska Enskilda Banken AB (publ) Kungsträdgårdsgatan 8 SE-106 40 Stockholm

Representatives and paying agents outside Luxembourg	The full list of representatives and paying agents outside Luxembourg can be obtained, free of any charge, at the registered office of the Management Company and on the website www.sebgroup.lu
Custodian Bank	Skandinaviska Enskilda Banken S.A. 4, rue Petermelchen L-2370 Howald
Approved Statutory Auditor of the Fund and the Management Company (hereafter the “Auditor”)	PricewaterhouseCoopers, Société coopérative 2 rue Gerhard Mercator L-2182 Luxembourg

2.2. Description of involved parties

2.2.1. The Management Company

The Management Company, SEB Asset Management S.A., was established on 15 July 1988 with subsequent publication of the articles of incorporation in the *Mémorial C* on 16 August 1988. The articles of incorporation were amended for the last time on 6 March 2013 with subsequent publication on 9 April 2013 in the *Mémorial C*.

The Management Company is governed by Chapter 15 of the Law and performs the duties necessary to manage and administer the Fund as required by Law.

Its subscribed and paid-in capital is EUR 2,000,000.

The Management Company may, under its own responsibility, control and coordination, transfer some of its tasks to third parties for the purpose of efficient management.

2.2.2. The Central Administration

The Management Company has delegated the Central Administration, including the administrative, registrar and transfer agent functions - under its continued responsibility and control – at its own expenses to The Bank of New York Mellon (Luxembourg) S.A., 2-4, rue Eugène Ruppert, L-2453 Luxembourg.

This company was incorporated in Luxembourg as a “société anonyme” on 15 December 1998 and is an indirect wholly-owned subsidiary of The Bank of New York Mellon Corporation. It is registered with the Luxembourg Trade and Companies’ Register under Corporate Identity Number B 67°654 (the “Administrative Agent” or “Registrar and Transfer Agent”).

In the capacity of Administrative Agent, it will carry out certain administrative duties related to the administration of the Fund, including the calculation of the NAV of the Units and the provision of accounting services to the Fund.

In the capacity of Registrar and Transfer Agent it will process all subscriptions, redemptions and transfers of Units and will register these transactions in the Unitholders’ register of the Fund.

The Bank of New York Mellon (Luxembourg) S.A. may, subject to the approval of the Board of Directors of the Management Company and the subsequent update of the Prospectus, as required, sub-delegate parts of its functions to entities all in accordance with Luxembourg laws and regulations.

2.2.3. The Investment Manager

The Management Company has delegated the investment management function to Skandinaviska Enskilda Banken Danmark, a branch of Skandinaviska Enskilda Banken AB (publ), Sverige, supervised by Finansinspektionen, the Swedish Financial Authority.

The Investment Manager implements the investment policy, makes investment decisions and continuously adapts them to market developments as appropriate.

The Investment Manager may, for its part, in agreement with the Management Company and subject to prior approval by the supervisory authority, at its own expense and under its own responsibility, entrust sub-managers wholly or in part with the management of this Fund.

2.2.4. The Global Distributor

Skandinaviska Enskilda Banken AB (publ) has been appointed Global Distributor by the Management Company.

2.2.5. The Custodian Bank

The Custodian Bank is Skandinaviska Enskilda Banken S.A. The Custodian Bank holds the assets of the Fund and discharges all other obligations imposed on the Custodian Bank pursuant to Law.

3. Investment objective and policy

The main objective of the investment policy of the Fund is to achieve high long-term capital appreciation.

The net assets are invested primarily in securities in accordance with the principle of risk diversification, with investments being made primarily in shares, share certificates, convertible bonds and other equity-like securities. Investment in dividend right certificates and participation certificates of companies is also permitted, provided they are considered securities in accordance with the Law.

The issuers of these investments are primarily European small cap companies. The market capitalization of these companies may not fall below the lowest and/or exceed the highest market value of the companies included in the MSCI Europe Small Cap Net Return Index (a reinvesting index that includes equities of European small cap companies) as measured after the said index rebalancing. The inclusion of small-cap companies which have their registered office in Eastern European countries is possible, up to a maximum of 10% of the Fund's net assets.

10% of the Fund's assets can be invested in companies regardless of their market capitalization.

A portion of the Fund may be invested in regularly traded money market instruments and bonds, as provided for hereafter, including liquid assets. In specific exceptional circumstances, liquid assets may also account for an amount exceeding the net assets of the Fund if and insofar as this is deemed to be in the Unitholders' interests.

Furthermore, the Management Company may use derivative financial instruments, as provided for hereafter, to ensure efficient portfolio management (including carrying out transactions for hedging purposes) and in order to achieve the investment objective. The Fund may under no circumstances deviate from the stipulated investment objectives when making use of derivatives.

The Fund will not invest more than 10% of its net assets in units/shares of other UCITS or UCIs.

3.1. Eligible Assets

The provisions of this section apply only insofar to the Fund as they are compatible with its specific investment policy.

Where a UCITS comprises more than one sub-fund, each sub-fund shall be regarded as a separate UCITS for the purposes of this section.

The Fund may only invest in:

Transferable securities and money market instruments, as defined in the Law

- a) transferable securities and money market instruments admitted to or dealt in on a regulated market within the meaning of the Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments;
- b) transferable securities and money market instruments dealt in on another market in a Member State which is regulated, operates regularly and is recognised and open to the public;
- c) transferable securities and money market instruments admitted to official listing on a stock exchange in a non-Member State of the EU or dealt in on another market in a non-Member State of the EU which is regulated, operates regularly and is recognised and open to the public;
- d) recently issued transferable securities and money market instruments, provided that:
 - the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or on another regulated market which operates regularly and is recognised and open to the public;
 - the admission is secured within one year of issue;

Transferable securities and money market instruments mentioned under c) and d) are listed on a stock exchange or dealt in on a regulated market in North America, Central America, South America, Australia (incl. Oceania), Africa, Asia and/or Europe.

Units of undertakings for collective investment

- e) units of UCITS and/or other UCIs within the meaning of article 1, paragraph (2), points a) and b) of the Directive 2009/65/EC, as may be amended from time to time, whether or not established in a Member State, provided that:
 - such other UCIs are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured;
 - the level of protection for unitholders in the other UCIs is equivalent to that provided for unitholders in a UCITS, and, in particular, that the rules on asset segregation, borrowing, lending and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the Directive 2009/65/EC;
 - the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
 - no more than 10% of the net assets of the UCITS or the other UCIs, whose acquisition is contemplated, can, according to their management regulations or instruments of incorporation, be invested in aggregate in units of other UCITS or other UCIs;

Deposits with a credit institution

- f) deposits with a credit institution which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in a third country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;

Financial derivative instruments

g) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market mentioned above in sub-paragraphs a), b) and c), and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:

- the underlying consists of instruments described in sub-paragraphs a) to h), financial indices, interest rates, foreign exchange rates or currencies, in which the Fund may invest, in accordance with the investment objectives;
- the counterparties to OTC derivative transactions are institutions subject to prudential supervision and belonging to the categories approved by the CSSF; and
- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative.

Where the financial derivative instrument is cash-settled automatically or at the Fund's discretion, the Fund will be allowed not to hold the specific underlying instrument as cover. Acceptable cover are described under Section 3.5.below.

The Fund might engage in index related contracts to gain quick and cost-efficient exposure to underlying markets under the condition that the underlying indices for these investments are publicly available, transparent and governed by pre-determined rules and objectives, all in accordance with the ESMA guidelines on ETFs and other UCITS issues (ESMA/2012/832).

Within the limits under g) here above, the Fund may make use of all financial derivative instruments authorised by the Law and/or by circulars issued by the CSSF.

Total Return swaps

The Fund does not intend to use total return swaps

Money market instruments other than those dealt in on a regulated market

h) money market instruments other than those dealt in on a regulated market and which fall under article 1 of the Law, if the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that these investments are:

- issued or guaranteed by a central, regional or local authority, a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, a non Member-State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
- issued by an undertaking any securities of which are dealt in on regulated markets referred to in sub-paragraphs a), b) or c) or
- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law, or
- issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed

companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

The Fund may hold cash and cash equivalent on an ancillary basis, in order to maintain liquidity, all in the best interest of the Unitholders.

In addition, the Fund's assets may be invested in all other Eligible Assets within the scope of legal possibilities and the provisions laid down in the Management Regulations.

However, the Fund shall not invest more than 10% of its net assets in transferable securities or money market instruments other than those referred to under this section above.

3.2. Investment restrictions applicable to Eligible Assets

Transferable securities and money market instruments as defined in the Law

- 1) The Fund may invest no more than 10% of its net assets in transferable securities or money market instruments issued by the same body.
- 2) Moreover, the total value of the transferable securities and money market instruments held by the Fund in the issuing bodies in each of which it invests more than 5% of its net assets, shall not exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in point 1), point 8) and point 9) the Fund shall not combine, where this would lead to investing more than 20% of its net assets in a single body, any of the following:

- investments in transferable securities or money market instruments issued by that body,
- deposits made with that body, or
- exposures arising from OTC derivative transactions undertaken with that body

- 3) The limit of 10% laid down in point 1) may be raised to a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State, by its public local authorities, by a non-Member State or by public international bodies of which one or more Member States belong.
- 4) The limit of 10% laid down in point 1) may be raised to a maximum of 25% for certain bonds where they are issued by a credit institution whose registered office is situated in a Member State and which is subject by law to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of those bonds must be invested, in conformity with the law, in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

If the Fund invests more than 5% of its net assets in the bonds referred to in this point and issued by a single issuer, the total value of such investments may not exceed 80% of the value of the net assets of the Fund.

The transferable securities and money market instruments referred to in points 3) and 4) are not included in the calculation of the limit of 40% stated above in point 2).

The limits set out in points 1), 2) 3) and 4) shall not be combined; thus investments in transferable securities or money market instruments issued by the same body or in deposits or derivative instruments made with this body carried out in accordance with points 1), 2), 3) and 4) shall not exceed in total 35% of the net assets of the Fund.

5) Notwithstanding the above limits, the Fund may invest, in accordance with the principle of risk-spreading, up to 100% of its net assets in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, by a member state of the OECD or public international body to which one or more Member States of the EU belong, provided that (i) such securities and money market instruments are part of at least six (6) different issues and (ii) the securities and money market instruments from any single issue do not account for more than 30% of the total net assets of the Fund.

6) Without prejudice to the limits laid down here below the limits of 10% laid down in point 1) above is raised to maximum 20% for investment in units and/or debt securities issued by the same body when the aim of the investment policy of the Fund is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF, on the following basis:

- the composition of the index is sufficiently diversified;
- the index represents an adequate benchmark for the market to which it refers;
- the index is published in an appropriate manner.

This limit of 20% is raised to 35% where that proves to be justified by exceptional market conditions, in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

Securities mentioned in point 6) need not to be included in the calculation of the 40% limit mentioned in point 2).

Units of undertakings for collective investment

7) The Fund may acquire units of UCITS and/or other UCIs referred to under 3.1 e), provided that no more than 20% of its net assets are invested in the units of a single UCITS or other UCI.

For the purpose of applying this investment limit, each UCITS or UCI with multiple sub-funds shall be considered as a separate issuer, provided that the principle of segregation of the obligations of the different sub-funds is ensured in relation to third parties.

Investments in units of UCIs other than UCITS may not exceed, in aggregate, 30% of the net assets of the Fund.

When the Fund has acquired units of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in this section 3.2.

When the Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge entry or exit charges on account of the Fund's investment in the units of such other UCITS and/or other UCIs.

Deposits with credit institutions

8) The Fund may not invest more than 20% of its net assets in deposits made with the same body.

Financial derivative instruments

9) The risk exposure to a counterparty of the Fund in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution as mentioned here before, or 5% of its net assets in the other cases.

The Fund shall ensure that its global exposure relating to derivative instruments does not exceed the total net asset value of its portfolio.

The risk exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

The global exposure to the underlying assets shall not exceed in aggregate the investment limits laid down under Article 43 of the Law.

The underlying assets of index based financial derivative instruments are not combined to the investment limits laid down under the points mentioned here before under the condition that the index complies with the criteria which are explained more in detail in the Article 4) of the Management Regulations. When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the restrictions in this section.

Maximum exposure to a single body

10) The Fund may not combine:

- i) investments in transferable securities or money market instruments issued by a single body and subject to the 10% limit by body mentioned in point 1), and/or
- ii) deposits made with a single body and subject to the 20% limit mentioned in point 8), and/or
- iii) a risk exposure to a counterparty of the Fund in an OTC derivative transactions undertaken with a single body and subject to the 10% or 5% limits by body mentioned in point 9) in excess of 20% of its net assets.

The Fund may not combine:

- i) investments in transferable securities or money market instruments issued by the same body and subject to the 35% limit by body mentioned under point 3) above, and/or
- ii) investments in certain debt securities issued by the same body and subject to the 25% limit by body mentioned in point 4), and/or
- iii) deposits made with the same body and subject to the 20% limit mentioned in point 8), and/or
- iv) a risk exposure to a counterparty of the Fund in an OTC derivative transactions with the same body and subject to the 10% or 5% limits by body mentioned in point 9) in excess of 35% of its net assets.

Eligible Assets issued by the same group

11) Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with the Directive 83/349/EEC or in accordance with recognised international accounting rules are regarded as a single body for the purpose of calculating the limits described under the Article 43 of the Law.

12) The Fund may cumulatively invest up to 20% of its net assets in transferable securities and money market instruments within the same group.

Acquisition limits by issuer of Eligible Assets

13) The Management Company acting in connection with all the common funds it manages and which fall within the scope of Part I of the Law or of Directive 2009/65/EC, may not acquire any units carrying voting rights, which would enable it to exercise significant influence over the management of an issuing body.

The Fund may not acquire:

- i) more than 10% of the non-voting units of the same issuer;

- ii) more than 10% of the debt securities of the same issuer;
- iii) more than 10% of the money market instruments of any single issuer;
- iv) more than 25% of the units of a same UCITS or other UCI.

The limits laid down in the second, third and fourth indents above may be disregarded at the time of acquisition if at that time the gross amount of debt securities or of money market instruments, or of UCITS/UCIs or the net amount of the securities in issue, cannot be calculated.

The ceilings as set forth above are waived in respect of:

- a) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
- b) transferable securities and money market instruments issued or guaranteed by a non-Member State of the EU;
- c) transferable securities and money market instruments issued by public international bodies of which one or more Member States of the EU are members;
- d) shares held by the Fund in the capital of a company incorporated in a non-Member State of the EU which invests its assets mainly in the securities of issuing bodies having their registered office in that State, where under the legislation of that State, such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State. This derogation, however, shall apply only if in its investment policy the company from the non-Member State of the EU complies with the limits laid down in Articles 43 and 46 of the Law and Article 48, paragraphs 1) and 2) of the Law. Where the limits set in Articles 43 and 46 of the Law are exceeded, Article 49 of the Law shall apply mutatis mutandis.

If the limits referred to under this section 3.2. are exceeded for reasons beyond the control of the Management Company or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Unitholders.

The Management Company may from time to time, upon approval by the Custodian Bank, impose further investment restrictions in order to meet the requirements in such countries, where the Units are distributed or will be distributed.

3.3. Unauthorized investments

The Fund may not:

- i) acquire either precious metals or certificates representing them;
- ii) carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in Article 41 § 1 sub-paragraphs e), g) and h) of the Law; provided that this restriction shall not prevent the Fund from making deposits or carrying out other accounts in connection with financial derivative instruments, permitted within the limits referred to above;
- iii) grant loans or act as a guarantor on behalf of third parties, provided that for the purpose of this restriction (i) the acquisition of transferable securities, money market instruments or other financial instruments which are not fully paid and (ii) the permitted lending of portfolio securities shall be deemed not to constitute the making of a loan;
- iv) borrow amounts in excess of 10% of its total net assets. Any borrowing is to be effected only as a temporary measure. However, it may acquire foreign currency by means of a back-to-back loan.

3.4. Efficient portfolio management techniques

Securities lending, sale with right of repurchase transactions as well as repurchase and reverse repurchase agreements may be used by any Sub-Fund for the purpose of generating additional income or for reducing costs or risk, to the maximum extent allowed by and within the limits set forth in

- (i) article 11 of the Grand Ducal regulation of 8 February 2008 relating to certain definitions of the Luxembourg Law,
- (ii) CSSF Circular 08/356 relating to the rules applicable to UCIs when they use certain techniques and instruments relating to transferable securities and money market instruments, as amended from time to time
- (iii) ESMA guidelines on ETFs and other UCITS issues (ESMA/2012/832).in particular with respect to the obligation for the Fund, as the case may be, to be able at any time to recall:
 - any security that has been lent out or terminate any securities lending agreement into which it has entered, and/or
 - the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis, and/or
 - any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered and
- (iv) any other applicable laws, regulations or CSSF circulars.

All the revenues arising from efficient portfolio management techniques, net of external direct costs (such as fees paid to the securities lending agent) and indirect operational costs, are returned to the Fund.

When using these efficient portfolio management techniques, the Fund will at any time comply with the collateral management policy as described under Section 3.5. below.

Within the limits of a standardised securities lending system, up to 50% of the transferable securities contained in the Fund can be lent for a period of maximum 30 days. The conditions are that (1) this securities lending system is organised by a recognised securities clearing institution or by a highly rated financial institution which specialises in that type of transactions and (2) that the Fund has the right to terminate the securities lending contract at any time and to demand the return of the lent securities.

The exercise of securities lending transactions is centralized in the SEB Group within a specialized securities lending desk at SEB AB. The transactions are carried out on the basis of a written agreement between the management company and SEB AB. As intra-group agreement the conditions applied have to be at market conditions following

the SEB Group Instruction for Handling of Conflicts of Interest. Adherence to that policy is controlled by independent internal control by Group Compliance and Group Internal Audit in order to avoid transactions to the disadvantage of the investor in the Fund.

3.5. Collateral management

While engaging into OTC financial derivatives and efficient portfolio management techniques, the Fund shall, at all times, comply with the Management Company's collateral policy, all in accordance with CSSF Circular 08/356 and the ESMA guidelines on ETFs and other UCITS issues (ESMA/2012/832).

Eligible collateral mainly consists in the following assets:

- liquid assets, cash and short term bank certificates and money market instruments such as defined within Directive 2007/16/EC. A letter of credit or a guarantee at first-demand given by a first class credit institution not affiliated to the counterparty is considered as equivalent to liquid assets.
- bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope;
- shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;
- debt instruments with an external rating at least equivalent to investment grade (i.e. at least BBB- rating by S&P); or
- shares or convertible bonds admitted to or dealt in on a regulated market, on the condition that these shares are included in a main index.

Any collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation.

These eligible assets are defined in the Collateral Policy. An appropriate haircut is assigned to each asset type depending on the quality and the volatility of the asset, to ensure that the counterparty exposure is properly collateralized, taking into account the potential risk of fluctuation in the market value of the collateral as follows:

Type of assets	Haircut
Equity	5 to 20%
Shares or units of UCIs	1 to 20%
Government bonds	0-10%
Corporate bonds	2-20%
Convertible bonds	2-20%

Money market instruments	1-5%
Cash in base currency	0%
Cash in another currency	0-6%

The Management Company reserves the right to review and amend the above eligible assets for collateral and/or haircuts at any time when the market conditions have changed and when and if this is deemed in the best interest of the Fund.

The Management Company's collateral policy provides that cash collateral received cannot be re-invested.

Non cash collateral received is not sold, re-invested/re-used or pledged and its market value, after applied haircuts, is at least 100% of the counterparty exposure value. The Fund is capable of enforcing the collateral at any time without reference to or approval from the counterparty.

4. Information on risk

4.1. General information

An investment in Units of the Fund entails risks. The risks may include or be associated with market risks, interest rate, credit, foreign exchange and volatility risks as well as political risks. All of these risks may also appear in conjunction with other risks. Some of these risk factors are briefly discussed below. Potential investors should have experience in investing in instruments in line with the proposed investment policy. Investors should be clear about the risks associated with an investment in Units of the Fund, and should only make an investment decision after detailed consultation with their legal, tax and financial advisors, accountants or other advisors about (a) the suitability of an investment in the Units in consideration of their personal financial or tax situation and other circumstances, (b) the information contained in this Prospectus, (c) the investment policy of the Fund.

Investors should bear in mind that while investments in a fund may increase in value they also carry risks. Units of the Fund are securities whose value is determined by the fluctuations in price of the assets it contains. The value of the Units may increase or decrease in value in relation to the purchase price.

Therefore, no guarantee can be given that the objectives of the investment policy will be achieved.

Investors should have a clear picture of the Fund, of the risks involved in investing in Units and they should not make a decision to invest until they have obtained financial and tax expert advice.

Investors assume the risk of receiving a lesser amount than they originally invested.

4.2. Risk factors

Counterparty and settlement risk

When the Fund conducts over-the-counter (OTC) transactions, it may be exposed to risks relating to the credit standing of its counterparties and to their ability to fulfil the conditions of the contracts it enters into with them. Therefore, while entering into forwards, options and swap transactions or using other derivative instruments, the Fund will be subject to the risk of a counterparty which might not fulfil its obligations under a particular contract.

Settlement risk is the risk that a settlement in a transfer system may not take place as expected.

Credit risk

The creditworthiness (solvency and willingness to pay) of an issuer of a security held by the Fund may change substantially over time. Debt instruments involve a credit risk with regard to the issuers, for which the issuers' credit rating can be used as a benchmark. Bonds or debt instruments floated by issuers with a lower rating are generally viewed as securities with a higher credit risk and greater risk of default on the part of the issuers than those instruments that are floated by issuers with a better rating. If an issuer of bonds or debt instruments gets into financial or economic difficulties, this can affect the value of the bonds or debt instruments (this value could drop to zero) and the payments made on the basis of these bonds or debt instruments (these payments could drop to zero).

Currency risk

The Fund invests in securities that are issued in currencies other than the Base Currency of the Fund. As a result the Fund is subject to currency risk, which arises from changes in the exchange rates.

Any depreciation of the foreign currency against the Base Currency of the Fund would cause the value of the assets denominated in the foreign currency to fall.

Derivatives

The Fund may use derivatives, which are financial instruments whose value depends on the value of an underlying asset. Small price changes in the underlying asset can result in large price changes of the derivative.

“Derivatives” is a generic name for instruments getting their return from underlying assets. The instruments are agreements on the purchase or sale of the underlying assets on a future date at a pre-set price. The return of the agreement depends on the return of the underlying asset. Common derivatives are futures, options and swaps.

Specific risks associated with derivatives

- a) Derivatives are time limited and will expire.
- b) The low margin amount required to establish a derivative position permits a high degree of leverage. As a result, a relatively small movement in the price of a futures contract or a swap may result in a profit or a loss which is high in proportion to the amount of assets actually placed as margin (collateral) and may result in losses exceeding any margin deposited.

Interest rates

Investors should be aware that an investment in Units may be associated with interest rate risks which may arise due to fluctuations in interest rates in the currency of the securities of the Fund.

If the market interest rate increases, the value of the interest-bearing securities held by the Fund may drop significantly. This applies to a greater extent if the Fund also holds interest-bearing securities with a longer residual term to maturity and a lower nominal interest return.

Liquidity risk

Liquidity risks arise when a particular security is difficult to dispose of. In principle, the Fund may only acquire securities, for a reasonable price, that can be unwound promptly. Nevertheless, it may be difficult to sell particular securities at certain points in time during certain phases or in certain markets. The illiquidity of an asset may lead to a significantly increased purchase price.

Market risk

This risk is of general nature and exists in all forms of investment. The principal factor affecting the price performance of securities is the performance of capital markets and the economic performance of individual issuers, which in turn are influenced by the general situation of the world economy, as well as the basic economic and political conditions in the particular countries or sectors.

Operational risk

The operational risk is the risk of loss resulting from e.g. system breakdowns, human errors or from external events.

Risk of default

In addition to the general trends in the capital markets, the individual performance of a specific issuer also has an effect on the price of an investment. Even with the most painstaking selection of securities, the possibility of losses caused by a decline in issuers' assets, for example, cannot be ruled out.

4.3. Risk management process

The Fund employs a risk management process, which enables the Management Company to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolio.

a) Global exposure

The global exposure in this Fund is measured with the relative VaR (Value at Risk) approach.

In accordance with applicable regulations, the VaR of the Fund must not be greater than twice the VaR of its reference portfolio. This Fund uses the MSCI Europe Small Cap Net Return Index as a reference portfolio for the purpose of the relative VaR measurement.

b) Leverage

Based on the sum of the notional approach (which defines the leverage as the sum of the absolute value of the notional of all financial derivative instruments in the Sub-Fund's portfolio), the Sub-Fund's maximum expected level of leverage is 100 % of the Sub-Fund's Net Asset Value.

As a result of its long-term volatility target, the Sub-Fund's level of leverage may possibly be higher in a low market volatility environment.

The above disclosed expected level of leverage is not intended to be an additional exposure limit for this Fund. This indication only serves as additional information for the investor.

4.4. Investor Profile

This Fund is geared towards investors who consciously accept higher risks in order to achieve greater profits.

Potential investors should be aware that shares of small-cap companies may be subject to greater fluctuations in value. The relatively low market capitalisations of these companies may result in their share prices showing greater fluctuation and their shares may be less liquid. Finally, it should be noted that the Fund invests in domestic and foreign companies and for this reason currency fluctuations cannot be ruled out.

The Fund has an investment horizon of at least five (5) years. This investment strategy is recommended for investors who consciously accept risks in order to achieve greater profits.

5. Units

Units are issued either in registered form and recorded in a nominal account or as bearer units on each Valuation Day. Bearer units will be vested in as global certificates which will be deposited with the Custodian Bank. There is no claim on issue of individual physical securities.

5.1. Issue of Units

The Management Company is authorized to issue Units continuously. However, the Management Company reserves the right to reject, at its discretion and in the Fund's and the Unitholders' interest, any subscription application. Any payments already made shall in such instances be immediately refunded without interest and at the risks and costs of the applicant. The Custodian Bank shall immediately pay back incoming payments for applications for subscriptions which are not carried out.

Units are issued on each Valuation Day at their NAV plus an entry charge as indicated under section 5.3. This issue price includes all commissions payable to banks and financial institutions taking part in the placement of Units, but

not the charges taken by intervening correspondent banks for the execution of electronic transfers. Where Units are issued in countries where stamp duties or other charges apply, the issue price increases accordingly.

Payment for subscriptions must be made in the Base Currency of the Fund, euro, and/or Swedish krona (SEK). The Management Company may however accept payments in other major currencies. Any cost relating to the foreign exchange transaction will have to be borne by the Unitholder.

The payment made by electronic transfer must reach the Registrar and Transfer Agent within five (5) Bank Business Days following the applicable Valuation Day.

In order to avoid the repayment to subscribers of small surplus amounts, the Management Company will round up at its own expense each subscription to the next immediately higher whole number of Units or issue fractions to the nearest 1000th of a Unit.

Confirmation of the execution of a subscription will be made by the dispatch of a contract note to the Unitholder indicating the name of the Fund, the applicable NAV, the trade date, the settlement date, the currency and the exchange rate, if any.

By subscribing to a Unit, the Unitholder accepts the Management Regulations.

5.1.1. Restriction on issue

Units may not be offered, sold or otherwise distributed to prohibited persons (the "Prohibited Persons").

Prohibited Persons means any person, firm or corporate entity, determined in the sole discretion of the Management Company, as being not entitled to subscribe to or hold Units,

1. if in the opinion of the Management Company such holding may be harmful/damaging to the Fund,
2. if it may result in a breach of any law or regulation, whether Luxembourg or foreign,
3. if as a result thereof the Fund or the Management Company may become exposed to disadvantages of a tax, legal or financial nature that it would not have otherwise incurred or
4. if such person would not comply with the eligibility criteria for Units (e.g. in relation to "U.S. Persons" as described below).

The Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state of the United States or of any other jurisdiction, and the Units (or beneficial interests therein) may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws. The Fund has not been and does not intend to be registered under the United States Investment Company Act of 1940, as amended (the "Investment Company Act"). Units will not be offered or sold within the United States or to or for the account or benefit of U.S. Persons (as defined in Regulation S under the Securities Act ("Regulation S") and within the interpretations of the Investment Company Act, "U.S. Persons"). Each initial purchaser of Units shall make a representation to the Fund that it is not a U.S. Person and that it has acquired the Units in an offshore transaction pursuant to Regulation S. Any subsequent transfer of Units and any beneficial interests therein may be made only to a non-US Person in an offshore transaction outside the United States that qualifies for the exemption pursuant to Regulation S.

Applicants for the subscription to Units will be required to certify that they are not U.S. Persons and might be requested to prove that they are not Prohibited Persons.

Unitholders are required to notify the Registrar and Transfer Agent of any change in their domiciliation status.

Prospective investors are advised to consult their legal counsel prior to investing in Units of in order to determine their status as non U.S. Persons and as non-Prohibited Persons.

The Management Company may refuse to issue Units to Prohibited Persons or to register any transfer of Units to any Prohibited Person. Moreover the Fund's Management Company may at any time forcibly redeem/repurchase the Units held by a Prohibited Person.

The Management Company can furthermore reject an application for subscription at any time at its discretion, or temporarily limit, suspend or completely discontinue the issue of Units, in as far as this is deemed to be necessary in the interests of the existing Unitholders as an entirety, to protect the Management Company, to protect the Fund, in the interests of the investment policy or in the case of endangering specific investment objectives of the Fund.

5.1.2. Anti-money laundering procedures

The applicants wanting to subscribe to Units must provide the Registrar and Transfer Agent with all necessary information, which the Registrar and Transfer Agent may reasonably require to verify the identity of the applicant. Failure to do so may result in the Registrar and Transfer Agent refusing to accept the subscription to Units in the Fund.

Applicants must indicate whether they invest on their own account or on behalf of a third party. Except for applicants applying through companies who are regulated professionals of the financial sector, bound in their country by rules on the prevention of money laundering equivalent to those applicable in Luxembourg, any applicant applying in its own name or applying through companies established in non FATF countries, is obliged to submit to the Registrar and Transfer Agent in Luxembourg all necessary information, which the Registrar and Transfer Agent may reasonably require to verify.

The Registrar and Transfer Agent must verify the identity of the applicant. In the case of an applicant acting on behalf of a third party, the Registrar and Transfer Agent must also verify the identity of the beneficial owner(s). Furthermore, any such applicant hereby commits that it will notify the Registrar and Transfer Agent prior to the occurrence of any change in the identity of any such beneficial owner.

5.1.3. Late trading and market timing

The Management Company does not permit late trading, market timing or related excessive, short-term trading practices. In order to protect the best interests of the Unitholders, the Management Company reserves the right to reject any application to subscribe to Units from any investor engaging in such practices or suspected of engaging in

such practices and to take such further action as it, in its discretion, may deem appropriate or necessary, such as the charge of higher exit charge, as laid down hereafter.

5.2. Redemption of Units

Units are redeemed, on each Valuation Day at their NAV, decreased by an exit charge as indicated under section 5.3. which is payable to banks and financial institutions taking part in the redemption of Units. Where Units are redeemed in countries where stamp duties or other charges apply, the redemption price decreases accordingly.

Payment will be made by the Custodian Bank or the paying agents in the Base Currency of the Fund, euro or Swedish krona, or any other major currencies as accepted by the Management Company, according to the choice of the Unitholder. Electronic transfer will be made with a value date within ten (10) Bank Business Days following the corresponding Valuation Day. Any cost relating to the foreign exchange transaction will have to be borne by the Unitholder. Confirmation of execution of redemption will be made by dispatching a contract note to the Unitholder.

Furthermore, in relation to suspected market timing practices, the Management Company may charge an additional exit charge of up to 2% of the NAV of the Units redeemed within six (6) months of their issue. Such exit charge will be payable to the Fund. The same exit charge for every redemption request executed on the same Valuation Day will be applicable if the redemption is based on market timing in order to ensure the equal treatment of investors.

In the event of large-scale applications for redemption, the Management Company reserves the right to redeem Units at the applicable NAV, only after it has sold the corresponding assets promptly, yet always acting in the best interests of the Unitholders.

5.2.1. Compulsory redemption of Units

The Fund's Management Company may at any time forcibly redeem/repurchase the Units held by a Prohibited Person, as defined under the section "Restriction on issue".

If a Unitholder's holding falls below the minimum initial subscription amount or holding, if any, due to redemption, the Management Company may at its sole discretion compulsorily redeem/repurchase, as the case may be, all Units held by the relevant Unitholder.

The minimum initial subscription amounts and holdings, if any, are mentioned under section 5.3. hereafter.

5.3. Units available

Class	ISIN Code	Initial subscription price	Minimum initial investment	Maximum Entry charge	Maximum Exit charge
D(EUR)	LU0099984899	EUR 100.-	None	1%	0%
C(SEK)*	LU0956267693	SEK **	None	None	None
IC(SEK)	LU0956267933	SEK 100.-	SEK 50 mio***	None	None
C(EUR)	LU1160606635	EUR 100.-	NA	5%	NA

* will be launched at the discretion of the Management Company

** will be determined at the launch date by the Management Company

*** may be waived at the discretion of the Management Company

5.4. Cut-off time

All subscription and redemption orders are made on the basis of the unknown NAV per Unit. Orders received by the Registrar and Transfer Agent before 15:30 (CET) on a Valuation Day are processed on the basis of the NAV per Unit

of the next Valuation Day. Orders received after 15:30 (CET), are processed on the basis of the NAV per Unit of the next but one Valuation Day.

In order to ensure a placement of orders in due time, earlier cut-off times may be applicable for orders placed with distributors (or/and any of their agents) in Luxembourg or abroad. The corresponding information may be obtained from the respective distributor (or/and any of its agents).

6. Charges

1. In remuneration of its services, the Management Company receives a commission at an annual rate based on the average net assets calculated daily. The fee is paid at the end of each month as follows:

Class	ISIN Code	Maximum management fee
D(EUR)	LU0099984899	1.50% p.a.
C(SEK)	LU0956267693	1.65% p.a.
IC(SEK)	LU0956267933	0.90% p.a.
C(EUR)	LU1160606635	1.50% p.a.

2. The Custodian Bank receives from the net assets:

- a) a commission of 0.10% calculated daily based on the securities assets held in custody;
- b) a processing fee in line with standard banking practice for transactions on account of the Fund;
- c) costs and expenses incurred by the Custodian Bank on the basis of the permitted commissioning of third-party banks and/or securities depositories with the custody of Fund assets, in line with standard market practice.

These fees are paid to the Custodian Bank at the end of each month.

3. Other costs incurred in accordance with Article 15 of the Management Regulations may be charged to the Fund.

7. NAV calculation

The Fund's NAV is expressed in euro.

In order to calculate the NAV per Unit, the value of the assets less its liabilities is calculated on each day that constitutes a Valuation Day, and the result is divided by the number of the Units issued.

Particulars on the calculation of the NAV per Unit and on asset valuation are provided in the Fund's Management Regulations.

8. Mergers

For the purposes of this section, the term UCITS also refers to a sub-fund of an UCITS.

Any merger between the Fund and another UCITS and the effective date shall be decided by the Board of Directors.

In the case required by the Law, the Management Company shall entrust either an authorised auditor or, as the case may be, an independent auditor to perform the necessary validations prescribed by the Law.

Practical terms of mergers will be performed and will have the effect in accordance with Chapter 8 of the Law.

Information on the merger shall be made available to the Unitholders of the merging and/or receiving UCITS on the website www.sebgroup.lu and, as the case may be, in all other forms prescribed by laws or related regulations of the countries, where the relevant Units are sold.

9. Duration and liquidation of the Fund

The Fund is created for an unlimited period and can be dissolved at any time by decision of the Management Company if such dissolution appears necessary or expedient in consideration of the interests of the Unitholders in order to protect the interests of the Management Company.

Dissolution of the Fund is mandatory in the cases provided for by the Law.

The Management Company shall announce to investors any such dissolution of the Fund on the website www.sebgroup.lu and, as the case may be, in all other forms prescribed by laws or related regulations of the countries, where Units are sold.

No application for subscription of Units will be accepted after the date of the event leading to the dissolution and the decision to liquidate the Fund. If the equal treatment between Unitholders is ensured, redemption requests may be treated.

The closure of the liquidation of the Fund and the deposit of any unclaimed amounts with the *Caisse de Consignation* in Luxembourg must take place within a period of time not exceeding nine (9) months from the Board of Directors' decision to liquidate the Fund. The liquidation proceeds deposited with the *Caisse de Consignation* in Luxembourg will be available to the persons entitled thereto for the period established by law. At the end of such period unclaimed amounts will revert to the Luxembourg State.

Dissolution and distribution of the Fund cannot be requested by a Unitholder, his heirs or beneficiaries.

10. Taxation of the Fund and the Unitholders

The following summary is based on the laws and practices currently in force and is subject to any future changes. The following information is not exhaustive and does not constitute legal or tax advice.

It is expected that Unitholders in the Fund will be resident for tax purposes in many different countries. Consequently, no attempt is made in this Prospectus to summarize the taxation consequences for each investor of subscribing, converting, holding, redeeming or otherwise acquiring or disposing of Units in the Fund. These consequences will vary in accordance with the law and practice currently in force in a Unitholder's country of citizenship, residence, domicile or incorporation and with his personal circumstances.

10.1. Taxation of the Fund

The Fund is subject to Luxembourg legislation. Investors should inform themselves of the legislation and rules applicable to the purchase, holding and possible sale of Units having regard to their residence or nationality.

The Fund is currently subject to the following taxes:

1) Subscription tax

The Fund is as a rule liable in Luxembourg to a subscription tax (*taxe d'abonnement*) at a rate of 0.01% or 0.05% per annum of its net assets attributable to the Units of the Fund. Such tax is payable quarterly and calculated on the net asset value of the relevant Class at the valuation date.

Some exemptions from subscription tax are however provided under current Luxembourg legislation.

2) Withholding tax

Under current Luxembourg tax law, there is no withholding tax on any distribution, redemption or payment made by the Fund to its Unitholders. There is also no withholding tax on the distribution of liquidation proceeds to the Unitholders.

Non-resident Unitholders should note however that under the Council Directive 2003/48/EC on taxation of savings income in the form of interest payments ("EU Savings Directive"), interest payments made by the Fund or its Luxembourg paying agent to individuals and residual entities (i.e. entities (i) without legal personality or (ii) whose profits are not taxed under the general arrangements for the business taxation or (iii) that are not, or have not opted to be considered as, UCITS recognized in accordance with Council Directive 2009/65 EC – a "Residual Entity") resident or established in another EU Member State as Luxembourg or individuals or Residual Entities resident or established in certain associated territories of the European Union, are subject to a withholding tax in Luxembourg unless the beneficiary elects for an exchange of information whereby the tax authorities of the state of residence are informed of the payment thereof. The withholding tax rate amounts to 35%.

3) Income tax

The Fund is not liable to any Luxembourg income tax in Luxembourg.

4) Value added tax

The Fund respectively the Management Company is considered in Luxembourg as a taxable person for value added tax ("VAT") purposes without input VAT deduction right. A VAT exemption applies in Luxembourg for services qualifying as fund management services. Other services supplied to the Fund respectively the Management Company could potentially trigger VAT. No VAT liability arises in principle in Luxembourg in respect of any payments by the Fund to its Unitholders, as such payments are linked to their subscription to the Fund's Shares and do therefore not constitute the consideration received for taxable services supplied.

The above information is based on the law in force and current practice and is subject to change. In particular, a pending case law before the European Court of Justice might impact the VAT treatment of the investment advisory services (C-275/11).

5) Other taxes

No stamp duty or other tax is payable in Luxembourg on the issue of Units in the Fund against cash.

The Fund may be subject to withholding tax on dividends and interest and to tax on capital gains in the country of origin of its investments. As the Fund itself is exempt from income tax, withholding tax levied at source, if any, may not be refundable in Luxembourg.

10.2. Taxation of the Unitholders

Under current legislation, Unitholders are normally not subject to any capital gains, income, withholding, estate, inheritance or other taxes in Luxembourg, except for (i) those Unitholders domiciled, resident or having a permanent establishment in Luxembourg or (ii) non-residents of Luxembourg who hold 10% or more of the issued Unit capital of the Fund and who dispose of all or part of their holdings within six (6) months from the date of acquisition or (iii) in some limited cases some former residents of Luxembourg, who hold 10% or more of the issued Unit capital of the Fund.

Under the European Savings Directive (Council Directive 2003/48/EC) which was adopted on 3 June 2003 by the Council of the EU, each Member State is required to provide to the tax authorities of another Member State details of payment of interest or other similar income (including in certain circumstances interest accrued in the proceeds of unit redemptions) paid by a paying agent within its jurisdiction to an individual resident in that other Member State, subject to the right of certain Member States (Luxembourg and Austria) to opt for a withholding tax system for a transitional period in relation to such payments instead of the above mentioned reporting to the tax authorities. The rate of this withholding tax is 35% since 1 July 2011.

11. Information to Unitholders

11.1. Prospectus, Management Regulations and KIID

Copies of the Prospectus, the Management Regulations and the KIID are available, free of charge, at the registered office of the Management Company and on its website www.sebgroup.lu.

11.2. Reports and financial statements

The financial year of the Fund starts on 1 November of each year and ends on 31 October of the following year.

The audited annual and unaudited semi-annual reports of the Fund may be obtained, free of charge at the registered office of the Management Company and on its website www.sebgroup.lu.

11.3. Issue and redemption prices and other information to Unitholders

The last known issue and redemption prices as well as all other information to Unitholders, may be downloaded from www.sebgroup.lu and/or requested at any time, free of charge, at the registered office of the Management Company, the Custodian Bank and the paying agents.

Furthermore, information is made available to investors in a form permitted by laws or related regulations of the countries, where Units are sold.

11.4. Stock exchange listing

There are no plans to list Units of the Fund on a stock exchange.

11.5. Use of income

The Management Company decides each year when and in what amount a distribution will be made.

11.6. Best execution

Information relating to the instructions for ensuring a proper execution, handling and transmission of orders in financial instruments will be made available to investors, free of charge, upon request at the registered office of the Management Company.

11.7. Voting rights

A summary of the strategy for determining when and how voting rights attached to the Fund's investments are to be exercised shall be made available to investors. The information related to the actions taken on the basis of this strategy in relation to the Fund shall be made available to investors upon request at the registered office of the Management Company.

11.8. Complaints' handling

Information relating to the complaints' handling procedure will be made available to investors, free of charge, upon request at the registered office of the Management Company.

11.9. Conflict of interest

Information relating to the conflict of interest's policy will be made available to investors, free of charge, upon request, at the registered office of the Management Company

11.10. Unitholders' rights against the Fund

The Management Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Fund if the investor is registered himself and in his own name in the unitholders' register of the Fund. In cases where an investor invests in the Fund through an intermediary investing into the Fund in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain unitholder rights directly against the Fund. Investors are advised to take advice on their rights.

ADDITIONAL INFORMATION FOR INVESTORS IN GERMANY

In accordance with Section 310 (1) and (2) of the Investment Code (*Kapitalanlagegesetzbuch – KAGB*), the Management Company has notified the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin: the German Federal Financial Supervisory Authority), Frankfurt am Main, of the distribution of Fund units in Germany.

Distributor in Germany

SEB Investment GmbH
Rotfeder-Ring 7
D-60327 Frankfurt am Main

Paying and Information Agent in Germany

SEB AG
Stephanstraße 14 - 16
60313 Frankfurt am Main

Right of Revocation pursuant to § 305 KAGB

If a purchase of investment fund units has been induced by oral negotiations outside of the permanent business premises of the party selling the units or brokering their sale, the purchaser may revoke declaration to purchase said units in a written statement directed to the foreign management company within a period of two weeks (**right of revocation**); the same applies if the party selling the units or brokering their sale has no permanent business premises. If this involves a **distance selling transaction** as defined by § 312b BGB, then a revocation is precluded when purchasing financial services whose price is subject to fluctuations on the financial market (§ 312d para. 4 no. 6 BGB).

Compliance with the deadline requires only that the declaration of revocation be dispatched in a timely manner. The revocation shall be declared in writing to the Management Company, SEB Asset Management S.A., with its registered office at L-2370 Howald, 4, rue Peternelchen, with name and signature of the individual making the declaration; no reason for the revocation is required.

The revocation period shall not commence until the copy of the application for conclusion of a contract has been provided to the purchaser or the purchaser has been sent a bought note containing an instructions as to the right of revocation.

If the parties are in dispute as to the commencement of the revocation period. The seller shall bear the burden of proof.

No right of revocation shall exist if the seller demonstrates that (1) the purchaser acquired the units in the course of its trade or business; or (2) the seller called on the purchaser on the basis of a prior request pursuant to section 55 (1) of the Industrial Code (Gewerbeordnung – GewO) for the negotiations leading to the sale of the units.

If revocation is declared after the purchaser has already effected payment, the foreign asset management company shall reimburse the purchaser, if applicable in return for the retransfer of the acquired units, for the expenses paid and shall also pay out an amount equivalent to the value of the paid units on the day after receipt of the revocation.

The right of revocation cannot be waived.

Publications

As regards the sale of units in Germany, issue and redemption prices of Fund units are published on the website <http://sebgroupl.lu/Asset-Management/Luxembourg-based-funds>.

In addition, the investors in Germany will be provided by means of a durable medium in accordance with § 167 KAGB in German or in a language that is customary in the sphere of international finance (§ 298 clause 2 KAGB):

aa) suspension of the redemption of the units of an EU UCITS;

bb) termination of an EU UCITS' management or the winding-up of an EU UCITS;

cc) amendments to the fund rules which are inconsistent with existing investment principles, affect material investor rights, or relate to remuneration or the reimbursement of expenses that may be taken out of the EU UCITS' assets, including the reasons

for the amendments and the rights of investors, the information must be communicated in an easily understandable form and manner and must indicate where and how further information may be obtained;

dd) the merger of EU UCITS in the form of information on the proposed merger which must be drawn up in accordance with Article 43 of Directive 2009/65/EC;

ee) the conversion of an EU UCITS into a feeder fund or any change to a master fund in the form of information which must be drawn up in accordance with Article 64 of Directive 2009/65/EC.

Information Relating to the German Paying Agent

All payments to unitholders (sales proceeds, distributions, if applicable, and all other payments) may be effected through the German Paying Agent.

Applications for subscription, redemption and conversion of units of the Fund may be submitted to the German Paying and Information Agent. The current prospectus of the Fund, the key investor information document, the management regulations, the current annual and semi-annual reports are available free of charge from the German Paying and Information Agent. Issue and redemption prices can be obtained or are available for inspection free of charge at the Paying and Information Agent.

Specific risks arising from new obligations on the publication of tax data in Germany

Upon request and at any time, the Management Company of the Fund must provide the German tax authorities with documents which the tax authorities require to permit the verification of the tax information published by the Fund.

The basis for calculating the tax-relevant data can be interpreted in various ways. As a result, there can be no guarantee that the German tax authorities will accept the calculation method of the Fund's Management Company in every respect.

If, as a result of this state of affairs, it should emerge that the tax data published by the Fund are incorrect, the investor must be aware that any corrections made will not have a retroactive effect and will, as a general rule, apply only to the current tax year. Consequently, a correction may have a positive or negative impact on the investor only for the current tax year in which distributions have been received or in which distribution-like income is attributable.