



To holders of units in Tundra Frontier Africa Fund

You have received this letter because you hold units in Tundra Frontier Africa Fund. Tundra Fonder AB has decided to introduce new share classes to the fund as a result of demand from institutional investors. To achieve this, we need to make changes to the fund rules. The new share classes are available to investors that wish to invest large amounts¹ and where no distribution inducements are paid to third parties (such as banks and insurance platforms). The requirement to make a large investment is set against a lower management fee for the new share classes than for the existing ones².

The fund's investment strategy is not changed in any way. Under the current fund rules, the fund management company is entitled to charge a fee of a maximum of one percent of the redemption value if a unit holder sells fund units within six months of buying them. The fund management company has never applied this fee, and the changes to the fund rules remove it. The terms and conditions are otherwise unchanged, and the fees and changes are not expected to have any other consequences for existing unit holders. You do not need to take any action as a result of these changes. The new fund rules, which enter into force on 1 May 2019, are attached to this letter. The changes have been approved by the Swedish Financial Supervisory Authority.

You are very welcome to call (+46 8 551 145 70) or email (info@tundrafonder.se) us if you have any questions about the changes to the fund rules.

Thank you for your continued trust.

With kind regards,
Jon Scheiber, Chief Executive Officer Tundra Fonder AB

¹ The minimum initial investment per client ranges from SEK 10 million/USD 1 million/EUR 1 million to SEK 50 million/USD 5 million/EUR 5 million according to share class.

² From 1.75% to 1.25% according to share class.

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FUND RULES TUNDRA FRONTIER AFRICA FUND

§1. THE NAME OF THE FUND AND ITS LEGAL POSITION

The name of the fund is the Tundra Frontier Africa Fund, hereinafter referred to as the “Fund”. Business is conducted pursuant to the Swedish Investments Fund Act (2004:46), hereinafter referred to as the “LVF”, these Fund Rules, the Articles of Association of the Fund Management Company and those regulations otherwise issued in accordance with laws and statutes.

The Fund is a securities fund pursuant to the LVF and is intended for the general public. The Fund is not a legal entity and may therefore not be brought before a court. The assets of the Fund are owned jointly by the fund unitholders, and each fund unit confers equal right to the assets that make up the Fund. The Fund may neither acquire rights nor assume obligations. Assets included in the fund may not be subject to distraint and the fund unitholders are not responsible for the fund's obligations. The Fund Management Company represents the Fund and the holders of units in the Fund, hereinafter referred to as the “Unitholders”, in all matters regarding the Fund.

The Fund has the following share classes:

- A. None dividend paying share class in SEK
- B. Dividend paying share class in SEK
- C. None dividend paying share class in EUR
- D. None dividend paying share class in USD
- E. Non-distributing share class denominated in NOK
- F. Non-distributing share class denominated in EUR
- G. Non-distributing share class denominated in SEK
- H. Non-distributing share class denominated in SEK
- I. Non-distributing share class denominated in SEK
- J. Non-distributing share class denominated in USD
- K. Non-distributing share class denominated in USD
- L. Non-distributing share class denominated in USD
- M. Non-distributing share class denominated in EUR
- N. Non-distributing share class denominated in EUR
- O. Non-distributing share class denominated in EUR

For share class A, C, D and E there is no minimum investment.

Share class B requires an initial minimum investment of SEK 500,000 per Unitholder. Following investments must amount to a minimum of SEK 100,000 per Unitholder.

Share class F requires an initial minimum investment of EUR 100,000 per unitholder.

Share class G requires a minimum investment of SEK 10,000,000 per Unitholder.

Share class H requires a minimum investment of SEK 25,000,000 per Unitholder.

Share class I requires a minimum investment of SEK 50,000,000 per Unitholder.



Share class J requires a minimum investment of USD 1,000,000 per Unitholder.

Share class K requires a minimum investment of USD 3,000,000 per Unitholder.

Share class L requires a minimum investment of USD 5,000,000 per Unitholder.

Share class M requires a minimum investment of EUR 1,000,000 per Unitholder.

Share class N requires a minimum investment of EUR 3,000,000 per Unitholder.

Share class O requires a minimum investment of EUR 5,000,000 per Unitholder.

Share classes G, H, I, J, K, L, M, N and O are available only to

- Investors that, within the framework of an agreement on investment services in accordance with chapter 2, section 1 of the Swedish Securities Market Act (2007:528) or equivalent Swedish or foreign regulation, invest in the Fund and where the Fund Management Company does not pay inducements to the entity that provides the investment service,
- Insurance firms that, within the framework of agreements with policyholders, invest in the Fund and where the Fund Management Company does not pay inducements to the insurance firm or insurance distributor for distribution of the share class, or
- Investors who do not receive any repayment of parts of the management charge from the Fund Management Company.

§ 2. THE FUND MANAGER

The fund is managed by Tundra Fonder AB, corporate registration number 556838-6303, hereinafter referred to as the “Fund Management Company.”

§ 3. CUSTODIAN INSTITUTION AND ITS FUNCTION

The Fund Company has appointed Skandinaviska Enskilda Banken AB, corporate registration number 502032-9081, hereinafter referred to as the “Custodian Institution”, as the custodian institution for the Fund.

The Custodian Institution implements the Fund Management Company’s decisions with regard to the Fund and receives and retains the Fund’s assets. In addition, the Custodian Institution ensures that decisions taken by the Fund Management Company with regards to the Fund are not in contravention of the provisions of the LVF, the regulations of the Swedish Financial Supervisory Authority (Finansinspektionen) or the Fund Rules. The Custodian Institution shall act independently of the Fund Management Company and exclusively in the interests of the Unitholders.

§ 4. CHARACTERISTICS OF THE FUND

The Fund is an equity fund with a particular emphasis on investments in transferable securities issued by companies located in Africa or that conduct their principal operating activities in Africa.



The Fund Company's management of the Fund is intended to generate diversified financial exposure to the economic development in Africa and provide the Unitholders with a better return compared to the MSCI EMF Africa excluding South Africa Net with equal or lower risk.

§ 5. THE FUND'S INVESTMENT STRATEGY

The Fund's assets may be invested in transferable securities, money-market instruments, fund units, derivative instruments and accounts with credit institutions. At least 90% of the net asset value of the fund must be invested in equities and equity-related transferable issued by companies located in Africa or that conduct their principal operating activities in Africa. Principal activities mean more than 50% of the company's gross income. Notwithstanding the above restrictions, the fund may always hold the cash and cash equivalents necessary to conduct management of the fund, but to a maximum of 20% of the net asset value of the fund.

The Fund's assets may be invested in derivative instruments with such underlying assets as those specified in 5:12, first paragraph, of the LVF. The fund may invest up to 10% of the net asset value in other funds. The investment strategy is diversified and thus not limited to any particular sector. The fund will only to a limited extent invest in the commodity companies.

§ 6. SPECIAL PROVISIONS REGARDING THE MARKETS IN WHICH THE FUND'S ASSETS MAY BE INVESTED

The Fund's assets may be invested in a regulated marketplace or equivalent market outside the EEA. In addition, trade may take place on a market within or outside the EEA that is regulated and open to the general public.

§ 7. SPECIAL INVESTMENT STRATEGY

The Fund invests in derivative instruments, including such OTC derivatives as stated in LVF 5:12 second paragraph, as part of its investment strategy. The Fund may invest in such transferable securities and money-market instruments as referred to in 5:5 LVF.

§ 8. VALUATION

The net asset value of the Fund is calculated by deducting from the assets those liabilities related to the Fund. The Fund's assets comprise:

- Financial instruments
- Cash and equivalents
- Accrued interest
- Accrued dividends
- Sales not settled
- Other assets and receivables related to the Fund.

The financial instruments included in the Fund are valued based on current market value, meaning the last price paid, or, if this is not available or is less than the last bid price or higher than the last ask price, the latest mid-price (the average of the bid and ask prices). If such prices are not available, or are misleading in the assessment of the Fund Management Company, the Fund Management Company may determine the value on an objective basis. Such basis may, for example, be indicative bid prices from market makers, if these are appointed for the issuer, valuations provided by



independent parties, IPO prices at another value, or knowledge that a transaction in the asset has been conducted at a particular price with an independent party.

For those transferable securities and money market instruments referred to in 5:5 LVF, a market value is determined according to the following:

- Market price from an active market, if such market price is not available the market value should be determined according to one of the methods below:
- on the basis of recently conducted transactions between informed parties which are independent of each other and has an interest in the transaction taking place, if such are available, or
- using the market price from an active market for another financial instrument which in all relevant aspects is similar, in case a market price cannot be determined according to any of the alternatives above, or
- if this is obvious to be misleading, a market value should be determined through the use of a valuation method established on the market, e.g. cash flow analysis.

Market valuation of units and shares in funds shall be based on reported values from each fund manager at the reporting point closest in time to the date when the value of the Fund is established as below. If the Fund Management Company regards this value to be misleading, the Fund Management Company shall estimate the value on an objective basis. One example of such an objective basis is to use the latest available estimate of results from the fund manager with regard to the current valuation period and apply this to the latest available reported price. The market value of OTC derivatives shall be based on commonly used valuation models such as Black & Scholes and Black 76. The value may not be based on reported values from a counter party.

Financial instruments and other assets quoted in foreign currency are translated into Swedish kronor based on the current market listing for that currency. The Fund's liabilities comprise:

- Payments to the Fund Management Company
- Payments to the Custodian Institution
- Acquisitions not settled
- Tax liabilities
- Other liabilities related to the Fund.

The value of one fund unit is the net asset value of the Fund as above divided by the total number of outstanding fund units.

§ 9. SUBSCRIPTIONS AND REDEMPTIONS OF FUND UNITS

Sales and redemptions of fund units may take place on any banking day through the Fund Management Company. Subscriptions and redemptions must be made in writing. Subscription and redemption charges are presented under §11.

As stated under §10 below, the Fund may, for one or more banking days, be temporarily closed for sales and redemptions.

Subscription takes place at the price established on the first banking day subsequent to the request for subscription and when cash settlement is received into the Fund's bank account, the "Subscription Date." Requests for subscription and cash settlement must be received by the Fund Company no later than 2.30 pm on the day before the Subscription Date for subscription to take place on the Subscription Date. Otherwise subscription will take place on the subsequent



Subscription Date. It is not possible to limit the subscription price when making a subscription request. Subscription takes place at a price unknown to the Unitholder at the time of request.

Redemption takes place at the price established on the first banking day following the day on which the redemption request is received by the Fund Company, the "Redemption Date." Requests for redemption must be received by the Fund Company no later than 2.30 pm on the day before the Redemption Date for redemption to take place on the Redemption Date. Otherwise redemption will take place on the subsequent Redemption Date. Redemption takes place at a price unknown at the time of request. It is not possible to limit the redemption price when making a redemption request. Fund units will be redeemed on the Redemption Date provided that cash is available in the Fund. If this is not the case, funds will be made available through sale of the Fund's assets, and redemption will be made as soon as possible. If such a redemption would be materially detrimental to the interests of other Unitholders, the Fund Company may delay the redemption after notifying the Swedish Financial Supervisory Authority.

Information about the latest estimated price for fund units is available from the Fund Company. This is also published daily on the Fund Management Company's website: www.tundrafonder.se.

The Fund consists of the following share classes:

- A. Non-distributing share class denominated in SEK. This share class has no required minimum initial investment.
- B. Distributing share class denominated in SEK. This share class requires a minimum investment of SEK 500,000 per Unitholder. Subsequent investments must be at least SEK 100,000 per Unit Holder.
- C. Non-distributing share class denominated in EUR. This share class has no required minimum initial investment.
- D. Non-distributing share class denominated in USD. This share class has no required minimum initial investment.
- E. Non-distributing share class denominated in NOK. This share class has no required minimum initial investment.
- F. Non-distributing share class denominated in EUR. This share class requires a minimum investment of EUR 100,000 per Unitholder.
- G. Non-distributing share class denominated in SEK. This share class requires a minimum investment of SEK 10,000,000 per Unitholder.
- H. Non-distributing share class denominated in SEK. This share class requires a minimum investment of SEK 25,000,000 per Unitholder.
- I. Non-distributing share class denominated in SEK. This share class requires a minimum investment of SEK 50,000,000 per Unitholder.
- J. Non-distributing share class denominated in USD. This share class requires a minimum investment of USD 1,000,000 per Unitholder.
- K. Non-distributing share class denominated in USD. This share class requires a minimum investment of USD 3,000,000 per Unitholder.
- L. Non-distributing share class denominated in USD. This share class requires a minimum investment of USD 5,000,000 per Unitholder.
- M. Non-distributing share class denominated in EUR. This share class requires a minimum investment of EUR 1,000,000 per Unitholder.
- N. Non-distributing share class denominated in EUR. This share class requires a minimum investment of EUR 3,000,000 per Unitholder.
- O. Non-distributing share class denominated in EUR. This share class requires a minimum investment of EUR 5,000,000 per Unitholder.



Share classes G, H, I, J, K, L, M, N and O are available only to

- Investors that, within the framework of an agreement on investment services in accordance with chapter 2, section 1 of the Swedish Securities Market Act (2007:528) or equivalent Swedish or foreign regulation, invest in the Fund and where the Fund Management Company does not pay inducements to the entity that provides the investment service,
- Insurance firms that, within the framework of agreements with policyholders, invest in the Fund and where the Fund Management Company does not pay inducements to the insurance firm or insurance distributor for distribution of the share class,
or
- Investors who do not receive any repayment of parts of the management charge from the Fund Management Company.

§ 10. EXTRAORDINARY CIRCUMSTANCES

The Fund may be closed for sales and redemptions in those cases where extraordinary circumstances have arisen whereby a valuation of the Fund's assets cannot be conducted in a manner that assures the equal right of the Fund's Unitholders.

§ 11. CHARGES AND FEES

11.1 Subscriptions and redemptions

For subscriptions of fund units, the Fund Management Company has the right to levy a maximum charge of 5% of the total sale price. This charge is payable to the Fund Management Company.

11.2 Fixed ongoing charges

A charge shall be paid from the Fund's assets to the Fund Management Company for the management of the Fund. This charge includes expenses for the Custodian's safekeeping of the assets held by the Fund, supervision and auditors. The charge is calculated daily and is paid on the last banking day of each month. The charge is rounded down to the nearest whole krona (SEK).

For share classes A, B, C, D, E and F, a charge shall be paid at an amount corresponding to a maximum of 3.0 percent per year of the share class's share of the net asset value of the Fund.

For share classes G, J and M, a charge shall be paid at an amount corresponding to a maximum of 1.75 percent per year of the share class's share of the net asset value of the Fund.

For share classes H, K, and N, a charge shall be paid at an amount corresponding to a maximum of 1.50 percent per year of the share class's share of the net asset value of the Fund.

For share classes I, L and O, a charge shall be paid at an amount corresponding to a maximum of 1.25 percent per year of the share class's share of the net asset value of the Fund.

11.3 Other charges etc.

Brokerage fees and other transaction expenses, such as local taxes, and subscription and redemption charges for the Fund's purchases and sales of financial instruments, are paid by the Fund.



§ 12. DIVIDENDS

Share classes A, C, D, E, F, G, H, I, J, K, L, M, N and O do not pay any dividend.

Share class B is distributing. The Board of Directors of the Fund Management Company annually decides on the dividend to be paid to the Unitholders of the dividend paying share class. The distributable amount shall, where applicable, be calculated from the fund's positive earnings according to the income statement for the financial year and any remaining balance of the distributable amount from previous financial years.

The dividend payment is made in April, the year subsequent to the fiscal year. The dividend payment is made to those Unitholders who at the by the Fund Management Company decided ex-date are registered holders of the dividend paying share class. The distribution is paid into the bank account previously indicated by the Unitholder.

The dividend will not affect the value of the non-distributing units in the fund. However, the dividend does change the ratio between the value of the distributing fund units and the non-distributing fund units. The ratio changes yearly in conjunction with each dividend payment.

§ 13. FINANCIAL YEAR OF THE FUND

The financial year of the Fund is the calendar year.

§ 14. ANNUAL AND HALF-YEARLY REPORTS, CHANGES TO THE FUND RULES

The Fund Management Company shall present annual and half-yearly reports for the Fund. These shall be made available at the Fund Management Company within four and two months respectively of the end of the reporting period and be made available at the Custodian Institution. The annual report and half-yearly report shall be sent to those Unitholders that have requested to receive this information. The KIID, annual and half-year reports shall be available at the Fund Management Company's webpage. The information shall be made available free of charge.

The Fund Management Company shall take decisions with regard to changes to the Fund Rules. Upon approval of the changes by the Financial Supervisory Authority, the revised Fund Rules shall be made available at the Fund Management Company and Custodian Institution and shall be published as applicable in the manner determined by the Financial Supervisory Authority.

§ 15. PLEDGING AND TRANSFER

The Fund Management Company must be notified in writing of the transfer of Fund Units. It is the responsibility of the Unitholder to ensure that the notification carries authorised signatures. The notification of transfer must include details of the transferring party and the acquiring party. The transfer of Fund Units requires the authorisation of the Fund Management Company. Authorisation can be provided on condition that the new Unitholder has undergone customary checks in accordance with the regulations relating to measures to prevent money laundering and the financing of terrorism, and is not regarded as inappropriate as a client.



The Fund Management Company must be notified in writing of the pledging of Fund Units. This notification must disclose (i) the identity of the Unitholder (pledging party), (ii) the identity of the pledge holder, (iii) the fund units covered by the pledge, and (iv) any limitation on the scope of the pledge.

The notification must be signed by the Unitholder. The Fund Management Company shall note this information in the Unitholder register and inform the Unitholder (pledging party) in writing of this registration. Information regarding the pledge shall be removed from the Unitholder register upon written request from the pledge holder.

§ 16. LIMITATION OF LIABILITY

The Fund Management Company and/or the Custodian Institution shall not be liable for damage arising as a consequence of Swedish or foreign legislation, acts of Swedish or foreign governmental authorities, acts of war, terrorism, strikes, blockades, boycotts, lockouts, electricity shortages, IT-related failure not due to negligence by the Fund Management Company or the Custodian Institution, failure of general communications or other similar circumstances. The reservation with respect to strikes, blockades, boycotts, and lockouts shall apply notwithstanding that the Fund Management Company and/or the Custodian Institution is the subject of, or executes, such measure.

Should the Fund Management Company and/or the Custodian Institution be prevented from making payments or taking other measures on account of circumstances stated in the paragraph above, the said measures may be postponed until the obstacle has been removed. In the event of the Fund Management Company and/or the Custodian Institution, as a result of such circumstance, being prevented from effecting or receiving payment, the Fund Management Company and/or the Custodian Institution shall not be liable to pay interest.

The Fund Management Company shall not be held liable for loss or damage caused by Unitholders or others breaking the law, rules, regulations or these Fund Rules. The Unitholder is hereby made aware that the Unitholder is responsible for ensuring that documentation sent to the Fund Management Company is correct and has Authorised signatures and that the Fund Management Company is informed of changes that take place in any information submitted. The Fund Management Company shall not be liable under any circumstance for indirect damage or other consequential damage.

The Fund Management Company and/or the Custodian Institution shall not be liable for damage caused by custodian banks, or other contractors engaged with normal care by the Fund Management Company and/or the Custodian Institution. Nor shall the Fund Management Company and/or the Custodian Institution be held liable for damage that arises to the Fund or Unitholders or others as a consequence of restrictions on disposition that may be applied to the Fund Management Company and/or the Custodian Institution with regard to financial instruments and other assets. The Fund Management Company and/or the Custodian Institution shall not be liable for damage under other circumstances where normal care has been exercised.

The liability for damages of the Fund Management Company and/or the Custodian Institution is regulated in accordance with §2:21 of the LVF.



§ 17. RESTRICTIONS ON THE RIGHT TO SELL ETC.

The Fund is not registered under the United States Securities Act of 1933, the United States Investment Company Act of 1940, or any other applicable law of the United States. Therefore, fund units may not be offered, sold or in any other way distributed to persons in the United States of America. Nor may units in the fund be offered, sold or in any other way distributed to physical or legal persons if this would, in the opinion of the Fund Management Company, confer a risk of:

- i. breach of Swedish or foreign law or regulation;
- ii. the Fund Management Company being required to implement special registration or other measures, or being exposed to significant disadvantage of a tax or financial nature, and this cannot reasonably be demanded of the Fund Management Company; or
- iii. the Fund incurring damage or expense that is not in the interests of the Unitholders.

Persons wishing to acquire units in the Fund must disclose to the Fund Management Company their national domicile and, at the request of the Fund Management Company, confirm that this is not affected by the restrictions described above. Unitholders are also required, when necessary, to inform the Fund Management Company of any changes to their national domicile.

If the Fund Management Company believes that it does not have the right to offer, sell or otherwise distribute fund units in accordance with the first paragraph, the Fund Management Company retains the right to refuse to proceed with requests to buy units in the Fund, and, where necessary, and without agreement in advance, to redeem the fund units of the unitholder on his behalf and to pay the amount due.
