



## Distribution of SEB Investment Fund Units in the Republic of Latvia

### 1. General information

AS *SEB banka*, the address: *SEB finanšu centrs (the SEB Financial Centre)*, Valdlauči, Meistaru iela 1, Ķekavas pagasts, Ķekavas novads, LV-1076, hereinafter referred to as - *SEB banka*, is the distributor of the units of the following funds - SEB Fund 1, SEB Fund 2, SEB Fund 3, SEB Fund 4, SEB Fund 5, SEB SICAV 1, SEB SICAV 2, SEB deLuxe, SEB High Yield, SEB Strategy Fund, SEB Concept Biotechnology Sub-fund (hereinafter referred to as - the Fund(s)) in Latvia and offers the opportunity for clients to acquire and transact with the Fund units. The list of publicly distributed Funds is available on *SEB banka's* website [www.seb.lv](http://www.seb.lv), in the section "Fund Prices".

To buy the Fund units and transact with them, the client must have a current account and securities account opened with *SEB banka*. To open a securities account, the client and *SEB banka* shall enter into an agreement. The opening and servicing of a securities account with *SEB banka* occurs in accordance with *SEB banka's* effective *Securities account Terms and Conditions*. *SEB banka* shall account for the Fund units bought by the client in the client's securities account opened in the client's name.

### 2. Transactions with the Fund units

A client who has a current account and securities account opened with *SEB banka*, may submit a Fund unit purchase order, a Fund unit sale (buyback) order, an order for the regular buying of Fund units and a Fund exchange order (hereinafter jointly referred to as - Orders), to *SEB banka*, at any branch of *SEB banka*. Orders on transactions with Fund certificates may be submitted to *SEB banka* on working days during business hours. Clients may submit orders using the internet bank of *SEB banka* every day, on a 24-hour basis.

Where an Order has been submitted on a day which is a holiday or a weekend day in Luxembourg, Latvia or another country, which has an impact on the procedure for calculating the price of the Fund<sup>1</sup>, it shall be processed on the next working day. Payments for transactions with the Fund units shall be made in the base currency of the Fund in accordance with *SEB banka's* Common service pricelist. Where the base currency of the Fund is different from that of the current account specified in the client's Order, the currency will be converted automatically at the settlement date at the currency exchange rate set by *SEB banka* for that date. Clients shall bear the costs related to currency exchange.

Clients' Orders shall be executed in accordance with *SEB banka's* Order Execution Policy, which is available on *SEB banka's* website [www.seb.lv](http://www.seb.lv). *SEB banka* shall submit the Orders on transactions with fund certificates to the relevant investment management company managing the particular investment fund, directly or through intermediaries. By submitting an Order to *SEB banka*, the client agrees that the Order may be executed outside a regulated market or multilateral trading facility.

#### 2.1. Value of a fund unit

The value of a Fund unit (hereinafter referred to as - the Price or NAV - *net asset value*) shall be calculated on any day which is the Value date<sup>2</sup> under the Fund prospectus. The Price shall be the net asset value of the Fund attributable to one unit of the Fund in base currency. Information on the base currency of each Fund is available in the Fund prospectus. The Price includes commission charges owed to the banks and financial institutions involved in the distribution of the Fund units, but excludes a commission charge for the execution of the purchase order.

#### 2.2. Purchase orders

Certificates shall be issued on each Value date (T-date).

Purchase orders submitted to *SEB banka* and paid up until 14pm (Latvian time) on the Value date (T-date) shall be executed on the working day after tomorrow (T+2) at the prices effective on the Value date (T-date). Purchase orders submitted to *SEB banka* and paid up after 14pm (Latvian time), shall be deemed to have been received on the next Value date (T+1).

*SEB banka* shall only execute the Fund unit purchase order if there is the necessary amount of cash for the transaction and the purchase commission in the client's current account. Where there is no cash in the account for executing the transaction, *SEB banka* shall not execute the order. Where the client has issued an order to purchase the units of a number of Funds, but there is only part of the cash necessary for the execution of the order in the current account, *SEB banka* shall execute the order partly, freely choosing the order of execution.

<sup>1</sup> Funds may be closed for transactions and the value of their units is not calculated if there is a bank holiday in the country in which the fund is registered or/and managed or if more than 50% of the assets of the Fund have been placed in a market that is closed due to bank holidays.

<sup>2</sup> Valuation date is a bank's working day in Luxembourg, except 24 December.

### 2.3. Sale orders

Sale orders submitted to *SEB banka* and paid up until 14pm (Latvian time) on the Value date (T-date) shall be executed on the working day after tomorrow (T+2) at the prices effective on the Value date (T-date). Sale orders submitted to *SEB banka* and paid up after 14pm (Latvian time), shall be deemed to have been received on the next Value date (T+1).

*SEB banka* shall credit cash for the sold client's Fund units to the client's current account with *SEB banka* not later than within ten (10) working days after the execution of the sale transaction. Cash may be credited later due to national holidays or weekdays.

### 2.4. Standing investment fund purchase order

A standing investment fund purchase order shall be given for an indefinite time or limited time. The client instructs *SEB banka* to purchase units of a specified Fund with stated regularity using the cash in the client's current account. If, in any month, the selected date is a weekend day or national holiday in Luxembourg, Latvia or another country, which has an impact on the procedure for calculating the Fund price, the order shall be executed on the next working day following the selected date.

If the client has failed to provide the necessary amount of cash for the execution of the automatic Fund unit purchase order three times in a row, *SEB banka* has the right to consider that the order has been cancelled.

### 2.5. Exceptions in the order execution procedure

The orders applicable to Funds: *SEB Asia ex. Japan Fund*, *SEB Asia Small Caps ex. Japan Fund*, *SEB High Yield*, *SEB Concept Biotechnology*, *SEB Emerging Markets Fund*, submitted to *SEB banka* and paid up until 14pm (Latvian time) on the Value date (T-date) shall be processed, applying the price effective on the next Value date (T+1). In processing the orders received at *SEB banka* after 14pm (Latvian time), the price effective on the day following the day after the Value date (T+2) shall be applied.

The orders applicable to the Funds *SEB deLuxe - Multi Asset Defensive*, *SEB deLuxe - Multi Asset Defensive Plus*, *SEB deLuxe - Multi Asset Balance*, *SEB Strategy Defensive*, *SEB Strategy Balanced*, *SEB Strategy Opportunity*, *SEB Strategy Growth*, submitted to *SEB banka* and paid up until 14pm (Latvian time), shall be executed on the fourth working day (T+4) at the price of the Value date (T) set on the day following the day after the Value date (T+2). Orders submitted to *SEB banka* and paid up after 14pm (Latvian time), shall be deemed to have been received on the next Value date (T+1).

### 2.6. Exchange orders

A client may exchange the Fund units owned by them against the units of another Fund, the units of which *SEB banka* distributes. Exchange transactions shall be ensured free of charge. The exchange order shall not be executed if the Price calculation, purchase or sale has been suspended in one of the relevant Funds. The number of the Fund units to be allocated to a client as a result of an exchange transaction shall be determined, using the following formula:

$$\frac{(A \times B \times C)}{D} = N$$

where:

- A is the number of units of the Fund submitted for exchange,
- B is the price of one unit of the Fund submitted for exchange on the date of execution of the exchange order,
- C is the exchange multiplier between the base currencies of both the Funds on the day of execution of the exchange order. If the Funds have the same base currency, the multiplier shall be one (1),
- D the price of one unit of the allocated Fund as a result of the exchange on the date of execution of the exchange order,
- N the number of allocated units of the Fund as a result of the exchange.

Exchange orders submitted to *SEB banka* until 14pm (Latvian time) shall be executed on the next working day after tomorrow (T+2) at the prices effective on the Value date (T-date) on which the orders have been received. Exchange orders submitted to *SEB banka* after 14pm (Latvian time) shall be deemed to have been received on the next Value date (T+1).

Where an exchange order is submitted for the Funds with different payment cycles, the Fund exchange transaction shall occur, having regard to the longer payment cycle of the Funds involved in the transaction.

### 2.7. Orders cancellation

Clients may cancel their Order, submitting a written application to *SEB banka*, if the transaction status is "accepted". An employee of the branch of *SEB banka* shall verify the transaction status before the submission of the Cancellation of the Order. The client may cancel the submitted Order by cancelling the transaction through the internet bank of *SEB banka*, if the transaction status is "accepted".

## 3. Commission charge

The client shall pay a commission charge to *SEB banka* for the execution of the purchase order in accordance with *SEB banka's* effective Common service pricelist and the Fund prospectus.

#### **4. Information of the Fund**

General information on the Fund and the procedure for purchasing the units thereof, the documents governing the Fund (in English), annual and six-month reports (in English), Background information intended for investors (in Latvian), information on the prices of the units of the Fund and notifications to Fund investors are available at any branch of *SEB banka*, on the website of *SEB banka* [www.seb.lv](http://www.seb.lv) and on the website of SEB Investment Management AB [www.sebgroup.lu](http://www.sebgroup.lu). Additional information can be obtained, by calling *SEB banka*'s information helpline on 8777.

The annual report shall comprise the Fund's audited financial statements. A six-month report shall consist of the Fund's unaudited financial statements.

#### **5. Distribution commission**

*SEB banka* may receive a commission fee for the distribution of the units of the Fund, calculated using the following algorithm: the volume distributed by the Fund (the net asset value of certificates) x the Fund annual management commission x 70%. You can read about the Fund annual management commission in the Fund prospectus.

#### **6. Governing law**

The legal relations between the client and *SEB banka* in transactions with the units of the Funds shall be interpreted under the laws of the Republic of Latvia, unless binding regulatory enactments provide otherwise.

#### **7. Changes and additions**

Any changes to the Fund prospectus, regulatory documents or other material information on the Fund that the investor needs to be notified of under the existing regulatory enactments, shall be placed on *SEB banka*'s website [www.seb.lv](http://www.seb.lv), as well as on the website of the management company *SEB Investment Management AB* [www.sebgroup.lu](http://www.sebgroup.lu). If, within a month of these changes or additions becoming effective, the client has not submitted the Order for the sale of the Fund units to *SEB banka*, SEB bank shall consider that the client has fully agreed to the effected changes or additions.