

TAALERI

Micro Markka Equity FUND

1 § Fund

The official name of the fund in Finnish is erikoissijoitusrahasto Taaleri-itehdas Mikro Markka Osake and in English Taaleri Micro Markka Equity Fund (non-UCITS) (hereinafter "the Fund").

2 § Fund management company and custodian bank

Fund management company is Taaleritehtaan Rahastoyhtiö Oy (hereinafter "the Fund Company"). The Fund Company represents the Fund in its own name and acts on behalf of it in matters concerning the Fund and uses rights related to property in the Fund. The custodian bank of the Fund is Svenska Handelsbanken Ab (plc), Branch Operation in Finland.

3 § Use of agents

The Fund Company can outsource its operations to agents. The fund prospectuses (fund prospectus and key investor information document ("KIID")) indicate the extent to which the Fund Company uses agents in any given case.

4 § Fund unit register and fund units

The Fund Company maintains a fund unit register of all fund units and registers transfers of fund units. Fund units can be divided into fractions. One fund unit consists of ten thousand (10,000) equally large fractions.

The board of directors of the Fund Company can decide that the Fund contains a series of fund units that differ from each other in terms of management fees. The board of directors of the Fund Company decides on the minimum subscription amounts required for subscription to each fund unit series, and these are indicated in the fund prospectuses valid at the time in question. Each fund unit series can include both distribution units and growth units according to the decision of the board of directors of the Fund Company. One fraction of a fund unit produces a right that is equivalent to one fraction of a fund unit of the Fund Company's assets and yield of assets, taking into account the relative values of fund unit series and unit types.

If, during the period of holding, the fund unit holder's ownership in a specific fund unit series exceeds, due to new subscriptions or fund changes, the minimum subscription amount for another fund unit series, the Fund Company will transform, at the request of the fund unit holder, ownership to apply to the fund unit series to which the minimum subscription amount the new ownership corresponds. If, during the period of holding, the fund unit holder's ownership in a specific fund unit series declines, due to redemptions or fund changes, below the minimum subscription amount for that series at the time of subscription, the Fund Company has the right, taking into account the equal treatment of fund unit holders, to transform ownership to apply to the fund unit series to which the minimum subscription amount the new ownership corresponds.

The Fund Company will provide a share certificate at the fund unit holder's request. The share certificate can apply to several units or fractions of them and it can be given only to the named holder of the fund unit. The Fund Company has the right to charge the fund unit holder for the processing fee indicated in the fund prospectuses valid at the time in question for the provision and delivery of the share certificate.

5 § Subscription, redemption, and switching of fund units

Subscription and redemption of fund units can be done at offices of the Fund Company and other subscription locations decided upon by the board of directors of the Fund Company, which are indicated in the fund prospectuses, during their opening hours on the 15th and the last day of each calendar month, when the deposit banks are generally open in Finland (banking day). If the 15th or the last day of the calendar month is not a banking day, then the day before will be the subscription date. Information on subscription and redemption prices of fund units is available to the public at offices of the Fund Company during their opening hours on each banking day.

In connection with the subscription, the subscriber must indicate the fund unit series from which units are subscribed and whether the subscription applies to distribution or growth units. A binding subscription

occurs when the subscriber pays the subscription sum to the fund's bank account. The board of directors of the Fund Company decides upon the minimum amounts for subscription and redemption.

The subscription day is the banking day during which the subscription order has been received and registered at the Fund Company before 1 p.m. and the subscription sum is at disposal of the Fund or the Fund Company. In this case, the subscription of fund units is executed at the fund unit's value confirmed for the same day. If the subscription order is registered at 1 p.m. or later, the subscription is executed at the fund unit's value calculated for the next subscription day. Subscription is only possible if the Fund Company has received appropriate and sufficient information on the subscriber and the subscriber's identity.

The Fund Company has the right to accept or reject an executed subscription or a subscription order if it has not received the information mentioned above, if in its opinion there is no real necessity for custom-ership or if the customership is deemed to weaken the interest or equality of the other fund unit holders.

The amount of subscribed fund units is obtained by dividing the subscription sum, from which the subscription fee has been deducted, by the fund unit's value for the subscription day. The amount of subscribed units is calculated at an accuracy of one ten-thousandth (1/10,000) of a fund unit and rounded down to the nearest fraction of a fund unit, and the remainder is added to the fund capital. As a confirmation of subscription, the fund unit holder receives a purchase statement and, under the conditions mentioned above in section 4, a share certificate that is delivered to the custodian named by the subscriber of the fund unit.

The fund unit holder has a right to demand the Fund Company to redeem a fund unit, and the Fund Company correspondingly has the responsibility of redeeming the fund unit in question. If a share certificate has been given for the fund unit, the share certificate must be delivered to the Fund Company in connection with the redemption request.

If the Fund Company does not need to sell the Fund's investments for the redemption, the redemption shall accrue on the 15th or the last day of the calendar month, whichever comes first after the day of receiving the redemption order. If the 15th or the last day of the calendar month is not a banking day, then the day before will be the redemption date. The redemption price is the fund unit's value on the day of the redemption order, from which the redemption fee is deducted. The redemption price is paid to the fund unit holder's bank account on the banking day following the redemption day.

If assets for redemption must be acquired by selling investment objects from the Fund, the sale must take place without undue delay, nevertheless within two weeks of the date when redemption was demanded of the Fund Company. Redemption must then be executed as soon as assets from the sale of investment objects have been acquired. The redemption is executed at the fund unit's value calculated for the day on which the money from the sale of assets has been received. The redemption price is paid to the fund unit holder's bank account on the banking day following the redemption day. Redemption orders are executed in the order of their receipt. The Finnish Financial Supervision Authority may, for special reasons, grant permission to exceed the time limit mentioned above for selling investment objects.

When a fund unit holder switches fund units for fund units of other funds managed by the Fund Company and which are subscribable simultaneously, the redemption and subscription day is considered to be the banking day on which the switch order has been received and registered at the Fund Company before 1 p.m. Finnish time on the condition that the Fund contains sufficient cash to execute the exchange. If the Fund does not contain sufficient cash, the switch is executed to another fund managed by the Fund Company, as has been described in the previous paragraph on the temporal executions of redemption and subscription.

6 § Suspending subscription and redemption

The Fund Company may, if it is necessary in the fund unit holders' interest or equality or for other especially weighty reasons, suspend sub-

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scription of fund units with the permission of the Finnish Financial Supervision Authority.

The Fund Company may temporarily suspend redemption of fund units due to interruptions in normal communications or if the marketplace, which can be considered as the main marketplace, taking into account the Fund's investment policy, is closed for other than predictable reasons or if trade on the aforementioned market has been limited.

7 § Fees for orders related to fund units

For the subscription of a fund unit, the Fund Company charges a fee of at most 5 percent of the subscription sum, and for redemption, at most 3 percent of the value of the fund unit.

The board of directors of the Fund Company decides on the amounts of subscription, redemption, and exchange fees and the fee for registration of ownership. More information on fees can be found in the fund prospectuses valid at the time in question.

8 § Calculating the net asset value of the Fund

The net asset value of the Fund (NAV) is calculated on each day that deposit banks are generally open in Finland (banking day). NAV is calculated by deducting the Fund's debts from the Fund's assets. NAV is indicated in euro.

The Fund's investments are valued at their valid market value. The market value is determined according to the value of the securities on the banking day following the valuation day at 8 a.m. Finnish time. Securities loan agreements are valued at the market value of the securities acting as the underlying commodity.

If no market value as mentioned above is available for the valuation day, the latest available quoted price is used, if it lies between the bid and sale quotes of the security. If the latest quoted price is higher than the sale quote or lower than the bid quote, either the bid or sale quote is used, depending on which is closer to the latest quoted price.

Money market instruments are valued at the Euribor quote valid at 8 a.m. Finnish time on the banking day following the day of the valuation, plus issuer group-specific risk premiums decided upon by the board of directors of the Fund Company.

With regard to derivative instruments, market value refers to the price of the last trade made before 8 a.m. Finnish time on the banking day following the day of valuation.

With regard to investment funds and collective investment undertakings, market value refers to the most recent published fund unit or share value pursuant to the rules of the investment fund or collective investment undertaking in question available at 8 a.m. Finnish time on the banking day following the day of valuation.

If no valid market value is available for the investments, they are valued according to the model objective principles defined by the board of directors of the Fund Company.

Accrued interest will be added to receivables from banks in accordance with the decision of the board of directors.

The value of the Fund's assets in foreign currencies is converted into euro, normally on the banking day following the valuation day at 8 a.m. Finnish time, according to the average prices of the latest foreign exchange quotations of international foreign exchange banks provided by the public price monitoring system.

9 § Calculating the value of a fund unit

The Fund Company calculates the value of a fund unit on each day that deposit banks are generally open in Finland (banking day). The value of the fund unit is available from the Fund Company, all fund subscription locations, and the Internet.

The value of the fund unit is the value of the Fund divided by the number of fund units in circulation; however, in such a way that the value of different fund unit series takes into account the yield paid to fund units.

The relative values of distribution and growth units are determined according to the distribution paid to holders of distribution units separately for each fund unit series. The payment of distribution changes the ratio between the values of distribution and growth units. The ratio is determined after the distribution payment decision by dividing the value of the distribution unit (without the distribution to be paid) by the value of the growth unit. This ratio is used until the following distribution payment decision is made.

The value of a growth unit is calculated by dividing the value of the Fund by the total sum of the number of distribution units multiplied by the ratio and the number of growth units. The value of a distribution unit is the value of a growth unit multiplied by the ratio. The value of a distribution and growth unit is the same and the ratio is one until the first distribution payment decision. The value of a growth unit in each fund unit series is calculated by dividing the portion of the Fund's value allocated to that fund unit series by the total sum of the number of distribution units multiplied by the ratio and the number of growth units in that fund unit series. The distribution unit value in each fund unit series is the growth unit value in that fund unit series multiplied by the ratio.

10 § Distribution payment from the Fund

Holders of distribution units are paid distribution from the Fund's assets according to the amount that the shareholders' meeting of the Fund Company annually decides in connection with the confirmation of the financial statements. The yield paid to yield units is deducted from the Fund capital calculated for yield units.

The distribution is paid to the holder of a distribution unit who is marked in the Fund Company's fund unit register on the day of the Fund Company's shareholders' meeting. The distribution is paid to the holder of a distribution unit, at the latest by one (1) month from the date of the shareholders' meeting. Information on the day of the shareholders' meeting is available from the Fund Company during its opening hours and on the Fund Company's website after a summons to the meeting has been sent. The distribution is paid to the bank account indicated by the fund unit holder, if not otherwise agreed. If the fund unit holder has not notified the Fund Company of the bank account to which the distribution can be paid, any distribution that has not been withdrawn within five years of its date of payment is transferred back to the Fund's assets.

Growth unit holders do not receive distribution and the value of growth units does not change due to distribution paid to distribution units.

11 § The accounting period of the Fund and the Fund Company

The accounting period of the Fund and the Fund Company is a calendar year.

12 § Fund unit holders' meeting

The ordinary fund unit holders' meeting must be held annually on the day announced by the board of directors of the Fund Company; at the latest, by the end of April.

The board of directors of the Fund Company calls the fund unit holders' meeting. The summons to the fund unit holders' meeting is delivered in the manner mentioned in section 15 at the earliest four weeks and at the latest two weeks before the meeting.

In order to be permitted to participate in the fund unit holders' meeting, a fund unit holder must report to the Fund Company in the manner and at the latest by the day specified in the summons to the meeting.

A fund unit holder is not permitted to use rights belonging to fund unit holders in the meeting before the holder's fund unit has been registered or before the title of the holder has been reported and demonstrated to the Fund Company. The right to participate in the fund unit holders' meeting and the number of votes at the meeting is determined ten days before the meeting on the basis of the prevailing situation.

The agenda of the ordinary fund unit holders' meeting must contain at least the following items:

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1. Selecting a meeting chairman, who invites a keeper of the minutes
2. Preparing and approving a list of votes
3. Selecting two examiners of the minutes and two tellers
4. Establishing the legality of the meeting and checking that the members present constitute a quorum
5. Presenting the financial statements and annual reports of the Fund Company and the Fund, which were discussed at the Fund Company's shareholders' meeting
6. In accordance with the articles of association of the Fund Company, selecting a fund unit holder representative for the board of directors of the Fund Company, as well as one auditor for the Fund Company and one deputy auditor
7. Any other matters mentioned in the summons to the meeting.

An extraordinary fund unit holders' meeting must be held when the board of directors of the Fund Company considers it necessary or if an auditor or fund unit holders with total holdings of at least one twentieth (1/20) of all fund units in circulation demand an extraordinary meeting to discuss a matter reported by them.

Each whole fund unit in the Fund yields one vote in the fund unit holders' meeting. If a fund unit holder's total holdings in the Fund consist of less than one unit; however, the fund unit holder still has one vote. Meeting items are decided by a simple majority, except for elections, where the candidates who receive the most votes are elected. If votes are even, the chairman's vote is decisive, and elections are decided by lot.

13 § Fund prospectuses, annual reports, and interim reports

The fund prospectus, KIID and mid-year report and annual reports of the Fund and the Fund Company are published in the manner specified in the Act on Common Funds.

The mid-year reports must be published within two months of the end of the reporting period. The annual reports of the Fund and the Fund Company must be published within three months of the end of each accounting period. The documents mentioned above are available at the Fund Company during its opening hours.

14 § Amendments to the rules of the Fund

The board of directors of the Fund Company decides upon amendments to the rules of the Fund. An amendment to the rules of the Fund comes into effect one month from the day when the Finnish Financial Supervision Authority has confirmed the amendment and the amendment has been brought to the attention of fund unit holders in the manner mentioned below in section 15, unless otherwise decreed by the Finnish Financial Supervision Authority. After the amendment to the rules comes into effect, it applies to all fund unit holders.

15 § Notifications to fund unit holders

The Fund Company can deliver notifications to fund unit holders by mail, with the fund unit holder's permission by e-mail or other electronic means of communication, or by placing an announcement in a national daily newspaper or on the Fund Company's website.

A notification that the Fund Company has sent to fund unit holders, to the postal address last reported by the fund unit holder to the Fund Company, is considered to have been brought to the attention of the fund unit holder on the seventh (7) day after the sending of the notification. Notifications that are sent, with the fund unit holder's permission, by e-mail or other electronic means of communication, or published in a national daily newspaper or on the Fund Company's website, are considered to have been brought to the fund unit holder's attention on the day when the message was sent or the announcement published.

16 § Disclosure of information

The Fund Company has the right to disclose information on fund unit holders according to the legislation valid at the time in question.

17 § Applicable law and disputes

Finnish law is applied to the operation of the Fund Company and the Fund, as well as to agreements made according to these rules.

Disputes related to agreements made according to these rules are settled in the Helsinki district court. If the fund unit holder is a consumer, the holder can alternatively bring an action against the Fund Company related to disputes arising from the agreement in the Finnish district court in whose judicial district the holder's permanent residence is located.

18 § Investing the assets of the Fund

The objective of the Fund's investment activities is to reach as high an increase in value as possible over the long term. The assets of the Fund are invested by diversifying, following the restrictions and regulations of the Act on Common Funds. The assets are primarily invested in small and mid-cap stocks subject to public trading and in share-based securities, whose issuers are Finnish, have business in Finland, are listed on European stock exchanges or the business of the issuer is substantially dependent on the Finnish economy.

The Fund's assets can be invested in:

1) Shares and share-based instruments, such as convertible bonds, warrants, staff incentive options, subscription rights, certificates of deposits, and warehouse warrants that are subject to public trade on a stock exchange list or are traded in another regulated, regular, and well-established publicly open marketplace. The geographic location of the marketplace is limited to Finland and the European Economic Area.

2) Credit institution deposits, on the condition that the investment is paid back upon request or can be withdrawn and is due for payment at the latest within 12 months and that the domicile of the credit institution is in a country belonging to the European Economic Area or in Switzerland, the United States, or Japan. Deposits in one credit institution may not exceed 40% of the Fund's assets.

3) Securities whose issuing terms and conditions determine that the securities are to be publicly traded in such a marketplace as stated in the Investment Funds Act (Section 69, subsection 1, paragraph 1) within one year of issue, on the condition that trading can, in all probability, begin within this time.

4) Fund units of Taaleri Cash Fund. Investments in Taaleri Cash Fund may not exceed 50% of the Fund's assets. The Fund Company charges a management fee also for these investment objects, but no subscription or redemption fees are charged from the Fund for these investment objects.

5) A total of at most 20% of the Fund's assets for securities and money market instruments other than those referred to above under 1-4.

At most, 20% of the Fund's assets may be invested in securities and money market instruments by the same issuer.

0–100% of the Fund's investments may be share-based investments.

0–100% of the Fund's investments may be interest-based investments.

The Fund must hold enough liquid assets to cover its operations.

With the approval of the Finnish Financial Supervision Authority, the Fund Company may temporarily raise credit for investment fund activity on behalf of the Fund up to an amount corresponding to 10% of the Fund's assets.

To promote efficient asset management, loan and repurchase agreements can be made for securities and money market instruments belonging to the Fund's assets, upon the condition that they are cleared by a clearing house as defined by law, or by a corresponding foreign organization. If the clearing takes place elsewhere, the counterparty to the agreement should be a securities intermediary as specified by law, and the terms of the agreement should be typical to the market and commonly known. This restriction does not apply to lending contracts that can be terminated and the securities of which can be reclaimed instantly upon demand.

19 § Fund fees

The Fund Company receives, as compensation for its operations, a

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management fee that is calculated daily and consists of a custodial fee and a fixed and performance-based management fees.

Fixed management fee is at most 2.0% of the Fund's value annually. The board of directors of the Fund Company confirms the size of the fixed management fee valid at the time in question, which can vary by fund unit series. The fixed management fee also contains the custodial fee for the custodial bank.

Performance-based management fee is at most 20% of the Fund's performance that exceeds the OMX Helsinki Small Cap Total Return –index ("Comparison index") during the period of 12 months preceding the day before the day on which the performance is examined. If some component of the Comparison Index is not available when the Fund's value is calculated, the previous available value for that component is used. If the calculation of a component changes materially according to the Fund Company's consideration or the Fund Company is no longer able to obtain information on the component, when approving the amendment the board of directors of the Fund Company may, taking into account the interests of the unit holders, decide with the permission of the Finnish Financial Supervision Authority that the amended Comparison Index will be used already before the entry into force of the amendment of the rules. The amended Comparison Index will be immediately published in the fund prospectuses.

The board of directors of the Fund Company may decide that the Fund contains fund unit series with no performance-based management fee.

The management fee charged for the day of examination is calculated as follows:

$$(\text{fixed management fee} + \text{performance-based management fee} / 360) \times \text{Fund's value}$$

The management fee charged for the day of examination is deducted as a debt of the Fund to the Fund Company daily as the Fund's value is calculated. The Fund Company charges the management fee from the Fund monthly in arrears.

The charging of performance-based management fees begins 3 months from the start of the Fund's investment activities. When 3-12 months have passed from the start of the Fund's investment activities, the calculation of the performance-based management fee is carried out by examining the performance development of the Fund and the development of the comparison index, in a manner deviating from that described above, in the period between the time of examination and the beginning of the Fund's investment activities. When 12 months have passed from the start of the Fund's investment activities, the procedure described above is applied. In the calculation of performance-based management fees, any performance exceeding the comparison index and the Fund's performance development are calculated by fund unit series according to the performance development of growth units, also for distribution units. Thus, the performance-based management fee charged from growth and distribution units of the same fund unit series consists of an equally large proportion of the fund unit's value.

More detailed information on fees applicable at the time in question is available from the Fund Company during its opening hours and from fund prospectuses.

Management and custodial fees for funds and collective investment undertakings that are investment objects of the Fund are charged according to the rules of these funds and collective investment undertakings.