


**DRAFT**

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# Fund Agreement between the Swedish Pensions Agency and (Fund Manager X) with respect to (Fund Y, ISIN Code XXX)



**Fondtorgsnämnden**  
Swedish Fund Selection Agency

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## Introduction

The premium pension involves lifelong mandatory pension saving in a unit-linked pension plan within the framework of the national pension system in Sweden and is, therefore, part of the national Swedish social security system.

The Swedish Pensions Agency is an insurer for the premium pension and shall offer a selection of procured funds to pension savers with different investment policies and risk profiles in a fund platform for the premium pension. The Swedish Pensions Agency is the fund unit owner and acquires units and has units redeemed in the funds on the fund platform.

The Swedish Pensions Agency is also responsible for the choice architecture for the premium pension system by presenting different options to pension savers and providing support and information for the savers' choice of funds. The Swedish Pensions Agency shall charge fund managers costs for fund information. As the insurer for the premium pension, the Swedish Pensions Agency must observe insurance-related principles.

The Swedish Fund Selection Agency shall continuously provide funds to the fund platform through the procurement of funds. The Swedish Fund Selection Agency enters into fund agreements as part of the ongoing management of the fund platform and is responsible for contacts in general with the Fund Managers who have entered into fund agreements. The fund agreement shall be commercially sound and otherwise include, among other things, the conditions required to maintain good practice in the premium pension sector. The Swedish Fund Selection Agency's management of the fund platform, including the procurement of funds, is financed through fees from the fund managers.

In light of the fact that the Swedish Fund Selection Agency and the Swedish Pensions Agency cooperate regarding the premium pension system, the fund managers will need to cooperate with both the Swedish Fund Selection Agency and the Swedish Pensions Agency in accordance with what is stated in this fund agreement. It includes that fund managers must fulfill their commitments to the Swedish Pensions Agency as an insurer.

This fund agreement imposes higher requirements on Fund Managers and funds than is the case under other regulatory frameworks since mandatory pension saving in the premium pension is intended to help secure future benefits for retirees, and thereby reduce financial risk for the state.



Entering into a fund agreement with the Swedish Fund Selection Agency does not guarantee that premium pension funds will be transferred to the fund.

## 1. Defined terms

### 1.1. Definitions relating to natural and legal persons

With regard to this fund agreement and its appendices, the following is understood:

**Fund Manager:** a fund company, fund companies or management company according to Chapter 1, section 1 of the Swedish UCITS Act (2004:46) (LVF) or AIFM managers according to Chapter 1, section 3 of the Act on managers of alternative investment funds (lagen (2013:561) om förvaltare av alternativa investeringsfonder).

**Function Manager(s):** the natural persons who for example are responsible for regulatory compliance, risk management and internal auditing functions, as well as persons working with the Fund Manager responsible for fund management.

**Group of Companies:** group in accordance with Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directive 78/660/EEC and 83/349/EEC, as amended by Directive 2014/95/EU of the European Parliament and of the Council, or group which, in accordance with recognised international accounting rules, shall provide the equivalent accounts.

**Representative(s):** persons who, via direct or indirect ownership, have a significant influence over the operations; board members and alternative board members; Managing Director and Deputy Managing Director; senior executives; other Representatives, and Function Manager for fund management.

**Interested Party:** natural or legal person that directly or indirectly has a significant influence over the structure, organisation and business model of the fund operations, and/or a significant financial interest in the turnover or profitability of the fund operations.

**Investment Manager:** a legal entity to which the Fund Manager has delegated, in whole or in part, the investment management of the fund.

**Key person:** natural person responsible for making important decisions on behalf of the fund (including replacement of the portfolio manager).

**Close links:** The fund manager's links with any legal or natural person in the manner specified in Chapter 1, section 2 of the Swedish UCITS Act.

**Related Party:** natural or legal person with which the Fund Manager has Close links, the Fund Manager's Representative, Partner and its Representative, the Investment Manager and its Representative.

**Relevant person:** (a) a member of the board, shareholder, Managing Director or other manager at the Fund Manager; (b) one of the Fund Manager's employees as well as any other natural person who not only provides services for the Fund Manager but is also under the Fund Manager's control and participates in the operation of the fund operations on behalf of the Fund Manager, and (c) a natural person who, in the context of a contract of assignment, carries out part of the fund operations on behalf of the Fund Manager.

**Partner:** natural or legal person that the Fund Manager engages or cooperates with, for example for fund administration, financial advice to customers, marketing, information and sales of fund units or other financial products or services to pension savers within the premium pension sector.

**Procurement documents:** any document used by the Swedish Fund Selection Agency to describe or determine the content of a procurement.  
[...]

## 1.2. Other definitions

With regard to this fund agreement and its appendices, it is understood that:

**Fund-of-funds:** a fund whose assets under management are invested in Underlying funds by more than 10 per cent.

**Fund category:** [ ]

**Trading:** that the Swedish Pensions Agency buys fund units or fund units are redeemed on behalf of the Swedish Pensions Agency.

**Trading day:** the day on which the fund is open for trading at both the Swedish Pensions Agency and the Fund Manager.



**Trading order:** used as a common term for buy or sell orders.

**Qualifying Holding:** a direct or indirect ownership of a company that amounts to 10 per cent or more of the capital or votes or otherwise allows a significant influence over the management of the company.

**Trading halt:** in a trading halt, the fund cannot be selected, and no new assets are transferred from the Swedish Pensions Agency to the fund, with the exception that the Swedish Pensions Agency may transfer certain funds corresponding to, for example, pension rights, inheritance gains and such funds that are to be returned for other reasons.

**SEK:** currency code for Sweden's official currency, Swedish kronor.

**UCITS Directive:** 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.

**SFB:** the Swedish Social Insurance Code (socialförsäkringsbalken).

**LUP:** the Act (2022:760) on the Procurement of Funds for the Premium Pension Fund Platform (lag (2022:760) om upphandling av fonder till premiepensionens fondtorg)

**Underlying fund:** a fund in which a Fund-of-funds invests part of its fund assets.

## 2. General information on the fund agreement

### 2.1. The Agreement and its content

This fund agreement contains the terms and conditions for participation in the fund platform for the premium pension. More detailed provisions on the fund platform for the premium pension can be found, for instance, in Chapter 64 of the Swedish Social Insurance Code, (socialförsäkringsbalken – SFB).

The Swedish Fund Selection Agency shall continuously provide funds to the fund platform by procuring funds in accordance with the Act on the

Procurement of Funds for the Premium Pension Fund Platform (lagen (2022:760) om upphandling av fonder till premiepensionens fondtorg – LUP).

The Act (2022:759) on the Swedish Fund Selection Agency (lag (2022:759) om Fondtorgsnämnden) provides that the Swedish Fund Selection Agency shall take a critical look to ensure that Fund Managers and the funds continuously comply with the terms of this fund agreement and regularly evaluate the Fund Managers' management of the assets of the procured funds.

The funds shall be cost-effective, sustainable, controllable and of high quality. In addition, a fund procured for the premium pension fund platform must at any time be suitable for the premium pension system. The fund is expected to contribute to a high level of confidence among pension savers in both the premium pension system and the actors operating in this area. It is therefore the responsibility of the Swedish Fund Selection Agency to procure funds with such a level of risk and transparency that these factors, together with the Fund Manager's actions, meet high standards of fund suitability.

The fund agreement regulates both the terms and conditions for the Swedish Fund Selection Agency's cooperation with the Fund Manager and the terms and conditions that relate to the aspects in which the Fund Manager shall cooperate with the Swedish Pensions Agency.

The fund agreement documents are comprised of this fund agreement (the main document together with the following appendices A-C) and other agreement documents listed below, all of which in their entirety constitute the content of the agreement:

- i. Appendix A: [Price appendix/individual terms and conditions]
- ii. Annex B: Trading in funds [together with Instructions for the fund agreement]
- iii. Appendix C: Code of conduct in the premium pension sector
- iv. Additions and clarifications to other Procurement documents including appendices
- v. Other Procurement documents including appendices
- vi. Additions and clarifications to the Fund Manager's tender
- vii. The Fund Manager's tender.

The fund agreement documents complement each other. Should the fund agreement documents prove to be contradictory in any respect, they shall apply, unless circumstances clearly require otherwise, in the following order:

1. Written amendments and additions to the fund agreement and the Appendices A to C
2. The fund agreement and Appendices A to C
3. Additions and clarifications to other Procurement documents including appendices
4. Other Procurement documents including appendices
5. Additions and clarifications to the Fund Manager's tender
6. The Fund Manager's tender.

## 2.2. Interpretation and application

The Fund Manager and Related Party shall act solely in the common interest of the unitholders. In the interpretation and application of this fund agreement, the interests of the fund unitholders, including pension savers, shall be given precedence. If, due to applicable mandatory statutes or regulations, the Fund Manager is restricted or prevented from complying with certain terms and conditions, this shall be taken into account to the extent necessary.

If an administrative provision referred to in this fund agreement is replaced by another provision, which in effect governs the same thing, the new provision shall apply.

## 2.3. Language

The fund agreement is written in Swedish. A translation of the fund agreement into English is also available but has no legal effect.

Documents and information submitted in accordance with this fund agreement must be provided in Swedish, unless otherwise provided by statutory regulations, this fund agreement, or otherwise stated by the Swedish Fund Selection Agency.

## 2.4. The Fund Manager's cooperation with the Swedish Pensions Agency

The Swedish Pensions Agency is the insurer of the premium pension and administers pension savers' investments in unit-linked pension plan accounts, which includes funds available on the fund platform. The Swedish Pensions Agency is not a party to the fund agreement but has certain independent rights according to what appears in the agreement. The fund manager undertakes to carry out the commitments set out in this fund agreement in relation to the Swedish Pensions Agency and to thereby follow

the Swedish Pensions Agency's instructions and directions and to otherwise cooperate with the Pensions Authority in all relevant respects.

The Swedish Pensions Agency has, under certain conditions, a statutory right to independently bring an action against a fund manager. The Fund Manager agrees that the Swedish Pensions Agency may invoke the provisions at a competent court and applicable law in accordance with section 7.8.1 below.

#### 2.5. Term of agreement, etc.

The fund agreement enters into force and is applicable for a period of [ six ] years from the date on which it has been signed by the Swedish Fund Selection Agency.

The Swedish Fund Selection Agency then has the right, but no obligation, to extend the term of the agreement on one or two occasions by [ three ] years on each occasion. However, the total term of the agreement shall not exceed twelve (12) years.

If the Swedish Fund Selection Agency wishes to extend the fund agreement, the Fund Manager shall be notified in writing no later than three (3) months before the end of the relevant agreement period.

The Instructions for the fund agreement as it stands at any given time aim to provide supplementary information to the Fund Manager regarding, among other things, the registration of funds in the premium pension system, as well as instructions for the practical handling that is required for the fund to be eligible. It is the responsibility of the Fund Manager, in cooperation with the Swedish Pensions Agency, to assimilate the information and comply with the instructions.

In the event that the fund has not been registered and eligible within the premium pension system [eight] weeks after the entry into force of this fund agreement, the Swedish Fund Selection Agency has the right to terminate the fund agreement early, in accordance with the detailed provisions in section 7.3.

#### 2.6. Allocation of premium pension funds

When fund agreements have expired, been terminated or cancelled, pension savers shall be given the opportunity by the Swedish Pensions Agency to

decide within a certain period that the premium pension assets shall be invested in one or more funds covered by another fund agreement. If pension savers do not decide within the time specified by the Swedish Pensions Agency how the funds are to be invested, the funds shall be invested in a fund which is essentially equivalent to the previously selected fund in accordance with the more detailed provisions in Chapter 64, section 27 a of the Swedish Social Insurance Code. It is the Swedish Fund Selection Agency that assesses which funds are essentially equivalent.

The fund covered by this fund agreement has, according to detailed criteria, as stated in the Procurement documents, been considered equivalent to each of the other funds within the Fund category [X].

In accordance with the above, premium pension funds within Fund category [X] – when the respective fund agreement has been terminated or cancelled – may be invested in the fund covered by this fund agreement. Upon expiry, termination or cancellation of this fund agreement, funds from the fund covered by this fund agreement may be transferred to other funds within the Fund category [X].

The Swedish Fund Selection Agency has established the following distribution order for Fund category [X]:

Premium pension funds to be transferred from one or more funds within Fund category [X] shall be distributed in equal shares to the other procured funds within the Fund category, with the following exceptions:

- A fund that has previously applied for and obtained registration on the fund platform in accordance with older legal provisions ("affiliated fund") which, after completion of the procurement in accordance with current legal provisions, has been awarded a procured fund agreement ("existing procured fund") may retain its existing premium pension capital that is deducted from the funds to be distributed to other procured funds. An existing procured fund shall not receive an additional part of the funds to be transferred from affiliated funds whose fund agreements are to be terminated, to the extent that the size of the existing premium pension funds in the existing procured fund amounts to at least the amount to be allocated to the respective contracted fund within the category.

Example

Five affiliated funds with a total of SEK 10,000,000 in premium pension capital whose fund agreements are terminated because they fall within the Fund category to be procured.

Following procurement, fund agreements are awarded to five funds, of which one of the funds is an existing procured fund.

All procured funds are assessed equivalent to the affiliated funds.

The premium pension capital of SEK 10,000,000 shall then, according to the general rule, be divided equally between the five procured funds, i.e. SEK 2,000,000 each.

However, the existing procured fund already has SEK 3,000,000 in premium pension capital that it may keep. The remaining SEK 7,000,000 is to be divided between four funds, i.e. SEK 1,750,000 per fund.

The end result will be four new procured funds with SEK 1,750,000 each in premium pension capital and one existing procured fund with SEK 3,000,000.

A fund which, during the term of this fund agreement, is allocated a fund agreement through supplementary procurement must, by law, not receive part of the funds to be transferred from a fund that leaves the fund platform.

It is the Swedish Pensions Agency that transfers pension funds in accordance with the distribution order above. This takes place in the case of Fund category [X] in order of procured and equivalent funds in accordance with the detailed rules set out in the Procurement documents.

### **3. The Fund Manager's undertaking and obligations**

#### **3.1. Authorisation, legal compliance and legal capacity**

##### **3.1.1. Required authorisations**

The Fund Manager shall have obtained all authorisations required to conduct operations in the premium pension system and must conduct the operations in accordance with the applicable authorisation at any time. The Fund Manager is responsible for ensuring that a Related Party has obtained all authorisations required for its operations.

### 3.1.2. Compliance

The Fund Manager and Related Party shall, at any point in time, conduct their respective operations within the premium pension sector and the fund operations in general in accordance with applicable provisions and other regulations.

The Fund Manager must ensure to the best of its ability that a Related Party complies with the provisions stated in the first paragraph.

### 3.1.3. Full legal capacity etc.

By entering into this fund agreement, the Fund Manager undertakes to have full legal capacity to fulfil the fund agreement and all other documents and transactions necessary for the implementation of the fund agreement in accordance with its terms and conditions as well as that the offer and the fund agreement have been signed by an authorised representative of the Fund Manager and is binding on the Fund Manager in all parts. In addition, the Fund Manager guarantees that the offer and the fund agreement and all other documents and transactions necessary for the implementation of the fund agreement in accordance with its terms and conditions have been approved by the competent body of the Fund Manager. This means, for example, that the Fund Manager is responsible for all actions taken by Relevant Persons.

## 3.2. Performance of the assignment

The funds procured for the premium pension system must be cost-effective, sustainable, controllable and of high quality. The Fund Manager's declarations and commitments in the offer and the requirements and criteria specified in the Procurement documents ensure that the funds, both at the time of procurement and continuously during the term of the agreement, maintain these essential characteristics for the premium pension system.

All exclusion grounds as well as mandatory requirements that are specified in the Procurement documents, with the exception of any exclusion grounds and mandatory requirements which by their nature are clearly such that they shall only apply in connection with the procurement, apply in relation to the Fund Manager, and the fund, together with the terms of the fund agreement, throughout the term of the agreement. The Fund Manager shall, in this context and with due care, in accordance with applicable provisions and other regulations and in a professional manner, manage the premium pension funds transferred by the Swedish Pensions Agency to the fund covered by this fund

agreement. The Fund Manager shall perform the assignment in such a way that the best interests of the pension savers will always be safeguarded.

The Fund Manager shall also comply with the code of conduct in the premium pension sector, see Appendix C, and the Swedish Fund Selection Agency's or the Swedish Pensions Agency's instructions to the fund agreement, as applicable at any time, and other administrative instructions.

Unless otherwise expressly stated, the Fund Manager must ensure to the best of its ability that the Related Party and Interested Party comply with the provisions stated in this fund agreement.

### 3.3. Suitability and code of conduct

In order to participate in the fund platform at any given time, the fund must be deemed suitable for the premium pension system by the Swedish Fund Selection Agency. The Fund Manager's management of the fund shall show that the operations do not risk damaging the confidence in the premium pension system or otherwise harm the interests of the pension savers.

The Fund Manager, Related Party and Interested Party shall at any given time be deemed appropriate by the Swedish Fund Selection Agency as regards the ability and desire to, within the framework for the operations, give priority to the interests of the pension savers, personal conduct and reputation as well as other matters of importance. The requirements imposed by the Swedish Pensions Agency on the Fund Manager, Related Parties and Interested Parties mean that they shall act in such a way that they do not undermine confidence in the premium pension system or otherwise risk harming the interests of the pension savers. Examples of a lack of good conduct and reputation may be that the Fund Manager or Relevant persons have been the subject of government intervention or have been convicted of financial crime, have been the subject of legal proceedings relating to tax or business operations, or have been the subject of company restructuring or declared bankrupt.

#### Code of conduct in the premium pension sector

The suitability of the Fund Manager, Related Party, Interested Party and the fund on the fund platform will be assessed by the Swedish Fund Selection Agency on the basis of what has been stated above about suitability and also within the framework of Appendix C (Code of conduct in the premium pension sector).



### 3.4. Quality of the fund

#### 3.4.1. Demand for high quality

In order to participate in the fund platform, the fund must be evaluated by the Swedish Fund Selection Agency to be of high quality at all times. The Swedish Fund Selection Agency's assessment will be made, among other things, on the basis of the requirements and criteria formulated in this procurement based on the award criterion, high quality, and the information provided by the Fund Manager in its offer.

The above means that during the term of the agreement, the Swedish Fund Selection Agency will evaluate, review and inspect factors linked to, for example, the investment philosophy and investment process applied in the fund, the Fund Manager's competence, personnel and organisation in general, including changes thereto, as well as other factors and circumstances that the Swedish Fund Selection Agency deems to be of importance in order to ensure high quality.

### 3.5. Business model, strategies and guidelines

The Fund Manager's business model, strategies and guidelines, which aim to ensure that the Fund Manager should achieve its objectives with its operations, shall be in accordance with the interests of pension savers and other fund unitholders and in accordance with the terms and conditions regarding the performance of the assignment, the fund's suitability and the code of conduct. In the Fund Manager's ongoing review of the fund's investment policy, strategies and risk, the common interest of pension savers and other unitholders shall be given priority.

The Fund Manager shall, upon request and within the time notified by the Swedish Fund Selection Agency, provide information about the Fund Manager's and the fund's business model, investment strategy and risk profile, as well as other guidelines, etc., that are necessary for the Swedish Fund Selection Agency to review and assess compliance with the fund agreement.

### 3.6. Insurances

The Fund Manager shall be required to hold an insurance policy against professional liability, adequate for its operations in order to cover liability issues. The Fund Manager shall ensure, to the best of its ability, that Related

Parties also hold an insurance policy adequate for their operations. By signing this fund agreement, the Fund Manager declares that no circumstances exist or can be expected to exist which would mean that the Fund Manager's insurance coverage would not allow claims with regard to any demands arising from the Fund Manager's non-compliance with the provisions of this fund agreement. Within the time specified by the Swedish Fund Selection Agency, the Fund Manager shall be able to present documents that confirm the above commitments.

### 3.7. Trading and holdings, etc.

#### 3.7.1. Trading in fund units, etc.

The Fund Manager shall, subject to section 3.2, sell and redeem units in the Fund and perform other undertakings in accordance with this fund agreement, including the trading conditions set out in Appendix B and the Instructions for the fund agreement. In doing so, the fund manager shall cooperate with the Swedish Pensions Agency and follow the instructions of the Swedish Pensions Agency.

#### 3.7.2. Market-based pricing

The Fund Manager is responsible for ensuring that the valuation of the fund's holdings is objective (market-based pricing). Fund management operations shall be organised so that the function for the valuation of the fund's assets is separate from the management function. Asset and liability valuation shall reflect market values on objective and pre-defined grounds, for example, through the use of independent sources for valuation or accepted valuation principles. The valuation must not be based solely on information from the issuer. It is incumbent upon the Fund Manager to be able to show that the valuation of the fund holdings is market-based.

#### 3.7.3. Reporting and information regarding fund holdings and transactions

The Fund Manager shall ensure that there is transparency in all holdings in the fund and that holdings do not disadvantage pension savers.

The Fund Manager undertakes to provide the Swedish Fund Selection Agency (or to the system provided by a third party that the Swedish Fund Selection Agency designates) with information about all the fund's holdings and transactions, including documentation on order execution and the best possible price. Such information shall be provided quarterly, or at the request of the Swedish Fund Selection Agency. The information must be provided within 30 days unless the Swedish Fund Selection Agency decides otherwise.

#### 3.7.4. Authorised person for Trading etc.

The Fund Manager is responsible for ensuring that only those authorised to represent the Fund Manager can take action in accordance with this fund agreement and that these individuals have access to the systems necessary to perform the assignment.

The Swedish Pensions Agency shall provide the Fund Manager with a list of those individuals at the Swedish Pensions Agency who are authorised to, at any given time, carry out Trading in the fund.

#### 3.8. Information about the fund

The Fund Manager shall, in addition to what is expressly stated in this fund agreement, at the request of and within the time set by the Swedish Fund Selection Agency, provide the information about the fund specified by the Swedish Fund Selection Agency and which the Swedish Fund Selection Agency considers necessary to review and assess the Fund Manager's and the fund's compliance with the fund agreement.

In addition, the Fund Manager shall provide the Swedish Pensions Agency with such fund information that the Swedish Pensions Agency considers necessary to enable it to fulfil its obligations to provide information to, for example, pension savers. Such fund information shall be in Swedish. The fund information shall be updated in the manner and at the intervals specified by the Swedish Pensions Agency. The Fund Manager shall, however, continuously and independently ensure that the fund information on the platform available to pension savers and provided by the Swedish Pensions Agency is relevant, correct and up to date.

The information described in this section shall be submitted to the Swedish Fund Selection Agency or to the Swedish Pensions Agency in the manner and at the times specified by the respective agency.

In addition, the Fund Manager shall, at the request of pension savers who have chosen or are considering choosing the Fund Manager's fund, provide the information documents referred to in Chapter 4, sections 15, 16a, 17 and 18 of the Swedish UCITS Act. The documents shall be in the language stipulated by the Swedish Financial Supervisory Authority.

### 3.9. Information on amendments regarding the fund etc.

#### 3.9.1. Amendments regarding the fund

The Fund Manager shall notify the Swedish Fund Selection Agency of such changes regarding the fund which are of importance to the fund agreement and the cooperation with the Swedish Fund Selection Agency or the Swedish Pensions Agency. The Fund Manager shall also inform the Swedish Fund Selection Agency of all relevant changes to the fund rules and the fund prospectus.

Notice according to the above shall be given without delay from the time the change was adopted by the Fund Manager or otherwise became known to the Fund Manager, or, where applicable, from the time the relevant regulatory authority announced its decision about the change. If the information is not received by the Swedish Fund Selection Agency in sufficient time for the agency to review and assess the change in relation to the terms of the fund agreement before the change enters into force, including the time necessary for the implementation of any necessary changes in relevant systems in consultation with the Swedish Pensions Agency and that the Swedish Pensions Agency is able to inform affected pension savers in writing of such changes that are deemed to be of importance for the pension savers' fund selection, the fund may be subject to a Halt in trading while the respective agency takes the necessary measures.

#### 3.9.2. Merging and division of funds

When funds are merged, one or more funds (transferring fund/funds) are transferred into another fund (receiving fund). When a fund is divided, the fund is divided up into several parts, whereby at least one new fund is created. Merger or division which leads to pension savers' units ending up in a fund outside the premium pension system entitles the Swedish Fund Selection Agency to terminate the fund agreement in accordance with more detailed provisions in section 7.3. If a fund agreement exists for the receiving fund (or, in case of division, the original fund), the Swedish Fund Selection Agency will assess whether the receiving fund (or, in case of division, the original fund) after the merger or division is considered to meet the requirements to continue to be covered by a fund agreement.

When a Fund Manager has decided on a merger involving a fund covered by a fund agreement, the Fund Manager shall submit the merger plan as soon as possible to the Swedish Fund Selection Agency which according to Chapter 8, section 3 of the Swedish UCITS Act (or equivalent provision in foreign legislation) must be sent to the regulatory authority. If the information is

subject to confidentiality, the Swedish Fund Selection Agency must be notified of this.

Both the Swedish Fund Selection Agency and the Swedish Pensions Agency shall be provided with the information which in accordance with Chapter 8, section 8 of the Swedish UCITS Act (or equivalent provision in foreign legislation) shall be provided to the unitholders of the funds. Also, in the event of a division, both the Swedish Fund Selection Agency and the Swedish Pensions Agency shall be provided with all the information the unitholders shall receive.

Terms and conditions regarding contract note in connection with the merger are set out in Appendix B, section 7.4.

### 3.10. Information on the Fund Manager's organisation, etc.

The Fund Manager shall, upon request and within the time specified by the Swedish Fund Selection Agency, provide such information about the Fund Manager's organisation and operations as the Swedish Fund Selection Agency specifies. Examples of such information includes the Fund Manager's or the fund's current or historical ownership, beneficial owner, corporate structure, organisation and such internal guidelines, etc., that are relevant to fund operations, and annual reports or equivalent documentation.

In addition, the Fund Manager shall, upon request and within the time specified by the Swedish Fund Selection Agency, provide corresponding information on, for example, the Fund Manager's Related Parties, Interested Parties, and administrators (or Investment Manager) relevant to the Master fund which according to the Swedish Fund Selection Agency's assessment is relevant for the fund agreement, and which the agency deems necessary in order to review and assess compliance with the fund agreement.

### 3.11. Information on significant changes

The Fund Manager shall, without delay, notify the Swedish Fund Selection Agency if the Fund Manager no longer meets one or more of the conditions set out in this fund agreement.

The Fund Manager shall notify the Swedish Fund Selection Agency of significant changes to the Fund Manager's organisation and business

operations etc. of importance to the cooperation with the Swedish Fund Selection Agency.

Such notice shall be given without delay from the time the change was adopted by the Fund Manager or otherwise becomes known to the Fund Manager or, where applicable, from the time the relevant regulatory authority announced its decision to approve the change.

If the information is not received by the Swedish Fund Selection Agency in sufficient time for the agency to review and assess the change in relation to the terms of the fund agreement before the change enters into force, including the time necessary for the implementation of any necessary changes in relevant systems in consultation with the Swedish Pensions Agency and that the Swedish Pensions Agency is able to inform affected pension savers in writing of such changes that are deemed to be of importance for the pension savers' fund selection, the fund may be subject to a Halt in trading while the agencies take the necessary measures.

Examples of such significant changes mentioned above include changes related to ownership, the Fund Manager's Representatives, and changes in the Investment Manager or depositary.

If a direct or indirect acquisition of shares in the Fund Manager should result in the acquirer's aggregate holding becoming a Qualifying Holding, the Fund Manager shall notify the Swedish Fund Selection Agency of the acquisition without delay. The same applies to an acquisition involving an increase in a Qualifying Holding so that it amounts to or exceeds 20, 30 or 50 per cent of the share capital or the voting rights of all shares or so that the Fund Manager becomes a subsidiary.

If a divestment of shares in the Fund Manager should result in the seller's aggregate holding ceasing to constitute a Qualifying Holding, the Fund Manager shall notify the Swedish Fund Selection Agency of the divestment without delay, likewise if the Fund Manager is no longer a subsidiary.

With respect to changes of the fund's Investment Manager's (or the Master Fund's administrators and Investment Managers) organisation and business operations etc., the same obligation applies, to the extent the change is of significance to the fund agreement.

### 3.12. Information on the Fund Manager's agreements, transactions and dependencies

The Fund Manager shall, upon request and within the time specified by the Swedish Fund Selection Agency, provide the information requested by the agency about all agreements, transactions, and dependencies essential to the fund operations, including agreements and transactions entered into between the Fund Manager and Related Party or the Interested Party. In so far as conflicts of interest or dependencies that affect fund operations may be presumed to arise as a result of relevant agreements or transactions, the Fund Manager shall report how the dependency or conflict of interest has been handled and documented.

### 3.13. Information on investigation or intervention from another authority

The Fund Manager shall, without delay, upon learning that it, its Representatives, or Related Party is subject to investigation by the Swedish Financial Supervisory Authority, the Swedish Consumer Agency or any other authority in Sweden or equivalent authorities abroad, notify the Swedish Fund Selection Agency thereof without delay and, on request and within the time specified by the Swedish Fund Selection Agency, provide relevant and written information about the case. Should an investigation lead to an intervention or other sanction, the Fund Manager shall immediately notify the Swedish Fund Selection Agency hereof and of the grounds for this.

### 3.14. Marketing

#### 3.14.1. Marketing of funds

All marketing of funds within the premium pension sector by the Fund Manager and Related Party, irrespective of the way in which the marketing takes place, shall be designed in accordance with applicable provisions on marketing and good marketing practice. Among other things, this means that the marketing shall be designed in accordance with provisions and other regulations, court and authority orders, good business practices, etc., and shall always be in line with relevant industry guidelines. The Fund Manager shall, to the best of its ability, ensure that the Related Party also fulfils these conditions.

In all marketing of funds in the premium pension sector, all relevant information shall be provided. The information must be clear, objective and

provide an account of the risks associated with the fund being offered. In the case of specific information being provided, for example, with regard to previously achieved returns, calculation examples with assumptions about future returns, comparisons of returns between funds or similar, marketing must be designed so that its content is clear and accurate, provides a balanced impression, and is consistent in its entirety with the code of conduct and is not misleading in any respect. The Fund Manager or Related Party must not use value judgements or similar words and expressions if these are not relevant and reliable.

In the marketing of funds, the offer must state that there is a KIID and prospectus for the fund and where they are available.

#### 3.14.2. Commissions and remunerations

At no time may the Fund Manager pay commissions, incentives or other remunerations for the sale, subscription or brokerage of fund units in the premium pension or ongoing remuneration based on managed volume within the premium pension. Examples of such remunerations are, for example, kickbacks, fund discounts and marketing subsidies linked to funds in the premium pension. This provision does not limit the Fund Manager's commitment to the prices and any price reduction specified in Appendix A of this fund agreement.

#### 3.14.3. The Swedish Fund Selection Agency's and the Swedish Pensions Agency's names and logos

The Fund Manager and Related Parties may only use the Swedish Fund Selection Agency's and the Swedish Pensions Agency's names to inform pension savers about the premium pension system. The information shall be objective and factual. The Fund Manager or Related Party may not use the Swedish Fund Selection Agency's and the Swedish Pensions Agency's logo without approval.

#### 3.15. Conflicts of interest

##### 3.15.1. General information on conflicts of interest

Conflicts of interest must never adversely affect pension savers in such a way that they cause higher costs or poorer returns for pension savers than would otherwise have been the case, or adversely affect pension savers in any other relevant way. Conflicts of interest, including how they are handled, must never be of such a nature as to undermine confidence in the premium pension system.



### 3.15.2. Regulation and documentation of conflicts of interest

The Fund Manager is responsible for identifying potential conflicts of interest that may arise during fund operations which can jeopardise pension savers' interests. The Fund Manager must also report how these conflicts of interest are handled. To this end, the Fund Manager shall have internal rules for the identification, handling and follow-up of conflicts of interest.

At the request of the Swedish Fund Selection Agency, and within the time specified by the Swedish Fund Selection Agency, and in accordance with applicable provisions and other regulations, the Fund Manager shall demonstrate how to identify, handle and follow up conflicts of interest, in particular those which pose a significant risk of negatively affecting pension savers and other unitholders.

### 3.15.3. Certain specific conflicts of interest

It is incumbent upon the Fund Manager to take into account whether the Fund Manager, a Relevant Person or someone with which the Fund Manager has Close links:

- i. may be likely to receive an economic gain or avoid an economic loss at the expense of the fund and the pension savers,
- ii. has an interest that deviates from those of pension savers, the results of the activity or a portfolio transaction that is carried out on behalf of the fund, or an order executed on behalf of another customer,
- iii. has a financial or other reason to benefit another customer or customer group over the pension savers,
- iv. performs the same type of operations for the fund as for one or more other customers; or in connection with fund operations, receives or will receive compensation in the form of, for example, money, goods or services in addition to the standard commission or fee for the operations in question from somewhere else other than the fund.

In accordance with section 3.14.2, the documentation shall contain information as to whether the Fund Manager has Close links with any legal or natural person.

If the Fund Manager and the depository of the fund have Close links, the Fund Manager shall specifically state in the internal rules how the Fund Manager's organisation ensures that the Fund Manager acts independently of the depository and reduces the risk of a conflicts of interest arising.

### 3.16. Third-party relationships and third-party information

#### 3.16.1. General information on third-party relationships

The Fund Manager may engage, cooperate with or replace contractors in the fund operations only to the extent that it does not conflict with what is stated in the offer or the requirements in the Procurement documents or otherwise in this fund agreement and is permitted by statutes and other regulations. Contractor relationships or cooperative relationships of a formal or informal nature are covered by these requirements.

The Fund Manager shall inform the Swedish Fund Selection Agency in writing well in advance in the event of a termination or change of contractor or cooperation relationships associated with the fund operations. The information must indicate, among other things, the changes in authorisation that consequently arise.

New contractors in the Fund Manager's fund operations must be approved by the Swedish Fund Selection Agency. Such approval shall normally be granted if the change of contractor does not entail other material amendments and if the new contractor meets the qualification requirements and the requirements not to be excluded in the initial procurement.

However, the Fund Manager shall never transfer responsibility for the operations to another and must thus maintain control over functions that the contractor shall carry out. The Fund Manager is thus responsible to the Swedish Fund Selection Agency for the performance of the assignment and the fund agreement, even though the Fund Manager has collaborated with another party or has instructed another party to perform all or parts of the assignment.

It is incumbent upon the Fund Manager to ensure, as far as possible and to the best of its ability, that the agreements entered into by the Fund Manager with relevant third parties, including Related Parties and Interested Parties, do not contain any confidentiality or other provisions that restrict the Swedish Fund Selection Agency's entitlement to receive documentation in accordance with this fund agreement.

#### 3.16.2. Depositary

In addition to what is otherwise stated in this fund agreement, the Fund Manager shall, at the request of the Swedish Fund Selection Agency, ensure that the Swedish Fund Selection Agency receives the agreement between the Fund Manager and the fund depositary as well as other relevant information

from the depository, for example regarding the Fund Manager's procedures when valuing holdings.

It is also the responsibility of the Fund Manager to forward to the Swedish Fund Selection Agency without delay such information from the depository as the Fund Manager realises or should realise is of particular interest to the Swedish Fund Selection Agency or the Swedish Pensions Agency in their capacity as an insurer for the premium pension.

In the event that the depository initiates a so-called escalation procedure, the Fund Manager shall immediately inform the Swedish Fund Selection Agency thereof.

### 3.16.3. Investment Manager

In addition to what is otherwise regulated in this fund agreement, the Fund Manager shall, at the request of the Swedish Fund Selection Agency, submit such information about the Investment Manager (including, if it has delegated administration, information on the party carrying out the administration), its organisation and operations, including its Representatives and such other parties as the Swedish Fund Selection Agency deems necessary for the Fund Manager's and the fund's fulfilment of the terms and conditions in the fund agreement, and which the Fund Manager according to the terms and conditions of the fund agreement should have submitted if the Fund Manager itself had carried out these investment and fund management services.

### 3.17. Sustainability

#### 3.17.1. Minimum requirements for sustainability work in investment management

Fund Managers and Investment Managers shall at all times, regardless of the management model, manage the funds in an exemplary manner in terms of sustainability through responsible investments and responsible ownership.

Fund Managers and Investment Managers shall have signed and be subject to the UN-supported Principles for Responsible Investment; Principles for Responsible Investment (PRI) or covered by the signature of the PRI made by another legal entity within the Fund Manager's or Investment Manager's Group of companies.

Fund Managers and Investment Managers shall observe what follows from such international agreements that Sweden has entered into, and which relate to issues of sustainability.

The Fund Manager, the Investment Manager or, if applicable, the Fund covered by this Fund Agreement shall:

- i. promote environmental or social characteristics, or a combination of these characteristics (so-called Article 8 reporting funds) or have sustainable investments as objectives (also referred to as Article 9 reporting funds) in accordance with Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial sector (the “Disclosure Regulation”);
- ii. have established processes to identify and assess whether business operations in which the fund invests are associated with violations of any of the ten principles of the Global Compact, the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights (UNGPs) and have established processes to act in its capacity as an investor in the event of identified violations;
- iii. have established processes to identify whether the business operations in which the fund invests take action on the objectives of the Paris Agreement and have established processes to act in its capacity as an investor;
- iv. exclude economic activities which produce store, trade or use anti-personnel landmines as defined in the United Nations Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Landmines and on their Destruction;
- v. exclude economic activities that produce, stockpile, trade or use cluster munitions as defined in the UN Convention on Cluster Munitions;
- vi. exclude economic activities that produce, stockpile, trade or use biological weapons as defined in the United Nations Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction;
- vii. exclude economic activities that produce, stockpile, trade or use chemical weapons as defined in the United Nations Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction;
- viii. exclude business activities that produce components for or perform services associated with nuclear weapons;

- ix. exclude business activities that are subject to any EU or UN sanctions that are in force;
- x. exclude economic activities where more than [X] per cent of turnover is derived from the production of tobacco or tobacco products;
- xi. exclude economic activities where the total turnover from the extraction/production of thermal coal or oil sands exceeds X per cent;
- xii. exclude economic activities where more than X per cent of turnover is derived from the combustion of thermal coal; and
- xiii. exclude business activities that are repeatedly associated with violations of any of the ten principles of the Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) or underlying conventions.

It is the responsibility of the Fund Manager to ensure compliance with the requirements in section 3.17.1. are met. The Fund Manager shall, at the request of the Swedish Fund Selection Agency, demonstrate that it fulfils these undertakings.

#### 3.17.2. Requirements for information on sustainability work

The Fund Manager shall provide the Swedish Pensions Agency with the information referred to in the Disclosure Regulation, and in Articles 5 to 7 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (the “Taxonomy Regulation”).

The Fund Manager shall also provide other information on sustainability etc. that the Swedish Pensions Agency considers necessary to fulfil its obligations to the pension savers.

The Swedish Fund Selection Agency or the Swedish Pensions Agency may collect any additional information needed in order to review and evaluate the management of the fund with regard to sustainability or to facilitate the selection of sustainable funds by pension savers.

The Fund Manager shall provide and update the information in the manner, in the systems, and at the intervals specified by the Swedish Fund Selection Agency and the Swedish Pensions Agency at any given time.

In the event of changes in the fund's sustainability information or sustainability work in general, the Fund Manager shall immediately inform the respective agency of this and update the information in the relevant systems.

### 3.18. Participation in follow-up and audit work

The Fund Manager shall provide the Swedish Fund Selection Agency with the information required for the application of the provisions of Chapter 2 of the Act (2022:760) on the Procurement of Funds for the Premium Pension Fund Platform (lagen (2022:760) om upphandling av fonder till premiepensionens fondtorg – LUP) and Chapter 64 of the Social Insurance Code (socialförsäkringsbalken – SFB), cooperate with the Swedish Fund Selection Agency within the framework of this fund agreement, and participate in the Swedish Fund Selection Agency's controls, follow-up and audit work in general. The Fund Manager shall make employees and Representatives with relevant competence and decision-making power available in the review and follow-up work; all without the requirement for compensation.

### 3.19. Correct information, etc.

All documentation and information submitted to the Swedish Fund Selection Agency or the Swedish Pensions Agency on behalf of the Fund Manager or any Related Party must be genuine and current, and no such documentation or information shall contain any incorrect information or omit any relevant circumstance/s that cause/s the documentation or information to be misleading.

The Fund Manager is responsible for ensuring that all information, such as documentation, notifications, other documents and information submitted by the Fund Manager or anyone else on behalf of the Fund Manager to the Swedish Fund Selection Agency or the Swedish Pensions Agency, regardless of the form it takes, meets the requirements in the first paragraph and shall be provided by persons authorised to submit such information. If a document shall be signed, it shall be signed by an authorised person.

## 4. Fees etc.

### 4.1. Fund Manager's fees

#### 4.1.1. Annual fee, etc.

The Fund's annual fee for the duration of the agreement, including the management fee; and, where applicable, performance-based fee is specified in the Fund Manager's tender and in Appendix A.

Appendix A contains additional conditions regarding, among other things, calculation bases and invoicing.

#### 4.1.2. Trading fees

In addition to what is stated in the Procurement documents, including this fund agreement, the Fund Manager shall not for its own part charge any fees, and shall also ensure that no other party charges any fees for the Swedish Pensions Agency's trading in its funds. See also Appendix B.

#### 4.1.3. Compensation for submitting information, etc.

The Fund Manager is not entitled to compensation for costs for the fulfilment of obligations in accordance with this fund agreement, for example, for submitting information, reporting or participating in the Swedish Fund Selection Agency's audit and follow-up work, unless specifically stated otherwise.

#### 4.1.4. Certain specific fees

The Fund Manager shall pay the annual fee that the Swedish Fund Selection Agency, in accordance with Section 7 of the Act (2022:759) on the Swedish Fund Selection Agency (the Act (2022:759) on the Swedish Fund Selection Agency), shall charge the Fund Manager to cover the agency's costs, among other things, for the procurement of funds for the premium pension fund market and the management of the fund platform.

The Fund Manager shall pay the fees that the Swedish Pensions Agency, in accordance with Chapter 64, section 40 of the Social Insurance Code, shall collect from Fund Managers to cover the agency's costs for information to pension savers on funds.

#### 4.2. Invoicing address

The Fund Manager shall ensure at all times that the Swedish Fund Selection Agency and the Swedish Pensions Agency have the correct invoicing address for the invoicing of, for example, costs, fees and any price reductions that may arise in relation to this fund agreement.

## 5. Trading halt

### 5.1. General information about Trading Halt

If, according to the Swedish Fund Selection Agency's assessment, there is reason to assume that the Fund Manager is breaching, or will breach, a provision of this fund agreement, the agency is entitled to Halt trading in the

fund in question until the assumption can either be eliminated or action is taken in accordance with the fund agreement.

The Swedish Fund Selection Agency may also decide that a fund should be subject to a Halt in trading in the fund in the event of, for example, liquidation or merger of funds or during the period when the agency conducts a review of circumstances concerning, for example, the Fund Manager, the fund, or Related Party.

The Swedish Pensions Agency, which acquires and redeems units in the funds, may decide that a fund should be subject to a Trading Halt for administrative reasons.

In section 7.3.3 there are provisions regarding Trading Halt in connection with the termination of this fund agreement.

## 5.2. Information about Trading Halt

If a Trading Halt is introduced, the Swedish Fund Selection Agency or the Swedish Pensions Agency shall notify the Fund Manager of the Trading Halt and the reason for this. However, if there are special reasons, for example, that there is a risk involved in delaying action, the Swedish Fund Selection Agency or the Swedish Pensions Agency may refrain from notifying in advance that a Trading Halt will be introduced. Information regarding the Trading Halt shall then instead be provided retrospectively. Throughout the Trading Halt, the Fund Manager shall be allowed to make comments.

## 6. Liquidated damages

### 6.1. Incomplete information on unit prices or confirmation of completed Trading order

If the Fund Manager does not fulfil its obligation to provide information on unit prices or Trading orders in accordance with sections 4.2, 4.3, 4.5 and 8 of Appendix B, the Swedish Fund Selection Agency, unless otherwise stated by section 4.4 of that Appendix, is entitled to impose liquidated damages. The liquidated damages shall amount to SEK 10,000 for each individual Trading day and fund.



## 6.2. Incomplete information on trading days, holding statements, dividends and information on type of fund

If the Fund Manager does not fulfil its obligation to provide information on trading days, holding statements and dividends as well as information on the type of fund in accordance with section 7.1 – 7.3 in Appendix B, the Swedish Fund Selection Agency is entitled to impose liquidated damages. The liquidated damages shall amount SEK 20,000 per breach for which any of the above-mentioned obligations in the sections mentioned have not been fulfilled

## 6.3. Inadequate fund information or information in general

If the Fund Manager does not fulfil its obligations under section 3.7.5 to provide fund information on time, the Swedish Fund Selection Agency is entitled to liquidated damages. The liquidated damages shall amount to SEK 50,000 per breach when the obligation has not been fulfilled.

If the Fund Manager does not, in addition to what is specifically stated in other provisions in Section 6 regarding liquidated damages, fulfil its obligation to provide information in accordance with this fund agreement, the Swedish Fund Selection Agency is entitled to impose liquidated damages. The liquidated damages shall amount to SEK 50,000 per breach in which the obligation has not been fulfilled.

## 6.4. Deficiencies regarding the code of conduct in the premium pension sector; other breaches of contract

If the Fund Manager does not fulfil its obligations in accordance with Appendix C hereto, the Swedish Fund Selection Agency is entitled to impose liquidated damages. The liquidated damages shall amount to SEK 100,000 per breach.

If, in addition to what is stated specifically in the other provisions of section 6 regarding liquidated damages, the Fund Manager has violated a provision in this fund agreement, and the breach of contract is not of minor importance, the Swedish Fund Selection Agency is entitled to liquidated damages. The liquidated damages shall amount to SEK 50,000 per breach.

## 6.5. Other penalties

The Swedish Fund Selection Agency's imposition or non-imposition of liquidated damages in accordance with section 6 does not imply any limitation

of the entitlement to impose other penalties, either for contractual or other reasons, such as a Trading Halt for further subscriptions, early termination of the agreement or compensation for damages in which the compensation for damages exceeds the amounts imposed as liquidated damages.

## 7. Other prescriptions

### 7.1. Notices and other communication

Unless otherwise stated in this fund agreement or otherwise stated by the Swedish Fund Selection Agency or the Swedish Pensions Agency, communication should primarily be via the e-mail address provided, at any given time, by the Swedish Fund Selection Agency or the Swedish Pensions Agency.

If the Fund Manager deems that certain information is not suitable to be sent by (unencrypted) e-mail or, for example, the information is a document that must be received by the agency in the original, communication may be made by other appropriate means as prescribed below in this section 7.1. If so, the Fund Manager shall notify the Swedish Fund Selection Agency or the Swedish Pensions Agency by e-mail that the information has been sent and in what manner.

In addition to the above, notices in connection with this fund agreement may be sent by courier, registered letter or fax, or, where appropriate, and provided that the Swedish Pensions Agency is the correct recipient, entered into the Swedish Pensions Agency's system for fund trading and fund information, or sent in another appropriate manner agreed by the parties.

Notices for the Fund Manager shall be sent to the address provided by the Fund Manager in the application or to another address that the Fund Manager has subsequently advised to the Swedish Fund Selection Agency or the Swedish Pensions Agency in compliance with the provisions in section 7.1. Such notices takes legal effect when they reach the recipient.

Information that the Swedish Pensions Agency has made available in its system for fund trading and fund information shall be deemed to have been received by the Fund Manager at the same time as the information was made available in the system.

Other notices shall be considered as being received by the Fund Manager:

- i. if delivered by carrier; on delivery
- ii. if sent by registered post; on the second working day after handover to the postal services if both sender and recipient are located in Sweden, and on the fifth working day after handover to the postal services if sender or recipient are located outside Sweden
- iii. if sent by fax; on confirmation (transmission receipt) that the message has reached the Fund Manager's fax number
- iv. if sent as e-mail; when the e-mail has been sent from the Swedish Fund Selection Agency or the Swedish Pensions Agency and no error message has been received.

## 7.2. Limitation of liability, etc.

### 7.2.1. Limitation of liability

The Swedish Fund Selection Agency and the Swedish Pensions Agency are not liable for damages, either direct or indirect, caused by Swedish or foreign legal enactments, Swedish or public authority measures, wars, strikes, blockades, boycotts, lockouts or other similar circumstances which are beyond the Swedish Fund Selection Agency's or the Swedish Pensions Agency's control and the consequences of which the Swedish Fund Selection Agency or the Swedish Pensions Agency could not reasonably avoid or overcome. The reservation for strikes, blockades, boycotts and lockouts shall apply even if the Swedish Fund Selection Agency or the Swedish Pensions Agency are subject to or take such industrial action.

If there are any obstacles, due to circumstances referred to in the first paragraph above that prevent the Swedish Fund Selection Agency or the Swedish Pensions Agency from fully or partially taking action in accordance with this fund agreement, such action may be postponed without penalty (including penalty interest) until the obstacle has ceased.

Damage, direct as well as indirect, that is caused in other cases shall be compensated by the Swedish Fund Selection Agency or the Swedish Pensions Agency only if the Swedish Fund Selection Agency or the Swedish Pensions Agency has acted with gross negligence.

### 7.2.2. Damages and compensation for incorrect unit price

Without limitation to the Swedish Fund Selection Agency's or the Swedish Pensions Agency's entitlement to compensation in general, for example, compensation for damage incurred as a result of early termination of the fund agreement, the Swedish Pensions Agency shall be entitled to compensation

from the Fund Manager for any reasonable development costs, correction costs and information costs related to the fund in question as a result of the Fund Manager providing the Swedish Pensions Agency with an incorrect unit price for orders for the purchase or redemption of units in a fund.

An incorrect unit price for purchase orders shall be adjusted in the form of units, and an incorrect unit price for redemption orders shall be adjusted in the form of cash unless otherwise agreed with the Swedish Pensions Agency in the individual case.

### 7.3. Early termination of the fund agreement

#### 7.3.1. Early termination by the Swedish Fund Selection Agency

The Swedish Fund Selection Agency has the right to terminate the fund agreement with immediate effect if the Fund Manager has materially breached the agreement, including the commitments specified in other documents or agreements that form part of the fund agreement documents. In this regard, each breach of the agreement by the Fund Manager, where correction has not been made as soon as possible despite a request to do so, or where it has taken place repeatedly, shall be deemed to constitute a material breach of the agreement.

The Swedish Fund Selection Agency may always terminate the fund agreement with immediate effect if:

- i. the fund agreement is no longer compatible with the legal conditions for the premium pension system or due to restrictions pertaining to securities or fund law or other restrictions in Sweden or another country;
- ii. The Court of Justice of the European Union finds in a ruling that entering into the fund agreement constitutes a serious breach of EU law;
- iii. a court determines that the fund agreement was entered into in violation of relevant procurement legislation;
- iv. a fund according to the Swedish Fund Selection Agency's reasonable assessment is not suitable for the premium pension system, whereby the eligibility assessment also includes the Fund Manager, the Fund Manager's Representative or Related Party and the presence of an Interested Party in the fund operations,
- v. the Fund Manager, its board members or other Representatives are subject to measures covered by the grounds for exclusion or at the time

- of the decision to award the contract were in such a situation that are covered by the grounds for exclusion and therefore should rightly have been excluded from the procurement or if the Fund Manager or fund during the agreement period does not maintain a mandatory requirement in the Procurement documents;
- vi. the Fund Manager or the fund in the assessment of the Swedish Fund Selection Agency violates the terms of the agreement regarding the fund's cost-effectiveness, sustainability, controllability or high quality;
  - vii. it has emerged that the Fund Manager supplied incorrect information, including the tampering of documents, in the offer which, if correct information had been provided, would have meant that the fund agreement would not have been entered into;
  - viii. an agency to whom the Fund Manager is answerable withdraws the Fund Manager's authority to conduct the activity or the Fund Manager is prohibited from making new commitments, in whole or in part;
  - ix. the Fund Manager or an operator engaged by the Fund Manager has acted contrary to applicable laws and regulations or in violation of court and authority orders;
  - x. if there is suspicion of irregularities of a serious nature in general on the part of the Fund Manager or of the party engaged by the Fund Manager;
  - xi. a fund, even if eight weeks have elapsed after the entry into force of the fund agreement, has not been registered or made eligible within the premium pension scheme due to a lack of cooperation on the part of the Fund Manager (whereby the lack of cooperation on the part of the Fund Manager shall be deemed to be present if the lack of registration/eligibility is not primarily attributable to the Swedish Pensions Agency's actions);
  - xii. information and data have not been reported by the Fund Manager to the Swedish Fund Selection Agency or the Swedish Pensions Agency within the time specified by the respective agency, despite the fact that such obligation is expressly prescribed in the terms of the fund agreement;
  - xiii. the Fund Manager does not pay the fees and other costs that the Fund Manager is obligated to pay to the Swedish Fund Selection Agency or the Swedish Pensions Agency according to legislation or this fund agreement;
  - xiv. the Fund Manager assigns rights or obligations according to the Fund Agreement without the written consent of the Swedish Fund Selection Agency or if there is an unauthorised change to the agreement in general during the term of the agreement;

- xv. as a result of a merger or division of a fund, the Swedish Pensions Agency's fund units have ended up in, or risk ending up in, a fund outside the premium pension system, i.e. a fund that is not covered by the fund agreement;
- xvi. the Fund Manager has gone into liquidation, has been declared bankrupt, has been subject to corporate reconstruction, obtained a public scheme of arrangement without bankruptcy, or following enforcement, has been found not to be in possession of sufficient assets to pay off its debts;
- xvii. the Fund Manager has suspended its payments or is otherwise considered insolvent.

Notice of termination must be sent in accordance with the provisions in section 7.1.

If the Swedish Fund Selection Agency has grounds for termination of the fund agreement as referred to above, the agency has the right to terminate all other fund agreements with the Fund Manager in force at the time of termination.

#### 7.3.2. Early termination by the Fund Manager

The Fund Manager has the right to terminate the fund agreement with immediate effect if the Swedish Fund Selection Agency has materially breached the fund agreement. However, in such a case, prior to termination, the Swedish Fund Selection Agency shall have the opportunity for rectification within a reasonable period of time.

If circumstances arise which means that the Fund Manager, for reasons other than those stated in the paragraph above, wants to terminate the fund agreement early, the fund agreement may be terminated early, provided that the Swedish Fund Selection Agency approves this in writing and that the Fund Manager, if the Swedish Fund Selection Agency requests it, reimburses the Swedish Fund Selection Agency or the Swedish Pensions Agency for all costs that arise as a result of the early termination of the Fund agreement, such as, but not limited to, transaction costs, costs for administration or for supplementary procurement.

#### 7.3.3. Measures taken and the effects of termination of the fund agreement

When a party gives notice of termination of the fund agreement, the Swedish Fund Selection Agency or the Swedish Pensions Agency may, at its own discretion, subject the fund to a Trading Halt, if this has not already been done.

The Swedish Pensions Agency will, as soon as possible after the termination of the fund agreement by either party, provide information on how the holding is to be liquidated. The provisions of the fund agreement, unless the Swedish Fund Selection Agency has notified otherwise in writing, shall apply until the Fund Manager has fulfilled all of its obligations to the Swedish Fund Selection Agency or the Swedish Pensions Agency. Thus, the Fund Manager may not, for example, cease trading in the fund until all of the Swedish Pensions Agency's units have been redeemed.

The fund is considered to be deregistered at the Swedish Pensions Agency, and the fund agreement shall be considered terminated when all of the Swedish Pensions Agency's units in the fund have been redeemed.

However, the parties will be liable for any surviving obligations in accordance with section 7.3.4.

#### 7.3.4. Surviving obligations

The parties are also responsible for the obligations that survive the termination of the fund agreement. Obligations that follow from provisions, other regulations and agreements and whose nature is such that they must be fulfilled even after the fund has been deregistered or the fund agreement has ceased to be valid, for example, but not limited to section 7.2 (Limitation of liability, etc.), section 7.8 (Competent court, applicable law, etc.), payment of a possible price reduction in accordance with Appendix A and costs for information to pension savers shall survive the termination of the fund agreement.

#### 7.4. Complaints and limitation period

A party must be able to rely on the counterparty to perform all obligations in accordance with this fund agreement, and a party shall be under no obligation to investigate whether the obligations have been duly discharged.

Should a party claim that the counterparty's obligations under the fund agreement have been incorrectly executed, the party must notify the counterparty within a reasonable time after the party has discovered or ought to have discovered the deficiency. The provision in Chapter 18, section 9 of the Swedish Commercial Code (handelsbalken 1736:1232) on limitation shall not apply to the parties' rights and obligations in accordance with the fund agreement.

### 7.5. Invalidity

Should any provision of the fund agreement or part thereof be found to be invalid, it shall not mean that the fund agreement as a whole is invalid but, in so far as the invalidity substantially affects a party's exchanges or performance in accordance with the fund agreement, reasonable adjustment of the fund agreement's provisions shall be made.

### 7.6. Transfer of the fund agreement; change of Fund Manager

The Fund Manager does not have the right to transfer or pledge the fund agreement, or any right or obligation under the agreement, without the written consent of the Swedish Fund Selection Agency.

A change of Fund Manager in a fund agreement may be permitted by the Swedish Fund Selection Agency by agreement between the Fund Manager, the Swedish Fund Selection Agency and the new Fund Manager, if, as a result of a company or fund restructuring (including takeovers, mergers or acquisitions involving the Fund Manager or the merger or division of a fund), the new Fund Manager shall take the place of the original Fund Manager and they undertake jointly and severally to perform all obligations relating to the Fund and its management. Such consent to change Fund Manager is given at the discretion of the Swedish Fund Selection Agency and requires, among other things, that the change does not entail other material amendments and that the new Fund Manager is not in a situation covered by the grounds for exclusion and fulfills the mandatory requirements set in the original procurement.

A change of Fund Manager may also be permitted if an Investment Manager takes over as Fund Manager and replaces the original Fund Manager following an agreement between the Fund Manager, the Swedish Fund Selection Agency and the Investment Manager.

### 7.7. Amendments and additions

Amendments and additions to this fund agreement, in order to be valid, shall be in writing and signed by the authorised representatives of both parties; the parties must, however, be in agreement and understand that the Swedish Fund Selection Agency has the right to make amendments and additions without the Fund Manager's consent that are not of a material nature.



The parties agree that, among other things, amendments and additions concerning the Instructions (Appendix B), code of conduct in Appendix C and amendments or additions resulting from new or amended statutes or other regulations or from a decision of a court or agency shall be considered to be of a non-material nature.

In order to give Fund Managers the opportunity to submit comments within the time specified by the Swedish Fund Selection Agency, the Swedish Fund Selection Agency may send proposals for non-material amendments or additions to the Fund Manager/s. The Swedish Fund Selection Agency shall notify the Fund Manager of non-material changes and additions to this fund agreement that the Swedish Fund Selection Agency has decided on. Such notifications shall be sent to Fund Managers at least one month before the amendment enters into force. However, a notification of an amendment may be sent later if:

- i. the Swedish Fund Selection Agency deems it obviously unnecessary considering the nature of the amendment or the addition, or
- ii. there are special reasons.

Amendments and additions must also be published on the Swedish Fund Selection Agency's website.

An amendment or addition to this fund agreement shall be deemed to have been received by the Fund Manager when the Swedish Fund Selection Agency has sent notice of the amendment or addition to the Fund Manager by e-mail to the e-mail address provided by the Fund Manager and published the amendment or addition on the authority's website.

The Fund Manager will be bound by the adjusted fund agreement from and including the date the Swedish Fund Selection Agency announces that the new fund agreement shall enter into force.

## 7.8. Jurisdiction, governing law, etc.

### 7.8.1. Jurisdiction and governing law

Disputes concerning the interpretation or application of the fund agreement and related legal issues shall be determined by a Swedish general court with the Stockholm District Court as the first instance.

Swedish law, with the exception of its conflict-of-laws rules, shall apply in its entirety.



**7.8.2. The Swedish Pensions Agency or pension savers' right to bring an action**

The provisions relating to the Swedish Pensions Agency's or pension savers' right to bring an action against Fund Managers for damages to the Swedish Pensions Agency, and the Swedish Pensions Agency's right to instruct the Swedish Fund Selection Agency to bring an action for damages are contained in Chapter 64, sections 32–36 of the Social Insurance Code. The Swedish Pensions Agency, the Swedish Fund Selection Agency or a pension saver may bring such an action against the Fund Manager at the Stockholm District Court.

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This fund agreement has been entered into by the authorised representative of the Swedish Fund Selection Agency and the authorised representative of the Fund Manager.

For and on behalf of the Swedish Fund Selection Agency:

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Place, date

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Signature

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Name clarification

For and on behalf of the Fund Manager:

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Name of Fund Manager



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Place, date

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Place, date

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Signature

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Signature

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Name clarification

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Name clarification