

Statutes Nordea Fund of Funds, SICAV

Undertaking for Collective Investments in
Transferable Securities under Luxembourg law

Statutes

Nordea Fund of Funds, SICAV

(Société d'Investissement à Capital Variable à compartiments multiples)

R.C. Luxembourg B. 66248

Article 1 - FORMATION

There is hereby established, among the subscribers and all those who may become owners of shares hereafter issued, a corporation in the form of a société anonyme under the name of Nordea Fund of Funds, SICAV qualifying as Société d'Investissement à Capital Variable (SICAV), (hereafter referred to as the "Company").

Article 2 - DURATION

The Company is established for an undetermined duration. The Company may be dissolved by a resolution of the shareholders adopted in the manner required for amendment of these Articles of Incorporation (the "Statutes").

Article 3 - OBJECT, DETERMINATION OF THE INVESTMENT POLICY

1) The object of the Company is to place the funds available to it in other Luxembourg or foreign undertakings for collective investment of the open-ended type with the purpose of offering various investment opportunities, spreading investment risk and offering its shareholders the benefit of the management of the Company's Sub-funds. The Company may take any measures and carry out any operations which it may deem useful to the accomplishment and development of its purpose to the full extent permitted by Part I of the law of 20 December 2002 on collective investment undertakings (hereinafter referred to as "the Law").

The objective of the investment policy of the Company shall be the active and passive management of different portfolios in order to realise acceptable profits in EURO according to the market conditions and the respective investment strategy of each Sub-fund.

- 2) The Board of Directors may take any administrative measures and engage in any activities that are in the interest of the Company. Any rights that are not expressly reserved to the Company's meetings under the law or under these Statutes may be exercised by the Board of Directors.
- 3) With the exception of the matters on which, according to these Statutes, resolutions must be adopted by the shareholders at the general meeting of the shareholders and in consideration of the restrictions laid down in these Statutes, the Board of Directors shall be authorised to determine the investment policy for each Sub-fund according to the principle of risk spreading. In this respect, any investment restrictions provided for by the law, by regulations or by resolutions of the Board of Directors must be taken into account.
- 1) When any investment policies are determined and implemented, the Board of Directors shall ensure compliance with the following provisions:

- a) The Company will only invest in units of UCITS authorised according to Directive 85/611/EEC and/or other collective investment undertakings (hereinafter referred to as "UCIs") within the meaning of the first and second indent of Article 1 paragraph (2) of the Directive 85/611/EEC should they be situated in a Member State of the European Union or not (all being referred to as the "Target Funds"), provided that:
 - such UCIs are authorised under laws which provide that they are subject to supervision considered by the Luxembourg supervisory authority to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured,
 - the level of guaranteed protection for unit-holders in such UCIs is equivalent to that provided for unit-holders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 85/611/EEC,
 - the business of the UCIs is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period, and
 - no more than 10% of the UCITS' or the UCIs' net assets, whose acquisition is contemplated, can, according to their fund rules or instruments of incorporation, be invested in aggregate in units of other UCITS or UCIs.
- b) The Company may not invest, in aggregate, more than 30% of the Net Asset Value of each Sub-fund in units of UCIs other than UCITS authorised according to Directive 85/611/EEC.
- c) The Company may not invest more than 20% of the Net Asset Value of each Sub-fund in units issued by one single Target Fund. For the purpose of applying this investment limit, each sub-fund of a Target Fund with multiple sub-funds, within the meaning of Article 133 of the Law, shall be considered as a separate entity, provided that the principle of segregation of liabilities of the different sub-funds is ensured in relation to third parties.
- d) The Company may acquire not more than 25% of the units issued by one single UCITS and/or UCI.
- e) The Company may hold ancillary liquid assets.

- 5) The Company may use techniques and instruments as described in the Prospectus.
- 6) The Company may borrow the equivalent of a) up to 10% of its net assets provided that the borrowing is on a temporary basis and b) up to 10% of its net assets provided that the borrowing is to make possible the acquisition of immovable property essential for the direct pursuit of its business and in this case the borrowings and those referred to in indent a) may not in any case in total exceed 15% of its net assets.
- 7) The Company may not purchase units in other fund-of-funds.

Article 4 - REGISTERED OFFICE

The registered office of the Company is established in Findel in the Grand-Duchy of Luxembourg. Branches, subsidiaries or other offices may be established either in Luxembourg or abroad by resolution of the Board of Directors.

In the event that the Board of Directors determines that extraordinary political, economic or social developments have occurred or are imminent that would interfere with the normal activities of the Company at its registered office, or with the ease of communication between such office and persons abroad, the registered office may be temporarily transferred abroad until the complete cessation of those abnormal circumstances; such temporary measures shall have no effect on the nationality of the Company which, notwithstanding the temporary transfer of its registered office, will remain a Luxembourg corporation.

Article 5 - CAPITAL

The capital of the Company shall at all times be equal to the Net Asset Value of all Sub-funds of the Company as determined in accordance with Article 17 (seventeen) hereof.

The minimum capital of the Company shall be EUR 1,250,000 (one million two hundred fifty thousand Euro).

The initial subscribed capital was 50,000 ECU (fifty thousand ECU) divided into five hundred (500) full paid Class B shares of Frontrunner II - Asset Allocation Fund – Balanced (currently named Nordea Fund of Funds – Balanced) of no par value.

The Board of Directors is authorised without limitation and at any time to issue additional Class A or Class B shares of no par value for all Sub-funds at the respective Net Asset Value per share determined in accordance with Article 17 (seventeen) hereof without reserving to existing shareholders a preferential right to subscribe for the shares to be issued.

The Board of Directors may delegate to any duly authorised Director or officer of the Company, or to any duly authorised person, the duties of accepting subscriptions for, receiving payment for and delivering such new shares.

Shares of any Sub-fund may be issued as either Class A or Class B shares as the Board of Directors may decide. Class A shares shall be entitled to payment of a dividend in case payment of a dividend is decided. Class B shares shall not be entitled to any dividend payments.

A shareholder may at his own expense, at any time, request the Company to convert his shares from one Class to the other Class, based on the relative Net Asset Values of the shares to be converted.

Shares may, as the Board of Directors shall determine, be of different Sub-funds and the proceeds of the issue of each Sub-fund shall be invested pursuant to Article 3 (three) hereof in assets corresponding to such geographical areas, industrial

sectors or monetary zones, to such specific types of assets as the Board of Directors shall from time to time determine.

Shares shall be issued in accordance with Article 18 (eighteen) hereof as registered shares. Share ownership will be evidenced by an Investment Confirmation. The delivery of a physical certificate is excluded.

- 1) Registered shares may be issued as fractions of shares to the nearest ten thousandth of a share. Fractions of shares will have no voting rights but will participate in the distribution of dividends, if any, and in the liquidation distribution.

All issued registered shares of the Company shall be entered into the Shareholder's Register (the "Register") maintained by the Company or by one or several persons who have been appointed by the Board of Directors for this task. This Register shall contain the name of each owner of registered shares, his usual place of residence (in the case of jointly held shares only the name of the first named in the application for subscription) and the number of shares held by him. Each transfer and restitution of a registered share must be entered into the Register, upon payment of the usual fee, which shall be fixed by the Board of Directors for such a registration with regard to the legal claim on the share.

Each owner of a registered share must notify the Company a valid address. All notifications and announcements of the Company to the owner of the share may be sent to the address entered in the Register. In the case of co-owners of shares, only the address of the first-named must be entered into the Register and all notifications will be sent to this address. If an owner of shares fails to notify the Company such an address, the Company may resolve to have a corresponding note entered into the Register to the effect that it is assumed that the address of the owner of the shares were the Registered Office of the Company or another address, depending on the resolution of the Company, until the owner of the share has notified the Company another address. The owner of the shares may at any time rectify his address entered in the Register, by sending a written notification to the Company at its Registered Office or at an address specified by the Company.

- 2) Payments of dividends to shareholders, insofar as these concern distribution registered shares, shall be made to their address in the Register or to that address which has been notified in writing to the Board of Directors.

A dividend on a distribution registered share which is declared, but was not paid out, may no longer be claimed by the owner of such a share after the expiry of a period of five years after the declaration of payment being made and shall be credited to the respective share class of the Company. No interest shall be paid on declared dividends when they have become due.

Article 6 - RESTRICTIONS

In the interest of the Company, the Board of Directors may restrict or prevent the ownership of shares in the Company by any physical person or legal entity.

- 1) The Board of Directors has the right to order the restrictions (except restrictions to the transfer of shares), which it considers necessary to ensure that no shares in the Company or shares of a class and/or category are obtained or held by a person (in the following "Excluded Person"):
 - a) if this violates the laws or regulations of a country and/or official regulations; or
 - b) whose shareholding, in the opinion of the Board of Di-

rectors, leads to a situation in which the Company would incur tax liabilities or other financial disadvantages, which it would otherwise not have incurred or would not incur.

2) The Company may accordingly restrict or prohibit the acquisition and holding of shares in the Company by an Excluded Person. To this end the Company may:

- a) refuse to issue shares or to register the transfer of shares until it has made sure whether or not the issue or the registration could lead to a situation where the legal or economic ownership of such shares would be established by a person who is excluded from holding shares in the Company;
- b) request, at any time from any person registered by name, that such a person provide the Company with all information which the Company deems necessary in order to clarify the question of whether or not a person who is excluded from holding shares in the Company is or will be legal or beneficial owner of these shares;
- c) in the event that the Company is convinced that an Excluded Person, either acting alone or together with other persons, is either the legal or beneficial owner of the shares, and if this person fails to transfer the shares to an authorised person, demand the order of the compulsory sale of all these shares held by the Excluded Person under the following terms:

(1) The Company will send a request to the owner of the shares, who is considered to be the owner of the acquired shares, (hereinafter referred to as "Request for Redemption"), whereby, as mentioned above, it stipulates the price to be paid for these shares and the place where the redemption price of these shares is payable. Each such Request for Redemption may be sent to such an owner of shares by post, by prepaid registered letter to the address last known or entered in the Register of the company. The owner of the shares is thereupon obliged to return to the Company any share(s) referred to in the Request for Redemption. Immediately after the close of business on the day indicated in the Request for Redemption, the owner of the shares shall lose his right of ownership of the shares indicated in the Request for Redemption and his name shall be deleted in the Register.

(2) The price (hereinafter "the Redemption Price"), at which the indicated shares are bought in accordance with the Request for Redemption, is the amount corresponding to the inventory value of the shares and within a share class corresponding to the category concerned, as calculated in accordance with Article 17 (seventeen) of these Statutes.

(3) The payment of the Redemption Price shall be made to the owner of such shares in the currency of the respective share class and shall be deposited by the Company at a bank in Luxembourg or another paying agent (as specified in the Request for Redemption) for payment. After depositing this purchase price, the person shall lose the rights stated in the Request for Redemption, as well as any further rights, or claims of any kind against the Company or their assets.

(4) The exercise of the rights to which the Company is

entitled under this Article may on no account be put into question or considered to be invalid with the justification that no sufficient proof of the right of ownership of shares of a person have been submitted, or that the actual owner of shares at the time of the request for redemption was another person than as it appeared to the Company when requesting the redemption, provided that in any case the said rights were exercised by the Company in good faith;

(5) The Company may reject any votes cast at a general meeting by an Excluded Person.

Article 7 - MEETINGS

Any regularly constituted meeting of the shareholders of this Company shall represent the entire body of shareholders of the Company.

The annual general meeting of shareholders shall be held, in accordance with Luxembourg law, in Findel at the registered office of the Company, or at such other place in Luxembourg as may be specified in the notice of meeting, on the 15th of March each year at 2.00 p.m. local time. If such day is a bank holiday in Luxembourg, the annual general meeting shall be held on the next following business day. The annual general meeting may be held outside of Luxembourg, if, in the absolute and final judgement of the Board of Directors, exceptional circumstances so require.

Other meetings of shareholders may be held at such place and time as may be specified in the respective notices of meeting. Registered shareholders will receive notice of meetings by mail.

All meetings shall be convened in the manner provided for by Luxembourg law.

Each share of whatever class in whatever Sub-fund regardless of the Net Asset Value per share within the class and the Sub-fund is entitled to one vote. A shareholder may act at any meeting of shareholders by appointing another person (who need not be a shareholder and who may be a Director of the Company) as his proxy, which appointment shall be in writing or a signed telefax.

Resolutions concerning the interests of the shareholders of the Company shall be taken in a general meeting and resolutions concerning the particular rights of the shareholders of one specific Sub-fund shall in addition be taken by this Sub-fund's general meeting.

Except as otherwise provided herein or required by law, resolutions at a meeting of shareholders duly convened will be passed by a simple majority of those present and voting.

The Board of Directors may determine all other conditions that must be fulfilled by shareholders, including, without limitation, conditions of participation in meetings of shareholders.

Article 8 - BOARD OF DIRECTORS

The Company shall be managed by a Board of Directors composed of not less than three members who need not be shareholders of the Company.

The directors shall be elected by the shareholders at their annual meeting for a period ending at the next annual general meeting and shall hold office until their successors are elected. A Director may be removed with or without cause and replaced at any time by resolution adopted by the shareholders.

In the event of a vacancy in the office of a Director because of death, retirement or otherwise, the remaining Directors may

meet and elect, by majority vote, a Director to fill such vacancy until the next meeting of the shareholders.

Article 9 - CHAIRMAN

The Board of Directors shall choose from among its members a Chairman, and may choose from among its members one or more Vice-Chairmen. It may also choose a secretary who need not be a Director, who shall be responsible for keeping the minutes of the meetings of the Board of Directors and of the shareholders. The Board of Directors shall meet upon call by the Chairman, or two Directors, at the place indicated in the notice of meeting.

The Chairman shall preside at all meetings of shareholders or in his absence or inability to act, the Vice-Chairman or another Director appointed by the Board of Directors shall preside as chairman pro-tempore, or in their absence or inability to act, the shareholders may appoint another Director or an officer of the Company as chairman pro-tempore by vote of the majority of shares present or represented at any such meeting.

The Chairman shall preside at all meetings of the Board of Directors, or in his absence or inability to act, the Vice-Chairman or another Director appointed by the Board of Directors shall preside as chairman pro-tempore.

The Board of Directors from time to time shall appoint the officers of the Company, including officers considered necessary for the operation and management of the Company, who need not to be Directors or shareholders of the Company. The officers appointed unless otherwise stipulated in these Statutes, shall have the power and duties given them by the Board of Directors.

Written notice of any meeting of the Board of Directors shall be given to all Directors at least twenty-four hours in advance of the hour set for such meeting, except in circumstances of emergency in which case the nature of such circumstances shall be set forth in the notice of meeting. This notice may be waived by consent in writing or by telefax, e-mail or similar communication from each Director. Separate notices shall not be required for individual meetings held at times and places prescribed in a schedule previously adopted by resolution of the Board of Directors.

Any Director may act at any meeting of the Board of Directors by appointing another Director as proxy, which appointment shall be in writing or a telefax, e-mail or similar communication.

The Board of Directors can deliberate or act with due authority if at least a majority of the Directors is present or represented at such meeting. Decisions shall be taken by a majority of the votes of the Directors present or represented at such meeting. Resolutions signed by all members of the Board will be as valid and effectual as if passed at a meeting duly convened and held. Such signatures may appear on a single document or multiple copies of an identical resolution and may be evidenced by letter, telefax, e-mail or similar communication.

Article 10 - MINUTES

The minutes of any meeting of the Board of Directors shall be signed by the Chairman, or in his absence, by the chairman pro-tempore who presided at such meeting or by two Directors.

Copies or extracts of such minutes which may be produced in judicial proceedings or otherwise shall be signed by the Chairman or by the chairman pro-tempore of that meeting, or by two Directors or by the secretary or an assistant secretary.

Article 11 - POWERS

The Board of Directors is invested with the broadest powers to perform all acts of administration, disposition and execution in

the Company's interest. All powers not expressly restricted by law or by the present Statutes to the general meeting of shareholders fall within the competence of the Board of Directors.

The Board of Directors is authorised to determine the Company's investment policy in compliance with the object set out in Article 3 (three) hereof.

The Board of Directors shall be empowered to create at any time new Sub-funds.

The Company will appoint a management company (hereinafter the "Management Company") governed by Chapter 13 of the Law.

Article 12 - INVALIDITY

No contract or other transaction between the Company and any other corporation or entity shall be affected or invalidated by the fact that any one or more of the Directors or officers of the Company is interested in, or is a Director, officer or an employee of such other corporation or entity, provided, however, that the Company shall not knowingly purchase or sell portfolio investments from or to any of its officers or Directors, or to any entity in which such officers or Directors hold 10% or more of the issued shares.

Any member of Board of Directors or any other body of the Company who is a member of the board of directors, shareholder, managing director or employee of a company or firm, with which the Company enters into contractual relations or otherwise engages in business activity, shall not, as a result of such a connection with such other company or firm, be prevented from acting on behalf of the Company and deciding on its legal transactions.

If a member of the Board of Directors or a managing director of the Company has a personal interest in a transaction to which the Company is a party he must notify this personal interest to the Board of Directors and may not become involved in or vote on such transaction. Such legal transactions and interests of a member of the Board of Directors or managing director shall be disclosed at the next general meeting of shareholders.

The expression "personal interest" used here does not comprise any interest only arising because a legal transaction involves Nordea Bank S.A. (or one of their direct or indirect affiliates) or another enterprise specified by the Board of Directors.

Article 13 - INDEMNITY

The Company may indemnify any Director or officer, and his heirs, executors and administrators, against expenses reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Director or officer of the Company or, at his request, of any other fund of which the Company is a shareholder or creditor and from which he is not entitled to be indemnified, except in relation to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or misconduct; in the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Company is advised by counsel that the person to be indemnified did not commit such a breach of duty. The foregoing right of indemnification shall not exclude other rights to which he may be entitled.

The Company is authorised and obliged in its own name to assert claims of the shareholders against the Custodian. This does not preclude the assertion of claims of the shareholders against the Custodian.

Article 14 - DELEGATION

The Board of Directors may delegate its powers to conduct the daily management and affairs of the Company (including the right to act as an authorised signatory for the Company) and its powers to carry out acts in furtherance of the corporate policy and purpose to officers of the Company who may, if the Board of Directors so authorises, re-delegate such powers in turn.

Article 15 - SIGNATURES

The Company will be bound by the joint signature of any two Directors or by the individual signature of any duly authorised Director or officer of the Company or by the individual signature of any other person to whom authority has been delegated by the Board of Directors.

Article 16 - REDEMPTION AND CONVERSION OF SHARES

As is more specifically described herein below, the Company has the power to redeem its own outstanding fully paid shares at any time, subject solely to the limitations set forth by law.

A shareholder of the Company has at any time the right to irrevocably request that the Company repurchases all or any part of his shares of the Company. In the event of such request, the Company shall redeem such shares subject to any suspension of this redemption obligation pursuant to Article 17 (seventeen) hereof. The shareholder will be paid a price per share equal to the Net Asset Value for the relevant class of the relevant Sub-fund as determined in accordance with the provisions of Article 17 (seventeen) hereof. The Board of Directors may decide to deduct a redemption fee from the price as specified in the sales documentation. Shares of the Company redeemed by the Company shall be cancelled.

Any request shall be made by the shareholder to the registered office of the Company in Luxembourg, or at the office of the person or entity designated by the Company as its agent for the repurchase of shares.

Redemption applications received before a certain hour such as determined by the Board of Directors from time to time on a Valuation Date shall be proceeded at the Net Asset Value determined for that date; if redemption applications are received after that certain hour such as determined by the Board of Directors from time to time, they shall be processed at the Net Asset Value determined for the following Valuation Date.

Redemption proceeds will normally be dispatched or at the disposal of the shareholder within 8 (eight) business days after the relevant Valuation Date and after receipt of the proper documentation. If in exceptional circumstances the liquidity of a Sub-fund is not sufficient to enable the payment to be made within 8 (eight) business days after the relevant Valuation Date, such payment will be made as soon as reasonably practicable thereafter.

If requests for redemption and / or conversion on any Valuation Date exceed 10% of a Sub-fund's shares, the Company may reduce all requests in such proportion that not more than 10% will be redeemed or converted. The unredeemed or unconverted portion will be redeemed or converted at the next Valuation Date and will be dealt with before any subsequent requests for redemption or conversion. In these circumstances, and provided that the Net Asset Value is calculated on each Luxembourg banking business day, the Directors may declare that part or all of such shares for redemption or conversion will be redeemed or converted during a period not exceeding 8 (eight) Valuation Dates and will be priced at the Net Asset Value determined on the Valuation Date the shares are redeemed or converted. On any Valuation Date such shares will be dealt with before any subsequent requests for redemption and / or conversion.

The redemption of shares and/or conversion of shares between Sub-funds shall be suspended when the calculation of the Net Asset Value of one or of the respective Sub-funds and/or respective Classes is suspended.

Payment to a shareholder under this Article will be made in cash or by cheque or bank transfer at the choice of the shareholder. Payment shall be made in the Base Currency of the respective Sub-fund or, at the request and expense of the shareholder, in any freely convertible currency at the rate of exchange for the Sub-fund's Base Currency on the date of payment in cash or, in case of cheque or bank transfer, on the date of dispatch of payment.

Any shareholder may request conversion of whole or part of his shares, with a minimum amount of shares which shall be determined by the Board of Directors from time to time, into shares of any class of any other Sub-fund. Conversion applications received before a certain hour such as determined by the Board of Directors from time to time on a Valuation Date shall be processed at the Net Asset Value determined for that date; if conversion applications are received after that certain hour such as determined by the Board of Directors from time to time, they shall be processed at the Net Asset Value determined for the following Valuation Date. Conversion of shares into shares of any other Sub-fund will only be made if the Net Asset Value of both Sub-funds is calculated on the same day. A commission may be charged to shareholders switching between Sub-funds. Shareholders may also be requested to bear the difference in initial commission between the Sub-fund they leave and the Sub-fund of which they become shareholders, should the initial commission of the Sub-fund into which the shareholders are converting their shares be higher than the commission of the Sub-fund they leave.

For the purpose of the relations between the shareholders, each Sub-fund will be deemed to be a separate entity with, but not limited to, its own contribution, capital gains, losses, charges and expenses.

Article 17 - NET ASSET VALUE

Whenever the Company shall issue, convert and/or redeem shares of the Company, the price per share shall be based on the Net Asset Value of the shares as defined herein.

The Net Asset Value of each class of shares of each Sub-fund shall be determined by the Company or its agent from time to time, but subject to the provisions of the next following paragraph, in no instance less than twice a month on such business day or days in Luxembourg as the Board of Directors by resolution may direct (every such day or time for determination of Net Asset Value referred to herein a "Valuation Date"), provided that in any case where any Valuation Date falls on a bank holiday in Luxembourg or in a market which is the principal market for a significant part of a Sub-fund's investment, the Valuation Date shall be the next business day in Luxembourg which is not a bank holiday in Luxembourg or in a market affecting the Sub-fund.

The Net Asset Value of shares of each Sub-fund shall be expressed in the currency of the relevant Sub-fund. The Net Asset Value shall be determined by dividing the net assets of the Company attributable to each Sub-fund by the number of outstanding shares of that Sub-fund.

The calculation of the Net Asset Value of the shares of any Sub-fund and the issue, redemption and conversion of the shares of any Sub-fund may be suspended in the following circumstances, in addition to any circumstances provided for by law:

- during any period (other than ordinary holiday or customary weekend closings) when any market or stock ex-

change is closed which is the principal market or stock exchange for a significant part of the Sub-fund's investments, or in which trading is restricted or suspended,

- during any period when an emergency exists as a result of which it is impossible to dispose of investments which constitute a substantial portion of the assets of the Sub-fund, or it is impossible to transfer money involved in the acquisition or disposal of investments at normal rates of exchange, or it is impossible fairly to determine the value of any assets in the Sub-fund, or
- during any breakdown in the means of communication normally employed in determining the price of any of the Sub-fund's investments or the current prices on any stock exchange, or
- when for any reason beyond the control of the Board of Directors, the prices of any investment held by the Sub-fund cannot be reasonably, promptly or accurately ascertained, or
- during any period when remittance of money which will or may be involved in the purchase or sale of any of the Sub-fund's investments cannot, in the opinion of the Board of Directors, be effected at normal rates of exchange.

Any such suspension shall be notified by the Company in such manner as it may deem appropriate to the persons likely to be affected thereby.

The value of the assets of each Class of shares of each Sub-fund is determined as follows:

A) The assets of the Company contain the following:

- 1) all fixed-term deposits, money market instruments, cash in hand or cash expected to be received or cash contributions including interest accrued;
- 2) all debts which are payable upon presentation as well as all other money claims including claims for purchase price payment not yet fulfilled that arise from the sale of investment fund shares or other assets;
- 3) all investment fund shares;
- 4) all dividends and distributions due in favour of the Company, as far as they are known to the Company;
- 5) all interest accrued on interest-bearing securities that the Company holds, as far as such interest is not contained in the principal claim;
- 6) all financial rights which arise from the use of derivative instruments;
- 7) the provisional expenses of the Company, as far as these are not deducted, under the condition that such provisional expenses may be amortised directly from the capital of the Company;
- 8) all other assets of what type or composition, including pre-paid expenses.

B) The value of such assets is fixed as follows:

- 1) Investment funds are valued at their Net Asset Value or bid price, if bid and offer prices are quoted.
- 2) Liquid assets are valued at their nominal value plus accrued interest.

- 3) Fixed term deposits are valued at their nominal value plus accrued interest. Fixed term deposits with an original term of more than 30 (thirty) days can be valued at their yield adjusted price if an arrangement between the Company and the bank, with which the fixed term deposit is invested has been concluded including that the fixed term deposits are terminable at any time and the yield adjusted price corresponds to the realisation value.
- 4) Securities or financial instruments admitted to official listing on a stock exchange or traded on another regulated market within Europe, North or South America, Asia, Australia, New Zealand, Africa or Oceania which operates regularly and is recognised and open to the public are valued on the basis of the closing price in their relevant market. If the same security is quoted on different markets, the quotation on the principal market for this security will be used. If there is no relevant quotation or if the quotations are not representative of the fair value, the evaluation will be made in good faith by the Board of Directors or its delegate with a view to establishing the probable bid price for such securities.
- 5) Unlisted securities or financial instruments are valued on the basis of their probable bid price as determined by the Board of Directors or its delegate using valuation principles which can be examined by the auditor of the Company, in order to reach a proper and fair valuation of the total assets of each Sub-fund.
- 6) Any other assets are valued on the basis of their probable bid price as determined by the Board of Directors or their delegate using valuation principles which can be examined by the auditor of the Company, in order to reach a proper and fair valuation of the total assets of each Sub-fund.

In the event that it is impossible or incorrect to carry out a valuation in accordance with the above rules owing to particular circumstances, the Board of Directors or its delegate shall be entitled to use other generally recognised valuation principles, which can be examined by an auditor, in order to reach a proper valuation of the total assets of each Sub-fund.

C) The liabilities of the Company contain the following:

- 1) all loans, bills of exchange and other sums due, including deposits of security such as margin accounts, etc. in connection with the use of derivative instruments; and
- 2) all administrative expenses that are due or have been incurred, including the costs of formation and registration at the registration offices as well as legal fees, auditing fees, all fees of the Management Company, the Custodian and all other representatives and agents of the Company, the costs of mandatory publications, the Prospectus and the Simplified Prospectus, conclusions of transactions and other documents which are made available to the shareholders. If the fee rates agreed between the Company and the employed service providers (such as the Custodian or the Management Company) for such services deviate with regard to individual share classes, the corresponding varying fees shall be charged exclusively to the respective class.
- 3) all known liabilities, whether due or not, including dividends that have been declared but not yet been paid; and

- 4) a reasonable sum provided for taxes, calculated as of the day of the valuation as well as other provisions and reserves approved by the Board of Directors; and
- 5) all other liabilities of the Company, of whatever nature, vis-à-vis third parties; however, each sub-fund shall be exclusively responsible for all debts, liabilities and obligations attributable to it.

For the purpose of valuing its liabilities, the Company may include all administrative and other expenses of a regular or periodic nature by valuing these for the entire year or any other period and apportioning the resulting amount proportionally to the respective expired period of time. The method of valuation may only apply to administrative or other expenses which concern all classes of shares equally.

D) The Board of Directors shall establish a portfolio of assets for each class of shares in the following manner:

- 1) The proceeds from the allocation and issue of shares of each class shall be attributed in the books of the Company to the portfolio of assets for which this class of shares has been opened and the corresponding assets and liabilities as well as income and expenses shall be attributed to the portfolio of assets in accordance with the guidelines of this Article.
- 2) If any asset has been derived from another asset, such derived assets shall be attributed in the books of the Company to the same portfolio to which the asset generating it belongs and at each revaluation of an asset, the increase or decrease in value shall be attributed to the portfolio to which such asset belongs.
- 3) If the Company has incurred a liability which is linked to any asset of a given portfolio or to any activity connected with an assets of a given portfolio, this liability shall be attributed to the portfolio concerned.
- 4) If an asset or liability of the Company is considered as being of a size which cannot be attributed to a given portfolio and such asset or liability does not equally concern all classes of shares, the Board of Directors can, in good faith, attribute such assets or liabilities in accordance with generally recognised methods verifiable by the auditor of the Company.
- 5) From the day on which a dividend is declared for a class of shares, the Net Asset Value of this class of shares shall be reduced by the amount of the dividend. On each occasion when a distribution is effected in respect of distribution shares, the Net Asset Value of the shares in this class shall be reduced by the amount of the distribution (causing a reduction in the percentage of Net Asset Value allocable to the shares of this class), whereas the Net Asset Value of accumulating shares shall re-main unchanged (causing an increase in the percentage of Net Asset Value allocable such shares).

E) For the purpose of valuation within the scope of this Article, the following applies:

- 1) Shares that are repurchased in accordance with Article 16 (sixteen) above shall be treated as existing shares and shall be posted until immediately after the point in time set by the Board of Directors for carry out the valuation; from this point in time until the price is paid, they shall be treated as a liability of the Company;
- 2) All investments, cash in hand and other assets of any fixed assets that are not in the denomination of the

class concerned shall be converted at the exchange rate applicable on the day of the calculation of Net Asset Value, taking into consideration their market value; and

- 3) On every valuation date, all purchases and sales of securities which were contracted by the Company on this Valuation Date must be included in the valuation to the extent possible.

In the absence of bad faith, gross negligence or manifest error, every decision taken by the Board of Directors or by a designee of the Board in calculating the Net Asset Value, shall be final and binding on the Company and present, past or future shareholders. The result of each calculation of the Net Asset Value shall be certified by a Director or a duly authorised representative or a designee of the Board.

Article 18 - ISSUANCE OF SHARES

Whenever shares of the Company shall be offered by the Company for subscription, the price per share at which such shares shall be issued shall be the Net Asset Value thereof as determined in accordance with the provisions of Article 17 (seventeen) hereof. The Board may also decide that a subscription fee has to be paid. Upon subscription, all shares shall be allotted immediately after payment for the shares subscribed has been made readily available on the relevant Valuation Date at the latest; otherwise the allotment of the shares will be postponed until the effective payment. The Board of Directors may in its discretion determine the minimum amount of any subscription in any class of shares of any Sub-fund.

Subscription applications received before a certain hour such as determined by the Board of Directors from time to time on a Valuation Date shall be processed at the Net Asset Value determined for that date; if subscription applications are received after that certain hour such as determined by the Board of Directors from time to time, they shall be processed at the Net Asset Value determined for the following Valuation Date.

If the purchase of shares has been agreed upon for a period of several years within a Savings Plan offered by the Company, no more than one third of each of the payments agreed on the first year will be applied to cover charges and the remaining charges will be evenly apportioned to all subsequent payments.

Article 19 – EXPENSES AND FEES

The Company shall bear all expenses connected with its establishment as well as the fees due to the Management Company and the Custodian Bank as well as to any service provider appointed by the Board of Directors from time to time.

Moreover, the Company shall also bear the following expenses:

- all taxes which may be payable on the assets, income and expenses chargeable to the Company;
- standard brokerage fees and bank charges originating from the Company's business transactions;
- all fees due to the Board of Directors of the Company, the Correspondents banks and to the Auditor;
- all fees due to any Sub-Paying Agent, to representatives in foreign countries and any other agents,
- all fees due to the Legal Advisers or similar administrative charges, incurred by the Company, the Management Company and the Custodian for acting on behalf of the shareholders;

- all reasonable expenses of the Board of Directors, the Management Company and the Custodian;
- all expenses connected with publications and supply of information to shareholders, in particular the cost of printing global certificates and proxy forms for general meetings for the shareholders, the cost of publishing the issue and redemption prices, and also the cost of printing and distributing the annual and semi-annual reports, the prospectus as well as the simplified prospectus;
- all expenses involved in registering and maintaining the registration of the Company with all governmental agencies and stock exchanges;
- all expenses incurred in connection with its operation and its management (e.g. insurance and interests) also including all extraordinary and irregular expenses which are normally incurred by the Company.

Each Sub-fund shall be liable to debts towards its creditors only on all its own assets.

Any costs which are not attributable to a specific Sub-fund incurred by the Company will be charged to all Sub-funds in proportion to their net assets. Each Sub-fund will be charged with all costs and expenses directly attributable to it.

In so far as the Company invests in a Target Fund which is administered, directly or by delegation, by the same management company or another company

- (a) to which the Management Company is linked by common management or control or by a substantial direct or indirect holding; or
- (b) which is managed by a company in the Nordea group or by a management company for a Nordea fund,

the Company may not be charged a subscription fee or a redemption fee.

The maximum level of the management fees charged to both the Company and the Target Funds in which the Company invests shall be reported in the Annual Report..

In addition, however, the Company may charge investors, directly or indirectly, for fees and expenses, taxes, commissions and/or other expenses. This may result in a corresponding overcharge. The said costs will be set out in the relevant annual reports.

Article 20 - FISCAL YEAR AND FINANCIAL STATEMENTS

The fiscal year of the Company shall start on the 1st of January and shall terminate on the 31st day of December each year. The first year started on the date of the incorporation of the Company and ended on the 31st day of December 1999.

Separate financial statements shall be issued for each of the Sub-funds in the currency in which they are denominated. To establish the balance sheet of the Company, those different financial statements will be added after conversion in the currency of the capital of the Company.

Article 21 - AUTHORISED AUDITOR

The Company shall appoint an authorised Auditor who shall carry out the duties prescribed by law. The Auditor shall be elected by the annual general meeting and shall remain in office until his successor is elected.

Article 22 - DIVIDENDS

The general meeting of shareholders shall determine how the profits (including net realised capital gains) of the Company

shall be disposed of and may from time to time declare, or authorise the Board of Directors to declare, dividends provided however that the minimum capital of the Company does not fall below 1,250,000 Euro. Dividends may also be paid out of net unrealised capital gains after deduction of realised losses. Dividends declared will be paid in EURO or in the Sub-fund's Base Currency, on the date of payment or in shares of the Company and may be paid at such places and times as may be determined by the Board of Directors.

The profits allocated to Class A shares shall be available for distribution to holders of such shares.

The profits allocated to Class B shares shall be added to the portion of net assets corresponding to Class B shares.

Article 23 - DISSOLUTION OF THE COMPANY, LIQUIDATION, MERGER OR CONTRIBUTION OF A SUB-FUND

In the event of dissolution of the Company, liquidation shall be carried out by one or several liquidators (who may be physical persons or legal entities) named by the meeting of shareholders effecting such dissolution and which shall determine their powers and their compensation.

In the event of any contemplated liquidation of the Company, no further issue, conversion or redemption of shares will be permitted after publication of the first notice convening the extraordinary meeting of shareholders for the purpose of winding-up the Company. All shares outstanding at the time of such publication will participate in the Company's liquidation distribution.

A Sub-fund may be terminated by resolution of the Board of Directors of the Company if the Net Asset Value of a Sub-fund is below such amount as determined by the Board of Directors from time to time or in the event of special circumstances beyond its control, such as political, economic or military emergencies. In such events, the assets of the Sub-fund will be realised, the liabilities discharged and the net proceeds of realisation distributed to shareholders in the proportion of their holding of shares in that Sub-fund. In such event, notice of the termination of the Sub-fund will be given in writing to registered shareholders and will be published in the Mémorial and the Luxemburger Wort in Luxembourg and in other newspapers circulating in jurisdictions in which the Company is registered as the Directors may determine. No shares shall be redeemed or converted after the date of the decision to liquidate a Sub-fund. Any amounts not claimed by any shareholder shall be deposited at the close of liquidation with the Custodian Bank during a period of 6 months; at the expiry of the six months' period, any outstanding amount will be deposited in escrow with the Caisse de Consignation.

A Sub-fund may be merged with another Sub-fund by resolution of the Board of Directors of the Company if the value of its net assets is below such amount as determined by the Board of Directors from time to time or in the event of special circumstances beyond its control, such as political, economic or military emergencies. In such events, notice of the merger will be given in writing to registered shareholders and will be published in the Mémorial and in the Luxemburger Wort in Luxembourg and in other newspapers circulating in jurisdictions in which the Company is registered as the Directors may determine. Each shareholder of the relevant Sub-fund shall be given the possibility, within a period of one month as of the date of the publication, to request either the repurchase of its shares, free of any charge, or the exchange, free of any charge, of its shares against shares of any Sub-fund not concerned by the merger. At the expiry of his one month's period, any shareholder who did not request the repurchase or the exchange of its shares shall be bound by the decision relating to the merger.

A Sub-fund may be contributed to another Luxembourg investment fund organised under Part I of the Law or of the law of 30 March 1988 regarding collective investment undertakings by resolution of the Board of Directors of the Company under the following circumstances:

- if the value of its net assets is below such amount as determined by the Board of Directors from time to time; or
- in the event of special circumstances beyond its control such as political, economic or military emergencies; or
- if the Board should conclude, in light of prevailing market or other conditions, including conditions that may adversely affect the ability of a Sub-fund to operate in an economically efficient manner, and with due regard to the best interests of the shareholders, that a Sub-fund should be contributed to another fund.

In such events, notice will be given in writing to registered shareholders and will be published in such newspapers as determined from time to time by the Board of Directors. Each shareholder of the relevant Sub-fund shall be given the possibility within a period to be determined by the Board of Directors, but not being less than one month as from the date of publication in said newspapers to request, free of any charge, the repurchase or conversion of its shares against shares of a

Sub-fund not concerned by the merger. At the expiry of such period, the contribution shall be binding for all shareholders who did not request a redemption or a conversion. In the case of a contribution to a mutual fund in the form of a Fonds Commun de Placement ("FCP"), however, the contribution will be binding only on shareholders who expressly agreed to the contribution. When a Sub-fund is contributed to another Luxembourg investment fund, the valuation of the Sub-fund's assets shall be verified by the auditor of the Company who shall issue a written report at the time of the contribution.

A Sub-fund may be contributed to a foreign investment fund only when the relevant Sub-fund's shareholders have unanimously approved the contribution or on the condition that only the shareholders who have approved such contribution are effectively transferred to that foreign fund.

Article 24 - AMENDMENT

These Statutes may be amended from time to time by a meeting of shareholders, subject to the quorum and voting requirements provided by the laws of Luxembourg.

Article 25 - APPLICABLE LAW

All matters not governed by these Statutes shall be determined in accordance with the law of 10 August 1915 on Commercial Companies and amendments thereto as well as the Law.