

THE RULES OF SELIGSON & CO RUSSIAN PROSPERITY FUND EURO

The latest Revision was approved by the Finnish Financial Supervisory Authority on June 16th, 2010, in the Finnish language. This is a translation.

All times are Finnish time and all "banking days" refer to Finnish banking days.

1 § The Mutual Fund

The name of the fund in Finnish is Sijoitusrahasto Russian Prosperity Fund Euro (hereafter "the Fund"), in Swedish Placeringsfonden Russian Prosperity Fund Euro, and in English Russian Prosperity Fund Euro.

2 § The Fund Management Company

The Fund is administered by Seligson & Co Rahastoyhtiö Oyj (hereafter the "Fund Management Company"). The Fund Management Company represents the Fund and acts on behalf of the Fund in matters related to the Fund and uses the rights related to the assets within the Fund.

3 § Using an Agent

The Fund Management Company may outsource operations to agents. The functions that the Fund Management Company has outsourced to agents are accounted for in the Fund Prospectuses (the Fund Prospectus and the Simplified Fund Prospectus).

4 § Custodian

The Custodian of the Fund is Seligson & Co Oyj.

5 § Investing the Fund's Assets

The Fund is an actively managed equity fund specializing in the Russian market. Prosperity Capital Management Group acts as the investment advisor to the Fund Management Company.

The long term investment policy of the Fund is to outperform the RTSI stock market index, maintained by the Russian Trading System. As the Fund invests mainly in the equity market, which can be highly volatile, the Fund is meant for long-term investors.

The Fund's assets are invested in Russian and other CIS countries' markets and in the securities of companies operating in markets listed in section 1, for whom Russia, according to the judgment of the Fund Management Company's advisor, is a key market.

The Fund's assets may be invested in

1) Shares and related instruments, such as convertibles, options, staff incentive options, subscription rights and certificates of deposits and warrants. The Fund's assets are invested in the markets of Russian and CIS countries (Ukraine, Kazakhstan, Belarus, Uzbekistan, Azerbaijan, Turkmenistan, Georgia, Armenia, Moldova, Kyrgyzstan, Tajikistan) and companies that are listed in OECD countries (Australia, Austria, Belgium, Canada, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxemburg, Mexico, Holland, New Zealand, Norway, Poland, Portugal, Slovakia, Spain, Sweden, Switzerland, Turkey, Great Britain, the United States of America) for which Russia is a key market.

2) In money market instruments and other interest bearing securities which are publicly traded.

3) To increase portfolio management efficiency or for hedging purposes, in standardized and non-standardized derivative instruments where the underlying instrument may be a security, money market instrument, unit of a fund or collective investment instrument, deposit with a credit institution, derivative instrument, financing index, exchange rate or currency. The counterparty to non-standardized derivative instruments may be a credit institution or financial services company domiciled in the European Economic Area or an organization under the jurisdiction of rules governing the stability of operations. The counterparty risk of investments in non-standardized derivative instruments must not exceed 10 % of the Fund's assets per counterparty, if the counterparty is a credit institution as described under 5; otherwise it must not exceed 5% of the Fund's assets. The Fund may use currency derivatives to decrease the risks of its investments in those currencies in which the Fund holds positions.

Securities, money market instruments and standardized derivative instruments under subsections 1-3 above are subject to public trade on a stock exchange list or are traded publicly on another regulated, regular and well-established marketplace that is globally open to the public.

The Fund Management Company keeps available a list of the market places it currently uses.

4) In other money market instruments not covered in subsection 2 providing that the issuing terms or issuer are governed by legislation protecting the investor and savings and providing that:

- a) the issuer or guarantor is a state's central, regional or local authority or a central bank within the European Economic Area, the Central Bank of Europe, the European Union or the European Investment Bank, a state or a constituent state outside the European Economic Area, or an international public organization with at least one state belonging to the European Economic Area as member, or
- b) the issuer is an entity whose issued securities are publicly traded on a marketplace stated in the Finnish Mutual Funds Act 69 §, section 1, subsection 1, or
- c) the issuer's or guarantor's stability of operations is overseen by European Community legislative principles, the entity is domiciled in Europe or an OECD member country stated in 3 and is subject to regulations governing its operations' stability equivalent to European Community legislation, or
- d) the issuer is some other entity whose issued securities are subject to investor protection equivalent to conditions in a,b, or c and the issuer's shareholders' equity is a minimum of 10 million euros and which prepares and publishes accounts in accordance with Council Directive 78/660/EEC, or an entity that is part of a group with one or more companies whose securities are traded on a market place stated in the Finnish Mutual Funds Act §69, section 1, subsection 1, and that specializes in the groups financing, or an entity that specializes in financing the securitisation instruments that use a credit institution's liquidity limit.
- 5) In deposits in credit institutions, on the condition that the investment is paid back upon request or can be withdrawn and is due for payment no later than 12 months from the investment date and that the domicile of the credit institution is in a country belonging to the European Economic Area or in the United States of America.
- 6) In securities which issuing terms and conditions determine that the securities will be traded on a marketplace determined in the Finnish Mutual Funds Act 69 §, subsection 1, article 1, in Russia or the OECD countries within one year from the issue, upon the condition that there is no reason to expect that trading in the securities would not begin within the said time limit.
- 7) In other securities and money market instruments than those listed in subsections 1–4 and 6 may not exceed 10% of the Fund's assets.

Investment limitations:

- (I) No more than 10% of the Fund's assets can be invested in securities or money market instruments issued by any one issuer. Investments in any one issuer's securities and money market instruments, deposits received by the issuing organization, or such non-standardized instruments that put the Fund in a counterparty risk position towards the entity, must not exceed 20% of the Fund's assets.
- (II) The combined value of such investments in securities or money market instruments of single issuers that exceed 5% of the Fund's assets must not exceed 40% of the Fund's assets. This restriction does not apply for deposits or investments in non-standardized derivative instruments with a credit institution counterpart determined previously in subsection 5.
- (III) The total risk of the Fund is not increased by using derivatives as compared to a situation where all the Fund's assets are invested in security markets. The risk of the derivative position is monitored daily using by the margin requirement and the delta of the position. The total delta of the position shall not exceed 1. The collateral placed for derivative instruments and repurchase agreements may not exceed 30% of the value of the Fund's assets.
- (IV) The Fund may temporarily borrow operational funds with the approval of the Financial Supervisory Authority (FIN-FSA), but not more than 10 % of the Fund's assets.
- (V) The Fund must hold enough liquid assets for its operations.
- (VI) Investments in other CIS countries (see 5.1) excluding Russia may not exceed 25% of the Fund's assets.

For efficient asset management purposes, the Fund's securities and money market instruments may be subjected to lending and repurchase agreements upon the condition that they are cleared by a clearing entity as stated by the Finnish Securities Markets Act, a derivatives entity stipulated in the Finnish Act on Trading Standardized Options and Futures or by a corresponding foreign organization. If the clearing takes place elsewhere, the counterparty to the agreement should be a securities intermediary stipulated in the Finnish Securities Markets Act and the terms of the agreement should be typical to the market in question and commonly known and accepted. The value of the securities lent must not exceed 25% of the value of Fund's securities and money market instruments. This restriction does not apply to lending contracts that can be terminated and the securities reclaimed instantly upon demand.

6 § Fund Unit Register and Fund Units

The Fund Management Company keeps a fund unit register of all Fund units and registers Fund unit transfers. The Fund units can be divided into fractions. One Fund unit consists of ten thousand (10 000) fractions of equal size. The Fund carries only accumulating or "growth" units (no dividends are distributed).

The Funds managed by Seligson & Co Fund Management are domiciled in Finland. Their original documentation, valid for legal purposes, is in the Finnish language and all legal disputes will be resolved under Finnish law.

The Fund has two unit series with different management fees. Fund unit series I (A shares) is meant primarily for the Finnish and Swedish markets, and series II (K shares) for investors that operate on the international markets. If a unit holder wishes to exchange one unit series for another because of change of domicile or some other reason, an explicit permission of the Fund Management Company is required. The exchange of fund units is treated in the same manner as trading in the units (see §7) except that the conversion may be carried out without the transfer of funds to the Fund's bank account.

A Fund unit entitles to a share of the assets of the Fund that is calculated based on the total of Fund units, taking into account the relative values of the Fund unit series.

Upon request the Fund Management Company provides the unit holder with a Fund unit certificate. A unit certificate may cover several units or fractions of units and may only be given to a specified unit holder (not as a "bearer" certificate). The Fund Management Company has the right to charge the unit holder a handling fee for the issuing and delivering of the unit certificate. The amount of the handling fee is stated in the Fund's current prospectus.

7 § Subscription, Redemption and Exchange of Fund Units

Fund units are available for subscription and redemption on banking days at the Fund Management Company and at other subscription locations determined by the Fund's Board of Directors. Subscription locations are indicated in the current Prospectus. Current information on fund unit values and corresponding subscription and redemption values are available to the public at the Fund Management Company on banking days, upon completion of calculations.

Subscription

Upon subscription, the subscribers shall inform the Fund Management Company as to which Fund unit series they wish to subscribe. Payment of the subscription amount to the Fund's relevant bank account (A and K units have their own bank accounts) is a binding notice of subscription.

The Subscription date (T) is the day that determines the unit value for the subscription. The subscription is made on the Subscription date on condition that the subscription payment has arrived into the Fund's bank account the banking day before the Subscription date (T-1).

A condition for the subscription to be valid is that the Fund Management Company has received or will without delay receive the relevant information about the subscriber and subscriber's identity. The Fund Management Company has the right to discard or to delay the processing of a subscription or a subscription order if it has not received adequate information about the subscriber and if the domicile (§6) of the unit holder so requires. The Fund's Board of Directors can decide on a minimum number of units or sum that has to be bought or sold.

The number of units subscribed is calculated by dividing the subscription price with the unit value on the subscription date allowing for a transaction fee as stated in 8§. The number of subscribed units is calculated to the 1/10 000 fraction and the remainder is credited to the Fund's capital. The investor receives a confirmation of the subscription via an electronic customer reporting system or by mail, fax, email or some method specifically agreed on with the customer.

Redemption

The Fund unit holder has the right to demand the Fund Management Company to redeem a Fund unit and, respectively, the Fund Management Company is obliged to redeem it. If the unit holder has been issued a unit certificate, the certificate has to be delivered to the Fund Management Company together with the redemption order.

The Redemption date (T) is the day that determines the unit value for the redemption on condition that the redemption order has been received by the Fund Management Company the banking day before redemption day. If a redemption order is placed on a non-banking day, the order placement date is the following banking day.

If funds to meet the redemption have to be raised by selling securities owned by the Fund, the sale should be executed without unnecessary delay and at the latest within two weeks of the redemption order. The redemption is executed at the latest at the unit price of the date that the sales proceeds are entered into the Fund's value calculation. The redemption proceeds will be paid to the unit holder without unnecessary delay, once the proceeds from the sale of securities have been received. The Financial Supervisory Authority (FIN-FSA) may, under special circumstances, grant permission to exceed the deadline for selling securities owned by the Fund.

The Fund unit's redemption price is the unit price on the redemption date minus the transaction fee stated in 8§.

Redemption orders are executed in their order of arrival.

Exchange

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Deviations from the subscription and redemption dates as detailed above can be made only when a unit holder exchanges Fund units for units in another available Fund managed by the Fund Management Company, providing that the Fund has sufficient liquid assets. The subscription and redemption dates in context of an exchange are set out in the current Prospectuses of the mutual funds.

The aforementioned Redemption and Exchange requests may be cancelled only with the consent of the Fund Management Company.

8 § Transaction Fees for Fund Units

The Fund Management Company charges a subscription fee for the subscription of Fund units which may not exceed 3% of the subscription amount.

If the duration of the investment period is shorter than six months, the Fund Management Company charges a transaction fee for the redemption of units which may not exceed 1% of the Unit's value. No less than half (ie. 0,5 %) of this fee is credited to the Fund.

The Fund Management Company may also charge the subscriber a handling fee of a maximum of € 20 if the subscription or redemption has been carried out in a manner that is not in accordance with the normal procedure determined by the Fund Management Company's Board of Directors and presented in the Fund's Prospectuses.

The exact amounts of fees and other conditions are decided upon by the Board of Directors and are stated in the current Fund Prospectuses.

9 § Calculating the Value of the Fund

The net asset value of the Fund is calculated by deducting the Fund's liabilities from its assets. The value of the Fund is given in Euro (€). The Fund's assets are valued at 14.30 Finnish time.

In the valuation of the Fund's assets, the following general principles, set by the Fund Management Company, are adhered to:

Equities and equity related instruments

The equities and equity related instruments owned by the Fund are valued at their market value which is the last traded price at 14:30.

Lending Agreements

The accrued returns on securities lent out are taken into account.

Standardized and non standardized derivatives

Derivative contracts are valued at the prevailing market price at 14.30 which is obtained from a public price monitoring system or an equivalent service.

Bonds, money market instruments and other interest bearing instruments

Bonds are primarily valued at the average of the bid and ask prices available in a public price monitoring system at 14.30.

Money market instruments are primarily valued primarily according to yield curves determined by offered yields available at 14.30 in a public price monitoring system, taking into account the prevailing yield spreads in the market. If reliable quotes for a money market instrument are available at 14.30 in a public price monitoring system, the average of the bid and ask prices is used.

Other interest bearing securities will primarily be valued according to quotes available in a public price monitoring system at 14.30.

Accumulated interest is applied in the valuation of interest bearing investments.

Mutual funds and collective investment instruments

Investments in mutual funds and collective investment instruments are valued at the most recent confirmed value available at 14.30.

Fund units which are publicly traded are valued according to the same principle as equities.

Deposits

The Fund's deposits are valued taking into account the interest accumulated up to the value calculation date.

Currency exchange rates

The Fund's foreign currency assets are converted to euros at the mean price obtainable at 14:30 from the latest quotations by international foreign exchange banks quoted in a public price monitoring system.

Special situations

If an aforementioned quotation for an equity, equity related instrument or standardized derivative is not available, the latest available trade price is used, provided that this price is between the latest bid and ask prices.

If the latest trade is higher than the ask price or lower than the bid price, the bid or ask will be used depending on which is closer to the latest trade.

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If the value of any aforementioned investment instrument cannot be confirmed in the manner described above, it will be valued according to the best available market information adhering to the objective criteria set forth by the Board of Directors of the Fund Management Company. Objective criteria may be used also if a security - for example a subscription right - has an underlying price which differs from the prevailing bid and ask prices.

10 § Calculating the Value of a Fund Unit

The Fund Management Company calculates the value of a Fund unit (NAV - net asset value) on each day that depository banks are generally open in Finland. The value of a Fund unit is available at the Fund Management Company, all subscription locations, and on the internet pages of the Fund Management Company (www.seligson.fi).

The value of a Fund unit is the value of the Fund divided by the number of issued units taking into account the different fees of the Fund unit series (A, K).

The fee to be paid to the Fund Management Company for unit series A consists of a fixed and performance-based fee. The fee to be paid to the Fund Management Company for unit series K shares consists of a fixed fee.

A unit value is calculated separately for A and K shares. In daily NAV calculations the computational amount of K shares is adjusted with the daily difference of the fixed fee between the two unit series.

In addition, balance sheet items which are related to only one series' assets or liabilities, such as the management fee debt per series, are taken into account in the NAV calculations.

11 § Yield distribution

The Fund does not have yield distributing units.

12 § Accounting Period of the Fund and the Fund Management Company

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

13 § Annual General Meeting of Unit Holders

The Annual General Meeting of unit holders of the Fund shall be held annually at a date determined by the Fund Management Company, but no later than the end of June.

An extraordinary meeting of unit holders will be held if the Board of Directors of the Fund Management Company deems it necessary or if the Auditor, or Fund unit holders who together own at least one twentieth (1/20) of all issued fund units, so request in writing for deciding on issues that they have requested.

The agenda of the Annual General Meeting of Fund unit holders shall address at least the following topics:

1. Election of a Chairman for the meeting. The Chairman summons a protocol-keeper
2. Listing of the votes present and approving the vote list
3. Election of two controllers of the protocol of the meeting and two persons to count the votes
4. Affirmation of the legality and quorum of the meeting
5. Presentation of the Financial Statements and Annual Report of the Fund and the Fund Management Company, as presented at the Annual General Meeting of the Fund Management Company
6. Election of a unit holders' representative to the Representative Body of the Fund Management Company's funds
7. Other agenda points listed in the invitation to the Annual General Meeting

In a meeting of unit holders each unit in the Fund entitles to one (1) vote. Even if a unit holder's entire possession is less than one unit, he still has one vote in the meeting. Meeting decisions are made by a simple majority of votes. Elections are decided by a majority of votes. If the vote is a draw, the chairman of the meeting decides. Tied elections are decided by lottery.

14 § Invitation and Registration to the Unit Holders' Meeting

The Fund unit holders' meeting is summoned by the Fund Management Company's Board of Directors. The invitation to the Fund unit holders' meeting is delivered by mail, email, or an electronic customer reporting system, or by announcement published in at least one national daily newspaper in Finland. The invitation is made public no earlier than four weeks and no later than two weeks before the meeting.

To be allowed to participate in the meeting, unit holders should notify the Fund Management Company of their attendance in the manner stated in the invitation no later than the date mentioned in the invitation.

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A unit holder has no right to use his unit holders' rights at the meeting before his Fund units have been registered or he has informed the Fund Management Company of his acquisition and given an account thereof. The right to attend the Fund unit holders' meeting and the number of votes is based on the situation ten days before the meeting.

Other notices will be communicated to unit holders by mail to the address given by the unit holder or by email, or an electronic customer reporting system, or by announcement published in at least one national daily newspaper in Finland.

15 § The Representative Body of Mutual Funds

The Funds managed by the Fund Management Company have a common Representative Body. The Fund unit holders elect the members of the Representative Body annually at the Unit Holders Meeting in accordance with the articles of association of the Fund Management Company. A member's term of office ends at the end of the first Annual General Meeting after the election. The Representative Body elects the number of board members to the Fund Management Company's Board of Directors as set at the Annual General Meeting of the Fund Management Company. In addition, the Representative Body elects an auditor and a deputy auditor for the Fund Management Company. Outcomes of the elections must be communicated to the Fund Management Company no later than one month after the meeting of the Representative Body.

16 § Prospectuses, Semi-Annual Reports and Annual Reports

The Fund's Prospectus, the Simplified Prospectus, the Semi-Annual Report as well as the Fund's and the Fund Management Company's Annual Reports are published in accordance with the Finnish Mutual Funds Act. The Fund's Prospectus may be comprised of the Simplified Prospectus together with the Rules of the Fund.

The Fund's Semi-Annual Report is published within two months of the end of the reporting period and the Fund's and the Fund Management Company's Annual Reports within three months of the end of the accounting period. The aforementioned documents are available at the Fund Management Company during its office hours.

17 § Changing the Fund's Rules

Changes to the Rules of the Fund are decided upon by The Board of Directors of the Fund Management Company. Changes to the rules have to be approved by the Financial Supervisory Authority (FIN-FSA). Changes to the rules take effect one month after their approval by the Financial Supervision Authority and communication to unit holders, unless the Financial Supervision Authority stipulates otherwise. Changes are deemed to have been communicated to unit holders on the fifth day from the date the letter containing the information was mailed or on the date the announcement was published in a Finnish national daily newspaper, sent by an electronic customer reporting system or, with the unit holder's consent, emailed. As changes take effect, they are binding for all unit holders.

18 § Halting of Subscriptions and Redemptions

The Fund Management Company may temporarily halt redemptions of Fund units, with the permission of the Financial Supervisory Authority (FIN_FSA), also subscriptions, on the condition that:

- a) the market place that may be considered as the Fund's main market place is closed or trading at the said market place is restricted, or if there are disruptions in the dissemination of normal market information or there are serious impediments in the pricing of the invested assets;
- b) the unit holders' interests or the equal treatment of unit holders so requires;
- c) some other especially critical reason exists.

19 § Information sharing

The Fund Management Company has the right to give out information about unit holders in accordance with applicable laws.

20 § Compensation Paid Out of the Fund's Assets

As compensation for managing the Fund, the Fund Management Company is paid, from the Fund's assets, either a combination of a fixed management and performance-related fee (A shares) or only a fixed management fee (K shares).

A shares

The maximum fixed annual management fee to the Fund Management Company is 1,40% of the Fund's net asset value. This includes a maximum 0,40 % compensation of the Fund's net asset value that is paid annually to the Custodian.

The fee is calculated daily according to actual days in the year (annual fee % / 365 or annual fee % /366) and it is paid to the Fund Management Company monthly after the end of each month. The reported daily values take this fee into account.

In addition to the above, the Fund Management Company will be paid a 15% performance fee on the calendar year return exceeding the benchmark index stated in 5§. The index comparison for the performance fee is carried out daily between the index point at the end of the previous year and the index point on the value calculation day. The performance fee may not exceed 3% of the value of the

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Fund's A shares, which is defined latter in this section of the Rules. The performance fee is calculated daily based on the value of the Fund's A shares after fixed management and custody fees, and paid annually at the end of each calendar year.

The performance fee will be calculated as follows: the change in the benchmark index over the calendar year is deducted from the change in the value of a Fund unit over the same period of time. The result of this is multiplied with the average fund capital of A shares, defined as the average number of outstanding A shares at the end of each month of the period, and then multiplied by the unit value on the last day of the previous calendar year. The performance fee is 15% of the resulting positive number. The performance fee cannot be negative.

K shares

The fixed annual management fee payable to the Fund Management Company is a maximum of 2,90% of the Fund's value. This includes a maximum 0,40% compensation of the Fund's net asset value that is paid annually to the Custodian.

The management fee is calculated daily according to the actual number of days in the year (annual fee % / 365 or annual fee % / 366) and paid monthly after the end of each month. The management fee has been deducted from the Fund's daily published unit value.

The Board of Directors of the Fund Management Company confirms the exact management fee per unit series and they are published in the current Fund Prospectuses.

The Fund also pays out of its assets such other costs directly related to investments activities as, for example, settlement transaction fees and transaction-related banking fees. Other fees are paid according to charges levied by the external service provider.

21 § Applicable Law

The operations of the Fund Management Company and the Fund are governed by Finnish law.