

Invitation to unitholders' meeting - merger and amendments to the articles of association

You are receiving this information about the planned merger of ODIN Norden and ODIN Norden II because you are a unitholder in at least one of these securities funds.

ODIN Norden's articles of association will be amended in connection with the merger. The purpose of amending the articles of association is as follows:

- To bring the articles of association into compliance with the Securities Funds Act and the Norwegian Fund and Asset Management Association's recommended standard articles of association
- To amend the articles of association's provision on lending out financial instruments
- To create different unit classes in the fund

The merger is subject to the adoption of the creation of different unit classes in ODIN Norden.

1. Merger between ODIN Norden and ODIN Norden II

ODIN Forvaltning wishes to condense its funds portfolio and the introduction of the proposed unit classes in ODIN Norden in connection with the amendment of the articles of association would provide an opportunity to vary the management fees charged for the unit classes on the basis of the amount invested. For this reason, ODIN Forvaltning wants to merge ODIN Norden and ODIN Norden II, subject to the introduction of unit classes in ODIN Norden being adopted.

ODIN Norden and ODIN Norden II have the same investment strategy and the merger would therefore not result in any changes to the investment strategy or anticipated return for unitholders in the funds. Interim reporting to unitholders will also not be affected. The annual management fees that currently apply to ODIN Norden and ODIN Norden II differ. Please also refer to the detailed description of the fee rates in the proposed amendments to the articles of association below. The merger of the funds will not result in higher costs or fees for individual unitholders.

The merger agreement was considered by the board of ODIN Forvaltning on 04/03/2016 and the board members elected by unitholders voted in favour of the merger. The Financial Supervisory Authority of Norway approved the merger on 19/04/2016.

The merger agreement stipulates that the merger between the two aforementioned funds will take place by ODIN Norden II (the fund being transferred) being merged with ODIN Norden (the acquiring fund). ODIN Norden II's assets and liabilities will be transferred to ODIN Norden, and the unitholders in ODIN Norden II will be issued with units in ODIN Norden corresponding to the value of the units they owned in ODIN Norden II on the last rate determination date prior to the merger date. ODIN Norden II will then be dissolved. No cash will be paid to unitholders in ODIN Norden II. The units of unitholders in ODIN Norden will not be affected by the merger. Income earned in the funds is priced into the fund's value on a daily basis, meaning that the value of earned income will be taken into account when calculating the conversion rate between the funds.

For the merger to be implemented, the unitholders in both funds must consent to the merger. For this reason a unitholders' meeting will be held on 18 May 2016. See the separate invitation to the unitholders' meeting in item 6. A majority of 75 per cent of the units represented at the unitholders' meeting must vote in favour of the merger in order for it to be implemented. The merger will go ahead if a sufficient majority is achieved in both funds and the introduction of unit classes is also adopted for ODIN Norden. Assuming that a sufficient majority is achieved in favour of the merger in the unitholders' meeting, all unitholders will, including those that did not exercise their right to vote or voted against the merger, become unitholders in the merged fund, unless they exercised their right to redemption free of charge. The date of the planned merger is 20/06/2016.

Unitholders who do not wish to be unitholders in the merged fund have the option to redeem their units free of charge or exchange their units in the funds being merged for units in another ODIN fund. This applies up to the day before the merger is implemented. Please note that such redemption or exchange will involve a taxable realisation.

If unitholders wish to receive information about the result of the unitholders' meeting, i.e. whether a sufficient majority voted in favour of the merger, they must notify the company of this at least one week before the unitholders' meeting is held. The result will also be published on our website www.odinfond.no.

Once the merger has been implemented, unitholders will be entitled to receive a copy of the confirmation from ODIN's trustee that the merger has been implemented. A copy of the confirmation will be available on www.odinfond.no or can be obtained by contacting ODIN's customer service.

Special information for unitholders in ODIN Norden II

ODIN Norden and ODIN Norden II currently offer the same level of risk. In this context, risk means the risk defined in the funds' risk and return indicator, which can be found in the funds' key information document.

No changes will be made to the rights of the unitholders in either the fund being transferred (ODIN Norden II) or the acquiring fund (ODIN Norden) beyond the fact that unitholders in the fund being transferred will, following the merger, own units in the acquiring fund corresponding to the value of the units they had in the fund being transferred prior to the merger.

ODIN Norden II, which is being merged into ODIN Norden, will be open for subscriptions and redemption up to the day before the implementation of the merger. Unitholders will be able to exercise their rights in ODIN Norden from the day the merger is implemented.

In order to make an informed decision concerning the merger between ODIN Norden and ODIN Norden II, we recommend that unitholders in ODIN Norden II familiarise themselves with the key information document about the fund. Please also note that amendments to the articles of association of ODIN Norden have also been proposed and that the implementation of the merger is dependent upon the adoption of the amendments to the articles of association concerning the introduction of unit classes.

Pursuant to the current articles of association, ODIN Norden has an annual investment management fee of 2.0 per cent. The articles of association of ODIN Norden also specify that a subscription fee of up to 3.0 per cent will be incurred upon subscription to units, as well as a redemption fee of up to 0.5 per cent. Nevertheless, as set out in the prospectus, subscription or redemption fees are not charged in ODIN Norden.

It has been proposed that unit classes be introduced in ODIN Norden. The management fee shall amount to a maximum of 1.25 per cent per annum for unit class A, a maximum of 1.5 per cent per annum for unit class B, a maximum of 2.0 per cent per annum for unit class C, and a maximum of 1.5 per cent per annum for unit class D.

It is recommended that the maximum rates proposed in the new articles of association should not be fully utilised and the fund's draft prospectus sets down the annual investment management fee as 0.75 per cent per annum for unit class A, 1.0 per cent per annum for unit class B, 2.0 per cent per annum for unit class C and 1.0 per cent per annum for unit class D.

In the proposal for the new articles of association of ODIN Norden, a proposal has also been made in which, upon subscription to units, a subscription fee of up to 0.25 per cent shall apply to unit class A, up to 0.25 per cent for unit class B, and up to 0.25 per cent for unit class C. Nevertheless, as proposed in the prospectus, subscription or redemption fees should not be charged in ODIN Norden.

ODIN Norden II's management fee amounts to 0.9 per cent per annum and the fund requires that each unitholder must, upon initial subscription, subscribe to units amounting to at least NOK 10 million (corresponding to the minimum subscription requirement for unit class A in ODIN Norden). Pursuant to the articles of association of the fund, the maximum subscription fee shall be 0.0 per cent and the maximum redemption fee shall be 0.5 per cent. However, as with ODIN Norden, no subscription or redemption fees are charged cf. the fund prospectus and key information document.

Pursuant to Article 8 of ODIN Norden II's current articles of association, received dividends are distributed to unitholders: *Dividends are distributed to unitholders. Dividends are paid like share dividends. Dividends are paid once per annum to unitholders registered in the fund's register of unitholders on 10 December.* Pursuant to the articles of association of ODIN Norden, dividends are not distributed to the unitholders. This is the provision that it is proposed be continued in the merged fund.

You can read more about the proposed amendments to the articles of association below.

2. Description of the amendments to the articles of association

Irrespective of whether or not the merger is approved, ODIN Forvaltning believes that ODIN Norden's articles of association should be amended. ODIN Norden's unitholders shall therefore vote on the amendments to the articles of association that are described below. Pursuant to the Securities Funds Act, certain amendments to articles of association require the consent of the unitholders in a unitholders' meeting. The Financial Supervisory Authority of Norway must consent to the amendments to the statutes after the unitholders have voted in favour of them. Therefore, the amendments shall not enter into effect before they have been approved by the Financial Supervisory Authority of

Norway. ODIN Forvaltning AS is planning for the proposed amendments to enter into effect on 20 June 2016. However, the actual date will depend on how long it takes the Financial Supervisory Authority of Norway to complete its procedures.

2.1 Adapting to the Securities Funds Act and recommended standard articles of association

The applicable Securities Funds Act entered into force on 1 January 2012. ODIN Norden's articles of association are based on the standard articles of association recommended under the previous Securities Funds Act. The Financial Supervisory Authority of Norway recommends using the new recommended standard articles of association prepared by the Norwegian Fund and Asset Management Association, with the required adaptations.

The new standard articles of association do not involve any changes, as such, to the fund's investment mandate, expected return, risk profile or fee calculations. However, the new standard articles of association do mean that some of the information will be moved from the articles of association to the prospectus. The adaptation to the new standard articles of association means that a number of amendments to the articles of association have been proposed. Some of these amendments require the consent of unitholders in the unitholders' meeting. These include amendments to the articles of association that specify rules for the investment of the fund's assets and the fund's risk profile and amendments to provisions that specify which costs the fund can be required to cover, including extraordinary costs.

ODIN Forvaltning would like to stress that the amendments that require the consent of unitholders do not involve any real changes to the investment of the fund's assets or the fund's risk profile. The consequence of this information being moved from the articles of association to the prospectus is that future changes to the information will have to be made according to the rules governing changes to the prospectus, i.e. by the board.

The proposed amendments for which ODIN Forvaltning requests the consent of unitholders are as follows:

Reference to benchmark

It is proposed that the reference to the benchmark be moved from the fund's articles of association to the fund's prospectus. Please refer to the enclosed draft new prospectus.

The consequence of this is that future changes to the reference to the benchmark in the prospectus can be made by the board of ODIN Forvaltning without needing to submit the matter to unitholders at a unitholders' meeting.

Changes to investment strategy, risk profile, etc.

It is proposed that the risk profile be formulated in a manner other than in the current articles of association, which reads as follows: The fund's risk profile is moderate compared with other equity funds managed by ODIN Forvaltning. Article 3.1 of the new articles of association has the following wording concerning risk profile, independent of other funds: the fund is typically characterised by relatively high volatility. Changing this brief summary of the risk profile does not, however, mean that the fund's profile will change since the risk profile will be evident from the articles of association in general, the prospectus and the fund's key information document.

Amendments to provisions that specify which costs the fund can be required to cover

Compared with the current Article 12, the new Article 5 comprises a real change insofar as it will be possible for the fund to cover extraordinary costs necessary to safeguard the interests of unitholders. Pursuant to the previous Securities Funds Act, the Financial Supervisory Authority of Norway could authorise securities funds being charged for extraordinary costs. Under the current act, the fund can cover extraordinary costs to safeguard the interests of unitholders, if the fund's articles of association so permit. The board must still approve the costs in each case before these are charged to the fund. Unitholders will receive information about incurred and anticipated extraordinary costs in the annual report and half-yearly reports.

Extraordinary costs are costs associated with extraordinary situations in connection with the management of ownership rights for the financial instruments in which the fund has invested. Examples of such costs may include costs associated with the pursuit of legal claims, including litigation associated with improper bid prices for mandatory bids, fulfilling of board responsibilities, etc.

2.2 Lending out financial instruments

Pursuant to Article 9 of the current articles of association, the fund may not lend out financial instruments. The new articles of association will allow the funds to lend out financial instruments pursuant to section 6-11 of the Securities Funds Act. This entails no changes to the current management of the funds since access to lending remains restricted given that the prospectus includes the following provision: "*In accordance with the articles of association, the fund is allowed to lend out financial instruments. The fund is currently not lending out any financial instruments.*" The change means that the board of ODIN Forvaltning may change the fund's prospectus if a decision is subsequently made to start lending out financial instruments. All income from lending out financial instruments shall accrue to the fund.

2.3 Creation of unit classes

ODIN Norden does not currently have unit classes.

ODIN Norden's current articles specify a minimum subscription requirement of NOK 3,000 for initial purchases. Alternatively, a savings contract can be entered into with a monthly subscription of a minimum of NOK 300 per month. It is proposed that a unit class be created (unit class C) with a minimum subscription amount corresponding to the requirements stipulated in the current articles of association.

Additionally, it is proposed that unit classes be created with minimum subscription amounts of NOK 10 million (unit class A) and NOK 1 million (unit class B), respectively. Furthermore, it is proposed that a unit class be created without a minimum subscription amount, but which is open only to distributors who, by agreement with ODIN Forvaltning, cannot receive return commission (unit class D).

It is proposed that the articles of association stipulate that the management fee shall amount to a maximum of 1.25 per cent per annum for unit class A, a maximum of 1.5 per cent per annum for unit class B, a maximum of 2.0 per cent per annum for unit class C, and a maximum of 1.5 per cent per annum for unit class D.

Upon subscription to units, a subscription fee of up to 0.25 per cent shall apply to unit class A, up to 0.25 per cent for unit class B, and up to 0.25 per cent for unit class C.

Upon the redemption of units, a redemption fee of up to 0.25 per cent shall apply to unit class A, up to 0.25 per cent for unit class B, and up to 0.25 per cent for unit class C.

Furthermore, it is proposed that if the unitholder's total cost price on the calculation date satisfies the minimum requirement for a (comparable) unit class with a lower management fee, the customer's unit value can be transferred to this class. If the unitholder's total cost price on the calculation date does not satisfy the minimum requirement for the unit class in which the unitholder has invested, the customer's unit class can be transferred to a (comparable) unit class in which the total cost price satisfies the minimum requirement.

ODIN Forvaltning wishes to create different unit classes because it needs to be able to offer different terms to different types of unitholders. The reason for creating unit classes A and B is that ODIN Forvaltning wishes to provide unitholders who subscribe to a large number of units in the fund with a discount in the form of low management, subscription and redemption fees. ODIN Forvaltning wants to ensure that current unitholders of ODIN Norden can continue to remain unitholders in the fund on their current terms via unit class C.

The reason for creating unit class D is that ODIN Forvaltning wants to provide distributors who do not receive return commission with an opportunity to trade units in a special unit class with lower management fees.

It is further proposed that it be clarified in Article 6 of the articles of association that the fund is normally open for subscription and redemption on all business days in the Nordic region "*and closed when some, or all, parts of the fund lack prices for underlying securities due to closed national markets*". This specification does not result in any real change since the provision reflects the current situation.

3. Whether the amendments are in the interests of the unitholders

The amendments addressed above in point 2.1 concerning the benchmark, investment strategy and risk profile do not entail any real changes. The amendments will not affect the fund's expected return or risk. As a consequence of this, ODIN Forvaltning believes that the interests of unitholders will be safeguarded.

The proposal concerning extraordinary costs being coverable means that, to a lesser extent, there will be uncertainties with regard to whether such costs will be covered. This will mean that ODIN Forvaltning will be in a better position to manage extraordinary situations in the best interests of unitholders.

As far as the amendment of the provision concerning lending out financial instruments is concerned, this is an option that can be approved by the board of ODIN Forvaltning should such lending become relevant. All income from lending out financial instruments shall accrue to the fund.

As far as the creation of unit classes is concerned, unit class C will require the same minimum subscription amount as in the current articles of association of ODIN Norden. The proposed amendment to the articles of association will mean that the management fee for class C will amount to a maximum of 2.0 per cent per annum, as in the current articles of association. The maximum management fee for unitholders that will fall under other unit classes will be lower than stipulated in the current articles of association.

Pursuant to the current articles of association, the subscription fee is up to 3.0 per cent of the subscription amount and the redemption fee is up to 0.5 per cent of the redemption amount. The proposed amendment to the articles of

association will mean that the subscription and redemption fees will become lower for the other unit classes, cf. the above.

The purpose behind creating unit class D is to open the fund up to different types of potential unitholders who may want to invest in it. ODIN Forvaltning believes that such a development would be in the interests of its unitholders.

Based on the above, ODIN Forvaltning believes that the amendments to the articles of association would be in the unitholders' interests.

4. Amendments to the articles of association that do not require consent from a unitholders' meeting

In line with the Norwegian Fund and Asset Management Association's recommended standard articles, the aim is for some information to no longer be stipulated in the articles. This applies to the following:

- Name of custodian trustee
- Value calculation and announcement of unit values
- Description of procedures and documentation associated with subscription and redemption
- Information about the management company's board of directors and composition
- Dispute resolution body
- Articles and process for amendment of the articles of association

5. Voting – proposed resolutions

5.1 Merger

ODIN Forvaltning requests that the unitholders in ODIN Norden/ODIN Norden II support this proposal:

- a) As a unitholder in ODIN Norden/ODIN Norden II, I, subject to the adoption of the amendments to the articles of association described in item 5.4 below, support the merger between ODIN Norden and ODIN Norden II. The merger will be implemented by ODIN Norden II (the fund being transferred) being merged into ODIN Norden. ODIN Norden II's assets and liabilities will be transferred to ODIN Norden, and the unitholders in ODIN Norden II will be issued with units in ODIN Norge corresponding to the value of the units they owned in ODIN Norden II on the last rate determination date prior to the merger date.

5.2 Adapting to the Securities Funds Act and recommended articles of association

ODIN Forvaltning requests that the unitholders in ODIN Norden support these proposals:

- a) As a unitholder in ODIN Norden, I support the rules concerning the investment of the securities fund's assets as stipulated in the proposed new Article 3, in order to bring the articles of association into compliance with the new Securities Funds Act and recommended articles of association. These amendments mean that i) references to the benchmark will be moved to the prospectus, ii) the wording of the risk profile will be changed such that it will state that the fund is typically characterised by relatively high volatility, and iii) the wording relating to selection/alpha management as addressed above will be removed from the fund's articles of association.
- b) As a unitholder in ODIN Norden, I support the insertion of the following provision in Article 5, no. 4 of the articles of association: *extraordinary costs that are necessary to safeguard the interests of the unitholders, cf. section 4-6, paragraph two, of the Securities Funds Act.*

5.4 Lending out financial instruments

ODIN Forvaltning requests that the unitholders in ODIN Norden support this proposal:

As a unitholder in ODIN Norden, I support the wording of Article 3, clause 3.6 of the articles of association reading as follows:

The securities fund may lend out financial instruments pursuant to the provisions of section 6-11 of the Securities Funds Act. All income from lending shall accrue to the fund.

5.4 Creation of unit classes

ODIN Forvaltning requests that the unitholders in ODIN Norden support this proposal:

As a unitholder in ODIN Norden, I support

a) Article 7 of the articles of association reading:

The fund's pool of assets is divided into the following unit classes:

Unit class	Minimum subscription amount	Unitholders
A	NOK 10,000,000	All
B	NOK 1,000,000	All
C	NOK 3,000, savings contract NOK 300	All
D	No minimum subscription amount	Available to unitholders who subscribe via distributors who, by agreement with ODIN Forvaltning, cannot receive return commission

The following criteria apply for the various unit classes:

Class A is available to all unitholders who subscribe for an amount of NOK 10 million or more.

Class B is available to all unitholders who subscribe for an amount of NOK 1 million or more.

Class C is available to all unitholders and has a minimum subscription amount of NOK 3,000 as a one-off subscription or NOK 300 via a savings contract.

Class D is available to unitholders who subscribe via distributors who, by agreement with ODIN Forvaltning, cannot receive return commission.

A fixed management fee may be charged by the management company for one or more of the fund's unit classes.

The management fee shall amount to a maximum of 1.0 per cent per annum for unit class A, a maximum of 1.5 per cent per annum for unit class B, a maximum of 2.0 per cent per annum for unit class C, and a maximum of 1.5 per cent per annum for unit class D.

The fixed investment management fee shall be calculated daily and charged daily.

The management fee is distributed equally between each unit within the individual unit class in the fund.

Upon subscription to units, a subscription fee of up to 0.25 per cent shall apply to unit class A, up to 0.25 per cent for unit class B, and up to 0.25 per cent for unit class C.

Upon the redemption of units, a redemption fee of up to 0.25 per cent shall apply to unit class A, up to 0.25 per cent for unit class B, and up to 0.25 per cent for unit class C.

The total cost price of each individual unitholder's aggregate subscriptions and redemptions in the unit class is calculated twice per year, on 31 March and 30 September.

If the unitholder's total cost price on the calculation date satisfies the minimum requirement for a (comparable) unit class with a lower management fee, the customer's unit value will be transferred to this unit class.

If the unitholder's total cost price at the calculation date does not satisfy the minimum requirement for the unit class in which the unitholder has invested, the customer's unit class will be transferred to a (comparable) unit class in which the total cost price satisfies the minimum requirement.

The transfer of the value of the units to another comparable unit class shall be registered on the same day the calculation is performed, and the unitholder shall be notified as soon as possible.

b) Article 5, paragraph three and four, of the articles of association shall be deleted and a new paragraph three shall read as follows:

The management fee is distributed equally between each unit within the individual unit class in the fund. The size of the management fee is stipulated in Article 7 of the articles of association.

c) that the provisions on subscription and redemption fees be moved to Article 7 (cf. a) above) and that Article 6 shall read as follows:

The fund is normally open for subscription on all business days in Norway and closed when some, or all, parts of the fund lack prices for underlying securities due to closed national markets.

The fund is normally open for redemption on all business days in Norway and closed when some, or all, parts of the fund lack prices for underlying securities due to closed national markets.

6. Procedure for the merger and amending the articles of association

The proposed merger and amendments to the articles of association were considered by the board of ODIN Forvaltning on 04 March 2016 and the board members elected by unitholders voted in favour of the amendments.

Permission to merge and amendments to the articles of association of the fund require consent from unitholders. At least 75 per cent of the units represented at the Meeting of Unitholders (by attendance, proxy or voting in advance) must vote for the merger. Amendments to the articles of association of the fund also require the support of at least 75 per cent of the votes represented at the unitholders' meeting.

The Financial Supervisory Authority of Norway must consent to the amendments to the statutes after the unitholders have voted in favour of them. Therefore, the amendments shall not enter into effect before they have been approved by the Financial Supervisory Authority of Norway. ODIN Forvaltning envisages that the proposed amendments enter into effect on 20 June 2016. However, the actual date will depend on how long it takes the Financial Supervisory Authority of Norway to complete its procedures.

For this reason a unitholders' meeting will be held on 18 May 2016. The unitholders' meeting will be held at 14:00 at ODIN Forvaltning, Fjordalléen 16, Oslo, Norway. For practical reasons, we ask that you register for the unitholders' meeting by no later than 11 May 2016. The agenda for the unitholders' meeting will be as follows:

- 1) Election of the meeting chair and two unitholders who will sign the minutes
- 2) The chief executive officer, Rune Selmar, will give a presentation of the merger and amendments to the articles of association
- 3) Questions submitted by unitholders
- 4) Vote

Each unit entitles the holder to one vote at the unitholders' meeting. The units you held as of 20 April 2016 will determine the number of units for which you are entitled to vote. If you are unable to attend the unitholders' meeting, you may submit an advance vote or authorise another party to vote on your behalf. Advance votes can be cast, and any proxies granted, by completing the enclosed response form and returning the form to us.

Unitholders are entitled to discuss questions that are submitted to the board of ODIN Forvaltning in writing no later than one week before the meeting is held. With the exception of the proposed amendments to the articles of association, the unitholders' meeting cannot make decisions that are binding in relation to the fund or the management company.

7. Implementation of the amendments

The amendments may not be implemented before they have been published on ODIN Forvaltning's website. The date on which the merger will actually be implemented and the articles of association amended will be stated in the announcement. We stress that the new prospectus and articles of association of ODIN Norden will not be final until after the unitholders' meeting.

Unitholders are entitled to redeem their units in the period between announcement and coming into effect. The deadline for submitting redemption claims will be published on the company's website. As otherwise, unitholders will not be charged for redeeming their units.


8. Manager registration

Please note that companies that are authorised to be listed as a manager in the register of unitholders have a special responsibility to ensure that this information is passed on to the actual unitholder.

9. Further information

Unitholders requiring additional information about the merger or amendments to the articles of association should contact customer service on (+47) 24 00 48 04.

Yours faithfully,
ODIN Forvaltning AS


Rune Selmar
Chief Executive Officer