

This prospectus has been prepared in accordance with the provisions in section 8-2 of the Act of 25 November 2011 no. 44 on Securities Funds, cf. section 8-1 of the Regulations to the Securities Funds Act laid down by the Royal Norwegian Ministry of Finance and Customs. The purpose of the prospectus is to provide the information that is required to be able to make a well-founded evaluation of the fund and the risk of investing in the fund.

This prospectus is updated by 12 April 2017

THE FUND MANAGEMENT COMPANY

DNB OBX ETF is managed by DNB Asset Management AS. The company was founded on 25 August 1998 and has from 1 June 2004 had permission to engage in mutual fund management. The company received permission to manage alternative investment funds on 18 October 2014.

Visiting address: Dronning Eufemias gate 30, N-0191 OSLO Postal address: P.O. Box 1600 Sentrum, N-0021 Oslo Organisation number: 880 109 162

DNB Asset Management AS' share capital is NOK 109,680,400 (fully paid-up). DNB Asset Management Holding AS owns 100 per cent of the share capital.

The fund management company's Board of Directors

The fund management company's Board of Directors comprises of a total of six members. The unit holders in the funds managed by the fund management company select two board members and one deputy member.

The board members elected by the unit holders and the deputy board member are elected at the election meeting. The fund management company appoints a nomination committee. The nomination committee shall nominate representatives to be elected by unit holders.

The nomination meeting is held within six months after the end of each fiscal year. Notice of the nomination meeting is made by public announcement or by contacting the unit holders in writing, with at least two weeks' notice. At the nomination meetings, voting rights are adjusted so that unit holders who own shares of equal value receive the same number of votes. The calculation shall be made based on the unit value after the last announced price. A unit holder can vote by proxy.

The fund management company's general meeting selects two board members and one deputy member. The employee in the fund management company selects two members and two deputy members. The deputy members are entitled to attend meetings, but do not have the right to vote in board meetings.

Members of the board and managing director

Chairman of the board: Erlend C. Molde Jensen. Østhornveien 15 D, N-0874 Oslo. Position: Division head in DNB Bank ASA

Board member Marit Krohg Owren, Gydasvei 20, N-0363 Oslo. Position: Executive vice president DNB Bank ASA

Board member Helen Holthe (elected by unit holders). Smestadshagan 26, N-0376 Oslo. Position: Consultant Brandlab Oslo

Board member Ingebjørg Harto (elected by unit holders). Vinderenveien 9, N-0373 Oslo. Position: Director Næringspolitikk, Næringslivets Hovedorganisasjon

Board member Kjartan Farestveit (elected by employees). Solstadlia 73, N-1395 Hvalstad. Position: Portfolio manager DNB Asset Management AS. Salary: NOK 1 046 738 - plus performance-based remuneration.

Board member Kjetil Eriksen (elected by employees). Skyttaveien 35, N-1481 Hagan. Position: Section head in DNB Asset Management AS. Salary: NOK 975 000 - plus performance-based remuneration.

Managing director Torkild Sindre Varran, Konglev. 39 B, N-0860 Oslo. Salary: NOK 2 300 000 - plus performance-based remuneration.

Auditor and outsourcing of functions

The company's auditor is: Ernst & Young, Chr. Fredriksplass 6, N-0154 Oslo.

Outsourcing: DNB Asset Management AS has entered into outsourcing agreements for the management, administration and operation of mutual funds with other companies in the DNB Group. Intra-group agreements have also been entered into on the outsourcing of IT, finance and marketing functions with group companies.

DNB Asset Management AS has also entered into an agreement on the distribution of mutual funds with DNB Bank ASA. Such agreements have also been entered into with several distributors outside the DNB Group.

Fund managed by the company

Money market funds: DNB Likviditet (IV), DNB Likviditet 20 (I), DNB Likviditet 20 (II), DNB Likviditet 20 (IV), DNB Likviditet 20 (V), DNB Pengemarked (II) and DNB Rentepar.

Bond funds: DNB Aktiv Rente, DNB Aktiv Rente (II), DNB AM Kort Obligasjon, DNB AM Kort Obligasjon 2, DNB AM Lang Obligasjon, DNB AM Pengemarked, DNB AM Obligasjon, DNB European Covered Bonds, DNB FRN 20, DNB Global Credit, DNB Global Credit Short, DNB Global High Grade, DNB Global Treasury, DNB High Yield, DNB High Yield (I), DNB Kredittobligasjon, DNB Lang Obligasjon 20, DNB Obligasjon, DNB Obligasjon (III), DNB Obligasjon 20, DNB Obligasjon 20 (II) og DNB Obligasjon 20 (III), DNB Obligasjon 20 (IV) og DNB OMF.

Balanced funds: DNB Aktiv 10, DNB Aktiv 30, DNB Aktiv 50, DNB Aktiv 80, DNB Private Banking Premium 30, DNB Private Banking Premium 50, DNB Private Banking Premium 80, Lev Mer, Lev Mer - 2020, Lev Mer - 2025, Lev Mer - 2030, Lev Mer - 2035, Lev Mer - 2040, Lev Mer - 2045, Lev Mer - 2050, Lev Mer - 2055, Lev Mer - 2060, Lev Mer - 2065

Norwegian equity funds: DNB Barnefond, DNB Norge, DNB Norge (III), DNB Norge (IV), DNB Norge Indeks, DNB Norge Pensjon, DNB Norge Selektiv, DNB Norge Selektiv (II), DNB Norge Selektiv (III), DNB OBX and DNB SMB.

International funds: DNB Aktiv 100, DNB Global Marked Valutasikret, DNB Global Valutasikret, DNB Europa, DNB Global, DNB Global (III), DNB Global (IV), DNB Global Emerging Markets, DNB Global Etisk (V), DNB Global Indeks, DNB Grønt Norden, DNB Norden, DNB Norden (III), DNB Private Banking Premium 100 og DNB USA.

Sector equity funds: DNB Finans, DNB Health Care, DNB Miljøinvest, DNB Navigator, DNB Navigator (II), DNB Teknologi og DNB Telecom.

MUTUAL FUND

Fund name: DNB OBX ETF

Establishment date: 01/03/2005

Organisation number: 987878312

ISIN: NO0010257801

Classification: Norske fond

Fund manager: Eirik Torbjørn Hauge

Auditor: Ernst & Young, Chr. Fredriksplass 6, N-0154 Oslo.

Trustee: DNB Bank ASA, Dronning Eufemias gate 30, N-0191 Oslo

Type of company: Public limited company.

Organisation number: 984 851 006. Main activity: Bank.

The Fund is governed by Norwegian law, with Oslo District Court as the legal venue ("verneting").

The fund's investment objective

DNB OBX ETF 's objective is to achieve the highest possible return on the fund's investments relative to the fund's reference index. The fund's reference index: Oslo Børs OBX Indeks. Adjusted for dividend payments.

DNB OBX ETF is suitable for companies and individuals who wish to achieve a return above the bank interest rate, with limited risk, and a simple and flexible investment alternative for excess liquidity.

DNB Asset Management AS recommends a savings horizon of two (2) years or more.

The fund's investment strategy

DNB OBX ETF is a bond fund that invests at least 90 per cent of the fund's value in Norwegian fixed-income securities denominated in Norwegian kroner with a minimum credit rating of BBB minus (Investment grade). In cases where no official rating exists, the management company will itself deem the credit quality of the fixed-income securities or the issuer to be at least the equivalent of BBB- (investment grade). For investments in subordinated loans, the requirement is that the management company assesses the issuer to be minimum BBB+. The fund's modified duration (interest rate risk) will be in the interval of 2-4 years. The fund will, at any given time, invest in assets with a maximum risk weight of 20 per cent (BIS). The credit risk in the fund is low and the interest rate risk is moderate.

Investments are chosen based on the fund managers' own analyses of fixed-income securities that may rise in value over time. The fund

is managed by interest rate specialists with extensive experience and broad expertise in both the Norwegian and international fixed income market.

The fund's investments are not traded in foreign currency. Currency fluctuations against the Norwegian krone will therefore not affect the value of the fund.

Socially responsible investments

All investments made by DNB Asset Management AS must meet certain ethical requirements. All companies are evaluated on the basis of social, environmental and ethical criteria based on the following internationally recognised guidelines and principles:

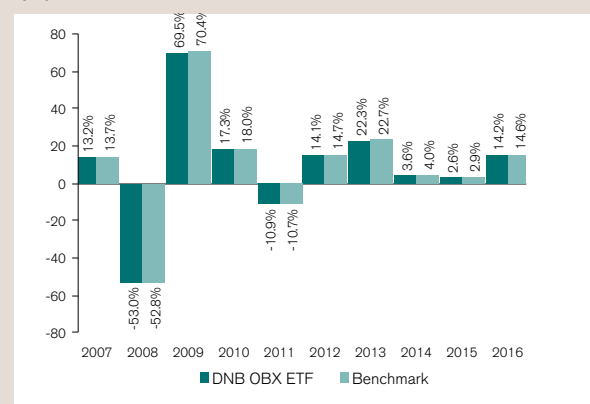
- The UN Global Compact
- the OECD Guidelines for Multinational Enterprises
- The Ottawa Convention (international agreement on the prohibition of anti-personnel mines)
- The Convention on Cluster Munitions

DNB Asset Management will not make investments that entail an unacceptable risk of contributing to highly unethical acts, violation of human and labour rights, corruption or serious environmental harm. Investments are not made in companies that are involved in the production of tobacco, pornography or weapons¹⁾ which during normal use violate fundamental humanitarian principles. Mining companies and power producers which themselves or through entities they control derive 30 per cent or more of their income from thermal coal, or base 30 per cent or more of their operations on thermal coal, may be excluded from the investment universe.

1) DAM shall not invest in companies that are involved in anti-personnel mines and cluster munitions, as described in the Anti-Personnel Mine Ban Convention and the Convention on Cluster Munitions, or in companies that develop and produce key components for weapons of mass destruction. Weapons of mass destruction are defined as NBC weapons (nuclear or atomic, biological and chemical weapons).

The fund's return

The return in DNB OBX ETF may fluctuate within a year. The individual unit holder's gain or loss will therefore depend on the subscription date (purchase) and redemption (sale) of units in the fund.

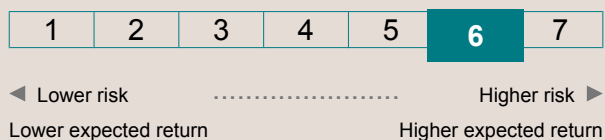


The graph shows the past returns of the fund and the fund's reference index measured in Norwegian kroner. The returns include, where appropriate, any dividends which the fund receives on its investments.

Historical returns are no guarantee of future returns. Future returns will depend on market developments, the fund manager's skills, the fund's risk, as well as subscription, management and redemption costs. Returns can be negative as a result of losses on securities trading.

The fund's risk profile

The value of an investment in DNB OBX ETF can both rise and fall. When you, as a unit holder, sell your units in the fund, the value of the units may be lower than what you paid for them.



The classification above shows the correlation between risk and possible returns from investing in the fund. The classification is based on the fund's price fluctuations in the medium term (how much the fund's unit price has gone up or down during a five-year period).

DNB OBX ETF price fluctuations over the last five years give the fund a classification of 6. This indicates that the unit value may fluctuate both up and down (relatively high risk).

The fund's position in the scale is not permanent, and may change with time. Historical price fluctuations do not necessarily give a reliable picture of how the fund's risk profile will be in the future. The classification takes no account of devaluations, political intervention or sudden market fluctuations.

If part of the fund's holdings are subject to special arrangements because of illiquidity will be stated in the fund's annual and semi-annual reports, which are available at www.dnb.no.

The fund's use of derivatives

The fund's total exposure to derivatives shall follow the guidelines laid down in laws and regulations, as well as the fund's investment instructions. The expected risk and return on the fund's underlying securities portfolio remains unchanged as a result of derivative investments. The fund's total exposure in derivatives is calculated by summing up the market value of the underlying exposures.

The fund's liquidity and risk management

The manager is responsible for complying with the prevailing minimum/maximum rules for the fund's cash balance in Norwegian krone and other currencies. Any changes in the fund's systems for liquidity management will be described in the fund's annual and bi-annual reports which are available on www.dnb.no. The manager is also responsible for continuously monitoring risk in the fund and, when necessary, to implement risk management measures in line with the fund's investment mandate and investment limits.

UNIT HOLDERS

Each unit holder (customer of the fund) has an ideal share in the fund that corresponds to the relevant person's share of the total issued mutual fund units. The units are registered under the national identity number (personal customers) or organisation number (corporate

customers) in the Verdivapirsentralen ASA's (VPS) unit holder register. No tradeable fractional share certificates are issued.

DNB OBX ETF is managed by the fund management company that decides all of the fund's investments. Other than the share deposit, the unit holder is not liable for the fund's obligations. A unit holder is not entitled to require the division or dissolution of the fund.

Subscription and redemption of mutual fund units

Subscription (purchase) and redemption (sale) of units in DNB OBX ETF can undertaken by contacting DNB Bank ASA, DNB Asset Management AS or other distributors of the fund.

DNB OBX ETF base currency is Norwegian kroner. For initial subscription, each individual unit holder must subscribe for at least NOK 10.000.000,-

Subscription or redemption cut-off time (deadline) to get the price (NAV per fund unit) the same day is at 12:00.

In connection with the purchase of financial services and products via remote sales, such as ordinary post, the Internet, telephone and Internet banking, or outside the seller's premises, consumers are, in principle, entitled to a cooling-off period.

However, the cooling-off period does not apply to services and products whose price depends on fluctuations in the financial markets which service providers cannot influence. Consequently, purchasers of mutual fund units are not entitled to a cooling-off period.

In connection with purchases of units in a fund in excess of NOK 5 million, Nets (the former Bankenes BetalingsSentral) does not permit one-time authorisations to debit the customers' bank account. This means that customers must transfer the money themselves, and inform the fund management company that the money has been sent. In practice, this is done by the customer transferring the purchase amount to client account no. 1503 07 81470. In addition, the "subscription form for amounts above NOK 5 million" shall be completed and sent to DNB Asset Management AS.

For investments in mutual funds, there is no guarantee for the invested amount equivalent to the deposit guarantee which applies to bank deposits of up to NOK 2 million in Norwegian banks.

The sale of units in the United States and/or to US citizens

The units shall not be distributed or sold in the United States or to persons who are comprised by the definition of US citizens under US law. US citizens as well as persons with permanent residence in the United States are comprised by this definition. The prohibition also applies to companies and other legal entities established under US law.

The fund's costs

DNB OBX ETF is charged with a fixed fund management fee of 0,30 per cent per annum in addition to transaction costs, payment of any taxes, interest on borrowings and extraordinary costs.

Extraordinary costs are costs that are necessary to looking after unit holders' interests, cf. section 4-6, second subsection of the Securities Funds Act. These are as follows:

Legal and/or administrative costs that may arise in relating to the fund management company on behalf of the fund:

- Collects retained withholding tax that the fund may be entitled to.
- Participates in a class action or institutes legal proceedings on its own behalf against the issuer or others in connection with claims the fund may have.
- Seeks to avoid costs resulting from legal actions against the fund that are not due to actions made by the fund management company.
- Protects the value of the fund's investments by participating in processes related to restructurings, etc., in connection with high-risk commitments.

The fund's total cost was 0,31 % % for the 2016 accounting year. The fund will not be charged a success fee. The costs in the fund are further described in section 5 (Costs) in the chapter "Articles of Association".

Trading costs incurred as a result of subscription and redemption

Upon subscription of units, a subscription fee of maximum 2.00 per cent of the subscription amount is incurred. Upon redemption of units a redemption fee of up until 2.00 per cent of the redemption amount is incurred.

Price information

The net asset value is the value of the fund divided by the number of units. The net asset value and associated price information (changes in the fund's value) are normally published on each business day on DNB's website (www.dnb.no/fondsliste), by Morningstar, an external provider of mutual fund information (www.morningstar.no), on the Norwegian Consumer Council's finance portal (www.finansportalen.no), on the Oslo Stock Exchange's website (www.oslobors.no) and in a number of Norwegian newspapers. Alternatively, price information may be provided by the fund's adviser or distributor.

Value calculation

The value of DNB OBX ETF is normally calculated five (5) days a week.

The basis for calculating the value of the fund (total assets) is the market value of the portfolio of financial instruments and deposits in the credit institution, the value of the fund's liquid assets and other receivables, the value of accrued (earned, but not yet received) income and the value of any losses carried forward, minus debt and accrued, but not yet due costs, including any deferred tax liability. The pricing of relatively illiquid securities is in accordance with the recommendations of the Norwegian Fund and Asset Management Association: <http://vff.no/assets/Bransjenormer/Bransjeanbefaling/Bransjeanbefaling-verdivurdering-lite-likvide.pdf>

To prevent existing unit holders from sustaining losses as a result of other unit holders' purchases and redemptions of units in the fund, DNB Asset Management AS may use a method called "swing pricing". This involves adjusting the fund's share price by a swing factor on days when net purchases or redemptions of units in the fund exceed a pre-defined percentage of the fund's total assets

(threshold value). The fund's share price is adjusted upwards if net purchases exceed the threshold value, and downwards if net redemptions exceed the threshold value. Thus, fund's costs in connection with changes of the portfolio are thus covered. The size of the swing factor (expressed as a percentage of the fund's value) is based on pre-defined estimates of average historic trading costs within the fund's investment mandate. "Swing pricing" is done in accordance with the Norwegian Fund and Asset Management Association's industry standards for purchases and redemptions: <http://www.vff.no/assets/Bransjenormer/Veiledninger/Bransjestandard-tegning-og-innløsning-Veiledning-pr-mars-2015.pdf>.

Closing of accounts and annual report

The date for the closing of accounts for the fund is 31 December. The fund's annual and semi-annual reports are available in Norwegian free of charge. The reports can be downloaded from DNB's website (www.dnb.no/fondsliste) or ordered from DNB Asset Management AS, P.O. Box 1600 Sentrum, N-0021 OSLO Telephone no. (+47) 22 47 40 00.

Limits on right of redemption

The fund management company can decide to delay completely or partially the value calculation and payment of redemption claims from unit holders in the event of extraordinary circumstances (for example, the closure of market places) or if such action is justified for other reasons out of consideration for the holders of units in the fund. When considering whether to implement such measures, DNB Asset Management AS will place emphasis on the principle of equal treatment of the fund's unit holders.

The above shall apply if there is considerable uncertainty with respect to determining the value of all or parts of the fund's portfolio and paying redemption claims could entail a significant risk of unwanted differential treatment of unit holders. The factors that will be taken into account in such connection are how much of the fund's portfolio the uncertainty pertains to, the degree of uncertainty linked to calculating the value and the number of unit holders in the fund.

Suspension of the right of redemption: If the fund management company deems it necessary to suspend the unit holders' right to redeem fund units, the company must get permission from the supervisory authorities (The Financial Supervisory Authority of Norway) before implementing any suspension.

Changes in the fund

If a majority of the unit holders (75 per cent of the voting shares in the unit holder meeting) consent and this is thereafter approved by the supervisory authorities, Finanstilsynet (the Financial Supervisory Authority of Norway) - the fund management company may amend the fund's articles of association. Before any motion to change the articles of association is presented to the unit holders, the board of the fund management company and a majority of the board members elected by the unit holders must have voted in favour of the change.

Subject to approval by the supervisory authorities, Finanstilsynet (the Financial Supervisory Authority of Norway) - the fund

management company may transfer the management of a mutual fund to another fund management company. Such transfer may not be carried out until three months after the unit holders have been informed by letter, or the transfer has been announced in at least two widely read newspapers.

Subject to approval by Finanstilsynet (The Financial Supervisory Authority), a fund management company may pass a resolution to liquidate a mutual fund managed by the company .

All changes of the fund will be announced on DNB's website (www.dnb.no/fond).

Complaints

The Norwegian Financial Complaints Board (www.finansklagenemnda.no) handles complaints concerning

mutual funds. The Complaints Board is an independent publically financed body with a permanent secretariat consisting of lawyers.

A precondition for having a complaint considered by the Complaints Board is that the complaint has been discussed with DNB Asset Management AS without any agreement having been reached. The Complaints Board will initially try to find a solution that is acceptable to both the fund management company and the unit holder. If this does not succeed, the matter will be presented to the Complaints Board for consideration. All complaints sent to the Complaints Board must be in writing. The Complaints Board does not charge any fee for considering complaints.

Section 1 The name of the mutual fund and the fund management company

The mutual fund DNB OBX ETF is managed by the fund management company DNB Asset Management AS.

The fund is approved in Norway and is regulated by Finanstilsynet (the Financial Supervisory Authority of Norway). The fund is regulated in accordance with the Securities Funds Act of 25 November 2011 no. 44.

section 2 UCITS funds

The fund is a UCITS fund that is compliant with the investment rules in Chapter 6 of the Securities Funds Act and the provisions on subscription and redemption in section 4-9, subsection 1 and section 4-12, subsection 1 of the Securities Funds Act.

Section 3 Rules for investment of the mutual fund's assets

3.1 The fund's investment area and risk profile The fund is a bond fund which primarily invests in fixed-income securities denominated in Norwegian kroner. The fund's investment mandate is described in more detail in the prospectus.

The fund is generally characterised by relatively high fluctuation risk (volatility). The risk profile is specified in more detail in the key information about the fund.

3.2 General information on investment area

The fund's assets can be invested in the following financial instruments and/or deposits in a credit institution: Transferable securities

☒ja ☐nei

Mutual fund holdings

☒ja ☐nei

Money market instruments

☒ja ☐nei

Derivatives

☒ja ☐nei

Deposit in credit institution

☒ja ☐nei

Investments in other mutual funds amount to a maximum 10 per cent of the fund's assets:

☒ja ☐nei

Investments in mutual funds that are not UCITS meet the conditions in section 6-2, subsection 1 of the Securities Funds Act and in aggregate do not constitute more than 10 per cent of the fund's assets:

☒ja ☐nei

The fund can, independent of the investment alternatives under this item, possess liquid assets.

The fund's investments in the mutual fund units shall be, together with the fund's other investments, in accordance with these articles of association.

The mutual funds the fund invests in can themselves invest a maximum of 10 per cent of the fund's assets in mutual fund units:

☒ja ☐nei

The fund's assets are invested in money market instruments that are normally traded in the money market, are liquid and whose value can be determined at any time:

☒ja ☐nei

The mutual fund can use the following derivative instruments:

Options, futures and swaps. The underlying of the derivatives will be financial instruments as specified above.

In addition, indexes, interest rates, currencies or exchange rates are used as the underlying instrument. The expected risk and return on the fund's underlying securities portfolio remains unchanged as a result of derivative investments.

3.3 Liquidity requirements

The fund's assets can be placed in financial instruments that:

1. are admitted to official quotation or are traded on a regulated market in an EEA state, including a Norwegian regulated market as defined in Directive 2004/39/EC art 4 (1) no. 14 and section 3 of the Norwegian Stock Exchange Act, subsection 1.

☒ja ☐nei

2. are traded in another regulated market that functions regularly and is open to the general public in a country that is a party to the EEA Agreement.

☒ja ☐nei

3. are admitted to official quotation on a stock exchange in a country outside the European Economic Area or are traded in such country in another regulated market which functions regularly and is open to the general public.

☒ja ☐nei

Stock exchanges or regulated markets in the entire world are relevant in cases where companies which are included in the OBX Index at the same time are listed on another stock exchange than the Oslo Stock Exchange. Investments are placed in well-developed markets.

4. are recently issued if a condition for issuance is that admission to trading will be applied for on a stock exchange or market checked off in items 1 to 3 above.

Admission to trading must take place no later than 12 months after expiry of the final subscription deadline.

☒ja ☐nei

The fund's assets can be placed in money market instruments that are traded on a market other than specified in items 1-3 above, if the issue or issuer of the instruments is regulated in order to protect investors and savings, and the instruments are comprised by section 6-5, subsection 2 of the Securities Funds Act.

The fund's assets can be invested in derivatives that are traded in another market than specified in items 1-4 above.

Up to 10 per cent of the fund's assets may be invested in financial instruments other than those stated in this item.

3.4 Investment limits - the fund's assets The mutual fund's holding of financial instruments shall have a composition that provides an appropriate spread of the risk of loss. The fund's investments shall, at all times, be in accordance with the investment limits for index funds according to section 6-8 of the Securities Funds Act. This means that the fund's investments shall replicate the composition of a certain equity or bond index as determined in the fund's prospectus.

3.5 Investment limits - equity interest in an issuer

The fund's investments shall, at all times, be in accordance with the investment limits laid down in section 6-9 of the Securities Funds Act.

3.6 Securities lending

The mutual fund can lend financial instruments in accordance with section 6-11 of the Securities Funds Act. All income from securities lending shall accrue to the fund.

Section 4 Realisation gains and dividends

Realisation gains, share dividends received and interest income reinvested in the fund. Dividends are not distributed to unit holders.

Section 5 Costs

The fund management company can charge the fund a fixed management fee. The fixed management fee is calculated daily and charged monthly. The management fee is allocated equally on each unit in the fund. The management fee (including the fixed management fee charged in any sub-fund where the fund invests its assets) constitutes maximum 0,30 per cent per annum. The management fee is the fund management company's income for the management of the fund. The basis for the calculation of the management fee is the fund's current value. Calculations of the fund's value (total assets) shall be based on the market value of the portfolio of financial instruments and deposits in credit institutions, the value of the fund's liquid assets and other receivables, the value of accrued (earned, but not yet received) income and the value of any losses carried forward, minus debt and accrued, but not yet due costs, including any deferred tax liability. Beyond the management fee, the following costs can be covered by the fund:

1. transaction costs from the fund's investments,
2. payment of any taxes imposed on the fund,
3. interest on loans as stated in section 6-10 of the Securities Funds Act and
4. extraordinary costs that are necessary to safeguard the unit holders' interests, cf. section 4-6, subsection 2 of the Securities Funds Act.

All remuneration received from sub-funds shall accrue to the main fund.

Section 6 Subscription and redemption of mutual fund units

The fund is normally open for subscription and redemption all business days.

Upon the subscription of units, a subscription fee of up to 2.00 per cent of the subscription amount is incurred.

Upon redemption of the mutual fund units, a redemption fee of up to 2.00 per cent of the redemption amount is incurred.

Section 7 Unit classes

The fund does not have different unit classes.

TAX RULES

Tax rules in Norway can affect the investor's tax position. This fund is liable to tax to Norway.

The information about tax rules below is based on our understanding of these, but DNB Asset Management AS does not guarantee that the information is correct, complete or up to date. The fund management company is not liable for any losses or damages incurred by a unit holder as a result of the person in question having relied on such information.

From 1 January 2016, new rules came into force governing the taxation of mutual funds whereby no distinction is made between equity funds and fixed-income funds. (cf. Section 10-20 of the Norwegian Tax Act). The taxation of the fund's unit holders upon distribution and realisation gains is governed by whether the fund's income is to be considered as equity income or interest income, determined by a standard rule.

According to the standard rule, dividend payments and realisation gains from mutual funds comprising more than 80 per cent equities are taxed as equity income. For equity proportions below 20 per cent, dividend payments and realisation gains are taxed as interest income. For equity proportions between 20 per cent and 80 per cent, the allocation between equity income and interest income must be based on the equity proportion in the fund.

Tax rules for the fund

From 1 January 2016, new rules came into force governing the taxation of mutual funds whereby no distinction is made between equity funds and fixed-income funds. The taxation of the fund's unit holders in the event of distribution and realisation gains is governed by whether the fund's income is to be considered as equity income or interest income, as determined by a standard rule. Distribution and realisation gains from mutual funds with an equity proportion above 80 per cent is taxed in the same way as dividends/share premium. Mutual funds are subjects under the tax exemption method. (The fund is entitled to a tax deduction for that part of any distributions which correspond to the proportion which is taxed as interest return for the unit holders.)

Mutual funds are not liable for tax on gains and may not deduct losses incurred in connection with realising equities. Mutual funds are also not liable for tax on received dividends on investments within the EEA, (cf. Sections 2-38 of the Norwegian Tax Act). Mutual funds are required to adhere to the so-called "exemption model" and are

thus obligated to record three per cent of any dividends received on investments in equities in the EEA as income. If a mutual fund comes in a tax position, it will be liable for 24 per cent income tax on other income, (prevailing rate from the fiscal year 2017) including the income that follows from the standard rule. (However, income on which mutual funds with mainly equity investments are liable for income tax is so limited that such funds generally do not come in a tax position.) Interest income gained from the fund is taxable, and the management fee is subject to a tax allowance.

The shielding deduction for Norwegian individual unit holders related to the equity proportion of the fund

Returns are not taxable until the units have been redeemed (sold). Unit holders who are liable to tax in Norway pay 29.76 per cent tax on realised capital gains that exceed the yield (after tax) on three-month government bonds (the shielding interest rate). For unit holders this means that annual returns of up to the shielded interest rate are tax exempt. The shielded interest rate for each fiscal year is based on the annual average for the fiscal year in question and is therefore not set until early in the following year.

Realised capital losses on mutual fund units are tax deductible at the same tax rate, i.e. 29.76 per cent. The shielding deduction is only allowed up to the point where the taxable gain equals zero. Any unused shielding deductions will cease to apply after the capital loss has been realised. Losses that are attributable to the shielding deduction itself are not tax deductible.

Mutual fund units are taxable assets. The basis for calculating wealth tax for equity funds is 90 per cent of the unit value as at 1 January in the tax year.

The tax exemption method for Norwegian corporate investors

The tax exemption method applies to Norwegian limited companies (and equivalent companies) with ownership interests in mutual funds

whose equity proportion exceeds 80 per cent. This means that the corporate investors are exempt from tax on realised capital gain. Correspondingly, realised losses are not tax deductible. Limited companies are exempt from the obligation to pay wealth tax.

When calculating the equity proportion upon the realisation of units, this shall be based on the average of the equity proportions in the years of acquisition and sale. If the equity proportion in the year of acquisition was above 80 per cent, the calculation is based on an equity proportion of 100 per cent.

Tax rules for non-Norwegian unit holders

Investors that are taxable to countries other than Norway should examine the prevailing tax regulations in the respective countries.

Reporting to the Norwegian tax authorities

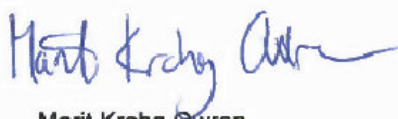
DNB Asset Management AS helps unit holders fill out their tax returns by sending annual statements showing their holdings in DNB's funds. The fund management company also sends information to the tax authorities that will be included in the pre-completed income tax return form sent by the Norwegian tax authorities each year. Unit holders should always check the figures in the tax return form against the information received from the fund management company.

This prospectus was prepared in accordance with the provisions set out in section 8-2 of the Norwegian Securities Funds Act no. 44 of 25 November 2011, cf. section 8-1 of the regulation issued under the Securities Funds Act by the Norwegian Ministry of Finance and the Ministry of Customs and Excise on 21 December 2011. The Board of DNB Asset Management AS hereby confirms that, to the best of its knowledge, the information in the prospectus is consistent with the actual circumstances and there are no omissions that are of such a nature that they could affect the factual contents of this prospectus.

8. juni 2016,



Erlend Molde Jensen
(styrets leder)



Marit Krohg Owren
(styrets nestleder)



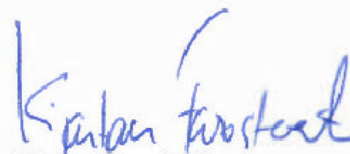
Helen Holthe
(andelseiervalgt)



Ingebjørg Harto
(andelseiervalgt)



Kjetil Eriksen
(ansatterepresentant)



Kjartan Farestveit
(ansatterepresentant)



Torkild Varran
(adm. direktør)