

AKELIUSFONDER LTD.

A PROFESSIONAL FUND

CONFIDENTIAL PROSPECTUS

Dated: May, 2011

NOTICE

THIS PROSPECTUS IS CONFIDENTIAL AND HAS BEEN PREPARED SOLELY FOR USE IN CONNECTION WITH THE PRIVATE OFFER AND SALE OF SHARES OF THE AKELIUSFONDER LTD. (“**THE FUND**”). THIS PROSPECTUS MAY NOT BE REPRODUCED IN WHOLE OR IN PART. THE FUND HAS PREPARED THIS PROSPECTUS AND THE DIRECTORS OF THE FUND ACCEPT RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED HEREIN AS AT THE DATE HEREOF. NO OTHER PARTY HAS BEEN INVOLVED IN THE PREPARATION OF THIS PROSPECTUS AND THEREFORE NO OTHER PARTY MAKES ANY REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, WITH RESPECT TO THE INFORMATION CONTAINED HEREIN, OR ASSUMES ANY RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN.

THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SHARE BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL OR TO ANY PERSON TO WHOM IT WOULD BE UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION. NEITHER DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES IMPLY THAT NO CHANGE IN THE AFFAIRS OF THE FUND HAS OCCURRED OR THAT ANY INFORMATION CONTAINED HEREIN IS CORRECT AS OF THE TIME SUBSEQUENT TO THE DATE HEREOF. NO REPRESENTATION IS MADE THAT THE SHARES ARE AN APPROPRIATE INVESTMENT FOR ALL INVESTORS OR ANY PARTICULAR INVESTOR, AND EACH INVESTOR IS URGED TO REVIEW CAREFULLY, WITH ITS OWN LEGAL AND INVESTMENT ADVISORS, THIS PROSPECTUS AND THE DOCUMENTS REFERRED TO HEREIN IN ORDER TO DETERMINE FOR ITSELF WHETHER THE CHARACTERISTICS OF THE SHARES ARE APPROPRIATE FOR ITS INVESTMENT OBJECTIVES AND ITS LEGAL, TAX, REGULATORY AND OTHER CONCERNS. THE DISTRIBUTION OF THIS PROSPECTUS AND THE OFFER AND SALE OF THE SHARES IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. PURCHASERS SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS WITHIN THEIR OWN COUNTRIES FOR THE PURCHASE OF SHARES AND TO ANY TAXATION OR EXCHANGE CONTROL LEGISLATION APPLICABLE TO THEM.

FOR ALL PURPOSES THE LAW OF THE COMMONWEALTH OF THE BAHAMAS SHALL BE THE APPLICABLE LAW AND SHALL APPLY TO ALL THE SHARES OFFERED OR SOLD UNDER THIS PROSPECTUS AND ALL INVESTORS SUBMIT TO THE JURISDICTION OF THE COURTS OF THE SAID COMMONWEALTH.

THIS PROSPECTUS IS FOR INFORMATION PURPOSES ONLY. THE SHARES WILL BE ISSUED ONLY ON THE BASIS OF INFORMATION AND REPRESENTATIONS CONTAINED IN THIS PROSPECTUS. ANY PURCHASE MADE BY ANY PERSON ON THE BASIS OF INFORMATION OR REPRESENTATIONS NOT CONTAINED HEREIN OR INCONSISTENT HERewith SHALL BE SOLELY AT THE RISK OF THE PURCHASER. NO PERSON IS AUTHORISED IN CONNECTION WITH ANY

OFFERING MADE HEREBY TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION OTHER THAN AS CONTAINED HEREIN AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE FUND, THE FUND MANAGER OR THE PRINCIPAL INVESTMENT ADVISORS. BY ACCEPTING DELIVERY OF THIS PROSPECTUS, EACH PROSPECTIVE INVESTOR AGREES TO THE FOREGOING AND AGREES TO RETURN THIS PROSPECTUS IF SUCH PROSPECTIVE INVESTOR DOES NOT MAKE AN INVESTMENT IN THE FUND. THE FUND AND THE FUND MANAGER RESERVE THE RIGHT TO REJECT ANY OFFER TO PURCHASE IN WHOLE OR IN PART, FOR ANY REASON, THE APPLICABLE SHARES OFFERED HEREBY.

THE NET ASSET VALUE (AS DEFINED HEREIN) OF THE SHARES, AND THEREFORE THE PRICE OF THE SHARES AND THE AMOUNT THAT HOLDERS OF THE SHARES RECEIVE UPON REDEMPTION AND THE INCOME FROM THEM (WHERE INCOME IS DISTRIBUTED), MAY BE SUBJECT TO MARKET FLUCTUATION.

IMPORTANT – IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS OFFERING DOCUMENT, YOU SHOULD CONSULT WITH YOUR FINANCIAL ADVISER.

THE SHARES OF THE FUND ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AND WITH THE PRIOR APPROVAL OF THE FUND AND THE FUND MANAGER, WHICH MAY BE WITHHELD WITHOUT STATING THE REASON THEREFOR.

THIS PROSPECTUS SHOULD NOT BE CONSTRUED AS INVESTMENT, LEGAL OR TAX ADVICE. EACH PROSPECTIVE INVESTOR IS URGED TO SEEK INDEPENDENT INVESTMENT, LEGAL AND TAX ADVICE CONCERNING THE CONSEQUENCES OF INVESTING IN THE FUND.

THE DIRECT OR INDIRECT SALE OF SHARES OF THE FUND IN THE UNITED STATES OR TO UNITED STATES PERSONS IS EXPRESSLY PROHIBITED

THE DIRECT OR INDIRECT SALE OF SHARES OF THE FUND IN THE COMMONWEALTH OF THE BAHAMAS OR TO BAHAMIAN CITIZENS OR PERSONS RESIDENT IN THE BAHAMAS FOR EXCHANGE CONTROL PURPOSES IS EXPRESSLY PROHIBITED WITHOUT THE PRIOR PERMISSION OF THE CENTRAL BANK OF THE BAHAMAS.

THE SECURITIES COMMISSION OF THE BAHAMAS DOES NOT TAKE RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE FUND OR FOR THE CORRECTNESS OF ANY STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS REGARD.

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EXHIBITS

<u>Exhibit A-</u>	<u>Subscription Application Form</u>
<u>Exhibit B-</u>	<u>Redemption Request Form</u>

DIRECTORY

AKELIUSFONDER LTD.

Registered Office
P. O. Box AB-20415
700 Don Mackay Blvd,
Marsh Harbour,
Abaco, Bahamas

Investment Manager

Akelius Invest Ltd.
P.O. Box AB-20415
700 Don Mackay Blvd.
Marsh Harbour
Abaco, Bahamas

Board of Directors

Chairman

Demetris Syllouris
50 Angelou Terzaki Str.
Engomi
2402 Nicosia
Cyprus

Directors

Demetris Syllouris
50 Angelou Terzaki Str.
Engomi
2402 Nicosia
Cyprus

Rhonda L.C. Hull
700 Don Mackay Blvd.
Marsh Harbour
Abaco, Bahamas

Roger Akelius
51 Windward Beach
Treasure Cay
Abaco, Bahamas

Fredrik Lindgren
Lomgatan 5
S-426 69 Västra Frölunda
Sweden

Administrator

Demetris Syllouris
50 Angelou Terzaki Str.
Engomi
2402 Nicosia
Cyprus

Rhonda L.C. Hull
700 Don Mackay Blvd.
Marsh Harbour
Abaco, Bahamas

Registrar and Transfer Agent

Akelius Apartments Limited
101 Acropoleos Avenue
4th Floor
P. O. Box 23352,
1682 Nicosia,
Cyprus

Custodian

Bohusbanken AB
Box 11144,
Södra Hamngatan 29,
S-404 23 Göteborg,
Sweden

Auditors

PricewaterhouseCoopers
P.O. Box N-3910
Providence House,
East Hill St.,
Nassau, The Bahamas

Bahamian Legal Advisors

Klonaris & Co.,
Counsel & Attorneys-at-Law,
P.O. Box N-7776 (514),
Lyford Financial Centre,
Lyford Cay,
N.P., The Bahamas

INVESTMENT SUMMARY

The following summary does not purport to be complete and is qualified in its entirety by the more detailed information included or referred to in this Prospectus.

Name	AKELIUSFONDER LTD.(formerly Akelius Bostadsobligation Ltd. (hereinafter the “ Fund ”), which changed its name to its current name on 30 th September, 2005.
The Fund	<p>The Fund is an open ended investment fund incorporated on the 16th day of March, 2004 as an international business company under the laws of The Bahamas for the purpose of investing primarily in debt instruments issued by companies owned by the Akelius group of companies which means Akelius Foundation and all of its subsidiary and sub-subsidiary companies (the “Akelius Group of Companies”) as well as other real estate related organisations or individuals. The registered office of the Fund is located at P. O. Box AB-20415, 700 Don Mackay Boulevard, Marsh Harbour, Abaco, The Bahamas.</p> <p>The Fund is licensed as a professional fund under the Investment Funds Act, 2003 of The Bahamas and the Shares (as defined in the paragraph immediately below) may therefore only be issued to Professional Investors as defined below on page 11.</p> <p>All of the Participating Shares have been issued to Akelius Invest Ltd. which qualifies as a “Professional Investor”.</p> <p>The authorised share capital of the Fund is (Swedish Kronor – SEK) SEK 50,000.00 divided into 4,999,950 non-voting participating shares (the “Shares”) with a par value of SEK 0.01 each and 50 voting non-participating Management Shares (the “Management Shares”) with a par value of SEK 0.01 each.</p>
Continuous Offering	The Fund is offering its Shares for subscription on a monthly basis on the last Business Day of each month that Banks are open for business in The Republic of Cyprus (“ Valuation Day ”) at the Net Asset Value per Share. “ Business Day ” means any day that Banks are open for business in The Republic of Cyprus.
Minimum Investment	The minimum initial investment per investor is SEK 10,000 unless the Board of Directors in its absolute discretion deems it advisable to permit initial investments of a lesser amount. Shareholders may make additional investments of not less than SEK 5,000.

Investment objective

The Fund will invest primarily in debt instruments issued by companies owned by the Akelius Group of Companies as well as other real estate related organisations or individuals.. The Fund also has the ability to invest in real estate bonds, securities and financial instruments. These may be ordinary shares, preference shares, all types of bonds including but not limited to convertible bonds and, to a lesser degree, warrants on securities and subscription rights. Furthermore, the Fund may, within the limits of the investment restrictions, invest in other undertakings for collective investment of the open-end type.

On an ancillary basis, the Fund may also hold liquidities and money-market instruments which are traded regularly and whose residual maturity does not exceed twelve (12) months. Furthermore, for defensive purposes and in order to reduce overall exposure to market risk, the Fund's assets may be temporarily constituted up to one hundred percent (100%) of cash, if the Investment Manager considers this to be in the best interest of the Shareholders.

Notwithstanding the above the Fund may transfer/invest all of its assets to/in another fund in the circumstances set forth below.

Distribution Policy

Each year, upon the closing of the accounts of the Fund, the Board of Directors will determine if and to what extent, dividends are payable to Shareholders of the Fund out of any funds available for distribution.

If the Board of Directors deems appropriate, dividends may also be declared and paid more frequently.

Transfer/Investment in New Fund

If the Fund's net assets fall below SEK two (2) million or if a change in economic or political circumstances affecting the Fund warrant it or if the Board of Directors considers it to be in the best interest of the Shareholders of the Fund, the Board of Directors may decide to transfer/invest the assets of the Fund into another fund (from the same jurisdiction or from another jurisdiction) in consideration of the receipt of shares (the "**New Shares**") in such new fund (the "**New Fund**"). Thereafter, the Fund will redeem all of its Shares at the NAV and in lieu of paying redemption monies it will transfer the New Shares directly to its Shareholders. Following same the Fund will be liquidated.

Prior to effecting the above, the transfer/investment decision will be notified to all its Shareholders prior to the effective date of the transfer/investment. Moreover, the notification will state

the reasons and procedure for the transfer/investment and contain information on the New Fund. This notice shall be made at least one (1) month before the effective date of the transfer/investment in order to give Shareholders the opportunity to request the redemption of their Shares, free of charge, before the transfer/investment takes effect.

Net Asset Value or NAV

The Net Asset Value (the “**Net Asset Value**”) of the Fund will be calculated on a monthly basis on the last Business Day of each month (a “**Valuation Day**”) in SEK by taking the difference between the value of the Fund’s assets and its liabilities excluding the Shares determined in accordance with International Financial Reporting Standards (“IFRS”).

Subscription

Applications for Shares in the Company must be made by completing the Subscription Application Form attached hereto as “**Exhibit A**” and forwarding such Form to the Registrar and Transfer Agent. The Registrar and Transfer Agent must receive such Form not later than 9.00 a.m. Cyprus time on the Business Day before the day when the Net Asset Value is calculated.

The issue price for Shares of the Fund shall be equal to the Net Asset Value of a single Share, as calculated on the relevant Valuation Day.

Shares will be issued on a Valuation Day. However, Subscriptions may be rejected in whole or in part for any reason by the Fund.

Settlement date

Subscription monies must be paid with value date within three (3) Business Days after the day when the Net Asset Value for such subscription is being calculated.

Share Certificates

The Shares will be registered in book entry form. No share certificates will be issued.

**Restrictions on Sale
And Transfers**

The Shares may be transferred with the consent of the Fund. No Shares may be sold in the United States or sold or transferred to or for the account of United States Persons (as defined herein) or sold or transferred to or for the account of a Bahamian Person (as defined herein) or to any person who is not a Professional Investor.

Redemption

Investors may redeem their Shares monthly on any Valuation Day. To be accepted, a Shareholder must deliver the Redemption Request Form attached hereto as “**Exhibit B**” to the Registrar and Transfer Agent not later than 9.00 a.m. Cyprus time three (3) Business Days before the Valuation Day.

The redemption price for Shares of the Fund is equal to the Net Asset Value of each Share as calculated on the Valuation Day applicable to the application for redemption, less a redemption fee of two per cent (2%) of the redemption amount.

Shares may only be pledged to the Investment Manager. If the investor has pledged his Shares to the Investment Manager, only this third party may redeem the Shares.

Settlement date	Redemption monies will be paid within three (3) Business Days after the day when the Net Asset Value for such redemption is being calculated.
Reports to Shareholders	The Fund shall prepare an Annual Report (with audited financial statements therein), as at the 31 st December of each year (financial year end), which will be made available to Shareholders at the Registered Office of the Fund within six (6) months of the financial year end, or such other period permissible by law or such extension of time granted by the Securities Commission of The Bahamas. This report will show the results of the Fund's operations including its major source of income and expenses, its fees, commissions and expenses and the change in its Net Asset Value. The Net Asset Value per Share is expected to be available at the office of the Registrar and Transfer Agent of the Fund within three (3) Business Days from the Valuation Day.
Dividend Policy	<p>Each year, upon the closing of the accounts of the Fund, the Board of Directors will determine if and to what extent, dividends are payable to Shareholders of the Fund out of any funds available for distribution.</p> <p>If the Board of Directors deems appropriate, dividends may also be declared and paid more frequently.</p>
Investment Manager	The Manager of the Fund will be Akelius Invest Ltd., an international business company incorporated and existing under the International Business Companies Act, 2000 of The Bahamas. The Investment Manager shall be responsible for all investment decisions and investment management for the Fund.
Custodian	Bohusbanken AB, Göteborg, Sweden.
Administrator	Mr. Demetris Syllouris, 50 Angelou Terzaki Str. Engomi, 2402 Nicosia, Cyprus and Ms Rhonda L.C. Hull, 700 Don Mackay Blvd. Marsh Harbour, Abaco, The Bahamas.

Registrar & Transfer Agent	Akelius Apartments Limited, a company incorporated in the Republic of Cyprus.
Auditors	PricewaterhouseCoopers, Nassau, The Bahamas
Fund Expenses	The Fund shall bear all legal, regulatory and Government fees, accounting, auditing, registrar and other ordinary and extraordinary expenses incurred by the Fund. In addition, the Fund shall bear other expenses incurred in its operations such as brokerage commissions and interest on borrowed funds. See “Fees and Expenses”.
Fees paid to the Investment Manager, Registrar and Transfer Agent and Custodian	The Fund will pay management fees to the Investment Manager Registrar and Transfer Agent and Custodian quarterly in arrears out of the net assets of the Fund, a combined amount not exceeding one and a half percent (1.5%) of the Average Net Asset Value of the assets of the Fund during each calendar quarter. The Fund will also reimburse the Investment Manager and the Administrator for all expenses incurred in connection with the Fund
Fees paid to Intermediaries	The Fund may also pay the following front-end and redemption fees to Intermediaries: <ul style="list-style-type: none"> (i) a front-end load fee which shall not be more than five percent (5%) of the subscription price; and (ii) a redemption fee of two percent (2%) of the redemption price.
Fiscal Year	The Fund’s Fiscal Year will end on December 31 of each year
Borrowing	The Fund may borrow up to twenty percent (20 %) of the value of its assets from any bank or financial institution for the purpose of financing redemptions.
Governing Law	The Fund is governed by, and construed in accordance with the laws of the Commonwealth of The Bahamas.
Risks	An investment in the Fund involves substantial risks as more fully described under section “Risk Factors”.

AKELIUSFONDER LTD.

1. THE FUND

The Fund is an open ended investment fund incorporated on March 16th, 2004 as an international business company pursuant to the International Business Companies Act for the purpose of investing in securities and other financial instruments. The Fund is regulated in the Commonwealth of The Bahamas pursuant to the Investment Funds Act, 2003 and the Investment Funds Regulations, 2003. The registered office of the Fund is located at 700 Don Mackay Boulevard, Marsh Harbour, Abaco, The Bahamas.

The Company is licensed as a professional fund under the Investment Funds Act, 2003 (the “Act”) of The Bahamas (a “Professional Fund”) and the Shares may therefore only be issued to Professional Investors. A “Professional Investor” for the purposes of this Prospectus is (a) any bank or trust company, licensed under Ch. 316 of the Bank and Trust Companies Regulation Act or licensed pursuant to the laws of another jurisdiction, whether acting in its individual or fiduciary capacity; (b) any registered firm under the Securities Industry Act or pursuant to the laws of another jurisdiction ;(c) any insurance company licensed under the Insurance Act or licensed pursuant to the laws of another jurisdiction ; (d) any investment fund licensed or registered under the Act or regulation pursuant to the laws of another jurisdiction ; (e) any natural person whose individual net worth, or joint net worth with the person’s spouse exceeds one million dollars (\$1,000,000) ; (f) any natural person who had an individual income in excess of two hundred thousand dollars (\$200,000) in each of the two (2) most recent years or joint income with that person’s spouse in excess of three hundred thousand (\$300,000) in each of those years and has a reasonable expectation of reaching the same income level in the current year; (g) any trust with total assets in excess of five million dollars (\$5,000,000); (h) any entity in which all the equity owners satisfies one of the requirements in paragraphs (a) to (g) ; or (i) any entity with net assets in excess of five million dollars (\$5,000,000).

All of the Participating Shares have been issued to Akelius Invest Ltd., which qualifies as a “Professional Investor”.

The authorised share capital of the Fund is (Swedish Kronor – SEK) SEK 50,000.00 divided into 4,999,950 non-voting participating (the “**Shares**”) with a par value of SEK 0.01 each and 50 voting non-participating Management Shares (the “**Management Shares**”) with a par value of SEK 0.01 each.

Shares will be offered on a monthly basis on a Valuation Day at the then prevailing Net Asset Value. Each Share, upon issue, is entitled to participate equally in the profits of the Fund and in its assets on liquidation. Shares will be held in book entry form by the Fund and no share certificates will be issued to investors. Each Shareholder shall receive from the Fund confirmation showing the details of such Shareholder’s share purchase. None of the Shares are entitled to vote at any meeting of the Fund or on any matter affecting its business, except as otherwise provided for in the Articles of Association. All the Management Shares have been issued for SEK 0.01 each (a total of SEK 0.50). These Management Shares entitle the holder to one vote per Management Share. Upon liquidation of the Fund, Management Shares shall be entitled to the return only of the par value of such Shares. The Fund’s Memorandum and Articles of Association authorise the Directors to issue the Shares offered hereby in

accordance with the conditions set forth in this Prospectus. The Articles provide that the Directors may increase the number of Shares offered hereby. The Fund's reporting currency will be SEK.

Directors

The Directors of the Fund are as follows:

- Demetris Syllouris of Cyprus
- Rhonda L.C. Hull of The Bahamas
- Roger Akelius of The Bahamas
- Fredrik Lindgren of Sweden

All the Directors act in a non-executive capacity.

2. THE ADMINISTRATOR

The Directors have determined that the Fund will be a self-administered fund and have therefore appointed two (2) of the Directors to serve as the Administrator of the Fund.

Pursuant to an Administration Agreement dated 15th July, 2011 between the Administrator and the Fund, the Administrator is responsible, under the ultimate supervision of the Fund's Board of Directors, for certain matters pertaining to the administration for the Fund, including: (i) maintaining the Fund's accounts, (ii) calculating the Fund's Net Asset Value, (iii) maintaining the Fund's principal corporate records, (iv) communicating with Shareholders, (v) accepting the subscriptions of new Shareholders, (vi) making redemptions of Shares, (vii) maintaining the register of sub-fund investments, (viii) executing sub-fund subscriptions and redemptions as instructed by the Fund, (ix) and ensuring compliance with Bahamian law and regulation (including anti-money laundering regulations). For their services, the Administrator receives no fee from the Fund, but will be reimbursed all reasonable expenses incurred in the course of their administrative duties.

The Administration Agreement is governed by the laws of the Commonwealth of The Bahamas and is subject to termination by the Administrator or by the Fund upon ninety (90) days' written notice or, under certain circumstances, shorter notice. Under the Administration Agreement, the Fund agrees to indemnify and hold harmless the Administrator and each of their delegates, nominees, employees and agents, and to defend and hold each such person harmless from, any and all taxes, claims, demands, actions, suits, judgments, liabilities, losses, damages, costs, charges, counsel fees (on a solicitor and his own client basis), fines, assessments, amounts paid in settlement and expenses imposed on, incurred by, or asserted against the person which may arise out of or in connection with the Administration Agreement. The Administrator or any other indemnified person will not be indemnified for their own gross negligence, wilful default or fraud.

The Administrator is not responsible for valuing the Fund's investments, monitoring any investment restrictions of the Fund, determining compliance by the Fund with its investment restrictions, the Fund's trading activities, the management or performance of the Fund, or the accuracy or adequacy of this Prospectus. In addition, the Administrator does not assume any liability to any person or entity, including Investors, except as specifically provided in the Administration Agreement. The Administrator may delegate certain services and share

information with each of their delegates, nominees, employees and agents, subject to applicable confidentiality provisions.

The Administrator shall not deal with the Fund as principal.

3. THE REGISTRAR AND TRANSFER AGENT

The Registrar and Transfer Agent, namely Akelius Apartments Limited serves as the Fund's Registrar and Transfer Agent and accepts all subscriptions and redemptions for Shares and co-ordinate redemption payments.

4. THE CUSTODIAN

Bohusbanken AB of Göteborg, Sweden will serve as the Fund's custodian, and is a company organised under the laws of the Kingdom of Sweden.

The Custodian will have custody of all the Fund's assets other than those assets which are on deposit on the Fund's account with Brokers and Dealers. In addition, all subscription proceeds received from investors will be deposited with Bohusbanken AB who will hold the proceeds in a separate segregated account for the Fund until the Shares are issued. Thereafter, the proceeds will be released to the Fund to pursue its investment objective.

5. THE INVESTMENT MANAGER

The Investment Manager will be Akelius Invest Ltd., an international business company incorporated and existing under the International Business Companies Act, 2000 of The Bahamas. Akelius Invest Ltd. has its registered office at 700 Don Mackay Boulevard, Marsh Harbour, Abaco, The Bahamas.

6. INVESTMENT FACTORS

Investment in the Fund is speculative and involves a high degree of risk. However, investment in the Fund offers the following potential advantages:

Investment Diversification

The Fund provides investors with the opportunity to further diversify investment portfolios.

Limited Liability

A Shareholder cannot lose more than its investment in the Fund (and the profits and interest accrued thereon) and cannot be subject to margin calls.

Risk Management

The Investment Manager may dispose of all investments and suspend trading activity on behalf of the Fund, if as of any day when the Net Asset value is being calculated, the New Asset Value per Share (as adjusted for distributions) has decreased by twenty-five percent (25%). No assurance can be given, however, that the Fund will be able to dispose of all investments without incurring substantial additional losses (See "Risk Factors" – Markets may be illiquid).

Cash

The Fund's assets not invested in debt instruments will be held in the form of cash, short-term bank certificates of deposits or money market funds.

Return on Investment

The Fund believes that it will provide investors with the potential to earn attractive returns on their investment. Of course, there can be no assurance that such returns will be achieved.

7. INVESTMENT OBJECTIVE**Investment Objective**

The Fund will invest primarily in debt instruments issued by companies owned by the Akelius Group of Companies as well as other real estate related organisations or individuals.. The Fund also has the ability to invest in real estate bonds, securities and other financial instruments. These may be ordinary shares, preference shares, all types of bonds including but not limited to convertible bonds and, to a lesser degree, warrants on securities and subscription rights. Furthermore, the Fund may, within the limits of the investment restrictions, invest in other undertakings for collective investment of the open-end type.

On an ancillary basis, the Fund may also hold liquidities and money-market instruments which are traded regularly and whose residual maturity does not exceed twelve (12) months. Furthermore, for defensive purposes and in order to reduce overall exposure to market risk, the Fund's assets may be temporarily constituted up to one hundred percent (100%) of cash, if the Investment Manager considers this to be in the best interest of the Shareholders.

Notwithstanding the above the Fund may transfer/invest all of its assets to/in another fund in the circumstances set forth below.

Distribution policy

Each year, upon the closing of the accounts of the Fund, the Board of Directors will determine if and to what extent, dividends are payable to Shareholders of the Fund out of any funds available for distribution.

If the Board of Directors deems appropriate, dividends may also be declared and paid more frequently.

Transfer/Investment in New Fund

If the Fund's net assets fall below SEK two (2) million or if a change in economic or political circumstances affecting the Fund warrant it or if the Board of Directors considers it to be in the best interest of the Shareholders of the Fund, the Board of Directors may decide to transfer/invest the assets of the Fund into another fund (from the same jurisdiction or from another jurisdiction) in consideration of the receipt of shares (the "**New Shares**") in such new fund (the "**New Fund**"). Thereafter, the Fund will redeem all of its Shares at the NAV and in lieu of paying redemption monies it will transfer the New Shares directly to its Shareholders. Following same the Fund will be liquidated.

Prior to effecting the above, the transfer/investment decision will be made public or notified to all its Shareholders prior to the effective date of the transfer/investment. Moreover, the public announcement or notification will state the reasons and procedure for the transfer/investment and contain information on the New Fund. This public announcement or notice shall be made at least one (1) month before the effective date of the transfer/investment in order to give Shareholders the opportunity to request the redemption of their Shares, free of charge, before the transfer/investment takes effect.

Investment Restrictions

Investments

- 1) Investments in the Fund may only be made in:
 - a) debt instruments;
 - b) securities admitted for official listing on the stock exchange of a Member State of the European Union, the OECD, or any other State in Europe, Asia, South America, Africa or Oceania;
 - c) transferable securities dealt on another regulated market which operates regularly and is recognised and open to the public in one of these States;
 - d) recently issued transferable securities, provided the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or to another regulated market as defined above, and that such admission be secured within one year of issue.
- 2) The Fund may hold liquid assets.
- 3) The Fund may acquire shares with voting rights in any company provided such participation does not allow it to exercise a considerable influence on the management of the issuer and does not exceed nineteen percent (19%) of such company's voting outstanding shares.

Restrictions

- 1) The Fund may not borrow unless such borrowings are contracted on a temporary basis regarding financing the redemption of Shares of the Fund and do not exceed twenty percent (20%) of the Fund's total net assets.
- 2) The Fund may not guarantee, pledge, mortgage or, in any way, transfer as security to cover debts, any securities held by the Fund, except as may be necessary in connection with such borrowings as specified under sub-section 1 above. However, the purchase of securities at the time of new issues or on a delayed-delivery basis will not be considered as a pledging of assets of the Fund.
- 3) Without prejudice to the acquisition of debt securities and the creation of bank deposits, the Fund may not grant loans or stand as guarantor on behalf of third parties.
- 4) The Fund may not underwrite securities directly or indirectly with a view to investing in them.

Lending on securities

The Fund may only lend the securities it holds in the portfolio through a standard securities-lending scheme, organised by an authorised securities clearinghouse or a leading financial institution specialising in operations of that nature.

Such lending operations may not cover more than fifty percent (50%) of the total estimated value of the securities held in the portfolio, it being understood that such limit shall not apply if the Fund is entitled to demand at all times that the contract be terminated and the securities returned.

As part of such lending operations, the Fund shall as a rule receive a guarantee, the value of which at the time the lending contract is entered into shall be at least equal to the total estimated value of the securities lent. This guarantee must be in the form of liquid assets and/or securities issued or guaranteed by OECD member states, their regional public authorities, or Community, regional or global supranational organisations and institutions, and blocked in the Fund's name until the lending contract expires.

The limits set forth hereabove may be exceeded when exercising subscription rights bearing on securities held by the Fund.

If such limits are exceeded as a result of exercising subscription rights or for reasons beyond the Fund's control, the Fund should endeavour as a priority to redress the balance, while taking account of the interests of the Fund's Shareholders.

8. SUBSCRIPTIONS

Offering Period

The Fund is offering its Shares for subscription on a monthly basis on the last Business Day of each month that Banks are open for business in the Republic of Cyprus (a "Valuation Day") at the Net Asset Value per Share.

The Fund reserves the right to reject any subscription for Shares in whole or in part for any reason.

Subscription Procedure

Applications for Shares in the Fund must be made by completing the Subscription Application Form attached hereto as "**Exhibit A**" and forwarding such Form to the Registrar and Transfer Agent. The Registrar and Transfer Agent must receive such Form not later than 9.00 a.m. Cyprus time on the Business Day before the day when the Net Asset Value is calculated. Shares will be issued on a Valuation Day. However, Subscriptions may be rejected in whole or in part for any reason by the Fund.

The issue price for Shares of the Fund shall be equal to the Net Asset Value of a single Share, as calculated on the relevant Valuation Day.

Subscription monies must be paid with value date within three (3) Business Days after the day when the Net Asset Value for such subscription is being calculated.

Subscribers accepted by the Fund will be issued whole and fractional Shares (up to four decimal places) in the amount of their subscription. All subscriptions rejected by the Fund will promptly be returned without interest. Shares will be held in registered book entry form by the Fund, and no shares certificates will be issued to Shareholders. Each Shareholder shall receive from the Fund a confirmation showing the details of such Shareholder's share purchase.

Investor Suitability

Each prospective investor will be required to certify that the Shares of the Fund are not being acquired directly or indirectly for the account of a United States Persons defined below for the purpose of United States securities, futures and tax laws, for the account of a Bahamian Person as defined below or a person who is not a Professional Investor.

For these purposes a "United States Person" is any natural person resident in the United States; any partnership or corporation organized or incorporated under the laws of the United States; any estate of which any executor or administrator is a U.S. Person; any trust of which any trustee is a U.S. Person; any agency or branch of a foreign entity located in the United States; any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person; any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; any partnership or corporation if: (a) organized or incorporated under the laws of any foreign jurisdiction; and (b) formed by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act.

"Bahamian Person" means (1) a national or citizen of the Commonwealth of The Bahamas or a person resident in The Bahamas who has not obtained the prior permission of the Central Bank of The Bahamas to purchase Shares (including any corporation, partnership, estate, trust or other entity formed, organised or existing under the laws of the Commonwealth of The Bahamas), (2) a national or citizen of the Commonwealth of The Bahamas but not designated non-resident by the Central Bank of The Bahamas (including any corporation, partnership, estate, trust or other entity formed, organised or existing under the laws of the Commonwealth of The Bahamas) and (3) any person acting, directly or indirectly, on behalf of or in concert with any of the foregoing persons.

It is the responsibility of each investor to verify that the purchase for the Fund's Shares is in compliance with all relevant laws of the investor's jurisdiction of residence.

9. REDEMPTIONS

Investors may redeem their Shares monthly on any Valuation Day. To be accepted, a Shareholder must deliver the Redemption Request Form attached hereto as "**Exhibit B**" to the Registrar and Transfer Agent not later than 9.00 a.m. Cyprus time three (3) Business Days before the Valuation Day otherwise the Shares will be redeemed on the next day that the Net Asset Value is calculated. If the number of Shares to be redeemed is not specified, a redemption notice will be presumed to apply to all the Shares owned by the Shareholder.

Shares may only be pledged to the Investment Manager. If the investor has pledged his Shares to the Investment Manager, only this third party may redeem the Shares.

The redemption price for Shares of the Fund is equal to the Net Asset Value of each Share as calculated on the Valuation Day applicable to the application for redemption, less a redemption fee of two per cent (2%) of the redemption amount.

The redemption price may be greater or less than the subscription price paid, depending on the performance of the Fund.

Redemption monies will be paid in SEK within three (3) Business Days after the Valuation Day.. Redemption proceeds shall be sent by wire transfer to the bank account of the redeeming Shareholder as per written instructions of the redeeming Shareholder.

The Fund may at its discretion:

1. postpone the distribution of any Fund assets which cannot be properly valued on the redemption date in order that the Fund can properly value its assets; and
2. establish a reserve against any undetermined or contingent liability in an amount deemed reasonable by the Fund.

The Fund shall also delay redemptions payments to Participating Shareholders who have not complied with the current anti-money laundering requirements of the Fund and the Administrator of the Fund, until they have complied with such requirements.

Further, circumstances might arise where redemptions may also be made “in kind” at the discretion of the Board of Directors. “In-kind” is defined as the payment of a portion or all of a redemption through the transfer of a portion of the non-cash assets of the Fund. Non-cash assets transferred to meet a redemption may be illiquid or restricted securities or investment interests in other investment pools or funds.

If, owing to applications for redemption or conversion, it is necessary on a given Valuation Day to redeem more than ten percent (10%) of the Shares then outstanding, the Board of Directors may decide that all redemptions will be postponed until the next date when the Net Asset Value is calculated. On that date of calculation of the Net Asset Value, applications for redemption or conversion that have been postponed (and not withdrawn) will be given priority over applications for redemption and conversion received for that particular date of calculation of the Net Asset Value (and which have not been postponed).

The foregoing is subject to the Fund’s ability to liquidate its investments. If the Fund were unable to liquidate assets sufficient to satisfy a request for redemption, the Fund may redeem the Shareholder’s interest to the extent possible, which may include not redeeming the Shareholder’s interest completely or not at all until the Fund is able to liquidate assets sufficient to satisfy a request for redemption.

In addition, under special circumstances which include, without limitation, default or delay in payments due to the Fund by Brokers or others, the Fund may in turn delay payments to Shareholders who have requested redemption to the extent that the delayed portion of the payment due to the Fund bears to the approximate Net Asset Value of the Shares being redeemed. The right to receive proceeds with respect to a redemption of all or part of Shares

tendered for redemption is contingent upon the Fund having sufficient liquidity to discharge any liabilities on the date of redemption. The Fund may also defer payment of the proceeds of a redemption if, in the judgment of the board, liquidating investments to raise funds to pay said proceeds will be, as determined in good faith, unduly burdensome to the Shareholders remaining in the Fund. Under such circumstances, the Fund will endeavour to redeem the Shareholder's interest at the earliest possible time

10. RISK FACTORS

An investment in the Fund involves substantial risks, including those discussed below, and there can be no assurance that the Fund will achieve its investment objective. An investment in Shares of the Fund is speculative and suitable only for persons who can assume the risk of losing their entire investment. Prospective investors should consider, among others, the following factors, in addition to the matters set forth elsewhere in this Prospectus, before subscribing to the Fund.

General Investment Risks

All investments risk the loss of capital. No guarantee or representation is made that the Fund's investment program will succeed. The prices of securities and other investments of the Fund can be highly volatile. Prices can be influenced by such factors as changing supply and demand, government programs and policies, political and economic events, weather and climate conditions, and also the effects of speculation in the market place itself. In addition, governments sometimes intervene directly and by regulation, in certain markets, often intending to influence prices. Any such intervention or price volatility could have an adverse impact on the Fund.

General Economic Factors

Changes in economic conditions, including interest rates, inflation rates, industry conditions, competition, technological developments, political events and trends, tax laws and innumerable other factors, can affect substantially and adversely the business and prospects of the Fund. None of these conditions will be within the control of the Investment Manager

Real Estate Market

As a large proportion of the investments of the Fund will be debt instruments issued by the Akelius Group of Companies, that is heavily invested in the real estate market, the market for such debt instruments is correlated to the increase or decline of the values in such market. The change in market value will, however not ordinarily change the price of expiration of the debt instruments.

Currency Risk

The Shares will be denominated in SEK. Certain of the Fund's assets may, however be invested in securities and other investments which are denominated in currencies other than SEK. Accordingly, the value of such assets may be effected favourably or unfavourably by the relative strength of the SEK to other currencies and exchange control regulations. In addition, prospective investors whose assets and liabilities are predominantly in other currencies should take into account the potential risk arising from fluctuations in value between SEK and such other currencies.

Concentration of Investments

The Fund will invest primarily in debt instruments issued by the Akelius Group of Companies. The Fund could be subject to significant losses if the financial condition of the Akelius Group of Companies, deteriorates and it is unable to redeem the debt instruments held by the Fund as they become due.

Liquidity of Fund Shares

Although an investment in the Fund can be redeemed on the last Business Day of each month, Shares are not transferable without the approval of the Fund. The Board of Directors will have the right to reject proposed transfers of any reason. There is no active secondary market in the Shares. Redemptions may also be temporarily suspended or deferred in certain circumstances described herein.

Regulation

The Fund is not, and will not be registered with, or regulated by, any securities or governmental authority, except for the Securities Commission of The Bahamas. Accordingly, the benefits of any such registrations and regulations, are not, and will not be applicable to the Fund or available to its Shareholders. The Securities Commission of The Bahamas does not accept any responsibility for the financial soundness of the Fund or for the accuracy of any of the statements made or opinions expressed herein.

Lack of Control and Reliance on Board of Directors

Except to the extent that the Articles of Association of the Fund or the laws of The Bahamas accord Shareholders certain rights with respect to corporate matters, the Shareholders will have no right to participate in the management of the Fund or in the control of its business. Accordingly, no person should purchase any Shares unless he is willing to entrust all aspects of management of the Fund to the Board of Directors. The Fund's success will depend completely on the efforts of the Board of Directors and its Investment Manager. The Board of Directors will give complete investment policy discretion to the Investment Manager and will not monitor any of the Fund's investments on a daily basis.

Non-Exclusive Services of the Investment Manager

The Investment Manager or its principals may also act as Investment Managers, Investment Advisors or Trading Advisors for other pools or accounts. The Fund's performance will not necessarily track or correlate to the performance of any other pools or accounts operated, managed or advised by the Investment Manager or its principals. The Investment Manager does not believe that the involvement with other pools or accounts will significantly impact its ability to act as the Investment Manager for the Fund.

Portfolio Valuation

The assets of the Fund and the Fund's Net Asset Value will be calculated as described under "Net Asset Value of the Fund", using standard independent pricing sources, if available. Illiquid securities and other special situations involving uncertainties as to the valuation of the portfolio positions could have a significant impact on the Fund's Net Asset Value and consequently may affect the amount of fees paid to the Investment Manager. However, in the absence of bad faith or manifest error, valuation computations by the Administrator will be conclusive and binding.

Potential Loss

As is true of any investment, an investor in the Fund could lose all or a substantial portion of his investment.

Economic Conditions

The success of any investment activity is affected by general economic conditions. Changes in economic conditions, including, for example, interest rates, inflation rates, industry conditions, competition, technological developments, political and diplomatic events and trends, tax laws and innumerable other factors, can substantially and adversely affect the business and prospects of the Fund. None of these conditions will be within the control of the Investment Manager or the Fund.

Effect of Substantial Redemptions

Substantial Redemptions by Shareholders, within a short period of time could require the Fund to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the Fund's assets. The resulting reduction in the Fund's assets could make it more difficult to generate a positive rate of return or to recoup losses due to a reduced equity base. Substantial redemptions might also cause the liquidation of the Fund.

Compulsory Redemption

The Fund reserves the right to require the redemption of the Shares acquired or held by any person in circumstances which appears to the Fund to be in breach of any applicable law or requirement or otherwise to be in the interests of the Fund or which in the opinion of the Fund might result in the Fund being subject to taxation or other disadvantages to which it would not have been subject if such person (whether alone or together with other persons) ceased to be holder of the Shares.

Until such required transfer or redemption is effected, the holder of such Shares shall not be entitled to any rights or privileges attaching to such Shares. Compulsory redemption will be made at the redemption price per class of Shares on the next Valuation Day following the issuance of a notice of redemption to the Shareholder.

Changes in Applicable Law

The Fund must comply with various legal requirements, including requirements imposed by the securities laws and tax laws in various jurisdictions. In addition, laws relating to transactions in which the Fund enters (such as, without limitations, the derivative transactions) may also be subject to change. Should any of those laws change, the legal requirements to which the Fund may be subject could differ materially from current requirements and adversely impact the Fund.

Trading Risks

Illiquidity. The markets for the instruments in which the Fund invests could experience periods of illiquidity, which could prevent the prompt liquidation of positions and could subject it to substantial losses.

Lack of Diversification. The Fund is not required to maintain a diversified portfolio. Accordingly, the investment portfolio of the Fund may be subject to more rapid changes in

value than would be the case if the Fund were required to maintain a wide diversification among companies, industries or type of investments

The Securities Market

Purchases of Securities. The Fund may make certain purchases of securities. There can be no assurances that securities, which the Investment Manager will increase in value.

11. CONFLICTS OF INTEREST

The following inherent or potential conflicts of interest should be considered by prospective investors before subscribing for Shares.

Relationship between the Fund and the Investment Manager

The business of the Investment Manager is the provision of investment management advisory services to the Fund. Simultaneously with an investment in the Participating Shares of the Fund, the investor agrees to purchase a note issued by the Investment Manager that generally pays interest at a fixed rate for a specified term and settles the purchase by agreeing to exchange the Participating Shares at maturity of the note. Settlement of the exchange occurs at maturity of the note payable with the Investment Manager redeeming sufficient Participating Shares of the Fund to pay the investor the initial amount invested plus interest at a fixed rate of return over the specified term of the note.

Relationship between the Registrar and Transfer Agent, the Fund and the Investment Manager

The Registrar and Transfer Agent, the Fund and the Investment Manager all belong to the same group of companies and therefore there is an inherent conflict of interest.

Relationship between Fund and the issuer of debt instruments it is investing in.

The Fund will be buying debt instruments issued primarily by companies, that belong to the same group of companies as the Fund and therefore there exists an inherent conflict of interest.

Other Investment Vehicles and Account

The Directors, and the Investment Manager, the Fund's bankers, brokers and dealers operate or may in future establish and operate additional investment vehicles. Each of the foregoing and their respective principals and affiliates trade for their own accounts or the accounts of clients. Because of the confidentiality of the information respecting performance of such accounts, such information will not be made available to the Fund or the Shareholders. In addition, such trading may increase competition to the Fund.

Relationship between the Directors and the Fund

Roger Akelius is the founder of Akelius Foundation which is the ultimate controlling party of the Akelius group of companies. Demetris Syllouris is a Protector and Fredrik Lindgren is a member of the Council and Rhonda L.C. Hull is the secretary of the Akelius Foundation.

Relationship between the Administrator and Directors

The Company has appointed two (2) of its Directors to serve as its Administrator and therefore there is an inherent conflict of interest.

Should a conflict of interest arise, the Directors of the Company will endeavour to ensure that it is resolved fairly.

12. FEES, COMPENSATION AND EXPENSES

The costs and expenses for the Fund (including, without limitation, fees and expenses of attorneys and accountants, printing costs and promotional expenses) incurred in the offering of the Shares for sale will be born by the Fund and is anticipated to be SEK 250,000 (exclusive of any front-end load fees).

Investment Manager, Registrar and Transfer Agent and Custodian

The Fund will pay to the Investment Manager, Registrar and Transfer Agent and Custodian quarterly in arrears out of the net assets of the Fund, a combined amount not exceeding one and a half percent (1.5%) of the Average Net Asset Value of the assets of the Fund during each calendar quarter.

Intermediaries

The Fund may also pay the following front-end and redemption fees to Intermediaries:

- (i) a front-end load fee which shall not be more than five percent (5%) of the subscription price; and
- (ii) a redemption fee which shall not be more than two percent (2%) of the redemption price.

Brokers, Dealer and Banks

Brokers, dealers and banks, retained to execute transactions of behalf of the Fund, will be paid brokerage commissions and applicable fees by the Fund. Bank, brokers and dealers holding Fund assets also may receive fees.

The Directors' Fees and Expenses

The Fund will be liable to pay fees to the Directors, which will not exceed US\$10,000 per annum per Director. The Company will also reimburse the Directors for any travel, accommodation or other expenses incurred in carrying out their duties as Directors.

Other expenses

The Fund is obliged to pay its ongoing operating expenses, offering expenses and regulatory, legal, accounting, auditing, registrar printing and filing fees. The Fund also is responsible for its extraordinary expenses, if any.

13. TAXATION**The Bahamas**

Under current legislation in The Bahamas, there is no income tax or withholding tax payable by the Fund, the Shareholders or the Management Shareholders in respect of their Shares, nor are there any capital gains taxes, estate duties or inheritance taxes in The Bahamas for a period

of twenty (20) years from the date of incorporation of the Fund. There are no exchange control restrictions applicable in The Bahamas with respect to operation of the Fund.

14. LEGAL & AUDITING MATTERS

Individual Shareholders and prospective investors should seek their own legal advice prior to investing in the Fund. The Fund will choose appropriate legal counsel, depending on the nature of the advice sought and the jurisdiction concerned. The Auditors of the Fund is PricewaterhouseCoopers, Nassau, The Bahamas.

15. GENERAL INFORMATION

Transfer of Shares

In addition to certain restrictions and requirements set forth herein, in the Fund's Memorandum and Articles of Association, the Shares are not transferable unless the Fund consents to such transfer. The instrument of transfer must be in writing and in such form as the Fund approves.

Net Asset Value of the Fund

The Net Asset Value of the Fund as well as issue and redemption prices for Shares are calculated by the Fund on the basis of the last known prices each Valuation Day.

The Net Asset Value of the Fund will be expressed in SEK and will equal the difference between the total assets and total liabilities of the Fund excluding the Participating Shares, determined in accordance with IFRS.

Assets will be valued as follows:

(i) securities admitted for listing or traded on any other regulated market are valued at the closing bid price quoted on the Valuation Day; (ii) the fair value of restricted and other securities that are not traded in active markets is determined by the Investment Advisor using valuation techniques, including comparable recent arm's length transactions, discounted cash flow analysis and other techniques commonly used by market participants. The fair values are approved by the Directors; (iii) loans and receivables are measured at amortised cost using the effective interest method less any provision for impairment; and (iv) cash and cash equivalents will be valued at their face value, plus accrued interest.

The Fund is entitled to adopt any other appropriate principles for valuing the Fund's assets if extraordinary circumstances make it impossible or inappropriate to determine the values according to the criteria specified above.

Net Asset Value per Share

Net Asset Value per Share means the Net Asset Value of the Fund divided by the number of Shares outstanding in the Fund.

Temporary Suspension of Determination of Net Asset Value and of Redemption

The Fund is authorised to temporarily suspend calculation of the Net Asset Value of Shares or the issue, conversion and redemption of Shares if there exists a circumstance which would justify such a suspension and/or in one or more of the following circumstances:

1. When one or more stock exchanges or markets which provide the basis for valuing a substantial portion of the Fund's assets, or when one or more foreign exchange markets in the currency in which the Net Asset Value of Shares is expressed or in which a substantial portion of the Fund's assets is held, are closed other than for normal holidays or if dealings therein are suspended, restricted or subject to major fluctuations in the short term.
2. When, as a result of political, economic, military, monetary or social events, strikes or other events of force majeure outside the responsibility and control of the Fund, the disposal of the Fund's assets is not reasonably or normally practicable without being seriously detrimental to the Shareholders' interests.
3. In the event of a breakdown in the normal means of communication used to calculate the value of an asset in the Fund or if, for whatever reason, the value of an asset in the Fund cannot be calculated as promptly and accurately as required.
4. When, as a result of currency restrictions or restrictions on the movement of capital, transactions for the Fund are rendered impracticable, or purchases or sales of the Fund's assets cannot be carried out at normal rates of exchange.
5. Following the occurrence of an event entailing the liquidation of the Fund or one of its Classes.

In such cases, Shareholders who have submitted applications to subscribe or to redeem Shares will be notified in writing.

The Fund may, at any time and at its discretion, temporarily discontinue, cease permanently or limit the issue of Shares to natural or legal persons resident or domiciled in particular countries or territories. It may also prohibit them from acquiring Shares if such a measure is deemed necessary to protect the shareholders as a whole and the Fund.

Whenever the Fund declares a suspension of the determination of the Net Asset Value per Share, then as soon as may be practicable after any such determination, the Fund shall give notice to all Shareholders stating that such determination has been made. During any period when the determination of the Net Asset Value per Share is suspended, none of the Shares may be issued, and none of the Shares may be redeemed.

The Administrator shall immediately notify the Securities Commission if dealing in the Shares ceases or is suspended and the fact that dealing is suspended shall be published immediately following such decision and at least once a month during the suspension, in the newspaper (if any) in which the Fund's prices are normally published, and in such newspaper or newspapers as the Securities Commission may specify.

Compulsory Redemption

The Fund reserves the right to require the redemption of the Shares acquired or held by any person in circumstances which appears to the Fund to be in breach of any applicable law or requirement or otherwise to be in the interests of the Fund or which in the opinion of the Fund might result in the Fund being subject to taxation or other disadvantages to which it would not have been subject if such person (whether alone or together with other persons) ceased to be holder of the Shares.

Until such required transfer or redemption is effected, the holder of such Shares shall not be entitled to any rights or privileges attaching to such Shares. Compulsory redemption will be

made at the redemption price per class of Shares on the next redemption date following the issuance of a notice of redemption to the Shareholder.

Shares

No profits will be payable on the Shares as dividends unless the holders of the Management Shares so declare in a general meeting of the Management Shareholders. Upon a winding up of the Fund, the Shareholders are entitled to the return of paid in capital and to the surplus assets of the Fund. The Management Shareholders are entitled only to a return of their paid in capital and not to any share of the surplus assets of the Fund.

Winding up or Liquidation of the Company

The Fund may be liquidated or wound up at any time upon the first to occur of the following:- (i) The Management Shareholders or the Directors of the Company resolve to liquidate and dissolve the Fund pursuant to the Articles; (ii) The occurrence of any event that would make it unlawful for the existence of the Fund to be continued and the passage by the Management Shareholders of a resolution to that effect; or (iii) Any occurrence of any event or events which in the opinion of the Board of Directors make it most advantageous to the Shareholders to do so and the passing by the Directors of a resolution to wind-up the Fund.

Borrowings

The Fund does not have any debentures, loan capital, mortgages, charges, liens, borrowings or indebtedness in the nature of borrowings, including bank overdraft and liabilities under acceptances or acceptance credits, hire purchase commitments or guarantees or other material contingent liabilities at the time of this Prospectus.

The Directors may from time to time, at their discretion, raise or borrow or secure the repayment of any sum or sums of money up to twenty percent (20%) of the value of the Fund's assets from any bank or financial institution for the purposes of the Fund in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, mortgages, debentures, notes, warrants or other obligation of the Fund charges upon all or part of the assets of the Fund (both present and future).

Meetings

1. The Directors may convene a meeting of the Management Shareholders of the Fund once per year and whenever else they think fit, upon at least seven (7) days notice in writing to each of the Management Shareholders, mailed to each Management Shareholder at his address as shown in the Register. Such notice shall state the time, date and place of and, as far as practicable, the object of the meeting.
2. A meeting of the Fund called on the written requisition of Management Shareholders holding not less than one-third (1/3) part in voting power of the Management Shares of the Fund shall be convened by written notice in like manner as set forth above.

Foreign Exchange Transactions

Where payments, including the issue and redemption of the Shares, are made or to be made, or dividends (if any) are requested to be paid in a currency other than SEK, the necessary foreign exchange transactions will be arranged on behalf of the prospective Shareholder or Shareholders concerned by the Fund at the prospective Shareholder or Shareholder's risk.

Material Contracts & Constitutive Documents

The Fund has entered into the contracts listed below and will enter into contracts in the ordinary course of its business which may be material including contracts with the Directors, the Administrator, the Registrar and Transfer Agent, the Custodian, the Investment Manager, the Investment Advisor and banks, brokers and dealers. This Prospectus is not intended to provide a complete description of such contracts or the Fund's Memorandum and Articles of Association. Copies of the Prospectus the Fund's Memorandum and Articles of Association and the documents set forth below may be obtained and inspected free of charge or purchased for a reasonable fee during normal business hours on any week day (public holidays excepted) at the Fund's registered office in The Bahamas.

1. Administration Agreement between the Administrator and the Fund;
2. The Registrar and Transfer Agent Agreement between Akelius Apartments Limited of Cyprus and the Fund;
3. Custodian Agreement between Bohusbanken AB, Göteborg, Sweden and the Fund; and
4. Investment Management & Advisory Agreement between Akelius Invest Ltd. of the one part and the Fund of the other part.

Reports to Shareholders

The Fund shall prepare an Annual Report (with audited accounts therein), as at the 31st December of each year (financial year end), which will be made available to Shareholders at the office of the Administrator within six (6) months of the financial year end, or such other period permissible by law of such extension of time granted by the Securities Commission of The Bahamas. This report will show the results of the Fund's operations including its major source of income and expenses, its fees, commissions and expenses and the change in its Net Asset Value. The Net Asset Value per Share is expected to be available at the office of the Registrar and Transfer Agent of the Fund within three (3) Business Days from the relevant Valuation Day.

Anti-Money Laundering

As part of the Fund's responsibility for the prevention of money laundering, the Administrator may require a detailed verification of a prospective investor's identity as well as information concerning the origin of the assets. Depending on the circumstances of each application, a detailed verification may not be required if:

- (a) the applicant makes the payment from an account held in the applicant's name at a recognised financial institution; or
- (b) the application is made through a recognised intermediary.

These exceptions will only apply if the financial institution or intermediary referred to above is within a country recognised by the Financial Transactions Reporting Act 2000, Statute laws of The Bahamas, as having efficient money laundering regulations.

An individual may be required to produce a copy of his passport or identification card certified by a notary public. Corporate, trust or partnership applicants will be required to

produce (as applicable) a certified copy of incorporation (and any change of name), Memorandum and Articles of Association (or other document evidencing the existence of the legal entity), trust deed or partnership agreement, the names and addresses of the ultimate beneficial owners or partners, the register of Directors or an excerpt from the trade register held at the relevant chamber of commerce and the signatory card verifying the authority of the directors, officers or partners to sign on behalf of the legal entity or partnership.

The Fund reserves the right to request such further information as is necessary to verify the identity of an applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes the Fund may refuse to accept the application and the subscription moneys in relation thereto.

In the case of pooled or institutional investments, the subscribing institution is obliged to conduct appropriate due diligence on its clients. The Fund may, at its absolute discretion, request information from such subscribing institution on its anti-money laundering procedures regarding the investors in the Fund.

Indemnities

The Fund has agreed that it will indemnify the Directors, officers and liquidators if at any time they are parties or threatened to be made parties to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, in their capacities as Directors, officers or liquidators against all expenses, including legal fees, and against all actions, proceedings, costs, charges, losses, damages, expenses and all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings provided that the Director, officer or liquidator acted honestly and in good faith with a view to the best interest of the Fund, and in the case of criminal proceedings, had no reasonable cause to believe that his conduct was unlawful.

The Fund may purchase and maintain insurance in relation to the Directors against any liabilities asserted against them.

In addition, the Fund has granted indemnities to the Administrator, the Registrar and Transfer Agent, the Custodian and the Investment Manager in respect of actions brought against them in their respective capacities, where such actions do not involve fraud or willful default.

EXHIBIT A

SUBSCRIPTION APPLICATION FORM AKELIUSFONDER LTD.

1. Contact Information

This form duly completed should be sent to:

Akeliusfonder Ltd.
c/o Akelius Apartments Limited
P. O. Box 23352,
1682 Nicosia,
Cyprus
Tel: +357 22001400
Fax: +357 22319192
Attention: Register & Transfer Agent Department

I/We (“**the Subscriber**”) hereby acknowledge that Subscriber has received, reviewed, understood and considered a Prospectus dated May, 2011 in connection with Akeliusfonder Ltd. (the “**Company**”) and this application is made on the terms thereof and subject to the provisions of the Company’s Memorandum and Articles of Association from time to time in force. Subscriber acknowledges that the Company reserves the right to reject in its absolute discretion this and any other subscription for Participating Shares in whole or in part. If this subscription is rejected or if the sale of Participating Shares is not consummated for any reason (in which event this subscription shall be deemed to be rejected), the Company shall as soon as practicable return any funds transferred by Subscriber (without interest) along with this Agreement and any other documents delivered by Subscriber.

2.1 Subscriber Representations and Warranties

Subscriber hereby represents and warrants to the Company (for itself and on behalf of all shareholders in the Company) that:

(i) Subscriber is not a US Person or Bahamian Person and is a Professional Investor as defined in the Prospectus and that Subscriber is not acting on behalf of or for the benefit of nor does it intend transferring any Shares in the Company which Subscriber may purchase to any such person.

(ii) all legal and tax advice, registrations, declarations or filings with, or consents, licenses, approvals or authorizations of, any legislative body, governmental department or other governmental authority, necessary or appropriate in connection with Subscriber’s investment in the Company have been obtained or complied with, and, if it is not an individual, the person signing this Subscription Agreement on Subscriber’s behalf has full power and authority to do so; and

(iii) that, to the best of Subscriber’s knowledge and belief, the subscription moneys are not, in whole or in part, the proceeds of drug trafficking or other such criminal activity, nor do they represent, in whole or in part, directly or indirectly, such proceeds.

2.2 Subscriber understands that a misrepresentation or breach of any warranty or agreement made by Subscriber could subject the Company, the Administrator, the Registrar and Transfer Agent, the Investment Manager and their officers, directors, owners, managers,

employees and agents (collectively “**Indemnitees**”) to significant damages and expenses. Subscriber hereby agrees to indemnify, defend, and hold harmless each Indemnitee from and against any loss, liability, damage, cost, or expense (including legal fees and expenses in the defense or settlement of any demands, claims, or lawsuits) actually and reasonably incurred arising from Subscriber’s misrepresentation or breach of any warranty or agreement in this Agreement.

3. Facsimile Transmission Indemnity

Subscriber acknowledges that the Fund, the Directors, the Registrar and Transfer Agent and the Administrator are each authorised and instructed to accept and execute any instructions related to this Subscription Agreement, the purchase or redemption of Shares or the maintenance of Subscriber's account by facsimile. If instructions are given by facsimile, Investor acknowledges that it has the burden to ensure that its instructions are received in legible form and agrees to confirm the instructions in writing. Subscriber agrees to indemnify the Fund, the Directors, the Registrar and Transfer Agent and the Administrator and agrees to keep each of them indemnified, against any loss of any nature whatsoever arising to each of them as a result of any of them acting on the Subscriber’s facsimile instructions.

4. Reliance on Documents Believed Genuine

Subscriber acknowledges that the Fund, the Investment Manager, the Registrar and Transfer Agent and the Administrator shall not incur any liability in respect of any action taken upon any information provided to the Fund by Subscriber or for relying on any notice, consent, request, instructions or other instrument believed to be genuine or to be signed by properly authorized persons on behalf of Subscriber, including any document transmitted by facsimile or email.

Subscriber acknowledges that the data contained in this application may be stored and used by the Investment Manager of the Fund for the purpose of developing the business relationship with the investor.

5. Outgoing Subscriber E-Mail

Subscriber acknowledges that the Fund, the Manager, the Registrar and Transfer Agent and the Administrator may provide to subscriber statements, reports and other communications relating to the Fund and subscriber's investment in the Fund in e-mail or other electronic form. These communications may include net asset value information, subscription and withdrawal activity, Fund financial statements and the Fund's privacy policies and procedures. Subscriber acknowledges that all such e-mails may be accessed by recipients other than Subscriber and may be interfered with, may contain computer viruses or other defects and may not be successfully replicated on other systems. Subscriber understands that the Fund, the Manager, the Registrar and Transfer Agent and the Administrator each give no warranties in relation to these matters. If Subscriber has any doubts about the authenticity of an e-mail or other electronic communication purportedly sent by the Fund, the Manager, the Registrar and Transfer Agent or the Administrator, Subscriber agree to contact the purported sender immediately.

Subscriber consents or does not consent, by ticking the appropriate box below, to the sending of such statements, reports and communications regarding the Fund and Subscriber's

investment in the Fund exclusively in electronic form without a separate mailing of paper copies:

Yes No

6. Payments

Subscriber acknowledges that checks sent to Subscriber's registered address or to any other address directed by Subscriber, or any wire transfers of the proceeds of any distributions or redemptions sent to the financial institution indicated by Subscriber, will constitute payment to Subscriber and relieve the Fund of any further obligation to Subscriber with respect to the amounts so paid and the Shares thereby redeemed. Subscriber releases the Fund from any further obligation with respect thereto.

7. Special Instructions for Payments through Swift

In order for the Fund and the Administrator to comply with applicable Anti-Money Laundering laws and regulations, the Administrator must be able to properly identify the source of funds sent to it for investment in the Fund. Accordingly, Subscriber is requested to have its bankers complete the "Ordering Customer" field (field 50) when sending a wire payment through the international SWIFT system and that payment be sent via SWIFT FIN 103 "Customer Transfer Message." Failure to send SWIFT payments in this manner may cause delays in the receipt and acceptance by the Administrator of your subscription.

8. English Language

Subscriber acknowledges that any and all instructions related to purchases or redemptions of Shares or any other instruction effecting the registration of or interest in any Shares must be in the English language and that any instruction not in the English language shall not be acted upon.

9. Administrator not a Fiduciary

Subscriber acknowledges that the Administrator does not act as, and is specifically not required under its Administration Agreement with the Fund to accept or exercise any responsibility that could cause it to be deemed to be acting as, a fiduciary, in any manner whatsoever. If Subscriber is a "Benefit Plan Investor" (as defined under Section 3(42) of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA")) the Subscriber acknowledges that, regardless of whether the Fund's assets are deemed to be "plan assets," the Administrator is not a fiduciary under ERISA.

10. Valuations and Nondiscretion of Administrator

Subscriber acknowledges that the Administrator does not exercise any discretion with respect to management or disposition of the assets and liabilities of the Fund and specifically is entitled to rely on and is not responsible for the valuation information provided by the Fund, the Investment Manager, any investment manager, advisor, or agent of the Fund, any brokers, custodians or other financial intermediaries and any third party pricing services.

11. Report to Regulator

Subscriber acknowledges and agrees that if the Fund, the Registrar and Transfer Agent or Administrator has a suspicion that a payment to the Fund (by way of subscription or otherwise) contains the proceeds of criminal conduct, the Fund, the Registrar and Transfer Agent or Administrator will be required to report such suspicion pursuant to the Financial Transactions Reporting Act, 2000 and The Bahamas Proceeds of Crime Act ,2000. Any such report and the disclosures therein shall not be treated as a breach of any confidentiality restriction. Subscriber acknowledges that due to money laundering requirements operating within their respective jurisdictions the Administrator, the Registrar and Transfer Agent and the Company (as the case may be) may require further identification of the applicant(s) before the application can be processed and the Administrator, the Registrar and Transfer Agent and the Company shall be held harmless and indemnified against any loss arising as a result of a failure to process the application if such information has been required by the parties referred to and has not been provided by me/us.

12. Waiver of Derivative Action

Subscriber acknowledges that it may not bring, and waives any and all rights to bring, a derivative action under or in the name of the Fund against Administrator except as is specifically required to be permitted under applicable law.

13. Third Party Beneficiary

Subscriber acknowledges that Administrator is involved in various aspects of the Fund's operations and agrees that Administrator shall specifically be entitled to rely on this Subscription Agreement and all representations of Investor herein as a third party beneficiary to the fullest extent permitted by applicable law.

14. Non-Reliance

Subscriber warrants that (i) it has the knowledge, expertise and experience in financial matters to evaluate the risks of investing in the Company; (ii) it is are aware of the risks inherent in investing in the Company and the investment policies of the Company and the method by which the assets of the Company are held and/or traded (iii) it can bear the risk of loss of the entire investment.

For SEK Settlement

Correspondent Bank:	Bohusbanken AB
Swift:	
Account Name:	Akeliusfonder Ltd.
Account Number:	3008675007
Reference:	Akeliusfonder Ltd.

SUBSCRIPTION AMOUNTS

Amount to be invested in the Company (minimum initial and subsequent subscription SEK 10,000 and SEK 5,000 respectively or the equivalent amount converted to the respective currency)

SEK

Participating
Shares

*(in figures)**(in words)*

Applications for Shares in the Fund must be received by the Registrar and Transfer Agent not later than 9.00 am (Cyprus Time) on the Business Day prior to the Valuation Day (as defined in the Fund's Prospectus – the last Business Day of each month).

Subscription monies must be paid to the Funds' Custodian with or prior to this application.

(Complete in block letters please)

REGISTRATION DETAILS

Registered Shareholder:

Registered address:

Mailing address if different from above

Registered address:

Telephone No:

Fax No:

Contact Name:

Email Address:

***A corporation's application should be signed by a duly authorised official (or officials) whose representative capacity must be stated.**

AUTHORISED SIGNATORIES

Applicant's Signature:

Applicant's Signature:

EXHIBIT B

**REDEMPTION REQUEST FORM
AKELIUSFONDER LTD.**

This form duly completed should be sent to:

Akeliusfonder Ltd.
c/o Akelius Apartments Limited
P. O. Box 23352,
1682 Nicosia,
Cyprus
Tel: +357 22001400
Fax: +357 22319192
Attention: Register & Transfer Agent Department

REDEMPTION AMOUNTS

Amount to be redeemed in the Akeliusfonder Ltd. –

SEK

Participating
Shares

(in figures)

(in words)

If the number of Participating Shares to be redeemed is not specified, a redemption notice will be presumed to apply to all the Participating shares owned by the Shareholder.

Redemption order must be received by the Registrar and Transfer Agent by 9.00am at least three (3) Business Days before the Valuation Day (as defined in the Fund's Prospectus – the last Business Day of each Month)

Redemption proceeds will be usually paid to Shareholders within three (3) Business Days after the Valuation Day

I/We hereby represent and warrant that,

- (i) I/we am/are the true, lawful, and beneficial owner of the Participating Shares to which this Redemption Request relates; or
- (ii) I/we have full lawful power and authority to request redemption of the Participating Shares referred to above for and on behalf of the beneficial owner(s) thereof; or
- (iii) I/we have full lawful power and authority, as a duly authorised officer, or representative of the _____ [name of corporation, etc], to request redemption of the Participating Shares referred to above; and
- (iv) Such Shares are not subject to any charge or pledge or are otherwise encumbered in any way.

Signature(s) must be identical to name(s) in which Participating Shares of the Company are registered.

(Complete in block letters please)

Name of Shareholder _____

Address of Shareholder _____

Signatures of Shareholder _____

***A corporation's request should be signed by a duly authorised official (or officials) whose representative capacity must be stated.**

BANKING DETAILS

(Redemption payments made to this account)

Please complete if the banking details are different to those originally stated on the application form.

Bank _____

Address _____

SWIFT Address _____

A/C No _____

A/C Name _____