

Client complaints handling Procedure

Reference regulation:

Law of 12 July 2013 concerning AIFM

Law of 17 December 2010 concerning UCITS

CSSF Regulation 10-04

CSSF Regulation 13-02 relating to the out-of-court resolution of complaints

CSSF Circular 12/546

CSSF Circular 14/589

IN CASE OF DISCREPANCIES WITH THE CSSF CIRCULARS, THE CIRCULARS WILL PREVAIL.

APRIL 2017

Table of Contents

1. Principles	3
2. Complaint introduced directly to the Company	3
2.1 Reception	3
2.2 Handling of a complaint	4
3. Complaints introduced in Italy, in Spain or in the United Kingdom.....	5
4. Out-of-court resolution of complaints filed with the CSSF.....	5
4.1 Referral to the CSSF.....	6
4.2 Addressing the request from the CSSF.....	7
4.3 Analysis by the CSSF of the file relating to the request.....	7
4.4 Reasoned conclusion of the CSSF	7
4.5 Closing of the procedure.....	7
5. Delegation	8
6. Involvement and reporting.....	9

1. Principles

Relationships with private or institutional Clients in Luxembourg require financial sector professionals to handle complaints received at no cost from their Clients, in a suitable, transparent and objective manner.

Clients for the Company are any shareholder or investor in a fund which designated the Company as Management Company or as Alternative Investment Fund Manager.

Mindful of its brand image, the Company puts in place and maintains an efficient and transparent procedure in order to ensure that complaints received from investors are dealt with quickly and reasonably.

Information about these procedures is made available to investors at no cost to them.

The Company designated among its executive committee members, a “Manager in charge of complaints”, the name of that person was communicated to the CSSF.

The obligation to provide a suitable response to complaints requires not only basic ethics from the Company; it is also an essential element of the sector’s brand image and is part of each entity’s goodwill protection whilst maintaining a level of trust with Clients. Client complaints can be a revealing symptom of underlying problems for the Company’s management, and for the CSSF (Commission de Surveillance du Secteur Financier).

2. Complaint introduced directly to the Company

2.1 Reception

Written complaint

An investor wishing to complain must send the following information:

- Name, address and representative, if any
- Reason of the complaint
- Department or offices subject to the complaint
- Place, date and signature

On receipt of a letter, the original complaint is put in an ad hoc file once the following has been done:

- It has been stamped with the date of receipt
- A copy has been forwarded to the Manager in charge of complaints
- A copy has been forwarded to the Client leader
- A copy has been put in the Client’s file.

Verbal complaint

A complaint transmitted verbally by a Client, or by a third party, will be summarised in written form when it is considered to be significant. The summary is then treated in the same way as a written complaint.

2.2 Handling of a complaint

Guided by the desire for objectivity and the search for truth, the Company will give an opinion and where possible, suggest an amicable solution acceptable to the Client.

Under no circumstances will the Company attempt to camouflage or to cover a fault committed by it or by an employee.

The reply to the Client, whether it be positive or negative, must indicate the reasons for that reply.

Registration

Each complaint as well as each measure taken to handle it is properly registered.

Acknowledgement

Within **10 business days** after receipt of the complaint: the Company acknowledges receipt of complaint promptly, unless the answer itself is provided to the shareholder within this period.

Two cases:

a. Simple complaint

All complaints are handled diligently. The Company provides an answer within a period which cannot exceed **one month** between the date of receipt of the complaint and the date at which the answer to the shareholder is sent. The Company will use all means at its disposal to reply to the simpler complaints within a matter of days.

When preparing the answer, the Company will:

- Provide the contact details of the Manager in charge of complaints to the Client;
- Gather and investigate all relevant evidence and information on each complaint;
- Seek to communicate in a plain and easily comprehensible language.

b. Complex complaint

All complaints are handled diligently. The Company provides an answer within a period which cannot exceed **one month** between the date of receipt of the complaint and the date at which the answer to the shareholder is sent.

If the time necessary to prepare the reply is **too long**, the person responsible for complaints handling will inform the shareholder of the causes of the delay and **indicate the date** at which its examination is likely to be achieved.

Client feedback

Where the complaint handling at the level of the relevant manager did not result in a satisfactory answer for the Client, the Company shall:

- Provide him with a full explanation of his position as regards the complaint;
- Inform him in writing of the existence of the out-of-court complaint resolution procedure at the CSSF;
- Provide a copy of the CSSF regulation 13-02 or send him the reference to the CSSF website;

- Provide him the different means to contact the CSSF to file a request.

Should it come to light that a complaint has not been made in good faith; the Company must end the relationship with the customer, which is no longer based on the necessary degree of trust, in a resolute and orderly manner.

3. Complaints introduced in Italy, in Spain or in the United Kingdom

The Company took measures to ensure that there are no restrictions on investors exercising their rights in the event that the management company manages a UCITS established in another Member State. Those measures shall allow investors to file complaints in the official language or one of the official languages of their Member State.

For the complaints received at the level of the Italian branch, the same procedure applies as described under section 2, in addition, the Manager in charge of Complaints at the head office must receive a copy of the complaint and all its related correspondence received without delay.

For the complaints received at the level of the Spanish branch, the same procedure applies as described under section 2, in addition, the Manager in charge of Complaints at the head office must receive a copy of the complaint and all its related correspondence received without delay.

4. Out-of-court resolution of complaints filed with the CSSF

The CSSF is the relevant authority for receiving requests for the out-of-court resolution (hereafter “request”) of a complaint from Clients of professionals under its supervision and for intervening with these Clients with the aim of settling these complaints amicably. The out-of-court complaint resolution before the CSSF is free of charge. Moreover, no charges will be reimbursed to the parties.

The parties to the procedure may be represented or assisted by a third party at all stages of the procedure which is essentially written. Nevertheless, if the CSSF deems it necessary for the examination of the file, it may convene a meeting with the parties.

The passages in boxes are informing about the CSSF procedure.

Confidentiality

The parties, on the one hand, and, on the other hand, the agents of the CSSF in charge of handling requests for the out-of-court resolution of complaints within the CSSF, are bound by an obligation of confidentiality and by the professional secrecy.

4.1 Referral to the CSSF

To be valid, the Client complaint must fulfil the two following conditions:

- The complaint must have been previously sent in writing to the person responsible for the complaint handling at the level of the management of the Company
- The Client did not receive an answer or a satisfactory answer from the person responsible for the complaint handling at the level of the Management Team of the Company within one month from the date at which the complaint was sent, he may file his request with the CSSF.

The request must be filed with the CSSF in writing, in the Luxembourgish, German, English or French language and by post, or by fax, or by email, or online on the CSSF website.

Moreover, it is possible to file a request using the form available on the website of the CSSF.

The request shall be supported by a statement of the reasons on which it is based together with, inter alia, the following documents:

- a detailed and chronological statement of the facts underlying the complaint and the steps already taken by the shareholder;
- a copy of the prior complaint previously submitted to the person responsible for the complaint handling at the level of the Management Team;
- a copy of the answer to the prior complaint or the confirmation by the shareholder that he did not receive an answer within one month from the date at which he sent his prior complaint;
- the statement of the shareholder that he did not refer the matter to a Court, an arbitrator or another alternative dispute resolution body in Luxembourg or abroad;
- the agreement of the shareholder with the request handling conditions of the CSSF as body responsible for the out-of-court resolution of his complaint;
- the express authorization of the shareholder so that the CSSF can transmit its request (including the attachments) as well as any future correspondence or information to the Company concerned by the request;
- in the case where a person acts on behalf of a shareholder or on behalf of a legal person, a document showing that the person is legally entitled to act so;
- a copy of a valid ID document of the shareholder (natural person) or, where the shareholder is a legal person, of the natural person representing this legal person.

Where the request reaches the CSSF, it acknowledges receipt thereof.

When the request is not admissible, the CSSF sends in writing a detailed explanation of the reasons for which it did not accept to deal with the complaint to the shareholder and to the Company concerned within three weeks of receipt of the request.

Where necessary documents or information are missing, the shareholder is informed thereof and he is requested to provide these documents or this information in the required form within the period set by the CSSF. If the shareholder does not submit the documents or information in question within the indicated period, the CSSF informs him that it will not further handle his request.

The CSSF sends a written confirmation to the shareholder when his file is considered to be admissible and complete.

4.2 Addressing the request from the CSSF

The CSSF transmits a copy of the request to the Company.

The Company must take position within a period up to **one month** from the date at which the file was sent.

The CSSF informs the shareholder of such transmission.

4.3 Analysis by the CSSF of the file relating to the request

Once in possession of the position of the Company, the CSSF starts its analysis of the file.

While analysing the file relating to the request, the CSSF may request the Company and the shareholder to provide it with additional information, documents or explanations and to take position on the facts or opinions as presented by the other party.

4.4 Reasoned conclusion of the CSSF

Where the analysis of the file relating to the request is completed, the CSSF addresses a conclusion letter to the parties, including the statement of reasons for the position taken, within 90 days which starts running where the CSSF receives a request that is admissible and complete.

Where it concludes that the request is totally or partly justified, it asks the parties to contact each other to settle their dispute in view of the reasoned conclusion and to inform it of the follow-up.

Where the CSSF comes to the conclusion that the positions of the parties are irreconcilable or unverifiable, it informs the parties thereof in writing.

Moreover, the CSSF informs the parties that:

- its conclusions may be different from the order of a court applying legal provisions;
- its conclusions are not binding on;
- the parties have the possibility to refer the matter before the courts.

4.5 Closing of the procedure

The procedure ends:

- by the sending of a reasoned conclusion letter or by the sending of a letter stating that the positions of the parties are irreconcilable or unverifiable;
- by the reaching of an amicable settlement between the Company and the shareholder during the procedure of which the CSSF is informed;
- in case of an shareholder's written withdrawal which may occur at any time during the procedure;
- where the right on which the complaint is based is time-barred and where the Company claims that the time period for exercising that right has expired;
- where a Luxembourg or foreign court or arbitrator has the complaint submitted to it;
- where an out-of-court complaint settlement body other than the CSSF from Luxembourg

or abroad has the complaint submitted to it;

- where the shareholder does not provide the additional documents, information, explanations or positions requested by the CSSF within the period set by the CSSF or, where no period has been set by the CSSF, within 45 days.

5. Delegation

Client complaints could be received at the level of a delegated entity: a distributor or transfer agent, in such case, the Company ensures nevertheless, that an equivalent procedure is applied. These delegates do not receive a specific mandate for the handling of complaints and are not categorised as “specialised third party authorised to handle complaints” within the meaning of the CSSF Circular 12/546.

Due diligence

In order to ensure that the delegated entity applies an equivalent procedure, the Company has implanted all necessary provisions to verify that the delegates comply with by carrying out controls. In particular, when processing its due diligence on a transfer agent or on a distributor, the Company ensures that:

- The complaint procedure exists and is meeting our standard
- The escalation of any complaint from the delegate to the Company is organised
- The complaints register is accessible to verify the correct handling of complaints

Monitoring

The Company has a suitable infrastructure permitting its operating staff to control effectively at any time the activity of the undertaking to which the mandate has been given. This requires, amongst others, that the company implements control arrangements permitting the monitoring of the activity of the registrar and transfer agents and of the distributors:

- Registrar and transfer agents:

The Company requests to integrate the occurrence of client complaints in the monthly monitoring report.

In the absence of periodic reports from a delegate, the Company asks by email whether complaints were received.

If any complaint was received, the Company will follow-up on the reason on the progress in their treatment.

- Distributors:

Every year in January, the Manager in charge of complaints inquires to receive a certificate from the distributor confirming compliance with regulatory requirements and centralize complaints received by, the reasons and the progress in their treatment (a template is attached)

If any complaint was received, the Company will follow-up on the reason on the progress in their treatment.

6. *Involvement and reporting*

Improvement and mitigation

The Company analyse the data relating to the complaint handling, on a permanent basis, in order to enable the identification and treatment of any recurring or systemic problem, as well as any potential legal and operational risks, for example:

- by analysing the causes of the individual complaints in order to identify the ground common to certain types of complaints;
- by considering such ground may also affect other processes or products, including those to which the complaints do not relate directly; and
- by implementing the necessary improvements to internal processes and procedures in order to avoid the same mistakes being repeated

The executive must be informed immediately if it becomes apparent that the complaint results from a major deficiency which must be corrected immediately.

Reporting

The Company provide the CSSF, within one month after the ordinary general meeting approved the annual accounts of the Company, with an annual report detailing the number of complaints introduced, both those received directly and via authorized third parties, the reasons for the complaints and the current status of the handling of those complaints.

The complaints file is also made available to internal audit and compliance.

The external auditor also includes a check on the proper application of the complaints handling procedure in its work.

Company letterhead

To: Adepa Asset Management S.A.

Address

Date

Conc: Complaint certificate

We hereby confirm compliance with our regulatory requirements in term of complaints handling.

We also confirm that:

- we received no complaints during the pas exercise
- we received the following complaints during the past exercise:

Date received	Medium*	Investor name	Fund / Sub-Fund	Description of the complaint	Status	Date closed

* Letter, phone...

Authorised signatures

Name - Function