

Handling Fees, Commission and Non-Cash Benefits

Accepting benefits in any form by employees of the management company is not permitted in general because it is a possible source of conflicts of interest. The management company has specified this in writing in internal guidelines for its employees and determined measures for implementation, such as via (employment) contractual obligations etc. Furthermore, superiors are encouraged to check on their employees via annual declarations. This ban ceases to apply when conflicts of interest are not to be feared in view of the low value of the benefits. The management company has therefore permitted exceptions from the ban within the scope of its internal guidelines (for invitations to business meals, for example) and set limits where the ban does not apply.

Fees and other non-cash benefits collected in connection with transactions (hard, soft and shared commissions) are treated as follows:

- The management company ensures that monies collected in connection with transactions which are to be charged to an investment fund, flow into the fund's assets (except for the non-cash benefits stated below) and are reported in the annual report. The regulation covers the handling of reimbursement of expenses deducted from the investment fund to the company in monetary form ("kickbacks"). The management company channels the commission it receives for investment shares or financial instruments held in the investment fund into the respective investment fund and reports them in the schedule of revenue and expense items under "other revenue". If the kickbacks do not just relate to expenses incurred for the charge of one single investment fund, then they are to be channelled pro rata into the respective investment funds.
- Other non-cash benefits (broker research, financial analysis, market and price information systems), which are received in connection with transactions and are allocable to one investment fund, must be used in the interests of the investors in the investment decisions made. The management company's intention to receive such non-cash benefits must be disclosed.

I. Personal Benefits

Benefits from or to third parties may only be accepted or granted if they do not exceed the de minimis limit in terms of value and do not lead to an influence on professional decisions and an improvement in the quality of the relevant services and client relationship can be verified. Depending on the type of donation and the value limit, they must either only be reported to the Compliance Department in advance (i.e. before receiving a gift or registering for an event) or they must also be approved by the Compliance Department. There is a form on Universal-Investment-Luxembourg S.A.'s intranet, which must be presented to the employee's superior before submission to the Compliance Department. The Compliance Department can refuse a benefit. If the value of the benefit cannot be determined precisely then an estimate must be made. In the case of benefits for whole departments, the value to determine the de minimis limit is to be divided by the number of employees in that department.

De Minimis Limit (notifiable and/or approvable):

- Gifts (e.g. wine, confectionery, Christmas presents, etc.): below €100 p.a. per donor
- Invitations to business dinners / meals: up to €40 (notifiable) or within customary business practices (approvable)
- Invitations to events with business background: €200 and below p.a. per donor
- Invitations to solely recreational events: prohibited
- Approvable gratuities per FYE, per employee, per donor: below €250,00

Gifts

The acceptance and giving of gifts with a value of less than € 25 must be reported to the Compliance Department, while the acceptance and giving of gifts between € 25 and € 100 must be approved by the Compliance Department. Gifts with a value of more than € 100 are not permitted. If it is not possible to return the gift, the gift must be handed over to Compliance. This will be kept until the gift can be donated to charity.

Invitations to business meals may be accepted in principle.

The respective companies in whose name the donation was granted are to be considered as donors. In the opposite case, Universal-Investment-Luxembourg S.A. shall also be considered as a benefactor in the case of donations to customers or business partners. Invitations that do not correspond to customary business practices (e.g. extravagant, very expensive business meals) as well as invitations to family members and partners are prohibited.

Invitations to Events:

Invitations to training courses, lectures and specialist events, which are accompanied by hospitality in addition to the professional information may be accepted or offered to third parties without approval but with notification to the Compliance Department, provided that the specialist character clearly outweighs the private character in terms of subject matter and time.

In the case of invitations to events with a predominantly leisure/entertainment character, a copy of the invitation must be enclosed with the application for notification of a benefit. This also applies to invitations issued in the name of the Universal Investment Group, e.g. customer events organized by Universal Investment with a predominantly recreational/entertainment character. Participation in such an event may only be promised after approval by the Compliance Department and may not exceed the value of €200. Purely recreational events, on the other hand, are prohibited.

The review by the Compliance Department is carried out solely from a compliance point of view and does not take into consideration any individual matters (e.g. fiscal nature). No approval is given by the Compliance Department for applications submitted late.

Employees may not demand invitations to meals or events or other benefits, personal services or favors from clients or business partners.

Compliance with these rules is monitored by the respective superiors.

II. Review

This policy is reviewed at regular intervals. Clients will be informed about significant changes in the policy via the publication of the policy on the website.

Contact

T +352 261502-1

info@universal-investment.com

Universal-Investment-Luxembourg S.A.
15, rue de Flaxweiler
6776 Grevenmacher – Luxembourg