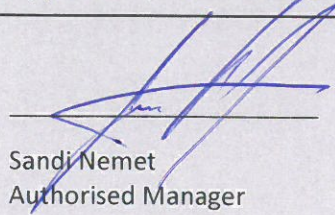
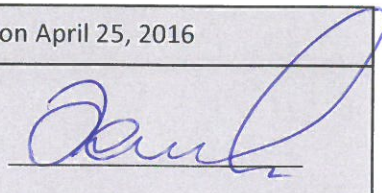


REMUNERATION POLICY
Alfa Asset Management (Europe) S.A.

Approved by Board of Directors at the meeting on April 25, 2016


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1 Introduction

The present Remuneration Policy has been approved by the Board of Directors of Alfa Asset Management (Europe) S.A. (hereafter referred as “AAME”), according to the regulations defined by CSSF circular 10/437 (Lignes directrices concernant les politiques de rémunération dans le secteur financier) and its amendments introduced by regulatory or legal text. .

Relevant departments such as authorized management, compliance and services providers in charge of internal audit and human resources were part of the consultation process and production of the present policy.

This Remuneration Policy is in line with the strategy and goals of the AAME. It aims to comply with the principles regulating clients and investors’ protection during the service delivery.

All staff members are concerned by the present remuneration policy, regardless the date in which they enter into employment relationship with AAME.

The Remuneration Policy answers as well to external constraints (regulatory environment, external competition...) as to internal constraints (internal equity, economic necessity, staff motivation, talent management, high potentials loyalty....).

2 Presentation and Activities of the Company

AAME is a professional financial entity of the Financial Sector (Investment Firm) authorised by the CSSF under the number P00000446 granted on 8 May 2015, which currently has 6 full time employees and the board of director is composed of 4 members.

The authorisation granted to AAME includes the following statuses and activities:

2.1 Authorised statuses:

1. Investment adviser
2. Commission agent
3. Broker in financial instruments
4. Private portfolio management

2.2 Other authorisations

1. Reception and transmission of orders in relation to one or more financial instruments
2. Execution of order on behalf of clients
3. Portfolio management
4. Investment advise

2.3 Auxiliary services:

1. Safekeeping and administration of financial instruments for the account of clients

3 General Guidelines

AAME communicate general strategies and long term interest to its employees and board members which are able to communicate any disagreement which such remuneration goals in case of not being in accordance with personal remuneration goals.

If no remark or disagreement is communicated in written for, AAME assumes that one and other are properly aligned.

Procedure of treatment of differences in Values:

Every written statement showing the disagreement with the strategy, objectives, values or long term interest of the firm (Values), should be presented to a member of authorised management, who will create an *ad hoc* committee including a member of authorised management, a member of a control function and a representative of human resources (in case in which HR services are provided by a third party, an staff member different from the person producing the statement will represent the working force).

The above mentioned committee will act as a facilitator to reconcile the points of disagreement. If it is not possible the matter will be discussed at senior management level for final decision.

3.1 Type of goals:

- Commercial and Financial Goals

The Commercial and Financial Goals are exclusively restricted to the Management who manages the Commercial Development and ensure the financial follow-up of AAME.

- Non Commercial Goals

The non Commercial Goals concern all the employees and are laid out in 4 axes.

1. Risk and Compliance
2. Organization, Quality, Efficiency
3. Formation
4. Management (if possible)

A general evaluation is done upon the evaluation basis of the above 4 axes, as/when applicable.

4 Guiding Principles of the Remuneration Policy of the Company

AAME has a flexible bonus policy, according to which bonuses are calculated based on performance of the company, each department and the specific staff member.

In the case of control functions, the scope of the analysis of performance is linked exclusively to the control functions applicable to the department and independent from the performance of business areas subject to such control.

Bonus are discretionary and subject to approval of the Board of Directors, in this framework bonuses can be partially and fully withholding when expected performances were not successfully reached.

The remuneration of AAME employees is structured in a way in which the fixed component of the remuneration represents a significant part of total remuneration excluding employees from basing their income on the variable part of the remuneration (e.g. bonuses).

4.1 Fix component:

To calculate the fixed component of the remuneration, a number of non-variable factors are to be taken into consideration and no variable factors can be included, in regards to non-variable factors, such may include, but are not limited to:

Description and complexity of the position.
Responsibilities and risk related to the position.
Level and hierarchy of the position.
Market practice for the particular position.
Data available for comparison.
Experience of the person.
Education level and specific technical knowledge.

4.2 Variable component:

The calculation of variable compensation is based on several aspects which are:

1. Discretionary decision of the firm.
2. Accomplishment of the task and responsibilities of the function.
3. Performance of the department.
4. Performance of the firm.
5. Individual sustainable and risk adjusted performance.
6. Effect of the variable compensation on the economical soundness of the firm.
7. Consideration of existent and potential future risks generated or directly linked with the variable compensation.

In the case of controlling departments, the calculation will not take into consideration performance of the business areas overseen by the controlling function.

When the variable component aims to evaluate a period superior than one year, the multi-year period or the total period evaluated should be compared and taken into consideration for the calculation of the variable compensation.

If a member of a department believes that his/her performance has been measured differently than equivalent members of the firm, this situation should be communicated in writing to an Authorised Management.

A plural number of members of Authorised Management shall meet to reach a final decision in regards to the request.

Note that such request should be presented in writing including motivation.

No variable compensation can be superior than fifty percent (50 %) of the annual fixed component of the remuneration, using as base the gross value of the same.

As an exception, new employees which join the firm, once the economical capital base is to be considered as sound, may pact a one-time guaranteed minimum variable compensation payment for the first year of employment.

When required, AAME undertakes to recover the remuneration variable components granted to recognized performances on database which afterwards turned out to be false by or pay obtained results abusing rules and internal processes.

Therefore, the Board commits to lead actions to restitution.

The variable component will be superior to 100% of the fix component of the remuneration for an individual, exceptionally, the shareholders of AAME may authorise a higher variable compensation which cannot exceed 200% of the fix component of the annual remuneration of the individual granted with such exceptional approval.

Such approval shall follow the procedure and rules of majority explicitly exposed in the law (Law from 5 April 1993 as amended in particular Art. 38-6 g)) and the CSSF should be made aware of such decision and the detailed explanation of the rationale for such decision.

Additional rules of calculation of potential variable components of the remuneration are as derived in the Law from 5 April 1993 as amended in particular Art. 38-6 (h) to (n).

4.3 Pension schemes and existing benefits upon departure

Pension and pre-retirement schemes are not existing in AAME.

5 Governance and Implementation

This Remuneration Policy has been discussed and approved by the Board of Directors after comments and amendments suggested by Authorised management, Compliance, Internal audit and relevant participants of the process.

Management is responsible for the effectiveness and application of the remuneration policy and for its annual update and approval/re approval by the Board of directors.

The decision-making process relating to the remuneration policy is transparent in-house and done so that it guarantees the concerned persons independence.

The Board of Directors fixes the remuneration of AAME top management members and key officers, including controlling functions. The top management fixes the remuneration of other employees of AAME, avoiding any conflict of interest.

In case of any potential conflict of interest, the remuneration of the particular person/position will be submitted to the Board of Directors for approval.

At this stage and given the size and complexity of the existing structure has been decided to do not create the Nomination committee neither the Remuneration Committee (as defined in the Law from 5 April 1993 as amended in particular Art.38 (8) and (9) respectively) as yet.

6 Transparency

The evaluation procedures and the Remuneration Policy are documented and transparent towards members of the staff concerned. These ones are informed, in advance of criteria used to define their remuneration.

Evaluation procedures are documented and accessible to the concerned persons.

In case of a modification of this Remuneration Policy, an appropriate communication will be done.

7 Revision

The Remuneration Policy is subject to an annual review by the Board of Directors, to ensure that it is still adapted to the company evolution. In case of modification of this remuneration policy decided by the Board of Directors, the management will take the necessary measures to affect these changes in the internal procedures of AAME. Therefore, an appropriate communication will be done both internally and externally as applicable.

8 Approval and log of changes

8.1 Approval

This procedure has been approved by the Board of Directors on

Date of presentation to the BoD	Decision

8.2 Log of changes

Version	Date of update	Updated by	Modifications
1.	21/12/2015	Marc Dos Santos	
2.	22/01/2016	Sebastian Wingerter	
3.	2/03/2016	Jaime Prieto	General review and update of every section Change of address Re-Drafting of full document