



VICTORY ASSET MANAGEMENT S.A.

COMPLAINTS HANDLING POLICY

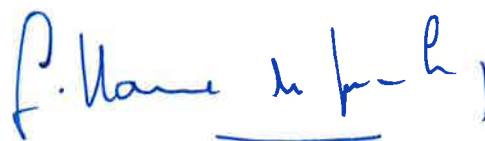
Manual of Procedures – Chapter XX	
Complaints Handling Policy	
Drafted by: Robin Vandekerkove	Date: October 30 th , 2018
Recipients: Victory AM's staff members	Entry into force:

The members of the Board of Directors of the Company, by unanimous consent, agree on the content of the Complaints Handling Policy in its version of October 30th, 2018, and confirm its enforcement as of the date of signature.

Luxembourg, November 14th, 2018



M Eric Sauzedde
(Président)



S.A.R. Prince Guillaume de Luxembourg
(Administrateur)



M Philippe Cerf
(Administrateur)



M Jean-Philippe Hottinger
(Administrateur)

M Jean-Conrad Hottinger
(Administrateur)



Victory Asset Management is a public limited company incorporated from October 5th, 2006 and governed by the laws of the Grand Duchy of Luxembourg.

Victory Asset Management S.A. is supervised by the *Commission de Surveillance du Secteur Financier* (“CSSF”) as a management company governed by chapter 15 of the law of 17 December 2010 relating to Undertakings for Collective Investments, and of the law of 12 July 2013 on Alternative Investment Fund Managers.

Two undertakings for collective investment are under the management of Victory Asset Management S.A.: BOLUX S.A. which is a SICAV « part I » has a European passport, and ELEUSIS which is a SICAV « part II ». Since September 2018, Victory Asset Management S.A. also manages a restricted alternative investment funds which is “Lucelen AIF”.

Moreover, in accordance with the article 101 of the Law of December 17th, 2010, Victory Asset Management S.A. provides individual and discretionary portfolio management services, as well as investment advisory services to private customers (relating to one or several investment products listed in section B of the Annex II of the amended Law of April 5th, 1993). As a consequence, Victory Asset Management S.A. is also considered as an investment firm under the law of April 5th, 1993 relating to the financial sector (Art. 24 and Art. 24-3).

Victory Asset Management S.A. is referred in this policy as the “Company”.

INTRODUCTION

This Policy is designed with a view to comply with the requirements set out in:

- (i) CSSF Regulation No. 10-04 dated 24 December 2010 implementing the Commission Directive 2010/43/EU of 1st July 2010 on the implementation of Directive 2009/65/EC of the European Parliament and Council regarding organizational requirements, conflicts of interest, conduct of business, risk management and the contents of the agreement between a depository and a management company (“CSSF Regulation 10-4”);
- (ii) CSSF Circular 12/546 dated 24 October 2012 on the authorisation and organisation of the Luxembourg management companies subject to Chapter 15 of the Law of 17 December 2010 relating to undertakings for collective investment as well as to investment companies which have not designated a management company within the meaning of Article 27 of the Law of 17 December 2010 relating to undertakings for collective investment (“CSSF Circular 12/546”);

- (iii) CSSF Circular 14/589 dated 27 June 2014 relating to details concerning Regulation CSSF N° 13-02 of 15 October 2013 relating to the out-of-court resolution of complaints and repealed by CSSF Regulation No. 16-07;
- (iv) CSSF Regulation No. 16-07 relating to out-of-court complaint resolution (“CSSF Regulation 16-07”).

It follows three main objectives:

- 1) Meeting the needs of the clients and investors in order to maintain good business relations with a high level of satisfaction; an adequate customer retention scheme may allow the acquisition of new clients and investors, impact positively the profitability, branding and competitiveness of the Company;
- 2) Improving the reactivity, services and organization inside the Company;
- 3) Maintaining confidence of clients and investors in the services provided by the Company and in the financial market in general.

This policy applies to all staff members of the Company and concerns all products and services offered to its clients and investors. The Company shall also ensure that each of its delegates has such a complaints handling policy and that this policy is compliant with the level of requirement imposed by the Company.

DEFINITIONS

A “complaint” is a concrete dissatisfaction with an individual matter which is expressed by a client or investor and which relates to a financial service or product provided by the Company. The “complainant” can be any client, investor, natural or legal person, which has filed a complaint with the Company.

The complaint is filed with a professional to recognize a right or to redress a harm. It may also imply that a deviation or incident has occurred in the business of the Company. However, expressions of dissatisfaction about circumstances of minor significance for the client which are solved by an initial contact or by a direct corrective measure are not regarded as complaints. A simple request for information or further explanations cannot be considered as a complaint neither.

The complaints filed by investors can be divided into two categories: on the one hand, the ones linked to the portfolio management; on the other hand, the ones linked to operational issues.

Complaints referring to portfolio management issue are used to be linked to the fund's performance. Complaints relating to operational issues can for instance be driven by errors in the processing of the subscription or redemption orders received from clients.

THE COMPLAINT HANDLING OFFICER

According to CSSF Circular 14/589, the professional's management shall entrust one of its members with the task of handling complaints. The name of this person shall be communicated to the CSSF.

The person responsible for the complaints handling (referred as the Complaints Handling Officer or "CHO" hereinafter) has the overall responsibility for complaints received by the Company. The CHO is also in charge of making sure that the CEO and the Compliance Officer obtain information on an on-going basis of received complaints.

Within the Company, the CHO is Mr. Eric Sauzedde. The clients and investors could transmit their complaint by post mail to the registered office of the Company and by email to the dedicated address: info@victory-am.lu

However, MC Square's authorized management shall ensure the correct application of this policy. *Vis-à-vis* the CSSF, the Compliance Officer remains the sole contact person.

RECEIPT OF THE COMPLAINT

Any investor and any client under a discretionary portfolio management agreement and/or investment advisory agreement has the liability to transmit orally or in writing a complaint.

All complaints must be *in fine* transmitted to the CHO. Even if the complaints can be initially addressed to the portfolio managers or members of the Authorized Management of the Company, the CHO shall ensure that these persons are aware that they shall inform the CHO about each complaint received.

If the complaint has only been made orally, the client's name, address and other contact information shall always be documented and the complainant shall be requested to provide a complaint in writing addressed to the portfolio manager or the CHO.

In case the CHO receives a complaint regarding a service or product provided by a portfolio manager, a copy of the complaint shall be transmitted to this portfolio manager. The latter must inform the CHO on the way he/she proposes to handle the complaint.

A written acknowledgement of receipt shall be provided to the complainant within a period which shall not exceed ten (10) business days after receipt of the complaint, unless the answer itself is provided to the complainant within this period.

On the meantime, the CHO shall inform the complainant of the follow-up of its complaint and may inform him/her of the will of Company to recourse to the out-of-court complaint resolution procedure as mentioned in the CSSF Regulation 16-07.

EXAMINATION AND HANDLING OF THE COMPLAINT

The CHO shall deal with all the complaints with due diligence and ensure their follow-up.

When a complaint is received by the Company, the CHO shall investigate and gather all relevant information and evidence on the root cause and origin of the complaint. The CHO shall establish a report including corrective measures. If deemed necessary, the CHO shall draw up with the assistance of the Authorized Management and Compliance Officer an action program in order to prevent situations which may cause the complaint from recurring. The CHO shall also propose an answer to the attention of the client or investor. This answer shall be made in a plain and easily comprehensible language.

The report shall be submitted to the Board of Directors of the Company who takes the ultimate decision.

When the Board of Directors of the Company has given its approval, the answer should be transmitted to the client or investor without undue delay and in any case, within a period which cannot exceed one (1) month from the date of receipt of the complaint. In the event the complaint is rejected by the Company, a clear justification shall be provided in the answer.

Where an answer cannot be provided within the period of one (1) month, the CHO shall inform the complainant of the causes of the delay and indicate the date at which its examination is likely to be achieved.

Complaints shall always be replied to in writing.

RECEIPT OF ANSWER BY THE COMPLAINANT

Where the complaint handling at the level of the CHO did not result in a satisfactory answer for the complainant, the CHO shall provide him/her with a full explanation of the position of the Company. The complainant shall also be informed in writing of the existence of the out-

of-court complaint resolution procedure at the CSSF, including a copy of this policy and the applicable regulation as well as the reference to the CSSF website.

The complainant shall transmit its request to the CSSF with receipt of acknowledgement within the year following the receipt of the complaint by the Company.

REPORTING AND COMPLAINT REGISTER

The CHO writes down its conclusions in a complaint register. This register facilitates the follow up of the complaints.

The CHO is in charge of compiling the data referred to in the register. These data are compiled in order to produce an annual report for the attention of the Board of Directors of the Company including:

- The date of the complaints;
- The name and client number of the complainants;
- The origin and summary of the complaints;
- The type of complaints (written or verbal);
- The nature of the complaints (portfolio management or operational issues);
- The summary of the corrective measures;
- The date of answer and average time to handle the complaints;
- The outcome of the complaints;
- The name of the employee who handled the complaints.

The handling of a complaint shall be fully understood from the documentation held in the complaints register and shall allow the Authorized Management, when necessary, to identify and deal with any recurrent or isolated issue as well as the legal and operational risks. As a consequence, all written communication with the complainant – including emails – shall be recorded in the complaints register. Notes about the date and time for telephone calls with the complainant shall be also included in this register. Unless indicated upon receipt (email or fax), the dates of documents that are received or prepared concerning the matter shall be mentioned.

Any original documents related to the complaint shall be kept at the registered office of the Company. The files shall be available and easy to obtain. All complaints shall remain on file for at least ten (10) years, according to the nature of the complaint and the needs of the Complainant or the Company.

HANDLING OF THE COMPLAINT BY THE CSSF

The Company being supervised by the CSSF, the CSSF is empowered to receive any complaint from the clients of the Company. However, the complainant must have previously sent its complaint in writing to the Company and must have not received any satisfactory answer within one month from the receipt of the complaint by the Company.

Where the request reaches the CSSF, it acknowledges receipt thereof. The acknowledgment of receipt does not take a position on the admissibility of the request. A request to the CSSF shall not be admissible in the following cases:

- where the complaint has already been subject to a court order or resolved by arbitration in Luxembourg or abroad;
- where the complaint has been submitted to a Luxembourg or foreign court or arbitrator;
- where the complaint has been submitted to a Luxembourg or foreign alternative dispute resolution body other than the CSSF;
- where the complaint concerns the business policy of the professional;
- where the complaint concerns a product or service of a non-financial nature;
- where the request is frivolous or vexatious.

The CSSF can stop the complaints handling process if it comes to the conclusion that one of the parties uses the procedure to reach another result as the out-of-court resolution of the complaint.

The CSSF may request the Company to provide any information relating to the complaint which is sent by the complainant. When the request is complete, a confirmation is sent to the Company. Within a period which cannot exceed three (3) weeks after receipt of the complaint by the CSSF, the latter shall transmit to the parties the approval or refusal of the complainant's request. A copy of this request is then provided to the Company which should communicate its final position to the CSSF within one (1) month.

The CSSF issues a reasoned conclusion letter, including the statement of reasons for the position taken within ninety (90) days after the receipt of the request from the complainant. However, for highly complex scenarios, the CSSF may request an extension of the deadline. 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 be informed of the follow-up.

Where the CSSF addresses a conclusion letter to the Company mentioning that the complaint is partly or totally justified, the parties shall settle their dispute following a legal proceeding. The CHO and the complainant shall inform the CSSF of their intention to enter in this legal proceeding.

Where the CSSF comes to the conclusion that the positions of the parties are irreconcilable or unverifiable, it also informs the parties thereof in writing. The parties are free to accept/refuse the conclusions of the CSSF. Given that the reasoned conclusions of the CSSF are not binding on the parties, they are free to accept or refuse to follow them. In the conclusion letter, the parties' attention is also drawn to the possibility to refer the matter before the courts, in particular if the parties fail to reach an agreement after the CSSF issued its reasoned conclusion. In any case, the CHO shall inform the CSSF of the opinion of the Company regarding the conclusions received.

ENDING OF THE COMPLAINT HANDLING

The out-of-court procedure of the complaint handling ends when:

- The CSSF send its conclusion letter;
- An amicable settlement is reached;
- A written withdrawal is sent by one of the parties;
- The time for exercising the related rights has expired;
- The complaint has been submitted to a Luxembourg/foreign court or arbitrator;
- The complaint has been send to another out-of-court resolution body;
- The complainant does not provide the additional information requested by the CSSF on time.

The CSSF takes the necessary measures to ensure that the processing of personal data complies with the applicable rules on the personal data protection.

REPORTING TO TE CSSF

If threats or other kinds of misconduct from the complainant occur, the CHO shall consult with the Authorized Management and the Compliance Officer regarding a possible report to the CSSF.

In any case, the CHO shall request the Compliance Officer to provide the CSSF with a response and a full cooperation in the context of the complaint handling.

The Compliance Officer is required to communicate to the CSSF, on an annual basis, a table including the number of complaints registered by the Company as well as a summary report of the complaints and of the measures taken to handle them. The CHO shall use the template of the table provided by the CSSF on its website, available on http://www.cssf.lu/fileadmin/files/Formulaires/cssf14_589_annex_eng.doc.

This table could be inserted in the Annual Compliance Report of the Company and shall be transmitted to the CSSF one month at the latest after the annual general meeting of shareholders which approves the annual statements of the Company.

INSURANCE

If a complaint is related to business activities that are outsourced by the Company, the following shall apply. If the complaint results in compensation being paid to the complainant, the Company shall together with the external provider and in accordance with the outsourcing agreement, decide on which one of the companies shall bear the costs for the compensation. As a general principle, any compensation paid shall be carried by the company where the incident giving rise to the complaint has actually occurred and/or to which the complainant has a client relationship.

In case of uncertainty or in case where the client shall be compensated and/or a service provider such as a law firm is involved, the CHO shall inform the Board of Directors of the Company so that the latter takes the appropriate decision in order to accrue the necessary provisions to cover the potential losses.

The CHO is thus entrusted with the relationship with the insurance company.

EX-POST CONTROL

The Internal Audit department of the Company has the responsibility of verifying on a regular basis the complaints register and of reporting any deficiency to the Board of Directors, such as the delay in the handling of these complaints.

DISCLOSURE OF INFORMATION

Clients and investors shall be given clear, precise and up to date information relating to this policy and on the handling process of their complaint including:

- (i) Details on how to complain (type of information to be provided by the complainant, name and contact information of the person to whom the complaint should be directed, etc.)
- (ii) The complaint handling process that will be followed to handle the complaint (moment where the professional acknowledges receipt thereof, indicative timetable for handling the complaint, existence of the procedure for out-of-court resolution of complaints before any report to the CSSF, etc.)

