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| <b>PROCEDURE</b>  |                                  |                  |
|  |                                  | Date: 17/02/2016 |
|   | <b>Complaint Handling Policy</b> |                  |

## INTRODUCTION

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## **INTRODUCTION**

MC Square is a public limited company governed by the laws of the Grand Duchy of Luxembourg.

MC Square 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 (the “2010 Law”).

This complaints handling policy is subject to the following provisions:

- (i) CSSF Regulation No. 10-4 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 regulation N°13-02 dated 20 October 2013 relating to the out-of-court resolution of complaints (“CSSF Regulation 13-02”)
- (iv) 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

Based on the above, MC Square shall have a complaints handling policy efficient and transparent in view of the reasonable and prompt complaint handling. This policy should be defined, endorsed and implemented by the management of MC Square. In this respect, MC Square shall define the human and technical resources to be put in place in order to duly apply this policy and ensure that it is regularly controlled by the compliance function and the internal audit function of MC Square.

The complaints handling policy should be set out in a document and available to all relevant staff members of MC Square.

This policy applies to all staff members of MC Square and concerns all products and services offered to its clients.

It follows two main objectives:

- (i) Better satisfaction of the clients, as defined under section 1

This objective puts the complaints handling in the center of the client relationship.

A successful complaint handling increases customer satisfaction and strengthens the relationship with the latter. Beyond customer retention, it may also allow the acquisition of new customers.

Customer satisfaction has consequences on:

- Profitability
- Branding
- Competitiveness

- (ii) Improving of products, procedures and organization

This objective gives a central role to the Complaint Handling Policy in the quality management.

When processing a complaint, a particular attention will be paid to the root cause if any. Corrective measures will be made and the quality will be improved.

MC Square shall ensure that each of its delegates has its own complaints handling procedure.

## **1. DEFINITIONS**

In the context of this policy and in accordance with CSSF Regulation N° 13-02 which defines the complainant as any natural or legal person having filed a complaint with a professional, like MC Square, the clients are the investors in the fund.

According to this Regulation, a “complaint” is a complaint filed with a professional to recognize a right or to redress a harm.

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.

These complaints must be addressed to the responsible of the complaints handling within MC Square as defined in section 2. hereinafter.

It should be noted that simple request for information or explanations cannot be considered as complaints.

## **2. THE PERSON RESPONSIBLE FOR THE COMPLAINTS HANDLING**

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

Within MC Square, Mr André Lecoq is in charge of the complaints handling.

However, MC Square's management shall ensure the correct application of this policy. Vis-à-vis the CSSF, the director in charge remains the sole contact person.

## **3. INFORMATION TO BE PROVIDED TO THE CLIENTS**

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

- i. Details of 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 the CSSF, etc...)

MC Square shall publish the details of their complaint settlement procedure in an easily accessible manner via its internet website: [www.mcsquare.lu](http://www.mcsquare.lu) (see Appendix 1).

## **4. PROCEDURE APPLICABLE TO THE COMPLAINT HANDLING**

- 4.1. Receipt of the complaint

All complaints must be *in fine* transmitted to the responsible for the complaints handling. Complaints can however be initially addressed to the management of MC Square or to MC Square's portfolio managers (the "Portfolio Managers").

The person responsible for the complaint handling shall ensure that the Portfolio Managers are aware of this policy and that they will inform MC Square about each and every complaint received.

The Portfolio Manager to whom the complaint is addressed must as well inform the responsible of the complaint handling on the way he proposes to handle the complaint.

In case MC Square receives a complaint regarding a service or product provided by a Portfolio Manager, MC Square shall transmit the complaint to this Portfolio Manager.

The written acknowledgement of receipt will be provided to the complainant within a period which shall not exceed 10 business days after receipt of the complaint, unless the answer itself is provided to the complainant within this period. The responsible for the complaint handling shall inform the complainant of the follow-up of its complaint.

#### 4.2. Examination and handling of the complaint

The responsible for the complaint handling deals with all the complaints with due diligence and takes care of their follow up.

The responsible for the complaint handling shall:

- (i) seek to gather and to investigate all relevant evidence and information on each complaint;
- (ii) seek to communicate in a plain and easily comprehensible language;
- (iii) provide an answer without undue delay and in any case, 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 complainant was sent. Where an answer cannot be provided within this period, the professional shall inform the complainant of the causes of the delay and indicate the date at which its examination is likely to be achieved.

Where the complaint handling at the level of the responsible person did not result in a satisfactory answer for the complainant, the professional shall provide him/her with a full explanation of his/her position as regards the complaint and inform him/her in writing of the existence of the out-of-court complaint resolution procedure at the CSSF and send him/her a copy of this regulation or the

reference to the CSSF website, as well as the different means to contact the CSSF to file a request.

## **5. REPORT ON THE COMPLAINTS HANDLING**

The responsible of the complaint handling writes down its conclusions in the complaint register which is an electronic secured file. This register facilitates the follow up of the complaint (see Appendix 2).

The responsible of the complaint handling 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 MC Square including:

- The number of complaints received;
- The origin of the complaints;
- The type of complaint (written or verbal);
- The nature of the complaint;
- The average time to handle the complaint;
- The outcome of the complaint

These data relating to the complaint handling are analyzed by the management on a permanent basis, in order to identify and deal with any recurrent or isolated issue as well as the legal and operational risks.

## **6. COMMUNICATION OF INFORMATION TO THE CSSF**

The management shall provide the CSSF with a response and a full cooperation in the context of the complaint handling.

The responsible for the complaint handling is required to communicate to the CSSF, on an annual basis, a table including the number of complaints registered by MC Square, classified by type of complaints, as well as a summary report of the complaints and of the measures taken to handle them.

The CSSF provides professionals on its website with a sample form allowing satisfying the requirement to communicate a table including the number of complaints registered by the professional, classified by type of complaint (“see Appendix 3 “).

## **7. INSURANCE**

In case where i) a service provider (e.g. a law firm) is or becomes involved or ii) the client shall be compensated, the responsible for the complaint handling shall inform the board of directors of MC Square so that the latter takes the appropriate decision in order to accrue the necessary provisions to cover the potential losses.

The responsible of the complaint handling is thus entrusted with the relationship with the insurance company.

## **8. HANDLING OF THE COMPLAINTS BY THE CSSF**

MC Square being supervised by the CSSF, the CSSF is empowered to receive any complaint from clients of MC Square.

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.

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 complaint must have been previously sent in writing to the person responsible for the complaint handling at the level of the management of MC Square and the complainant has not received an answer or a satisfactory answer from that person within one month from the date at which the complaint was sent.

The request must be filed with the CSSF in writing, by post or by fax to the CSSF or by e-mail (to the address/number available on the CSSF website), or online on the CSSF website. In order to facilitate the filing of the request, the CSSF publishes a form on its website. This request can be filed in Luxemburgish, German, English or French.

The CSSF issues a reasoned conclusion within 90 days.

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. 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.

A request 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 conclusions reached by the CSSF after the analysis of the request may be different from the order of a court applying legal provisions. 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.

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

## **9. APPLICABLE LAWS AND REGULATIONS**

Article 112 of the law of 17 December 2010

Article 7 of CSSF regulation N°10-4

Section 5.2.2. of CSSF Circular 12/546

CSSF Regulation N°13-02

CSSF Circular 14/589

## **Appendix 1 – Information to be provided to clients via the internet web site of MC Square**

### **1- Introduction**

These instructions cover the handling of the complaints issued by all the clients of MC Square, i.e the unitholders of the Funds.

According to this Regulation, a “complaint” is a complaint filed with a professional to recognize a right or to redress a harm.

### **2- Complaints handling**

Registration of the complaint

All clients of MC Square can file a complaint for the attention of the person responsible for the complaint handling, Mr André Lecoq, either by post at the following address: 94, rue du Kiem L-1857 Luxembourg, or by email at [alecoq@mcsquare.lu](mailto:alecoq@mcsquare.lu)

Complaint handling

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

The responsible for the complaint handling will then:

- (i) seek to gather and to investigate all relevant evidence and information on each complaint;
- (ii) seek to communicate in a plain and easily comprehensible language;
- (iii) provide an answer without undue delay and in any case, 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 complainant was sent. Where an answer cannot be provided within this period, the professional shall inform the complainant of the causes of the delay and indicate the date at which its examination is likely to be achieved.

Where the complaint handling at the level of the responsible person did not result in a satisfactory answer for the complainant, the professional shall provide him/her with a full explanation of his/her position as regards the complaint and inform him/her in writing of the existence of the out-of-court complaint resolution

procedure at the CSSF and send him/her a copy of this regulation or the reference to the CSSF website, as well as the different means to contact the CSSF to file a request.

Where the complaint handling at the level of the responsible person did not result in a satisfactory answer for the complainant, the professional shall provide him/her with a full explanation of his/her position as regards the complaint and inform him/her in writing of the existence of the out-of-court complaint resolution procedure at the CSSF and send him/her a copy of this regulation or the reference to the CSSF website, as well as the different means to contact the CSSF to file a request.



**Table listing the claims registered  
by the professional (sub-paragraph  
1 of Article 16(3) of CSSF  
Regulation N°13-02 relating to the  
out-of-court resolution of  
complaints)**

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| 1. GENERAL DATA ON YOUR INSTITUTION  |                      |
|--|----------------------|
| 1.1 Name of the institution  | _____                |
| 1.2 Identification number*   | _____                |
| 1.3 Name of the director in charge of complaint handling                                   | _____                |
| 2. COMPLAINTS REGISTERED BY YOUR INSTITUTION   |                      |
| 2.1. General information on complaints   |                      |
| 2.1.1. Reference period  | From _____ to _____  |
| 2.1.2. Total number of complaints received by your institution during the reference period | _____                |
| 2.2. Number of complaints by category  |                      |
| Categories   | Number of complaints |
| Complaints that do not relate to a specific product or service                             |                      |
| Staff behaviour  | _____                |
| Banking secrecy  | _____                |
| Provision of documents (statements, etc.)  | _____                |
| Others (please specify) _____  | _____                |
| _____  | _____                |
| <b>TOTAL</b>   | _____                |
| Accounts and payment services  |                      |
| Account opening refusal  | _____                |
| Account termination  | _____                |
| Account blocking   | _____                |
| Dispute of a transaction   | _____                |
| Pricing  | _____                |
| Others (please specify) _____  | _____                |
| _____  | _____                |
| <b>TOTAL</b>   | _____                |

\* Including letter "B" (Bank), "P" (PFS), etc. indicating the type of activity of the institution

| <b>Savings products</b>               |  |
|---------------------------------------|--|
| Savings account termination           |  |
| Yield                                 |  |
| Others (please specify) _____         |  |
|                                       |  |
| <b>TOTAL</b>                          |  |
| <b>Consumer credits</b>               |  |
| Loan refusal                          |  |
| Loan termination                      |  |
| Request for debt restructuring        |  |
| Early repayment                       |  |
| Interest rate                         |  |
| Pricing                               |  |
| Others (please specify) _____         |  |
|                                       |  |
| <b>TOTAL</b>                          |  |
| <b>Mortgage loans</b>                 |  |
| Loan refusal                          |  |
| Loan termination                      |  |
| Request for debt restructuring        |  |
| Early repayment                       |  |
| Interest rate                         |  |
| Pricing                               |  |
| Others (please specify) _____         |  |
|                                       |  |
| <b>TOTAL</b>                          |  |
| <b>Home loan and savings accounts</b> |  |
| Contract termination                  |  |
| Yield                                 |  |
| Early repayment                       |  |
| Pricing                               |  |
| Others (please specify) _____         |  |
|                                       |  |
| <b>TOTAL</b>                          |  |

| <b>Payment cards</b>                              |  |
|---|--|
| Card refusal                                      |  |
| Card withdrawal                                   |  |
| Unauthorised use                                  |  |
| Pricing   |  |
| Others (please specify) _____                     |  |
| _____   |  |
| <b>TOTAL</b>                                      |  |
| <b>Web Banking</b>                                |  |
| Service unavailable                               |  |
| Technical failure                                 |  |
| Others (please specify) _____                     |  |
| <b>TOTAL</b>                                      |  |
| <b>Safe</b>                                       |  |
| Access to safe                                    |  |
| Pricing   |  |
| Others (please specify) _____                     |  |
| _____   |  |
| <b>TOTAL</b>                                      |  |
| <b>Investment activities</b>                      |  |
| Conflict of interests                             |  |
| Dispute on order execution                        |  |
| Quality of advice                                 |  |
| Non-observance of the client's investment profile |  |
| Non-compliance with the management agreement      |  |
| Pricing/Fees                                      |  |
| Others (please specify) _____                     |  |
| _____   |  |
| <b>TOTAL</b>                                      |  |
| <b>Undertakings for collective investment</b>     |  |
| Prospectus  |  |
| Investment policy                                 |  |
| Subscription/Redemption of shares/units           |  |
| Advertising document                              |  |
| Others (please specify) _____                     |  |
| _____   |  |
| <b>TOTAL</b>                                      |  |

| Other categories of complaints (please specify) |  |
|---|--|
|   |  |
|   |  |
|   |  |
|   |  |
| <b>TOTAL</b>                                    |  |
| Other categories of complaints (please specify) |  |
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|   |  |
|   |  |
|   |  |
| <b>TOTAL</b>                                    |  |
| Other categories of complaints (please specify) |  |
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|   |  |
|   |  |
|   |  |
| <b>TOTAL</b>                                    |  |