



REMUNERATION POLICY

Updated as of February 2017

Table of Contents

1	General Dispositions.....	3
2	Scope of the policy.....	3
3	Remuneration Structure overview.....	3
3.1	Base salary.....	4
3.2	Variable pay.....	4
	a. Payment of carried interest to Identified Staff.....	4
	b. Long term incentives.....	4
	c. Remuneration of the Conducting Officers and Control Functions.....	5
	d. Performance Measurement.....	5
3.3	Benefits.....	5
4	Proportionality.....	6
5	Termination of contract.....	6
6	Claw Back (ex post risk adjustments).....	6
7	Governance.....	6
8	Disclosure.....	7
8.1	External Disclosure.....	7
8.2	Internal Disclosure.....	7

1 General Dispositions

Massena Partners S.A (hereafter the “company”) has designed and integrated a remuneration policy in line with the provisions on remuneration as set out the European Directive 2011/61/EU as amended and implemented into Luxembourg Law of 12 July of 2013 relating to Alternative Investment Fund Managers (“AIFM Law”), the remuneration provisions as set out in of the European Directive 2014/91/EU (amending Directive 2009/65/EC relating to Undertakings for Collective Investment in Transferable Securities (“UCITS law”) and ESMA Guidelines on remuneration as applicable and implemented (the “ESMA Guidelines”).

The remuneration policy is consistent with and promotes sound and effective risk management of the funds and does not encourage risk-taking which is inconsistent with the risk profile, rules or instruments of incorporation of the funds managed.

The remuneration policy is in line with the interests of the Company and the funds it manages and the interest of investors of such funds in order to avoid conflicts of interest.

2 Scope of the policy

The remuneration policy and practice applies to those categories of employees, including senior management, risk takers, control function and any employee receiving total remuneration whose activities have a material impact on the risk profiles of the management companies or of the funds that they manage.

The Company has identified the below persons who falls within the scope: identified staff aggregated in five categories:

- ❖ Board members : they do not receive a variable remuneration for their work as Board members and do consequently qualify as Identified Staff (their remuneration is not in scope of this remuneration policy)
- ❖ Conducting officers
- ❖ Control functions
- ❖ Staff responsible for heading up portfolio management, administration, marketing and human resources
- ❖ Other risk takers (sales persons, asset managers of AIF or UCITS.....)

The company does not delegate portfolio or risk management functions.

3 Remuneration Structure overview

This policy is aimed at aligning remuneration with prudent risk-taking. The design of the remuneration system is consistent with the objectives set out in the Company’s strategy and lies in:

- ❖ A proper balance of variable to fixed remuneration;
- ❖ The measurement of performance.

The Company offers remuneration packages based on the following components:

- Fixed salary (i.e. base salary);
- Variable pay;
- Benefits.

The fixed and variable components of total remuneration must be appropriately balanced

3.1 Base salary

The base salary represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy, on variable remuneration components, including the possibility to pay no variable remuneration component.

3.2 Variable pay

When remuneration includes a variable element, awarded based on performance criteria, the remuneration should be reasonable, structured in such a way as to achieve a fair balance between fixed and variable elements and should be in line with the business strategy, market condition and the specific environment in which the company operates. The maximum limit of the variable component remuneration does in principle not exceed the fixed remuneration.

The variable remuneration is paid only if it is sustainable according to the financial situation of the Company as a whole, and justified according to the performance of the business unit, the fund and the individual concerned.

The below principles shall apply to remuneration of any type paid by the Company, to any amount paid directly by the fund itself, including carried interest, and to any transfer of units or shares of the fund, made to the benefits of Identified Staff.

Variable remuneration should not be paid through vehicle or methods that are employed at artificially evading the remuneration provisions of the AIFM Law including the outsourcing of professional services to firms that fall outside of the scope of the AIFM Law and the setting up of structures or methods through which the remuneration is paid in the form of dividends or similar pay outs.

a. Payment of carried interest to Identified Staff

Portfolio managers receive carried interest payments from AIFs they manage; however such payments only occur after that investments in the AIFs have been realized, so that it is aligned with the life cycle of the AIFs and do not raise conflict of interests issues.

b. Long term incentives

Employees can receive, as part of their variable pay, free preferred shares of the Company, which contributes to aligning their interest with the interests of the Company. These free shares have a 4 year vesting period.

c. Remuneration of the Conducting Officers and Control Functions

Performance measures for employees responsible for control function will be based on the achievements and objectives of the functions, and their remuneration will be determined independently from the performance of the specific business areas they support, therefore helping to prevent any potential conflicts of interest.

Employees who fall under this arrangement include employees in Compliance, Risk Management, and Internal Audit.

Remunerations of the Conducting Officers and risk manager are directly overseen by the Board of Directors.

d. Performance Measurement

Where remuneration is performance related, the total amount of remuneration is based on a combination of the assessment of the performance of the individual and, in exceptional cases, the funds concerned and of the overall results of the Company.

The assessment of the performance is set in a multi-year frame work appropriate to the life-cycle of the funds managed by the Company in order to ensure that the assessment process is based on longer term performance and that the actual payment of performance-based components of remuneration is spread over a period which takes into account of the redemption policy of the fund it manages and their investment risks.

Such assessment must include financial (eg fund performance, new net assets) and non-financial criteria (compliance with rules of conducts, compliance with the fund investment policy as evidenced by compliance with ratios, compliance with risk management policy).

The measurement of performance used to calculate variable remuneration components or pools of variable remuneration components includes a comprehensive adjustment mechanism to integrate all relevant types of current and futures risks.

3.3 Benefits

In addition to the fixed and variable pay, the Company offers a range of benefits including:

Pension plan (not yet implemented);
Company car;
Lunch vouchers.

4 Proportionality

By application of the proportionality principle, the following requirements will not be applied:

- The requirements on pay-out processes for Identified Staff including:
 - a. The payment of variable remuneration in instruments related mainly to the funds in relation to which they perform their activities.
 - b. Deferral requirements.
 - c. Retention periods.
 - d. Ex-post incorporation of risk (Malus).
- The requirement to establish a remuneration committee.

5 Termination of contract

The payments related to the early termination of a contract, which are awarded on a contractual basis, are designed in a way that corresponds to the employee effective performances during the employment period and that does not reward failure (e.g. Golden parachute).

6 Claw Back (ex post risk adjustments)

As long as this is allowed by the applicable rules and regulations, the Company reserves the right to demand full or partial repayment from the individual who has been awarded variable remunerations in the following conditions:

-) Fraudulent conduct of staff member ;
-) Misleading information by a staff member,
-) Breach of AIFMD or ESMA guidelines

7 Governance

The company's size does not make mandatory the definition of a specific remuneration committee. The Board of Directors of the Company remains the body responsible for the approval of this policy, its yearly review and its proper implementation. The Board of Directors is supported by the Compliance Officer of the Company.

This policy will be reviewed at least once a year by the Control function (Compliance Officer) of the company under the supervision of the Board of Directors:

Where no update is required, the Policy will be applied consistently over time.

8 Disclosure

8.1 External Disclosure

This policy is available on the website of the company, and a paper version will be made available upon request to the company

Extended information is available in the financial statement of the funds under management

8.2 Internal Disclosure

The Remuneration Policy is part of the Company's policies and procedures and as such the main principles are available to all staff.

The employees are regularly informed about their remuneration, criteria used to measure performance and the link between performance and pay.