

Formuepleje A/S

GENERAL TERMS AND CONDITIONS // APRIL 2017

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Scope of application

The General Terms and Conditions of Formuepleje A/S (Formuepleje or the Company) apply to all business affairs between Formuepleje and Formuepleje's customers, unless otherwise stated in a separate agreement.

Categorisation of customers

The Company is required to categorise its customers as either retail customers, professional investment customers or eligible counterparties in accordance with the Executive Order on Investor Protection. Retail customers enjoy the highest level of protection, professional investment customers are afforded less protection and eligible counterparties are generally not afforded investor protection.

As a rule, Formuepleje's customers are categorised as retail customers, unless otherwise notified or agreed upon with the customer.

Recategorisation

Retail customers may request categorisation as professional investment customers, however, as this entails less protection, retail customers must meet 2 of the following conditions:

- Wide-scale transactions on the relevant market on an average of 10 times per quarter during the previous 4 quarters;
- The size of the customer's portfolio exceeds EUR 500,000;
- The customer works or has worked in the financial sector for at least 1 year in a position requiring knowledge about the planned transactions.

At its own initiative, Formuepleje may choose – on a general or an ad hoc basis – to treat a professional investment customer or eligible counterparty as a retail customer. Furthermore, at the request of the customer, the Company may – on a general or an ad hoc basis – treat a professional investment customer as an eligible counterparty or an eligible counterparty as a professional investment customer.

The customer must inform Formuepleje of any change in circumstances that could affect its categorisation as professional investment customer or eligible counterparty.

Collection and use of information

Formuepleje is subject to various codes of practice, including regulations on money laundering, and is obliged to obtain information from the customers. This information includes the customer's name, address and civil registration number (CPR no.), which must be documented by the presentation of a passport, driver's licence or other picture identification and a health insurance card. Companies must present their CVR numbers and extracts from the Danish Business Authority, etc.

We need your information to provide, among other things, investment advice, customer services, administrative services, internal risk management and advertising, and to offer other financial services.

We will collect information from the Danish Civil Registration System (CPR) and other public sources and registers. You are under no obligation to submit your information to us. However, if you do not wish to provide us with the information required, we may not be able to advise you or provide you with other services.

Formuepleje is under obligation to keep the ID information for at least 5 years after the customer relationship has ended.

Investment advice

Investment advice includes personal recommendations to a customer about transactions related to financial instruments. In order to provide investment advice services, we need to collect information about the customer's knowledge of and experience in the investment area in question and of the customer's financial standing and investment purposes, so that we can recommend the appropriate securities.

On the basis of this information, Formuepleje ensures that the recommendation or transaction made complies with the following criteria:

- The customer's investment purpose;
- That the customer has the financial means to bear the investment risk related to the transaction in compliance with the customer's investment purpose;

- That the customer has the necessary experience and knowledge to understand the risks related to the investment, including the use of leveraging and the results thereof, as well as the risk of losing the entire investment.

Execution only

Formuepleje may execute transactions without prior investment advice or collection of information about the customer's knowledge, experience, financial standing or investment purpose (execution only).

Execution only transactions are only allowed if they meet the requirements set out in section 19 of the Executive Order on Investor Protection.

The completion of a transaction as execution only means that Formuepleje has not given any personal investment advice or assessed the appropriateness of the investment. The customer is therefore not covered by the higher level of investor protection, as would have been the case if a suitability or appropriateness test had been taken.

This applies irrespective of whether the transaction is executed by sending an order form from Formuepleje's website or by enquiry in person.

Portfolio management

Portfolio management means that the customer gives Formuepleje powers of attorney to execute and manage investments on behalf of the customer.

Reporting

Customers who have entered into agreements on portfolio management with Formuepleje will receive individual reports on a regular basis. These reports include, among other things, specifications of the return for the period. The customer should review these reports carefully to ensure that the information stated is correct and that the transactions made comply with the agreements between Formuepleje and the customer. Customers must contact Formuepleje immediately if the report gives rise to questions or comments. Formuepleje is not liable for any loss or damage that could have been avoided if the customer had contacted Formuepleje without delay.

Terms and conditions of trade in participation capital and units in the Formuepleje associations

On behalf of the retail customers, Formuepleje may arrange for the purchase and sale of participation capital and units in the Formuepleje associations. The transactions are executed through Nordea Bank Danmark A/S in return for a charge of DKK 250. The customer's own financial institution may charge an additional transaction fee.

When purchasing units in the category 'red', the customer must also submit a completed questionnaire to enable Formuepleje to evaluate the appropriateness of the investment.

Formuepleje only makes investments at the request of a customer who has entered into a portfolio agreement, given an investment power of attorney or filled in and signed a contract note form.

For further information, see formuepleje.dk

Order execution policy

Formuepleje aims to provide the customer with the best possible result (Best Execution) in compliance with the order execution policy. As a rule, the rate (price and costs) has the highest weighting. However, all factors that affect the total settlement amount are taken into account:

- Price
- Costs
- Speed
- Order amount
- Probability of execution
- Market liquidity

The decisive factor in determining whether the case is that of Best Execution is the customer's position in the specific situation. We also refer to Formuepleje's latest order execution policy at formuepleje.dk.

The customer's own settlement of transactions through financial institutions/online banking

The customer's settlement of the listed associations may be completed through the customer's own financial institution or online banking.

Control with sale/purchase notes

When trading in securities, the customer will receive a sale/purchase note from Nordea Bank Danmark A/S or from his own financial institution. The customer is obliged to check the accuracy of the information stated in the note. Customers must contact Formuepleje immediately if the note is not in compliance with the agreement.

If the sale/purchase note gives rise to questions, the customer may contact Formuepleje for further details about the note.

Storage of information

Formuepleje stores documentation of executed transactions, investments and trading for a minimum of 5 years.

Electronic communication

You may receive information electronically from Formuepleje, despite the fact that the words "written", "letter", etc. are stated in the contract documents.

If the customer wishes to receive the information in writing, this can be agreed upon with Formuepleje. Formuepleje may charge a fee for sending the information by paper mail.

Formuepleje may at any time decide to send notices, agreements, terms, etc. in writing. In these cases, no fee will be charged.

Recording of telephone conversations, etc.

Formuepleje reserves the right to record and/or register telephone conversations and other communication for the purpose of documenting agreements and providing the customer with the correct service.

Duty of confidentiality and disclosure of information

The employees at Formuepleje are subject to client confidentiality and are not allowed to pass on any client information which has come to their knowledge while working at Formuepleje. Information may only be passed on with written client approval, or in cases in which Formuepleje is legitimated or obliged to do so.

Formuepleje passes on information about the customer if necessary to meet the agreements between Formuepleje

and the customer. In the case of settlement of securities trading, Formuepleje will, for example, pass on information required to identify the customer. Furthermore, information is also passed on to public authorities to the extent required by law.

We refer to the guidelines for passing on confidential information at formuepleje.dk.

Liability, risk and force majeure

Formuepleje's management of the customer's financial means is at the customer's own expense and risk, including the customer's risk of loss. Formuepleje cannot be held liable for the price development of securities purchased by Formuepleje on behalf of the customer, nor is Formuepleje liable for achieving a certain return. Therefore, it is important that the customer gets thoroughly acquainted with the risks related to the relevant investment, as the value of the investment may decrease, or in the worst case be lost due to price fluctuations. The services provided by Formuepleje are not covered by any warranty scheme and thus the customer cannot be guaranteed a certain investment result. Furthermore, Formuepleje is not liable for any loss due to force majeure or circumstances outside Formuepleje's control, including loss caused by war, war-like situations, financial crises, or national or international disturbances and natural disasters.

Fees

In connection with securities trading and investment services, commissions are allowed, provided that the purpose is to increase the quality of the investment service received by the customer and that this does not impede Formuepleje's obligation to act in the interest of the customer. If Formuepleje receives any commission in connection with provision of an investment service to the customer, the customer will receive information about the commission beforehand.

Formuepleje receives a fee from the associations with which the company has concluded an agreement on administration, portfolio management and investment advice, including capital and unit associations in the Formuepleje group. The agreement concerns advisory services provided by Formuepleje on where to invest the

associations' funds. Formuepleje does not, however, receive any payment for providing the customer with investment advice. Formuepleje receives an ongoing fee based on the total funds of the investors in the associations.

The associations' fees to Formuepleje appear from the associations' prospectuses, which can be seen at formuepleje.dk.

Complaints

Any complaints must be submitted by letter to Formuepleje's legal department, which is in charge of complaints, at the address Formuepleje A/S, Værkmestergade 25, 8., 8000 Aarhus C, attn. "Klageansvarlig" or by e-mail to klageansvarlig@formuepleje.dk.

Applicable law and venue

Any disputes with the customers about these terms and conditions are settled by Danish law before the courts of Denmark.

About Formuepleje

Formuepleje A/S is a subsidiary of Formuepleje Holding A/S.

The Formuepleje group consists of Formuepleje Holding A/S, Formuepleje A/S, Absalon Capital Fondsmægler-selskab A/S and Absalon Corporate Credit Fondsmægler-selskab A/S, and may be contacted at the address Værkmestergade 25, 8., 8000 Aarhus C, telephone +45 87 46 49 00 or info@formuepleje.dk.

All communications will be in Danish unless otherwise agreed or dictated by circumstances.

Supervisory authority

Formuepleje is under the supervision of The Danish FSA
Århusgade 110
2100 Copenhagen Ø

The Danish FSA oversees compliance with legislation by Formuepleje.

Change of the terms and conditions

The applicable version of Formuepleje's general terms and conditions is available at formuepleje.dk.

