

Formuepleje A/S

GENERAL TERMS AND CONDITIONS //AUGUST 2020

GENERAL TERMS AND CONDITIONS

Scope of application

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

Services offered by Formuepleje

Formuepleje offers its customers investment advice, portfolio management, and trading without advisory services (execution only).

Formuepleje arranges your order in accordance with the "Policy for order execution", which is available on the Company's website, www.formuepleje.dk. Formuepleje arranges orders via a securities dealer which Formuepleje deems able to provide the best possible execution of orders. The list of securities dealers (known as counterparties) is available in the "Policy for order execution".

Information on financial instruments

On www.formuepleje.dk, there is a general description of selected financial instruments' function and expected development in different market conditions, including both positive and negative scenarios, as well as specific risks associated with the relevant financial instruments.

Conflicts of interest

In a customer relationship, conflicts of interest may arise between customers and Formuepleje. To ensure that Formuepleje always acts in the best interests of its customers, Formuepleje has prepared a policy for handling conflicts of interest which aims to identify, manage and inform about conflicts of interest in connection with securities trading and investment advice. Based on the policy, measures have been taken to ensure that no conflicts of interest arise to the detriment of customers. The policy can be found at www.formuepleje.dk/kontakt/governance/

Legal Entity Identifier (LEI)

Legal Entity Identifier (LEI) is an international standard for identification of legal persons (companies). It is a legal requirement for legal persons to acquire a LEI when trading in securities admitted for trading on a European marketplace. Formuepleje can only arrange transactions for legal persons with a LEI code.

Categorisation of customers

The Company is required to categorise its customers into three categories, as described in the executive order on investor protection in connection with securities trading. The three categories are:

- Eligible counterparties (other financial corporations to which the Company provides the following investment services: Reception and arrangement of orders at the investor's expense)
- Professional investment customers (typically very large companies or funds and financial companies to which the Company provides investment advice or discretionary portfolio management)
- Retail customers (all other customers)

The division into three categories is based on objective criteria and affects the level of protection you are entitled to as an investor. That is, what information and advice you are entitled to receive from us.

Retail customers have the highest level of protection, professionals have less protection, and eligible counterparties have very limited protection – as a rule.

As a rule, Formuepleje's customers are categorised as retail customers unless something else has been communicated to, or agreed with, the customer. The customer categorisation is communicated to the customer as part of the customer agreement or in a separate document to the customer.

It is to some extent possible to change the set category. If you wish to change the category you are in, you should contact Formuepleje, although Formuepleje is not required to accommodate your request.

Recategorisation

Retail customers may request categorisation as professional investment customers. As this entails a reduction of the degree of protection, recategorisation can only occur if the customer meets at least two of the following conditions:

- On average, the customer has carried out transactions on the relevant market ten times per quarter for the previous four quarters
- The volume of the customer's portfolio exceeds 500,000 euros
- The customer works or has worked in the financial sector for at least one year in a position that requires knowledge of the transactions or services in question

On its own initiative, in general or ad hoc, Formuepleje may treat a professional investor or eligible counterparty as a retail customer. Furthermore, on the customer's request, the Company may, in general or on an ad-hoc basis, treat an eligible counterparty as a professional investor.

The customer must inform Formuepleje if there are changes in circumstances that may affect its categorisation as a professional investor or eligible counterparty.

Collection and use of information

Pursuant to various rules (e.g. money laundering rules), Formuepleje is required to obtain certain information from customers. This includes information about the customer's name, address and civil registration number (CPR no.) which is documented by a passport, driving license or other photo ID, a health insurance card and information about citizenship. For companies, Formuepleje uses a CRN (CVR no.) and extracts regarding the company's beneficial owners, about whom identity information is also obtained, from the Central Business Register (CVR register).

For use in Formuepleje's statutory tax reports, customers are obligated to state which country or countries they are taxable in. If the customer is taxable in a country other than Denmark, the customer must provide their foreign TIN (Tax Identification Number).

Formuepleje processes information about you, i.a. with the purpose of providing investment advice, customer care, customer administration, internal risk management and marketing, as well as to offer other financial services.

Formuepleje retrieves information from the Danish National Register and other public sources and registries. When Formuepleje requests information from you, the decision to provide this is voluntary. If you do not wish to provide the information, it may mean that Formuepleje cannot advise or otherwise serve you.

Formuepleje is required to store the identity information for a minimum of five years after the customer relationship has ended.

The customer is obligated to provide Formuepleje with the information Formuepleje deems necessary to ensure compliance with obligations relating to the customer relationship or created by law.

For more information about the processing of personal data, refer to Formuepleje's privacy policy, which can be found on the website here: www.formuepleje.dk/privatlivspolitik/

Change of information

Customers are obliged to inform Formuepleje of any changes to the information they provide as soon as possible.

Investment advice

Investment advice refers to personal recommendations to a customer about transactions related to financial instruments. When Formuepleje provides investment advice, Formuepleje obtains the necessary information about the

customer's knowledge and experience in the relevant investment field, as well as the customer's financial situation and investment purposes, so that Formuepleje may advise the customer on what is most appropriate for them based on the information the customer has provided to the Company.

Formuepleje provides investment advice on a non-independent basis, as the advisory services will be based on investment solutions offered by Formuepleje or asset managers with which Formuepleje has close ties.

On the basis on the information above, Formuepleje must ensure that the recommendation or arrangement of a transaction meets the following criteria:

- The customer's investment purposes
- The customer being financially able to bear risks involved in the trade, which are consistent with their investment purposes
- The customer having the experience and knowledge necessary to understand the risks of the investment, including understanding the use of leverage and its effects and the risk of losing the entire investment

When a customer of Formuepleje achieves categorisation as a professional customer, Formuepleje is entitled to assume that the customer has the necessary experience and knowledge to be able to understand the risks of the investment.

Formuepleje will not periodically assess the suitability of the financial instruments recommended to the customer unless this is specifically agreed in the contract with the customer.

Trading without advisory services in investment products with yellow risk labels (execution only)

When Formuepleje only receives and transmits a customer's order without prior investment advice or obtaining information about the customer's knowledge, experience, financial situation or investment purpose, Formuepleje may perform transactions without providing advisory services (execution only).

Trades can only be carried out as execution-only if the relevant conditions have been met in accordance with Section 19 of the executive order on investor protection in connection with securities trading.

If the transaction is completed as execution-only, Formuepleje have not provided personal investment advice or assessed the appropriateness of the investment. Thus, the customer is not covered by the higher level of investor protection which would have been in place if a test of suitability or appropriateness had been performed.

This applies regardless of whether the transaction is carried out by submitting the contract note form from Formuepleje's website or by personal, physical contact.

Trading without advisory services in investment products with red risk labels

When Formuepleje only receives and transmits a customer's order without prior investment advice, Formuepleje requests information from the customer about their knowledge and experience in the investment field relevant to the type of product or service offered or demanded. Based on this information, Formuepleje must assess whether the proposed investment is suitable for the customer. Therefore, along with the submission of the fund order form, the customer must fill in a questionnaire about their knowledge and experience in the investment field.

If, based on the information submitted by the customer, Formuepleje finds that the investment is not suitable for the customer, the customer will be contacted by Formuepleje. However, the customer may request in writing that the transaction is completed despite the warning.

Portfolio management

Portfolio management refers to an agreement between the customer and Formuepleje for Formuepleje to manage the customer's investments in accordance with the customer's investment horizon and risk profile.

Advisory services agreement

An advisory services agreement refers to an agreement between the customer and Formuepleje under which Formuepleje provides investment advice to the customer. In the advisory services agreement, it may be agreed that the customer grants Formuepleje powers of attorney, whereby Formuepleje may buy and sell securities in the customer's deposit on the customer's behalf and by agreement with the customer.

Reporting

Customers who have signed portfolio management agreements or advisory services agreements with Formuepleje receive individual, quarterly reports. Among other things, the report includes an overview of the return the customer has achieved in the period.

No later than the end of the first working day after the day when this limit is exceeded, customers who have entered into portfolio management agreements will receive separate notification when the total value of the portfolio (valued at the beginning of each reporting period) drops by 10% and, subsequently, for every 10% drop.

Customers should review these reports carefully and ensure that the information provided is correct and that the agreed transactions are in accordance with the agreements entered into between Formuepleje and the customer. If the reporting gives rise to any questions or comments, customers must contact Formuepleje immediately. Formuepleje is not responsible for loss or damage that could have been avoided if customers had contacted Formuepleje immediately.

When you trade via Formuepleje

Formuepleje offers its customers personal investment advice, portfolio management and trading without advisory services (execution only).

When Formuepleje receives your order, it is binding, and you cannot change, delete or revoke the order, unless it has yet to be processed.

Formuepleje places your order according to the terms described in the section on "Order types" and in accordance with the "Policy for order execution", which is available on Formuepleje's website.

Order types

Formuepleje offers the following order types:

- Market order without limit
 - Formuepleje chooses the trading venue and the way in which the order should be executed in accordance with the "Policy for order execution". The transactions are made in your name and on your behalf.

When you do not limit your order, there is a risk that you will buy or sell at a price that is different from what you might expect. Some securities have greater volatility than others, and the lower the rate, the greater the fluctuation in percentage if the price falls or rises. If the order is placed outside Formuepleje's normal business hours and the opening hours of the relevant market, there is a greater risk that the price will have changed since you made the decision to trade.

Formuepleje arranges all orders via a securities dealer which Formuepleje deems able to provide the best possible execution of orders. The list of securities dealers (known as counterparties) is available in the "Policy for order execution".

Terms of trade in capital securities and investment units in the Formuepleje funds

On behalf of customers, Formuepleje may arrange the purchase and sale of real estate funds offered by Formuepleje, as well as of capital securities and investment units in the Formuepleje funds. The transactions are processed via Nordea Bank Danmark A/S, which charges a fee of DKK 250. In addition to this, the customer's own bank charges a fee for the transaction.

For the purchase of units with red risk labels, retail customers must also submit a completed questionnaire for use in Formuepleje's assessment of the investment's suitability.

Formuepleje only arranges orders at the request of a customer when they have entered into a portfolio management agreement, granted investment powers of attorney, or completed and signed a contract note form.

Additional information can be found at www.formuepleje.dk.

The customer's settlement of the listed Formuepleje funds can also be carried out via the customer's own bank or online banking.

In connection with securities transactions, the customer receives a contract note from Nordea Bank Danmark A/S. If the transaction is completed via the customer's own bank, the customer receives a contract note from the bank. The customer is obligated to check whether the information on the contract note is correct. If the contract note is not in accordance with what has been agreed, the customer must complain about this to Formuepleje immediately.

If the contract note gives rise to any questions, the customer may contact Formuepleje, who can provide information about the details of the contract note.

Order execution

Once Formuepleje has selected a securities dealer to execute a market order, the relevant securities dealer's rules for trading apply. The individual securities dealers have various options for executing market orders. The selected securities dealer decides on your behalf how these options should be utilised.

Formuepleje wishes to ensure that customers get the best possible results (best execution), in accordance with Formuepleje's "Policy for order execution". As a rule, price (price and costs) is given the highest weighting. However, all the factors that affect the total settlement amount are taken into account:

- Price
- Costs
- Speed
- The size of the order
- Probability of execution
- Liquidity in the market

The customer's specific situation is decisive for determining what the best execution is. Please refer to Formuepleje's most recent "Policy for order execution", which is available on www.formuepleje.dk.

During special market situations, Formuepleje has the right to not execute an order.

Contract note

After completing transactions with capital securities and investment fund units in the Formuepleje funds, customers will receive a note from Nordea Danmark, a branch of Nordea Bank Abp, Finland. Customers will receive contract notes relating to other securities directly from their own banks.

Storage of information

Formuepleje stores documentation of completed transactions, investments and trades for a minimum of five years.

Electronic communication

Formuepleje may provide you with information in electronic form, even if agreement documents, etc. use terms such as "in writing," "by letter", etc.

If the customer wishes to receive information on paper, this can be agreed with Formuepleje.

In connection with entering into a customer relationship with Formuepleje, you will be subjected to the "Terms of electronic mail (e-Boks)", which will always be available on www.formuepleje.dk. You will receive electronic documents from Formuepleje to the same extent and with the same legal effect as post/emails. Among other things, you may receive the following documents in your e-Boks: Trade confirmations, reports, suitability statements, portfolio analyses, investment recommendations, etc.

Recording of telephone conversations and storage of electronic communications

Formuepleje is required to record telephone conversations and store electronic messages on securities transactions. The recordings etc. may serve as evidence of what has been agreed between Formuepleje and customers.

All recordings and other electronic messages will be stored for at least five years and may be disclosed to the relevant authorities.

Reference is also made to the Company's privacy policy, which can be found at www.formuepleje.dk/privatlivspolitik/

Tax conditions

The way in which trading in financial instruments is treated for tax purposes depends on the financial instrument and the funds which are being invested (uncommitted capital, pension funds, corporate scheme, foundations, companies, etc.). Customers are referred to, and encouraged to seek advice on, the tax consequences that customers' trading in financial instruments may have.

Security

Formuepleje may not use customers' portfolios as collateral for loans taken to the benefit of customers or third parties without customers' prior approval. If collateral is used, this will only happen with customers' agreement.

Pricing information

Where appropriate, Formuepleje will provide customers with information on all costs and associated fees, including costs associated with:

- The relevant investment service and any ancillary services.

- The financial instruments recommended or marketed to the customer which are not due to the presence of underlying market risks.

Formuepleje provides information on how costs are payable, including whether certain costs are paid indirectly through third parties.

Formuepleje will summarise information about costs, providing the customer with an overview of the total cost and the total impact on the return on the investment. If the customer requests it, this information can be specified in detail.

The information is made available to the customer at least once a year.

There is a ban on receiving and retaining third-party payment in connection with Formuepleje providing discretionary portfolio management to a customer. If Formuepleje receives such a commission, Formuepleje will be required to repay this to the customer as soon as possible.

Formuepleje may receive and retain third-party payment in connection with Formuepleje providing non-independent investment advice or investment services other than discretionary portfolio management to the customer, if Formuepleje can prove that such a payment improves the quality in accordance with applicable law. Prior to this, the customer must be informed of any third-party payments.

Confidentiality and disclosure of information

Employees of Formuepleje are subject to a duty of confidentiality regarding customers' matters, and may not unlawfully disclose information obtained by them during their work for Formuepleje. Information is only shared with customers' written consent or where Formuepleje is entitled or required to do so.

Formuepleje discloses information about customers if this is necessary to fulfil the agreements that Formuepleje has entered with customers. For example, in connection with the settlement of securities transactions, Formuepleje discloses the information required to identify the customer. Information is also disclosed to public authorities to the extent that this is required by law.

Reference is made to the guidelines for disclosure of confidential information, which can be found at www.formuepleje.dk/kontakt/governance/

Responsibility, risk and force majeure

Formuepleje's management of customers' funds takes place at the customers' expense and risk, including the risk of customers suffering losses. Formuepleje cannot be made liable for price developments in securities which Formuepleje has acquired on customers' behalf, just as Formuepleje is not responsible for obtaining a specific

level of return. Therefore, it is important that customers familiarise themselves with the risks associated with the investment in question, as the value of the investment may drop or, at worst, be lost as a result of price fluctuations. The services provided by Formuepleje are not covered by a warranty, and customers will not be guaranteed a particular result from an investment.

In addition, Formuepleje is not liable for any loss due to force majeure or circumstances beyond Formuepleje's control, including losses caused by war, warlike conditions, financial crises, national or international unrest and natural disasters.

Depositor and investor guarantee scheme

Formuepleje is part of the guarantee scheme under the Consolidation Act on a Depositor and Investor Guarantee Scheme. Information about the guarantee scheme can be found on the guarantee scheme's website, www.fs.dk.

Complaints

Any complaints can be addressed to Formuepleje's legal department in writing. Inquiries can be made by letter to Formuepleje A/S, Værkmestergade 25, 8th floor, 8000 Aarhus C, att.: "Klageansvarlig" or via email to klageansvarlig@formuepleje.dk.

Choice of law and venue

Legal disputes with 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, and part of the Formuepleje group, which also includes the Company Absalon Corporate Credit Fondsmæglerselskab A/S.

Company address: Værkmestergade 25, 8th floor, 8000 Aarhus C, telephone 87 46 49 00 or info@formuepleje.dk.

Communication takes place in Danish, unless otherwise agreed or dictated by the circumstances.

Supervisory authority

Formuepleje is under the supervision of:
Finanstilsynet A/S
Århusgade 110
2100 Copenhagen, Denmark

Finanstilsynet (the Danish FSA) monitors Formuepleje's compliance with applicable legislation.

Changes to the Terms and Conditions

The up-to-date version of Formuepleje's general terms and conditions can be found at www.formuepleje.dk/kontakt/governance/.

