

Negotiated rebates Policy

Updated on October 21th 2022

Regulatory Reminder

According to Article 29 of the UCITS V Directive on safeguarding the interests of UCITS:

« Member States shall ensure that management companies are not regarded as acting honestly, fairly and professionally in accordance with the best interests of the UCITS if, in relation to the activities of investment management and administration to the UCITS, they pay or are paid any fee or commission, or provide or are provided with any non-monetary benefit, other than the following: [...]

b) a fee, commission or non-monetary benefit paid or provided to or by a third party or a person acting on behalf of a third party, where the following conditions are satisfied:

(i) the existence, nature and amount of the fee, commission or benefit, or, where the amount cannot be ascertained, the method of calculating that amount, must be clearly disclosed to the UCITS in a manner that is comprehensive, accurate and understandable, prior to the provision of the relevant service;

ii) the payment of the fee or commission or the provision of the non-monetary benefit must be designed to enhance the quality of the relevant service to the client and not impair compliance with the firm's duty to act in the best interests of the UCITS; [...]"

Thus, pursuant to answer 1 of Section XII "Costs and fees" of the ESMA FAQ 34-43-392 in its version of 20 July 2022, any negotiated rebate granted to a UCITS holder must comply with the provisions of b) of the aforementioned Article 29.

Negotiated rebates Policy of Moneta Asset Management

Under commercial agreements, negotiated rebates (the "**Rebate**") may be granted to certain investors on the management fees of a Moneta Asset Management fund in which they are invested or wish to invest. The Rebate is granted on a case-by-case basis. Moneta Asset Management does not guarantee the granting of a rebate to an investor who requests it.

The Rebate will be calculated and payable usually on a quarterly basis. The amount of the rebate for each fund for each period will generally be calculated according to the following formula

La Remise sera calculée et payable habituellement trimestriellement. Le montant de la remise pour chaque OPC pour chaque période sera généralement calculé selon la formule suivante :

Rebate : $E \cdot T \cdot (N_b / N)$

E = Outstanding amount on the last day of the month,

T = Retrocession rate,

N_b = Period considered in number of months,

N = Calendar year in number of months

We consider that the negotiated rebates that the management company grants to investors improve the quality of the collective management service provided to the holders of our funds. In fact, only new investments with a minimum threshold may give rise to the conclusion of new negotiated rebate agreements. This is not detrimental to the fundholder community and allows the fund to benefit from larger management assets and, for example, to reduce the fixed costs of the fund.

In order to ensure that the existence of these rebates is not to the detriment of the community of unitholders, Moneta Asset Management shall not grant a rebate to a unitholder which would result in the latter bearing lower management fees net of the rebate than those of the unit with the lowest management fees. Any derogation from this principle shall be validated by the Management and mentioned in an appendix to this Policy.