GemCap

Gemini Capital Management (Ireland) Limited

Remuneration Policy

Dated 21 December 2016

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1. Background

Directive 2009/65/EC as amended by Directive 2014/91/EU on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferble securities as regards depositary functions, remuneration policies and sanctions ("**UCITS V**") and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 as amended by the European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016 requires Gemini Capital Management (Ireland) Limited (the "**Company**") to have in place remuneration policies and practices for those certain categories of staff of the Company whose professional activies have a material impact on the risk profile of the UCITS under management (the "**Identified Staff**"). This remuneration policy (the "**Policy**") takes into account of the European Securities Markets Authority ("**ESMA**") Consultation Paper "Guidelines on sound remuneration policies under the UCITS V Directive" (the "**Consultation Paper**") and ESMA's Guidelines on sound remuneration policies under the UCITS Directive and AIFMD which were subsequently published on 31 March 2016 (the "**Guidelines**").

2. Objective

The objective of the remuneration requirements is to ensure that UCITS management companies such as the Company have in place remuneration policies that:

i. are consistent with and promote sound and effective risk management principles to ensure common, uniform and consistent application of the provisions on remuneration in UCITS V;
ii. ensure that practices do not encourage excessive risk taking as compared to the investment policy of the relevant UCITS, the risk profile of the fund rules which govern the relevant UCITS and to act in the best interest of clients and to develop, implement and maintain a culture of ensuring the client's best interests are met;
iii. are in line with the business strategy, objectives, values and interests of the Company; and
iv. enable the Company to align the interests of the UCITS and their investors with those of the "Identified Staff" that manages such UCITS, and to achieve and maintain a sound financial situation.

This Policy together with an implementation process and ongoing monitoring is a tool which the Company uses to implement and comply with best practice and to eliminate and mitigate against behaviours which could lead to failing to act in the client's best interest.

3. Governance

The board of directors of the Company (the "**Board**") as the Company's management body will have overall responsibility for the Policy. The design and implementation of the Policy shall be the responsibility of the Board and shall include input from the relevant control functions, where relevant.

The Board shall review and approve this Policy at least annually or more frequently where required.

4. Identified Staff

ESMA's Guidelines require that the Policy apply to certain "Identified Staff" as defined in UCITS V including but not limited to:

i. executive and non-executive members of the management body of the management company e.g. CEO, directors, executive and non-executive partners;
ii. senior management;
iii. those in control functions (other than senior management) responsible for risk management, compliance, internal audit and similar functions within the Company;
iv. any staff responsible for heading the investment management, administration, marketing or human resources (as applicable);
v. risk takers – staff who can exert material influence on the management company or on the UCITS it manages;
vi. staff whose total remuneration takes them into the bracket of senior management and risk takers, whose professional activities have a material impact on the management company's risk position or those of the UCITS it manages; and
vii. categories of staff of the entities to which investment management (including risk management) activities have been delegated whose professional activities have a material impact on the management company's risk position or those of the UCITS it manages.

5. Forms of Remuneration

UCITS V defines the forms of payments or benefits which fall within the category of remuneration. These are further described in ESMA's Guidelines to include:

i. all forms of payments or benefits paid by the management company;
ii. any amount paid by the UCITS itself, including any portion of performance fees that are paid directly or indirectly for the benefit of Identified Staff;
iii. any transfer of units or shares of the UCITS, in exchange for professional services rendered by the management company's Identified Staff;
iv. payments (excluding reimbursements of costs and expenses) paid directly by the UCITS to the management company for the benefit of the relevant categories of Identified Staff, or directly by the UCITS to the relevant categories of Identified Staff, for professional services rendered;
v. variable and fixed portions of remuneration;
vi. cash, shares, options, pension benefits, discounts, fringe benefits or special allowances of car, mobile phone;
vii. retention bonus;
viii. cancellation of loans to staff members at dismissal;
ix. golden parachute payments / termination payments; and
x. all other forms of payments and benefits and payments made indirectly to Identified Staff (e.g. the setting up of vehicles or methods through which remuneration is paid in the form of dividends or similar pay outs and non-monetary material benefits awarded as incentive mechanisms linked to performance).

Ancillary payments or benefits that are part of a general, non-discretionary, management company-wide policy and pose no incentive effects in terms of risk assumption can be excluded from the categories of remuneration.

6. Proportionality

UCITS V allows the application of the proportionality principle in a way and to an extent that is appropriate to the size, nature, internal organisation, scope and complexity of the management company.

In assessing proportionality the Company will consider the following:

i. Size;
ii. Value of the Company's capital;
iii. AUM of the UCITS;
iv. Number of staff;
v. Liabilities of the Company and UCITS;
vi. Number of branches;
vii. Risk appetite/exposures;
viii. Internal organisation and legal structure of the Company and UCITS;
ix. Listing on regulated markets of the Company or the UCITS;
x. Where aggregate set of UCITS leads the UCITS to become more complex or systemically important;
xi. Nature, scope and complexity;
xii. Authorisation in place;
xiii. Investment policies and strategies managed;
xiv. National or cross border/EU vs Non-EU;
xv. Management of multiple product types;
xvi. Identified Staff;
xvii. Percentage of variable vs fixed remuneration;
xviii. Size of obligations they may undertake.

In terms of the requirement to establish a remuneration committee, the Company will consider the above criteria. ESMA's Guidelines provide examples of management companies which may not need to establish a remuneration committee, for instance, where the AUM of the UCITS under management does not exceed EUR 1.25 billion and not having more than 50 employees, including those dedicated to the management of alternative investment funds and the provision of services mentioned under Article 6(3) of UCITS V. ESMA's Guidelines provide that management companies which fall outside of the examples provided, should not automatically be required to set up a remuneration committee. For this purpose, a management company that is above the aforementioned threshold should be considered significant in terms of its size. In order to decide whether or not a remuneration committee should be established, it will need to assess whether or not it is significant in terms of its internal organisation and the nature, scope and complexity of its activities.

ESMA's Guidelines do not include guidance on the possibility of disappying certain specific requirements on the pay-out process rules (i.e the requirements on variable remuneration in instruments, retention, deferral and ex post incorporation of risk for variable remuneration and where it is possible to apply lower thresholds whenever minimum quantitative thresholds are set for the pay-out requirements, e.g., the requirement to defer at least 40% variable remuneration).

ESMA considers that these scenarios should remain possible in certain situations and has written a letter to the European Commission, European Council and European Parliament on 31 March 2016 seeking further legal clarity on the application of the principle of proportionality to the disapplication of the pay-out process requirements.

The Company awaits further clarification in relation to disapplication of the pay-out process rules which is also of relevance to those entities to which the performance of investment management of the Company has been delegated as identified under Section 8. Delegation. ESMA as indicated to the European institutions that there might be cases where the application of the payout process rules to the staff of the delegate would not be proportionate. It has highlighted to the European institutions that there is also a risk that the unwillingness of delegates outside the EEA to be subject to some requirements they consider disproportionate, could prevent access of management companies to certain investment strategies.

7. Assessment

The Company is a UCITS Management Company and has 1 umbrella structure under management, namely Gemini Investment Funds plc (the "**UCITS**"), with twelve sub-funds, namely:

i. AHFM Defined Returns Fund;
ii. AHFM US Enhanced Equity Fund;
iii. GSI Global Diversified Value Fund
iv. London & Capital Global Balanced Fixed Income Fund;
v. London & Capital Global Conservative Fixed Income Fund;
vi. London & Capital Global Defensive Equity Fund;
vii. London & Capital Global Emerging Markets Equity Fund;
viii. London & Capital Global Growth Fixed Income Fund;
ix. London & Capital Global Star Equity Fund;
x. London & Capital UK Star Equity Fund;
xi. Principal Asset Allocation Fund; and
xii. Sabre Global Value and Income Fund.

(each a "**Fund**" and together the "**Funds**").

The Funds' investment objectives and activities are set out in its Prospectus and are considered by the Board to be non-complex.

The Company operates a delegated portfolio management model and as such has no portfolio manager employees.

The Company receives a commercially negotiated fixed management fee from each Fund and as at 21 December 2016 receives no performance fee out of the assets of the Funds.

As at 31 October 2016, the UCITS had AUM of GBP£600m.

The Company has determined that the following persons would fall into the category of "Identified Staff":

i. members of the Board;
ii. the designated persons responsible for the Company's managerial functions;
iii. the money laundering reporting officer ("**MLRO**");
iv. the Compliance Officer; and
v. Head of Legal,

The persons in (i) to (iv) inclusive above are identified in the Company's Business Plan. The Head of Legal is Orla Quigley.

All members of the Board receive a fixed fee set at industry standard and are re-imbursed for appropriate expenses associated with their role as outlined in each director's letter of engagement.

On the basis that none of the directors, the designated persons, the MLRO or the Compliance Officer receive any element of variable payment, they fall outside the scope of the application of the pay-out process requirements referred to under Section. 6 Proportionality above.

The Board will keep the requirement to establish a remuneration committee under close review in light of the threshold set out in ESMA's Guidelines included under Section 6. Proportionality above. Taking into account the above factors, the Board considers that in light of its internal organisation and the nature, scope and complexity of its activities that it is currently appropriate to disapply this requirement.

8. Delegation

ESMA's Guidelines require that entities to which investment management (including risk management) are delegated, are subject to the requirements on remuneration in a manner which is proportionate as outlined above. Alternatively, the Company shall ensure that any delegate must be subject to equivalent remuneration rules in their home state or have in place documented contractual arrangements in order to ensure that there is no circumvention of the remuneration rules.

The investment managers appointed by the Company, and listed below, will provide confirmation on at least an annual basis that they are each subject to equivalent remuneration rules:

i. Atlantic House Fund Management Limited;
ii. Global Systematic Investors LLP;
iii. London & Capital Asset Management Limited;
iv. Mansard Capital Management Limited; and
v. Sabre Fund Management Limited.

When appointing delegates, agents or service providers external to the Company in connection with the Company's performance of investment management activities on behalf of a UCITS, due consideration will be given to ensuring that none of the Identified Staff have any material interest in or are in any way linked to such third parties. Where such a link or interest is identified, the Board will review the arrangements in accordance with the Company's policy on conflicts of interest but will also give consideration to ensuring that any such arrangements proposed to be entered into are not incompatible with, or could not be seen to be circumventing, the remuneration requirements under UCITS V. Members of the Board who may be affected by proposals concerning remuneration or the application of this Policy or proposed amendments to it will be required to abstain from voting on such proposals.

9. Monitoring

The Board will review the Policy and the implementation of procedures on an annual basis for the Company. The annual review of the Policy is intended to ensure the effectiveness of the Policy and the effectiveness of any policy and arrangements in place with any of the Company's delegates. The annual review will also consider the implementation of the Policy for compliance with regulatory requirements and that it operates as intended (in particular, that all agreed plans/programmes are being covered; that the remuneration pay-outs are appropriate, and that the risk profile and long-term objectives and goals of the Company are adequately reflected).

Where periodic reviews reveal that the remuneration system does not operate as intended or prescribed, the Board will ensure that a timely remedial plan is put in place.

Additionally, the Board will request at least annual assurance from relevant delegates that the remuneration arrangements in place within their companies are equivalent and that the implementation of the remuneration arrangements is in compliance with regulatory requirements. In order to avoid conflicts of interest monitoring should not be carried out by an individual subject to the same scheme.

10. Disclosure

The Company will comply with the disclosure requirements set out in ESMA's Guidelines and ESMA's Q&A on the application of UCITS V (the "**ESMA Q&A**") to include the annual reports, KIIDs, prospectus and this Policy.

Any Identified Staff shall be informed of the criteria associated with variable remuneration (as appropriate).

11. Effective Date

UCITS V requires the Company to have a remuneration policy in place on the March 18, 2016. The ESMA Q&A clarifies that management companies should make available on a relevant website the additional information about the management company's remuneration arrangements (i.e. this Policy) as soon as it becomes available. The ESMA Guidelines are effective from 1 January 2017. The Company awaits further guidance on the application of the principle of proportionality to the disapplication of the pay-out process rules as described under Section 6. Proportionality above.