

TRANSPARENCY REPORT 2016

L'Alliance Révision S.à r.l.

Cabinet de révision agréé
(the "*Firm*")

ALLIANCE

A MEMBER OF
 **PrimeGlobal**

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I. Legal Structure and Share Capital

L'Alliance Révision S.à r.l. was incorporated in 1994 in Luxembourg as a Société à responsabilité limitée. Its entire share capital is held by L'Alliance S.A., a company incorporated in Luxembourg.

Both entities are duly authorised by the Luxembourg financial supervisory body (CSSF) as Cabinet de Réviseur d'entreprises agréés. L'Alliance S.A. does not carry any professional activity as its main purpose is the holding of shares of L'Alliance Révision S.à r.l.

The ultimate shareholder is Mr. Bishen Jacmohone, Réviseur d'entreprises agréé.

II. Activities

The main activities of L'Alliance Révision S.à r.l. is the provision of auditing and tax compliance services.

The Firm is small in size and is made up of 16 staff including the sole partner. Most of our staff are experienced and are professionally qualified.

Our experienced staff consists of Réviseurs d'entreprises agréés, qualified members of the Association of Chartered Certified Accountants (ACCA) and OEC Luxembourg, experienced accountants, tax advisors and university graduates who are also following other professional courses.

Our Firm is proactive, pragmatic and multidisciplinary and always attentive to the services requested by clients.

Our Values are:

- to be ethical so that we are irreproachable in our actions and professional behaviour;
- to allow each one of us to express and to develop his or her potential and to derive the maximum pleasure at the same time;
- to respect our professional engagements;
- to be open minded so as to accept differences and to show intellectual curiosity;
- to show solidarity where individual staff are fully involved in the development of the Firm.

III. International Association

PrimeGlobal is one of the largest Association of Independent Accounting firms in the world following the merger of Igaf Worldwide and Polaris International.

PrimeGlobal member firms offer a powerful range of services and industry expertise to meet the needs of clients around the globe. The range of services provided are accounting, auditing internal auditing, tax advice and tax compliance, corporate finance and advisory and wealth management.

Global Regions : The legal structure of PrimeGlobal

PrimeGlobal is a not-for-profit association registered in Delaware, U.S.A.

As a global entity, PrimeGlobal exists solely to coordinate communication among the independent member firms of its four autonomous regional members. The four autonomous regional members of PrimeGlobal are: PrimeGlobal North America, PrimeGlobal Europe, PrimeGlobal Asia Pacific and PrimeGlobal Latin America and the Caribbean.

L'Alliance Révision S.à r.l. membership falls under the European regions.

PrimeGlobal Europe Limited is a company limited by guarantee and registered in the United Kingdom. It provides membership services to its members. It asserts no control over or takes no responsibility for the actions of the individual independent member firm.

The main advantages of being a member of PrimeGlobal are: financial independence, providing services by small to medium practices coming from opportunities on an international scale, obtain professional support and assistance.

PrimeGlobal offers a three-pronged approach to help member firms improve operations and increase profitability.

Benchmarking - the available tools provide members firms with peer review services, practice management roundtables and Peer Request System.

Education and Training: PrimeGlobal face to face events provide high quality continuing Professional Education experience on critical issues.

PrimeGlobal firms providing auditing services have to abide by the code of Ethics issued by IFAC and ensure compliance with applicable rules and law and ensure implementing procedures to company with ISQC I.

IV. Governance and Organisation of the Firm

The management of the Firm is under the responsibility of the experienced Sole Partner assisted by a team of experienced senior managers.

Certain tasks are allocated to members of the team in accordance with their level of technical experiences. These specific tasks which are allocated are internal accounting, office administration, training and human resource, anti-money laundering, quality control, risk assessment and management.

The Sole Partner has also a responsibility to ensure that the Firm's values are respected, and ensure that the tasks allocated are properly carried out.

V. Internal Quality Control

The Firm has implemented ISQC I to ensure that the following matters are covered:

- the role and responsibility of the person in charge of quality control within the Firm;
- Ethical codes, and independence;
- client acceptance and reappointment;
- human resource and training;
- Audit mission in accordance with International Standards on Auditing;
- assistance from external experts and technical consultations;
- quality control review on files;
- complying with quality control (internal and external).

The Firm has produced written procedures regarding the implementation and follow up of quality control systems. These procedures are communicated to all members of staff.

Legal and Contractual Audit Assurance

The Firm ensures compliance with International Standards on Auditing and applicable legal requirements. This ensures that each audit mission is organized so that work carried out is controlled and supervised by the senior managers and partner.

Steps are taken to ensure:

- procedures cover client acceptance;
- Public Interest Entity clients;
- organisation and planning of the mission;
- internal control review;
- audit review of accounts;
- communication with management;
- issue of opinion;
- evidence of sign off by Partner.

For certain types of clients quality control review on the files are required before the issue of the audit report.

It is recommended that this review is carried out independently by a senior manager or partner not involved on the file. Due to size of the Firm and depending on the nature of the audit file, it is foreseen to have an external reviewer to carry out the quality control review of the file.

This review ensures that files are well kept and documented with tests carried out, conclusions noted and upon which audit opinion is based.

L'Alliance Révision S.à r.l. also complies with the audit partner rotation requirements of the code of the International Ethics Standards Board of Accountants (IESBA) as approved for Luxembourg by the Commission de Surveillance du Secteur Financier (CSSF) where required.

VI. Quality Control Monitoring

The *Commission de Surveillance du Secteur Financier* ("CSSF"), which is our audit supervisory body, have carried out a monitoring visit during the year 2015.

VII. List of Public Interest Entity Clients

In order to comply with the recommendations, a list of audit clients where we carried out legal audit on the annual accounts for the 12 months period ending on 31st December 2016 are given below.

All clients listed below are unregulated securitization entities subject to the Luxembourg law of March 2004.

These entities issue debts or bonds or loan notes and these financial instruments are listed mainly in Luxembourg and Republic of Ireland and United Kingdom.

<u>Public Interest Entities</u>	<u>Regulated Market - Stock Exchange</u>
Axius European CLO S.A.	Irish Stock Exchange
Epic (Premier) SA	Irish Stock Exchange
European Enhanced Loan Fund S.A.	Irish Stock Exchange
Gateway III Euro CLO S.A.	Irish Stock Exchange
Gateway IV - Euro CLO S.A.	Irish Stock Exchange
GSC European CDO I-R S.A.	Irish Stock Exchange
GSC European CDO II S.A.	Irish Stock Exchange
Harvest CLO I S.A.	Irish Stock Exchange
Harvest CLO II S.A.	Irish Stock Exchange
Petrusse European CLO S.A.	Bourse de Luxembourg
RSHB Capital S.A.	Irish Stock Exchange
Theseus European CLO S.A.	Irish Stock Exchange

VIII. Independence

In accordance with our ethical code, we implement procedures which ensure that the principles concerning independence with matters regarding client acceptance and reappointment.

There are several procedures which are observed:

- prior to acceptance a questionnaire is completed;
- for each assignment, audit team members declare their independence and such information is kept in the audit permanent file. An update is done every year.
- We perform a verification of ratio of turnover of each client over total turnover of the Firm to ensure that the ratio is below 15%.
- Referrals from PrimeGlobal are monitored to ensure that non audit services have not been carried out by other member firm for entities belonging to same group.

IX. Training and Continuing Development Program

The Firm ensures that adequate training courses given by external providers are followed by staff to ensure that staff benefits from the latest information to improve their competence with regard to the assignments they carry out.

A training plan is done every year to ensure the required minimum CPD hours – 120 hours - over period of 3 years – is followed by the technical staff.

Other training materials, electronic documentations and books are also available inhouse and these are kept in a separate library.

Technical materials cover a wide range of subjects, appropriate to the services and these include auditing and accounting professional standards, internal manual, tax and VAT, and ethical guidelines.

X. Financials

Total Turnover of the Firm

2016

EUR
000s
1.960

Turnover

Breakdown by Class of Service

Statutory Audit

26,0%

Other assurances services

23,9%

Tax Compliance

41,3%

Other Services

8,8%

XI. Remuneration

The basis for the remunerations of the Sole Partner and Senior Managers are made up of:

- annual fix salary;
- bonus based on performance;
- benefits in kind.

Management Declaration

In compliance with Article 13 of the Regulation (EU) n°537/2014, the Sole Partner certifies that the information communicated in the transparency report shows the internal organisation of the Firm.

The Sole Partner acknowledges his commitment to implement management quality systems and to ensure applications and follow up of recommendations for improvement.

The Sole Partner confirms:

- the existence and efficient implementation of an internal quality control;
- the ethical code and procedures conferring independence implemented in the Firm is subject to a regular internal verification;
- the training and CPD programs within the Firm is in compliance with Article 10 of the Law of 23rd July 2016 on the audit profession and the professional recommendations.

Luxembourg, **31 March 2017**

Bishen Jacmohone
Réviseur d'entreprises agréé

Managing Partner of
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