

**Item 1 - Cover Page**



**Fondsmaeglerselskabet Maj Invest A/S  
Form ADV Part 2A – Disclosure Brochure  
March 22, 2017**

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This brochure provides information about the qualifications and business practices of Fondsmaeglerselskabet Maj Invest A/S, d/b/a Maj Invest Asset Management Fondsmaeglerselskab A/S (“Maj Invest” or “We”). If you have any questions about the contents of this brochure, please contact Maj Invest via phone at 0045 33387300, or via email at [contact@majinvest.com](mailto:contact@majinvest.com).

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. Additional information about Maj Invest is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Maj Invest is registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Please note: such registration does not imply a certain level of skill or training.

## **Item 2 - Material Changes**

This Item 2 includes only those changes deemed to be material by Maj Invest from the date of its last brochure, which was filed on June 16, 2017. Since the date of that brochure, we have:

- Updated assets under management as of December 31, 2017 in **Item 4 - Advisory Business**; and
- Updated **Item 12 - Brokerage Practices - Soft dollars** to clarify our policies with respect to soft dollar commissions and the impact of the European Union's recently implemented package of reforms to the Markets in Financial Instruments Directive (Directive 2004/39/EC) (collectively referred to as ("MiFID II").

Maj Invest has also made other non-material additions, changes, clarifications and elaborations throughout the brochure.

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## **Item 4 - Advisory Business**

### *Our Organisation*

Maj Invest is a public limited company incorporated under the laws of Denmark, with its principal office and place of business in Copenhagen. Maj Invest is a wholly-owned subsidiary of Maj Invest Holding A/S (“Maj Invest Holding”) and a part of the Maj Invest group. The Maj Invest group was established in 2005. Today management and employees own approximately 94% (including treasury shares) and one outside investor owns approximately 6% of Maj Invest indirectly through Maj Invest Holding. Jeppe Christiansen, CEO of Maj Invest, indirectly owns 25% or more of the economic interests in Maj Invest. As of December 31, 2017, worldwide Maj Invest managed \$10,458,159,958 in client assets on a discretionary basis and \$1,183,029,802 in client assets on a non-discretionary basis.

Maj Invest is affiliated with Maj Bank A/S, Maj Invest Equity A/S, Maj Invest Vietnam Management Consultancy LLC, Maj Invest Singapore Private Limited, Maj Invest South America S.A., Management Equity Vietnam I ApS, Danish Microfinance Partners Management ApS and MIFIF III GP ApS. The latter seven are related to Maj Invest’s private equity activity and do not advise any clients with United States investors at present.

### *Our Advisory Service*

Maj Invest globally offers discretionary and non-discretionary investment management to clients on a separate account and commingled fund basis. Maj Invest may act either as the adviser or as the sub-adviser to its clients’ investment portfolios. Maj Invest’s only product available to United States-based investors at present is SEI Institutional Investments Trust - World Select Equity Fund (the “SEI Account”), an open-end investment management company (mutual fund) registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”), for which we have entered into an agreement to serve as sub-adviser. Throughout this brochure we refer to the investment activity of and advisory services provided by Maj Invest. The reader of this brochure should understand any reference to these activities and services provided by Maj Invest to include activities and services provided to clients globally, except when a statement in this brochure explicitly relates only to those activities and services provided for clients to whom we provide this brochure or clients within the U.S.; or when a statement in this brochure explicitly relates only to services provided to clients not within the U.S.

We may agree with a client to tailor our investment management services to the individual needs of that client. We will work with our clients to tailor a specific investment mandate based on their specific needs. This tailoring may include restrictions on investing in certain securities or types of securities at the request of a client. This includes, but is not limited to:

- benchmark targets;
- investment restrictions;
- liquidity issues;
- types of securities traded.

### *Global Value Equity*

As of this date of this disclosure brochure, the only investment strategy we offer to clients to whom we provide this brochure is our global value equity strategy.

A “value” style of investing emphasizes investing in companies that currently have low or depressed valuations, but which also have the prospect of achieving improved valuations in the future. Maj Invest seeks to achieve minimum long-term rate of return by investing in securities priced at a discount to its estimates of the securities’ intrinsic value. A portfolio managed using this strategy will generally be comprised of securities identified through an individual security selection process based on fundamental research. The team’s value-oriented philosophy is described in greater detail under Item 8 (“Methods of Analysis, Investment Strategies and Risk of Loss”) below.

Maj Invest’s global value equity strategy operates by investing in a range of securities and asset classes from markets around the world. The strategy’s geographic focus is both securities of issuers from developing countries and securities of issuers from developed countries. Asset classes include publicly-listed common and preferred equities, including ADRs. The strategy may invest in securities denominated in U.S. dollars or in foreign currencies. This strategy does not invest in derivatives and other financial instruments.

### *Investment Management Portfolios and Pooled Investment Funds*

Maj Invest currently advises four global value equities sub-funds not offered in the United States: Maj Invest Value Aktier and Maj Invest Value Aktier AKK, both of which are Danish registered mutual funds; and Maj Invest Global Value Equities A and Maj Invest Global Value Equities I, both of which are Luxembourg registered mutual funds. Maj Invest currently acts as adviser for several mutual funds not offered in the United States, including a UCITS fund registered in Denmark and a UCITS fund registered in Luxembourg. Maj Invest currently also advises other sub-funds that are not offered for the United States market at present and which pursue other investment strategies.

### *Client Accounts*

Maj Invest globally manages client accounts on both a discretionary and non-discretionary basis. Maj Invest manages each fund or sub-fund in accordance with its written investment objectives, strategies and guidelines, as disclosed in such fund’s offering memorandum or other disclosure document. Maj Invest manages other advisory clients’ assets based on the individual needs of the client, which the written investment objectives and guidelines set forth in the client’s advisory agreement or other agreement will state.

Maj Invest cannot guarantee or assure clients that their investment objective(s) will be achieved. Maj Invest does not guarantee the future performance of any client’s account, or any specific level of performance, or the success of any investment decision or strategy that it may use, or the success of the overall management of any account. Maj Invest does not guarantee any client portfolio against loss.

The investment decisions that Maj Invest makes for client accounts are subject to various market, currency, economic, political and business risks, and the risk that investment decisions will not always be profitable. Many of those risks are discussed in Item 8 (“Methods of Analysis, Investment Strategies and Risk of Loss”), which all prospective investors should review carefully before deciding to engage Maj Invest’s services.

Since Maj Invest’s investment services focus on securities markets globally, including emerging markets, the services may not constitute a complete or balanced investment program. They should represent only part of an investor’s portfolio.

Maj Invest provides limited market and portfolio information and commentaries on its website. These materials are not intended to constitute investment advice.

Maj Invest does not participate in wrap fee programs at present.

### **Item 5 - Fees and Compensation**

Maj Invest in general receives fees and compensation in four forms for funds it manages or advises outside of the United States: management fees, fixed fees, commissions and performance-based fees. However for services offered in the United States, we expect fees will be only in the form of management fees.

#### *Management Fees*

We receive management fees for our investment advisory services. For each client, Maj Invest receives management fees as compensation pursuant to a written investment advisory agreement. Clients generally pay these fees based upon a percentage of assets under management.

Fees may accrue daily and generally are payable monthly in arrears, although these details depend on the fee negotiation with the client. Maj Invest and the client may agree to fee caps and other expense limitations. For services we offer to clients to whom we provide this brochure, we expect a client will pay fees upon an invoice we send to that client although Maj Invest reserves the right to enter into arrangements to have fees deducted directly from an account.

Fees may vary depending upon the amount of assets we manage for a particular client and the level of services that client requires. A fee structure may vary depending on the client preference.

#### *Our standard management fee schedule*

Separate Accounts:

First 50m USD	0.60%
Next 150m USD	0.55%
Next 200m USD	0.50%
Next 200m USD	0.45%
Thereafter	0.45%

*Minimum Account Fees*

All separate accounts are subject to a minimum fee of \$300,000 per year.

*Payment Mechanics*

In most cases, we invoice clients for the management fee on a quarterly basis in arrears. Clients pay this fee within 30 days of the client's receipt of the invoice.

There are many ways to structure the mechanics of fee payment. We will discuss the payment mechanics and agree on the specific billing protocol at the outset of the relationship, including the valuation of the assets upon which the fee will be based.

*Other Fees and Expenses*

In addition to management or advisory fees payable to us, a client will pay brokerage and other transaction costs and certain other fees and expenses. You can read more about our brokerage practices in Item 12.

The following list of fees and expenses are what a client may bear or pay to third parties or service providers in connection with the management of its account. The client may bear these fees and expenses whether a security is being purchased, sold or held in the client's account(s) under our management. These fees, including commissions, and expenses to other service providers are in addition to Maj Invest's management fee; the relevant account pays these to other parties, and Maj Invest does not receive, directly or indirectly, any portion of these amounts. The fees and expenses to third parties and service providers may include, but are not limited to, the following:

- brokerage commissions, and other fees and taxes charged by broker-dealers and other counterparties in connection with effecting client transactions;
- transaction fees and costs;
- sales charges;
- exchange fees;
- wire transfer and electronic funding fees;
- foreign investment license fees;
- SEC and other regulatory fees;
- administrative fees, including printing fees;
- advisory fees and administrative fees charged by mutual funds or exchange traded funds;
- advisory fees charged by advisors, if we are sub-advisers, if any;
- custodial fees;

- odd-lot differentials;
- taxes, including transfer taxes;
- wire transfer and electronic fund processing fees; and
- mark-ups or mark-downs on securities transactions.

In addition, we do not have any employees that receive direct or indirect compensation from the sale of securities or other investments that we purchase or sell for a client's account, such as asset-based sales charges or service fees from the sale of mutual funds. We do not receive any compensation, either directly or indirectly, other than the amount that will be invoiced for management or advisory fees and for performance-based fees, as applicable.

#### **Item 6 - Performance-Based Fees and Side-By-Side Management**

Maj Invest does not receive performance-based fees from any clients to whom we provide this brochure. However, Maj Invest may receive a portion of profits an account realizes with respect to certain other accounts, including those for accounts for which it also receives a management fee. Any performance-based fees are pursuant to the account's governing documents or a written investment advisory agreement.

Maj Invest's policies and procedures require that it make investment decisions based on the best interests of the client, without consideration of Maj Invest's pecuniary interests. Providing advisory services to clients, some of which bear performance-based fees and some of which do not, creates conflicts of interest, including that Maj Invest has an incentive to favor one account over another. Performance-based arrangements also create an incentive to recommend investments that are riskier or more speculative than those that Maj Invest would recommend under a different fee arrangement.

To address these conflicts, Maj Invest has implemented policies and procedures that govern the allocation of transactions and investment opportunities across accounts. See "Allocation of Investment Opportunities" under Item 11 below.

#### **Item 7 - Types of Clients**

Although we have not done so to date, we may in the future provide investment management services to United States institutional clients, who may include, but are not limited to:

- banks or thrift institutions;
- investment companies;
- private and public retirement funds;
- unions;
- endowments;
- foundations;
- trusts;
- estates;
- charitable organizations;
- insurance companies;



- corporations; and
- other business entities.

In addition, we have entered into an agreement to act as sub-advisor to the SEI Account and may in the future provide investment management services to other mutual fund sponsors on a sub-advisory basis. As part of any other sub-advisory arrangements, we may participate in selected wrap account programs.

In general, our minimum initial separate account size is \$50 million. We may make exceptions on a case-by-case basis in our sole discretion. Maj Invest, in its sole discretion, may reject any client account.

## **Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss**

Maj Invest currently offers its global value equity strategy to the SEI Account.

### *Maj Invest's Global Value Equity Philosophy*

Our main belief is that fundamentals matter, and markets create opportunities due to irrational behavior from investors based on factors such as: fear, greed, alignment of interest and one's own overestimation of ability to predict, etc. Inspired by Benjamin Graham's value philosophy, we utilize his value-oriented principles with some variations and modifications to exploit market inefficiencies and find "good businesses" to generate alpha for its clients. We always refer to our investing style as value oriented, and we do this to exhibit its focus on seeking value, rather than to have its style put into any dogmatic value investing camp.

### Investment Style & Strategy

The strategy follows a value-oriented philosophy as a framework to identify and invest in securities of firms which it identifies by stability, profitability, return potential, balance sheet quality and valuation. The team utilizes a fundamental bottom-up investment process that is combined with a macro analysis to avoid unintentional biases and a strong proprietary risk approach that ensures consistency in our portfolio construction.

### Investment Process

The Investment process is divided into three phases. In the first phase, Maj Invest screens the global investment universe of companies to narrow down a long-list of roughly 100 companies by utilizing an in-house-built screening/scoring model. In the second phase, Maj Invest builds a short list of 25-35 securities with its strongest conviction by evaluating the long-list of securities in more detail. This involves analysis of company specific macro research, valuation work, business model analysis and ESG issues. In the third and final phase, Maj Invest constructs its portfolio. Maj Invest weighs the short list of 25-35 high conviction securities into the portfolio by assessing: 1) the risk/return potential for each company from both a macroeconomic and company-specific perspective; 2) the risks it has in common with other stocks Maj Invest currently holds; and 3) the overall portfolio risk.

## Investment Guidelines

### **Investment guidelines**

Benchmark	MSCI World Index NDR
Number of Holdings	25-35
Cash/equivalents	Maximum 5% of the portfolio's value
Individual securities	Maximum 8% of the portfolio's value
Market Capitalization	Minimum \$3 billion

## Investment Risks and Costs

### *Risk of Loss*

All investments in securities include a risk of loss of ones entire principal and any profits that have not been realized. One should be prepared to bear this risk of loss. Markets do fluctuate substantially over time. In addition, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets we manage, including risk of loss that may be out of our control. We cannot and do not guarantee any level of performance or that a client will not experience a loss of its account assets.

### *Other Material Risks*

*General Risks* - Maj Invest will have the responsibility for the funds' and the accounts' investment activities. Investors must rely on the judgment of Maj Invest in exercising this responsibility. Maj Invest and its principals are not required to, and will not devote substantially all of their business time to the investment activities of each fund or account. In addition, since the performance of each fund and account is wholly dependent on the skills of the Maj Invest, if the services of Maj Invest or its principals were to become unavailable, such unavailability might have a detrimental effect on the funds and accounts and their performance. Neither Maj Invest nor its principals or its or their affiliates are required to devote its or their full time to the affairs of the funds and the accounts, and each of them shall allocate as much time to the business of a fund or account as it or they deem necessary in its or their sole and absolute discretion. Maj Invest and its affiliates are also engaged in other similar business activities to which they devote substantial time.

The net asset value of a fund or account may vary in value as a result of fluctuations in the value of such fund's or account's underlying assets and the income derived therefrom.

Investors are reminded that in certain circumstances their right to liquidate their investments may be suspended.

Depending on an investor's currency of reference, currency fluctuations may adversely affect the value of an investment in the fund or account.

Maj Invest makes investments with long-term investment horizons and therefore an investor's investment with Maj Invest should be regarded as long-term investment.

*Risks of Equities* – A risk of investing in equity securities is that they may decline in value due to factors affecting equity securities markets generally or particular industries represented in those markets. The values of equity securities may decline due to general market conditions which are not specifically

related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. In addition, securities which we believe are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the time frame we anticipate. As a result, the client's portfolio may lose all or substantially all of its investment in any particular instance.

*Risks of Non-U.S. Securities* – We may invest in non-U.S. securities, which may involve risks due to non-U.S. economic, political and legal developments, including changes in currency exchange rates, exchange control regulations, expropriation, nationalization or confiscatory taxation of assets, political changes, diplomatic developments and difficulty in obtaining and enforcing judgments against non-U.S. entities. Issuers of non-U.S. securities may not be subject to the same degree of regulation as U.S. issuers, and are subject to different, often less comprehensive accounting, custody reporting and disclosure requirements than U.S. issuers.

The following material risks are associated with our global value equity strategy:

*Focused Investments* – We may invest in 25-35 securities which are focused on a particular geographic region, sector or in industries with high positive correlations to one another. This may cause the client's portfolio to be particularly vulnerable to events which affect those regions, sectors or industries.

*Quantitative Tools* – The ability successfully to evaluate securities using quantitative analysis relies on the effectiveness of the models used in generating the quantitative analysis. There can be no assurance that the quantitative models used will achieve the desired results, and may cause the client's portfolio to incur significant losses.

*Key Individuals* – Due to the in-house development of our current quantitative screening/scoring models used as a component of the analysis of securities, the client is dependent upon the expertise of certain key individuals who are involved in the development and refining of these models. There can be no assurance that these key individuals will continue to be associated with Maj Invest for any length of time. The loss of the services of one or more of these key individuals could have an adverse impact on the client's portfolio.

*Emerging Markets* – We may invest in securities of issuers from emerging market countries. The securities and currency markets of emerging market countries are generally smaller, less developed, less liquid and more volatile than the securities and currencies of the United States and other developed markets, and disclosure and regulatory standards in many respects are less stringent. Furthermore, emerging market countries are more likely than developed market countries to experience political uncertainty and instability. The risks associated with investments in non-U.S. securities (described above in "General Risks") may be especially pronounced in the case of emerging market investments.

*Smaller Company Risk* – We may invest in securities of companies with smaller market capitalization. Smaller companies generally involve higher risks because they often lack the management experience, financial resources, product diversification and competitive strength of larger companies. Additionally, investments in smaller companies are subject to increased liquidity and market risk, as their securities are often less widely held, trade less frequently, and their market prices fluctuate more than companies with larger market capitalizations.

*Currency Risk* – We may invest in securities denominated in currencies other than a client's base currency. The value of the investments in the client's portfolio will fluctuate along with currency values, which may be influenced by factors such as trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. In the case of hedging positions, currency risk includes the risk that the currency to which a client's portfolio has obtained exposure declines in value relative to the currency being hedged.

*Liquidity Risk* – A client's account may hold securities which, at certain times, for a number of reasons, we are not able to readily sell or dispose of. Limitations on the liquidity of securities in a client's portfolio could prevent a successful sale of such securities, result in the delay of a sale, or reduce the amount of proceeds that might otherwise be realized. Less liquid securities also may fall in price more than other securities during periods when markets decline generally.

*Cash Management* – Cash balances may be maintained in cash or cash-like investments in an account designated by a client at the onset of the client relationship. We do not render advice with respect to cash or cash like investments but will reach agreement with a client as to how cash will be invested.

*Legal and Regulatory Changes* – Legal, tax and regulatory changes could occur that may adversely affect a client's portfolio. The Commodity Futures Trading Commission (the "CFTC"), the SEC, the U.S. Federal Reserve or other banking regulators, other U.S. or non-U.S. governmental regulatory authorities or self-regulatory organizations, including entirely new entities, that supervise the financial markets could impose new or amended laws or regulations, which could adversely affect a client's portfolio. In particular, these agencies are empowered to promulgate a variety of new rules pursuant to recently enacted financial reform legislation in the United States. Changes in the enforcement or interpretation of existing statutes and rules by these governmental regulatory authorities or self regulatory organizations may also adversely affect a client's portfolio. The CFTC, the SEC, the Federal Deposit Insurance Corporation, other regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies.

The U.S. government enacted the Dodd-Frank Wall Street Reform and Consumer Protection Act, which includes provisions for new regulation of private funds and financial institutions. Because the legislation required a significant amount of rulemaking, so of which took years to implement, its ultimate impact remains unclear. The regulatory changes could, among other things, restrict Maj Invest's ability to execute its investment strategies and/or impact the costs of such investment strategies, and we may be unable to generate investment returns as a result.

It is impossible to determine the extent of the impact of any new laws, regulations or initiatives that may be proposed, or whether any of the proposals will become law. Compliance with any new laws or regulations could be more difficult and expensive and may affect the manner in which we conduct business. Furthermore, new laws or regulations may subject a client's portfolio to increased taxes or other costs.

If you wish to understand more about our investment strategies for a product not addressed in this document, along with the risks associated with any such product, please feel free to contact us.

#### **Item 9 - Disciplinary Information**

Maj Invest is not aware of any of its personnel having been subject to any legal or disciplinary events that are material to a client's (or prospective client's) evaluation of Maj Invest's advisory business or the integrity of its management.

#### **Item 10 - Other Financial Industry Activities and Affiliations**

Our parent company, Maj Invest Holding, is a diversified financial company that operates with different subsidiaries performing services that a typical financial services company would perform. These services include but are not limited to:

- broker-dealer services (Maj Invest);
- investment advisory services (for example, Maj Invest);
- investment management services and manager services ( for example, Maj Invest Equity A/S); and
- banking services (Maj Invest Bank A/S).

Maj Invest is not registered as a broker-dealer in United States and will not perform broker-dealer activities for clients in United States. Maj Invest is registered as a broker-dealer in Denmark. Maj Invest is not affiliated with any other broker-dealer.

None of our employees are registered or applying to be registered as: a broker-dealer or representative of a broker-dealer; a futures commission merchant; a commodity pool operator or commodity trading advisor or an associated person thereof.

#### ***Material Relationships***

Certain personnel of Maj Invest Holding are considered "associated persons" of us, as they may be involved in or have access to our advisory activities. All of our associated persons are under the overall supervision of our Board of Directors in respect of their work for us and for a client.

We do not believe that any other relationship with an affiliated company is material to the client or a client's ability to evaluate us.

#### ***Related Persons***

None of our related persons are involved in activities on behalf of clients to whom we provide this brochure.

We have policies in place to mitigate conflicts of interest caused by relationships between the various Maj Invest entities and Maj Invest as investment manager. For example, Maj Invest, as well as some of the other Maj Invest entities, has a policy regarding entering into inter-group agreements or inter-group outstanding amounts, receivables etc. All inter-group agreements entered into by Maj Invest has to be approved at the Board of Directors level and fees if any are subject to rules determined by the Danish Financial Authority. The Danish Financial Authority must approve inter-group receivables for Maj Invest regularly.

### **Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

#### *Code of Ethics*

Maj Invest is an SEC-registered investment adviser. Maj Invest has adopted a Code of Ethics (the “Code”) in order to mitigate and manage conflicts of interest that exist or arise in connection with personal securities transactions by Maj Invest’s officers and employees. Maj Invest adopted the Code in accordance with both Rule 204A-1 under the Investment Advisers Act and Rule 17j-1 under the Investment Company Act. Below is a brief summary of the Code. Maj Invest will provide a copy of the Code to any client or prospective client upon request.

The Code addresses several topics, including but not limited to:

- fiduciary obligations;
- gifts and entertainment policy;
- pre-clearance of trades;
- prohibitions on certain trades; and
- reporting requirements.

Maj Invest has policies and procedures in place to seek to ensure that any personal account trading is made in a manner consistent with applicable law and that ensures that the clients’ interests are always put first by all Maj Invest employees. Maj Invest allows its employees to have personal account trading within the restrictions set forth under applicable law as well as in Maj Invest’s own procedures.

All trades for an employee’s personal account, other than certain securities such as large cap stocks or investment grade debt, require pre-notification and in most cases pre-approval.

Maj Invest has policies and procedures in place to seek to ensure that an appropriate person gives prior approval for appointments to external organizations, directorships, and other similar positions to seek to ensure that the employees’ relationships with Maj Invest and the clients are always put first. These guidelines cover the portfolio managers for the global value equities sub-funds Maj Invest advises, and executive management must approve any such activity notify the Maj Invest Board of Directors.

Maj Invest has also adopted a Gifts and Entertainment Policy to minimize and manage potential conflicts of interest in relation to Maj Invest's employees giving and receiving gifts and entertainment in connection with their professional duties.

Maj Invest's compliance department monitors and enforces the Code and the Gifts and Entertainment Policy.

#### *Conflicts Between Client Accounts*

Maj Invest manages more than one client account, and as such, conflicts of interest arise related to the amount of time individuals devote to managing particular accounts. Also, Maj Invest has an incentive to favor accounts in the allocation of investment opportunities or otherwise treat preferentially those accounts that pay Maj Investor a higher fee level or greater fees overall, including performance-based fees. Maj Invest has adopted procedures for allocation of portfolio transactions and investment opportunities across multiple client accounts on a fair and equitable basis over time. Please see Item 12 ("Allocation of Investment Opportunities").

Maj Invest may determine that an investment opportunity may be suitable for multiple accounts under management, but not available in sufficient quantities for all accounts to participate fully. Similarly, there may be limited opportunity to sell an investment held by multiple accounts. Maj Invest manages such potential conflicts between client accounts through the procedures for allocating portfolio transactions and investment opportunities discussed in Item 12.

#### *Principal Transactions*

Maj Invest does not engage in principal transactions, where Maj Invest buys securities from a client or sells securities to a client, unless a specific approval has been obtained from the client.

#### **Item 12 - Brokerage Practices**

Maj Invest will choose brokers for a client's account unless the client specifies otherwise. Maj Invest considers other factors when selecting a broker such as: whether the execution venue deals in the securities in question; price and time of delivery of the securities in question; and Maj Invest's experience with the broker and the broker's ability to deliver according to "best execution".

Maj Invest will not utilize its brokerage department on behalf of clients to whom we provide this brochure, but may use it for other clients only where allowed beforehand by clients to seek to execute a trade on a best execution, and usually then for a restricted quantity.

Maj Invest bases best execution on an assessment of:

- the customer's characteristics, including the customer's set up of accounts, safe custodies, if any, agreements on currency exchange etc. as well as customer classification;
- characteristics of the customer order;

- characteristics of the financial instruments forming part of the order, if any; and
- characteristics of the execution venues that the order can be directed to.

Maj Invest is under an obligation to seek to execute an order according to any specific instruction a customer provides. A specific instruction from a customer or a customer's specific characteristics, including the customer's set up of accounts, safe custodies, agreements on currency exchange, etc., may limit Maj Invest's choice of the kind of execution, execution venue, time of execution, price and thus the terms upon which the execution is based.

### *Soft Dollars*

Maj Invest is subject to the requirements of the European Union's recently implemented package of reforms to the Markets in Financial Instruments Directive (Directive 2004/39/EC) (collectively referred to as ("MiFID II")). Among other reforms, MiFID II includes prohibitions and restrictions on the receipt of "inducements" by MiFID II investment managers, including research paid for through soft dollar commitments or arrangements. Maj Invest views a soft dollar commitment or arrangement as a commitment, understanding or agreement to pay higher commissions, or direct trades to a broker-dealer, in exchange for the receipt of research. Maj Invest benefits from external research and related services since it does not have to produce such research itself; however, in order to treat all of Maj Invest's clients equitably on a global basis and to mitigate any potential conflicts of interest, Maj Invest pays for such research out of its own funds and resources (directly), and does not use commissions from clients' trading activity to obtain such research. Maj Invest may, however, execute transactions for clients with broker-dealers who sell research or brokerage products and services to Maj Invest. Maj Invest benefits from its receipt of external research and related services, as it does not have to produce or pay for such research itself. Maj Invest may have an incentive to select a broker-dealer based on its ability to provide research and related services rather than its ability to achieve the most favorable execution at the lowest cost, which could constitute a conflict of interest. Attendance at broker-sponsored conferences and broker-generated research are examples of the types of products and services Maj Invest or an affiliate has acquired from broker-dealers within the past twelve months.

### *Aggregating Transactions*

Maj Invest allocates securities among clients to help ensure that it treats each client fairly and objectively. When placing trade orders for a specific security simultaneously for multiple client accounts, Maj Invest has authority to aggregate these orders across accounts Maj Invest aggregates and allocates trades when it believes aggregation and allocation across client accounts will provide an economic benefit to these accounts. When Maj Invest places an aggregated order, Maj Invest will record the accounts participating in such order and each account's intended allocation as soon as reasonably practicable prior to the execution of the order. To seek to ensure fair treatment among all client accounts, Maj Invest does not consider factors such as account performance, account fees or its affiliate relationships when aggregating and allocating orders.



Generally, various factors may influence a decision to allocate securities among client accounts, including but not limited to:

- account investment objectives, guidelines and constraints;
- current account holdings, including asset class, sector, industry and issuer concentrations, both on an absolute basis and relative to the account's benchmark;
- desired risk profiles of the account, including credit quality, maturity or duration distributions and the impact the proposed investment would have on these measures;
- cash availability and future cash flow expectations; and
- allocation considerations based on criteria such as round lot provisions or minimum transaction size.

#### *Allocation of Investment Opportunities*

Maj Invest allocates aggregated trades (and trades in limited supply) on an equitable basis. It has designed allocation procedures to minimize the risk that Maj Invest would inappropriately disadvantage any particular client by the allocation and to promote fairness and equity among clients over time.

It is Maj Invest's policy to allocate aggregated trades pro-rata according to each client's order size. For this purpose, a pro-rata allocation means an allocation of the trade among participating accounts proportionate to the order size initiated by the portfolio manager on the trade order, to the extent practical. Maj Invest may employ alternative methods to deal with special circumstances (such as odd-lot amounts and *de minimis* allocations) provided those methods are reasonable, that Maj Invest employs them in good faith, and do not systematically favor one client, or type of client, over another, whether in appearance or in fact.

#### *Cross Trading*

Maj Invest will give one broker all trades and then only trade the balance in the market and then book out the trades for all the clients at the same price that was obtained in the market. Maj Invest will not enter into cross trades involving clients to whom we provide this brochure unless explicitly agreed with each client and if so only in compliance with Investment Company Act Rule 17a-7 and Rule 206(3)-2 under the Advisers Act.

#### *Directed Brokerage*

Maj Invest may accept specific client instructions regarding directing a client's brokerage transactions to a particular broker. Such client instructions must be in writing, either as a part of the investment management agreement or by other client instruction. Maj Invest does not otherwise enter into directed brokerage arrangements. Maj Invest does not anticipate using directed brokerage for clients to whom we provide this brochure.

#### *Trade Error Policy*

Maj Invest has formalized internal procedures on operational risks including trading errors, and a specific formalized internal guideline on trading errors. Overall, Maj Invest considers trade errors to include the following situations:

- buying or selling the incorrect security;
- failing to buy or sell securities as intended;
- buying, selling or allocating the incorrect paramount;
- buying or selling a security in the incorrect account;
- failing to buy or sell securities when required by client guidelines, directives or derivative hedging programs;
- allocating securities to the incorrect account;
- buying or selling securities not authorized by the relevant investment management agreement, investment objectives/guidelines or prospectuses for any mutual funds managed by Maj Invest; and
- failing to follow specific client instructions to purchase, sell or hold securities.

To the extent that a trade error occurs, Maj Invest's policy is to consider its clients' best interests when correcting any such error.

### **Item 13 - Review of Accounts**

Maj Invest's Portfolio Managers review each strategy on a daily basis or as they consider trades. Maj Invest's Deputy CEO monitors each strategy's performance, trading history and turnover ratio on an ongoing basis and receives weekly reporting to seek to ensure such monitoring. Maj Invest's Deputy CEO also regularly reviews each strategy to monitor ongoing compliance.

Maj Invest's investment team for its value strategy meets on a weekly basis to review a number of considerations, including research on individual companies and other issuers of securities; valuations of holdings and potential holdings; changes in industry, sector, national or regional outlooks; and micro- and macro-economic factors impacting Maj Invest's investment decisions.

Maj Invest will generally provide written reports describing a client's investment portfolio and performance on a quarterly basis. Client reports typically contain market commentary, portfolio holdings, commentary as to portfolio transactions during the recent period, commentary relating to investment performance, and a portfolio outlook. However, the specific nature of client reporting varies from client to client and will be agreed upon at the onset of the client relationship. During the process of preparing a client's report, a client service professional will review the client's account.

We will assign a specific investment professional and a back-up investment professional to each client account. This investment professional will be responsible for implementing and reviewing the client's investment account on an ongoing basis.

#### **Item 14 - Client Referrals and Other Compensation**

Maj Invest does not receive an economic benefit for providing investment advice or advisory services to clients from anyone other than a client. Also, Maj Invest does not have any arrangement with any third party to solicit or refer clients to whom we provide this brochure at present and within the value strategy offered to clients to whom we provide this brochure.

One could view services from broker-dealers as conferring an economic benefit on Maj Invest. Potential conflicts of interest concerning these services, as well as Maj Invest's policies and procedures related thereto, are described in Item 12 ("Brokerage Practices").

Maj Invest has not presently appointed third party placement agents with respect to clients to whom we provide this brochure. An affiliated company has appointed third party placement agent for another strategy.

#### ***Non-U.S. Market***

Maj Invest does compensate outside parties for soliciting investment advisory clients on behalf of Maj Invest in Europe. We negotiate solicitation fees on a case-by-case basis with each outside party and document the fees in a written agreement with each outside party. The fees we pay to the solicitor do not increase the cost to Maj Invest's clients. The clients incur no additional expense by us having retained a solicitor as we pay any fees to a solicitor entirely out of the fees we receive from a client.

#### **Item 15 - Custody**

Maj Invest does not have custody of funds or securities for any client to whom we provide this brochure.

#### **Item 16 - Investment Discretion**

Maj Invest has discretionary authority to manage securities accounts on behalf of many of its clients globally. Maj Invest generally exercises its discretionary authority on behalf of those clients pursuant to investment advisory agreements.

Maj Invest's discretionary authority is subject to the investment objectives, strategies, policies and any other limitations or restrictions set forth in the applicable client's documentation. Likewise, for each private investment fund, Maj Invest's discretionary authority is subject to any guidelines and restrictions set forth in such fund's offering document.

#### **Item 17 - Voting Client Securities**

Clients may choose to delegate or retain the authority to vote securities for their accounts. If a client wishes to delegate such authority to Maj Invest, it must specify so within the respective investment advisory agreement.

If Maj Invest has a client to whom we provide this brochure who delegates the authority to vote client securities to Maj Invest, Maj Invest will adopt written Proxy Voting Policies and Procedures (the “Proxy Policies”) pursuant to Advisers Act Rule 206(4)-6 to assist in exercising such clients’ voting rights and evaluating proxy proposals, and to seek to ensure that it is voting client securities in a client’s best interests. We expect that the Proxy Policies would be consistent with the principles outlined below.

In order to facilitate the proxy voting process, Maj Invest possibly would engage an independent proxy voting service. This service likely would receive, process, execute, and record proxy votes, as well as maintain certain regulatory records, on Maj Invest’s behalf. This service may provide Maj Invest with voting analysis and recommendations.

Maj Invest likely would consider each proxy proposal individually. Maj Invest’s Proxy Policies likely would lay out guidelines for evaluating proxy proposals. However, even in seemingly routine circumstances, Maj Invest likely would reserve the right to evaluate each proposal in light of the best interests of its clients and to vote other than as indicated by the Proxy Policies, if Maj Invest believes, in good faith, that doing so will most enhance shareholder value.

For example, while Maj Invest likely generally would vote in favor of management’s nominees for a board of directors, Maj Invest reserves the right to vote against management nominees (individually or as a slate). Maj Invest likely would reserve the right to revise, alter or supplement its Proxy Policies from time to time. With respect to matters that are not addressed by the Proxy Policies, Maj Invest would exercise its best judgment to vote in the manner that it believes will most enhance shareholder value, also considering the cost and time used in connection herewith.

In some cases, Maj Invest may have (or may be perceived to have) a conflict or potential conflict of interest in voting particular client securities. If a potential conflict of interest would arise, Maj Invest would escalate the voting to the client’s decision and advise the affected clients, seek their direction and vote accordingly. If the clients would be unable to provide direction, Maj Invest would vote the client securities in a manner consistent with the Proxy Policies.

For clients who have not delegated the authority to vote their client securities to Maj Invest, the investment management agreement must address who will vote for the client’s account.

If a client has a question with respect to a particular proxy ballot, the client may contact Maj Invest.

At any time that Maj Invest has Proxy Policies in place, Maj Invest will provide a copy of its Proxy Policies to a client or a client may obtain a copy of the Proxy Policies by contacting Maj Invest.

#### **Item 18 - Financial Information**

Maj Invest does not require or solicit prepayment of any fees in advance.

Maj Invest is not aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. Maj Invest has not been the subject of any bankruptcy petition at any time since its inception.

**Item 19 - Requirements for State-Registered Advisers**

This item is not applicable to Maj Invest.



**Fondsmaeglerselskabet Maj Invest A/S**  
**Form ADV Part 2A – Disclosure Brochure**  
**June 16, 2017**

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This Brochure Supplement provides information about

Jeppe Christiansen

Henrik Parkhøj

Kurt Kara

Ulrik Jensen

Klaus Godiksen

Carsten Hoegh

that supplements the brochure of Fondsmaeglerselskabet Maj Invest A/S, d/b/a Maj Invest Asset Management Fondsmaeglerselskab A/S ("Maj Invest"). You should have received a copy of that brochure. Please contact please contact Maj Invest via phone at 0045 33387300, or via email at [contact@majinvest.com](mailto:contact@majinvest.com) if you did not receive the combined brochure of Maj Invest or if you have any questions about the contents of this supplement.

Additional information about the following supervised persons is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Jeppe Christiansen, Founder and CEO**

Born 25 November 1959.

**Educational Background and Business Experience**

Jeppe Christiansen has served as CEO in the Maj Invest group since its establishment in 2005. In addition, Mr. Christiansen was CEO of Lønmodtagernes Dyrstidsfond ("LD") from 2004 and until 1 April 2009. Prior to that, Mr. Christiansen was Executive Director in Danske Bank (1998-2004) with responsibility for group equity business and corporate international banking. In the period 1988-1998 Mr. Christiansen worked for LD, first as CIO (1988-1993) and later on as Executive Director with responsibility for equity investments (1993-1998). During this period, Mr. Christiansen worked with investments in all asset classes, including LD's long-standing investments in Danish private equity. Prior to that he worked as an economist with SDS (1986-1988). Mr. Christiansen is Vice Chairman of the Board of Directors of Novo Nordisk A/S and Haldor Topsøe A/S and a member of the Board of Directors of Kirkbi A/S (the owner of LEGO A/S), Novo A/S and Symphogen A/S.

Mr. Christiansen received his high school diploma in 1978 in mathematics and physics, graduated as Master of Science in Economics in 1985 from the University of Copenhagen and was assigned as a coadjutor at the Copenhagen Business School in 2016.

**Disciplinary Information**

Jeppe Christiansen has never been the subject of any legal or disciplinary event, proceeding or action.

**Other Business Activities**

Jeppe Christiansen is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients. Jeppe Christiansen is not involved in investment management in companies where he is part of the Board of Directors.

**Additional Compensation**

Jeppe Christiansen does not receive an economic benefit for providing advisory services, other than his indirect share of the investment firm.

**Supervision**

Maj Invest is required to manage client accounts in a manner consistent with the stated investment objectives for the particular client account. The name and contact information for the person responsible for supervising Jeppe Christiansen's activities is: The Chairman of the Board of Directors, and for compliance matters Marianne Settnes, Chief Compliance Officer, who can be reached at the contact information provided above.

**Henrik Parkhøi, Deputy CEO**

Born 19 February 1972.

**Educational Background and Business Experience**

Henrik Parkhøi has served as Managing Director and Deputy CEO in the Maj Invest group since 2007 with responsibility for asset management, investor relations, wealth management, clients and business development. In the period 2002-2007 Mr. Parkhøi worked for Danske Bank, first as First Vice President with responsibility for Equity Research (2002-2004) and later on as Senior Vice President with responsibility for Corporate & Institutional Sales and Danske Research, which is a part of Danske Markets (2004-2007). Early on in his career, Mr. Parkhøi was employed as Vice President with Morgan Stanley in London and Associate with Bank of America. Mr. Parkhøi is a member of the Board of Directors of Investeringsforvaltningsselskabet SEBinvest A/S.

Mr. Parkhøi received his high school diploma in 1990 from Espergaerde Gymnasium and graduated as Master of Science in Mathematics and Economics from the University of Copenhagen in 1997.

**Disciplinary Information**

Henrik Parkhøi has never been the subject of any legal or disciplinary event, proceeding or action.

**Other Business Activities**

Henrik Parkhøi is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

**Additional Compensation**

Henrik Parkhøi does not receive an economic benefit for providing advisory services, other than his indirect share of the investment firm.

**Supervision**

Maj Invest is required to manage client accounts in a manner consistent with the stated investment objectives for the particular client account. The name and contact information for the person responsible for supervising Henrik Parkhøi's investment advisory activities is: The Chairman of the Board of Directors, and for compliance matters Marianne Settnes, Chief Compliance Officer, who can be reached at the contact information provided above.



**Kurt Kara, Chief Portfolio Manager**

Born 12 July 1971.

**Educational Background and Business Experience**

Kurt Kara joined Maj Invest in 2004, and has been responsible for managing the Global Value equities strategy since its inception. Prior to joining Maj Invest, Mr. Kara worked as an equity strategist at Danske Bank. Previously he held a position as portfolio manager at Danske Capital for the Danske Invest Latin American Equities fund.

Mr. Kara graduated as Master of Science in Economics from the University of Copenhagen in 1997.

**Disciplinary Information**

Kurt Kara has never been the subject of any legal or disciplinary event, proceeding or action.

**Other Business Activities**

Kurt Kara is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

**Additional Compensation**

Kurt Kara does not receive an economic benefit for providing advisory services, other than his share of the investment firm.

**Supervision**

Maj Invest is required to manage client accounts in a manner consistent with the stated investment objectives for the particular client account. The name and contact information for the person responsible for supervising Kurt Kara's investment advisory activities is: Deputy CEO Henrik Parkhøj, and for compliance matters, Marianne Settnes, Chief Compliance Officer, who can be reached at the contact information provided above.

**Ulrik Jensen, Senior Portfolio Manager**

Born 7 January 1974.

**Educational Background and Business Experience**

Ulrik Jensen joined Maj Invest in 2006 as a Senior Portfolio Manager with co-responsibility for managing the Global Value equities strategy. Prior to joining Maj Invest, Mr. Jensen worked as an analyst and a portfolio manager at Sparbank, responsible for managing the bank's treasury holdings.

Mr. Jensen graduated as Bachelor of Science in Business Administration from Aalborg University in 1996 and graduated as Master of Science in Business Economics from Aalborg University in 2000.

**Disciplinary Information**

Ulrik Jensen has never been the subject of any legal or disciplinary event, proceeding or action.

**Other Business Activities**

Ulrik Jensen is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

**Additional Compensation**

Ulrik Jensen does not receive an economic benefit for providing advisory services, other than his share of the investment firm.

**Supervision**

Maj Invest is required to manage client accounts in a manner consistent with the stated investment objectives for the particular client account. The name and contact information for the person responsible for supervising Ulrik Jensen's investment advisory activities is: Deputy CEO Henrik Parkhøj, and for compliance matters, Marianne Settnes, Chief Compliance Officer, who can be reached at the contact information provided above.

**Carsten Hoegh, Head of Investor Relations**

Born 1 February 1966.

**Educational Background and Business Experience**

Carsten Hoegh has served as Head of Investor Relations at Maj Invest since 2011 with the overall responsibility for Maj Invest's international clients. Prior to this, Carsten was the co-founder and CEO of Bremerholm; an alternative financial products boutique. Carsten has worked in the financial sector for many years with international equity sales and emerging markets at Credit Suisse, as Head of Equity Sales at Nordea in Copenhagen and with emerging market equity sales at ING Barings, among others.

Mr. Hoegh received his high school diploma in mathematics and physics in 1985 from Gammel Hellerup Gymnasium and graduated as Master of Science in Economics and Business Administration from Copenhagen Business School in 1993.

**Disciplinary Information**

Carsten Hoegh has never been the subject of any legal or disciplinary event, proceeding or action.

**Other Business Activities**

Carsten Hoegh is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

**Additional Compensation**

Carsten Hoegh does not receive an economic benefit for providing advisory services, other than his share of the investment firm.

**Supervision**

Maj Invest is required to manage client accounts in a manner consistent with the stated investment objectives for the particular client account. The name and contact information for the person responsible for supervising Carsten Hoegh's sales activities is: Deputy CEO Henrik Parkhøj, and for compliance matters, Marianne Settnes, Chief Compliance Officer, who can be reached at the contact information provided above.

**Klaus Godiksen, International Sales Director**

Born 8 September 1961.

**Educational Background and Business Experience**

Klaus Godiksen has over thirty years of experience within the investment industry and oversees Maj Invest's institutional sales activities internationally. Klaus has serviced UK Local Authorities clients since 2003. Prior to joining Maj Invest, Klaus worked at Nordea Investment Management as Global Head of Institutional Sales Internationally from 1995 to 2015. His previous employments include Jyske Bank (United Kingdom), National Bank of Long Beach in California.

Mr. Godiksen graduated as Bachelor in Finance from Aalborg Business School in 1985.

**Disciplinary Information**

Klaus Godiksen has never been the subject of any legal or disciplinary event, proceeding or action.

**Other Business Activities**

Klaus Godiksen is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

**Additional Compensation**

Klaus Godiksen does not receive an economic benefit for providing advisory services, other than his share of the investment firm.

**Supervision**

Maj Invest is required to manage client accounts in a manner consistent with the stated investment objectives for the particular client account. The name and contact information for the person responsible for supervising Klaus Godiksens's pre-sale activities is: Deputy CEO Henrik Parkhøi, and for compliance matters, Marianne Settnes, Chief Compliance Officer, who can be reached at the contact information provided above.