

# CONFLICT OF INTEREST MANAGEMENT POLICY

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## TABLE OF CONTENTS

1. INTRODUCTION .....	4
2. DEFINITIONS.....	6
3. PURPOSE .....	7
4. SCOPE OF APPLICATION .....	8
A. <i>SUBJECTIVE SCOPE OF APPLICATION</i> .....	8
B. <i>OBJECTIVE SCOPE OF APPLICATION</i> .....	8
5. IDENTIFICATION OF CONFLICTS OF INTEREST .....	9
A. <i>GENERAL PRINCIPLES</i> .....	9
B. <i>EMPLOYEES AND BUSINESS AREAS AFFECTED</i> .....	10
C. <i>POTENTIAL SCENARIOS THAT COULD CREATE ‘CONFLICTS OF INTEREST’</i> .....	11
a. <i>Potential ‘Conflicts of Interest’ that may arise in providing the service of receiving and transmitting Client Orders in relation to one or more financial instruments</i> .....	11
b. <i>Potential ‘Conflicts of Interest’ that may arise in providing the service of discretionary, individual management of investment portfolios in accordance with powers given by Clients</i> .....	12
c. <i>Potential ‘Conflicts of Interest’ that may arise in providing the service of investment research and financial analysis or other forms</i> .....	13
d. <i>Retrocession fees</i> .....	13
e. <i>Inducements and gifts</i> .....	14
f. <i>Other ‘Conflicts of Interest’ that may arise</i> .....	14
6. PROCEDURES AND MEASURES TO AVOID AND, WHERE APPLICABLE, MANAGE CONFLICTS OF INTEREST.....	14
A. <i>GENERALLY</i> .....	14
B. <i>BRIEF SUMMARY OF ORGANISATIONAL MEASURES</i> .....	15
C. <i>DETAILED DESCRIPTION OF MAJOR ORGANISATIONAL MEASURES</i> .....	17
a. <i>Compliance Department</i> .....	17
b. <i>Confidentiality and Information Barriers</i> .....	17
c. <i>Chinese walls</i> .....	18
d. <i>Separate Supervision and Segregation of Functions</i> .....	19
e. <i>Training and Monitoring</i> .....	20
f. <i>Clients’ Orders – Order execution Policy</i> .....	20
g. <i>Clients’ Orders - Allocation Policy</i> .....	21
h. <i>Inducements to the Company from Clients</i> .....	21
i. <i>Inducements to Employees from Clients</i> .....	22
j. <i>Appropriate Procedures for monitoring Inducements</i> .....	23
k. <i>Remuneration Policy</i> .....	23
l. <i>Investment Research Policy</i> .....	24

<i>m. Personal account dealing</i> .....	25
<i>n. Insider trading and market manipulation (market abuse)</i> .....	27
<i>o. Restricted List</i> .....	29
<i>p. Outsourcing arrangements</i> .....	29
7. DISCLOSURE .....	30
8. PROCEDURE FOR ACTING IN CASES IN WHICH A CONFLICT OF INTEREST SITUATION HAS ARISEN .....	32
9. RECORD KEEPING .....	32
10. MISCELLANEOUS .....	34

# CONFLICT OF INTEREST MANAGEMENT POLICY

## 1. INTRODUCTION

- 1.1. **TTCM Traders Capital Limited**, a limited liability Company, incorporated in Bermuda under section 14 and 6/132C(1) of the Companies Act 1981, registered with the Registrar of Companies under Company number 54135 and with registered address 5th Floor, Andrew's Place, 51 Church Street Hamilton HM 12 Bermuda.
- 1.2. The Company is operating in accordance with the above mentioned Laws.
- 1.3. The '**Conflicts of Interest Management Policy**' must include the following content:
  - a. it must identify, with reference to the specific investment services and/or ancillary services carried out by or on behalf of the Investment Company, the circumstances which constitute or may give rise to a 'Conflict of Interest' entailing a material risk of damage to the interests of one or more Clients; and
  - b. it must specify procedures to be followed and measures to be adopted in order to manage such 'Conflicts of Interest'.

1.6. These procedures must be aimed at:

- a. preventing or controlling the exchange of information between Relevant Persons engaged in activities involving a risk of a 'Conflict of Interest' where the exchange of that information may harm the interests of one or more Clients;
- b. ensuring the separate supervision of Relevant Persons whose principal functions involve carrying out activities on behalf of, or providing services to, Clients whose interests may conflict, or who otherwise represent different interests that may conflict, including those of the Investment Company;
- c. removing of any direct link between the remuneration of relevant persons principally engaged in one activity and the remuneration of, or revenues generated by, different relevant persons principally engaged in another activity, where a 'Conflict of Interest' may arise in relation to those activities;
- d. ensuring measures to prevent or limit any person from exercising inappropriate influence over the way in which a Relevant Person carries out investment services and/or other ancillary services, or any combination thereof;
- e. ensuring measures to prevent or control the simultaneous or sequential involvement of a Relevant Person in separate investment services and/or other ancillary services, or any combination thereof, where such involvement may impair the proper management of 'Conflicts of Interest'.

1.7. The process must entail the following actions:

- a. Identification of 'Conflicts of Interest' situations;
- b. Management of 'Conflicts of Interest' situations;
- c. Disclosure of 'Conflicts of Interest' in instances where such situations cannot be contained;
- d. Keeping and updating records of identified 'Conflicts of Interest' situations.

1.8. This policy:

- a. identifies, with reference to the specific investment services and activities and ancillary services carried out by or on behalf of the Company, the circumstances which constitute or may give rise to a 'Conflict of Interest' and represents a material risk of damage to the interests of one or more Clients;
- b. specifies procedures to be followed and measures to be adopted in order to manage such 'Conflicts of Interest';
- c. documents the Company's commitment to acting honestly, fairly and professionally and in the best interests of its Clients and to complying, in particular, with the principles set out in the above

legislation when providing investment services and/or ancillary services, or any combination thereof, related to such Services.

- 1.9. This **'Conflicts of Interest Management Policy'** is not intended to, and does not, create third party rights or duties that would not already exist if the **'Conflicts of Interest Management Policy'** had not been made available, nor does it form part of any contract between the Company and any Client.

## 2. DEFINITIONS

2.1. For the purposes of this Policy:

- a. **"Company"** shall mean **'TTCM Traders Markets Limited'**
- b. **"Client(s)"** shall include all existing and potential Clients of the Company, as well as any past Clients of the Company where fiduciary or other duties remain in place, regardless of their categorization as a *'Retail Client'* or *'Professional Client'* (see further below).
- d. **"Relevant Person"** shall mean any of the following: (a) a director, partner or equivalent, manager or appointed representative (or where applicable, tied agent) of the Company; (b) a director, partner or equivalent, or manager of any appointed representative (or where applicable, tied agent) of the Company; (c) an employee of the Company or of an appointed representative (or where applicable, tied agent) of the Company; as well as any other natural person whose services are placed at the disposal and under the control of the Company or a tied agent of the Company and who is involved in the provision by the Company of regulated activities; (d) a natural person who is involved in the provision of services to the Company or its appointed representative (or where applicable, tied agent) under an outsourcing arrangement for the purpose of the provision by the Company of investment services and activities.

- 2.2. Unless the context otherwise requires, any capitalized words and expressions not specifically defined in this Policy, shall have the meanings assigned to them in the “**Client Agreement – Terms and Conditions of Business**”, as published on the Company’s official Website(s).

### **3. PURPOSE**

- 3.1. The purpose of this Policy is to set out the Company’s approach to identify and manage ‘Conflicts of Interest’ which may arise during the course of its business activities.
- 3.2. As such, this Policy is aimed at identifying, managing and, where possible, preventing ‘Conflicts of Interest’ which may arise between or among:
- a. the Company and its Clients;
  - b. the Company’s Clients and the Company’s management, employees and tied agents, including persons directly or indirectly linked to the aforesaid by control; and/or
  - c. the Company’s Clients themselves.

- 3.3. In particular, this Policy is aimed at:
- a. identifying the circumstances that do or may give rise to a 'Conflict of Interest' involving a serious risk of damage to the interests of one or more Clients;
  - b. specifying the procedures and measures to be adopted to manage such 'Conflicts of Interest';
  - c. setting the rules for keeping records of investment and/or ancillary services, or any combination thereof, in which a 'Conflict of Interest' has arisen, or may arise, in the case of on-going investment and ancillary services or any combination thereof.
- 3.4. Please note that, despite the best of the Company's efforts, some 'Conflicts of Interest' cannot be eradicated all together, and in such instances, the Company has adopted a transparent and fair approach of disclosing such instances as soon as they become apparent. Accordingly, as stated further below, non-manageable 'Conflicts of Interest' will be disclosed to the Client so that the Client can judge, in accordance with the Client's categorization, whether the Client wishes to avail him/her/itself of the investment and/or ancillary services provided by the Company.
- 3.5. Alternatively, as stated further below, if the Company is of the opinion (a) that disclosure is not appropriate to manage the conflict properly, and/or (b) that it is not able to manage the 'Conflict of Interest' in any other manner, the Company may decline to act for the Client.

## **4. SCOPE OF APPLICATION**

### **A. SUBJECTIVE SCOPE OF APPLICATION**

- 4.1. This Policy applies to all directors, employees and/or tied persons of the Company, including persons directly or indirectly linked to the aforesaid by control, who are, directly or indirectly, connected with the Company (hereinafter called "**Relevant Persons**") and refers to all interactions with the Company's Clients.

### **B. OBJECTIVE SCOPE OF APPLICATION**

- 4.2. For the purposes of identifying the types of 'Conflicts of Interest' that may arise in the course of providing investment services and/or other ancillary services, or any combination thereof, and whose existence may damage the interests of a Client, the Company takes into account whether the Company or any Relevant Person is in any of the situations described below, whether as a result of providing



investment services and/or other ancillary services, or any combination thereof, or otherwise (“*Conflict(s) of Interest*”).

- 4.3. Thus, generally speaking, a ‘Conflict of Interest’ will be considered to exist in instances in which the Company may make a financial gain when providing investment services and/or ancillary services, or any combination thereof, which is in turn detrimental to one or more Clients, or in cases in which one or more Clients make a financial gain or avoid a loss when there is the possibility of concomitant loss to another Client.
- 4.4. There will, in any event, be a ‘Conflict of Interest’ when any one of the following situations arise:
- a. the Company and/or any Relevant Person is likely to make a financial gain, or avoid a financial loss, at the expense of a Client;
  - b. the Company and/or any Relevant Person has an interest in the outcome of a service provided to a Client or of a transaction carried out on behalf of a Client, which is distinct from the Client's interest in that outcome;
  - c. the Company and/or any Relevant Person has a financial or other incentive to favour the interest of another Client or group of Clients over the interests of a particular Client;
  - d. the Company and/or any Relevant Person carries out the same business as a Client;
  - e. the Company and/or any Relevant Person receives or will receive from a person other than a Client an inducement in relation to a service provided to the Client, in the form of monies, goods or services, other than the standard commission or fee for that service.

## **5. IDENTIFICATION OF CONFLICTS OF INTEREST**

- 5.1. Identifying ‘Conflicts of Interest’ up front is the first stage in safeguarding of the position of the Client. Possible conflicts between different activities and/or interests must be identified before rendering investment and/or ancillary services to a Client.

### **A. GENERAL PRINCIPLES**

- 5.2. A ‘Conflict of Interest’ entails any situation subject to at least two factors that are in conflict with each other, the Client for whom the investment service is being provided always constitutes one factor, while the Company forms the other. Situations are nevertheless also conceivable in which several factors on the Company’s side are in conflict with the Client's interests.
- 5.3. ‘Conflicts of Interest’ routinely require a balanced adjustment between objectives. The legal regulations require the objective of independent and uninfluenced investment service provision for protecting and safeguarding the Client's interests be given the highest priority.

- 5.4. As the Company offers a wide range of investment and/or ancillary services, such, 'Conflicts of Interest' may occur in particular due to different areas of activity, different investment services and ancillary services or any combination thereof, and also due to collaboration with related companies.
- 5.5. In particular, as previously indicated, 'Conflicts of Interest' may occur in the context of any of the following relationships:
- a. between or among the Company and its Clients;
  - b. between or among the Company's Clients and the Company's management, employees and tied agents, including persons directly or indirectly linked to the aforesaid by control; and
  - c. between or among the Company's Clients themselves.

## **B. EMPLOYEES AND BUSINESS AREAS AFFECTED**

- 5.6. In the context of the wide array of investment and/or ancillary services offered by the Company, 'Conflicts of Interest' may, by way of example, occur within the context of:
- a. the investment services and/or ancillary services, or any combination thereof, provided by the Company to, for and/or on behalf of its Clients; in particular, the investment services and/or ancillary services that are provided by the Company and in the context of which possible 'Conflicts of Interest' may arise, are the following:

### **Investment services:**

- (i) reception and transmission of Client Orders in relation to one or more financial instruments.
- (ii) execution of Orders on behalf of Clients.
- (iii) discretionary portfolio and/or asset management services provided by the Company to, for and/or on behalf of its Clients, in accordance with powers given by such Clients, as the Company may have a (revenue) interest in selling financial instruments, particularly those offered by the Company;

### **Ancillary services:**

- (i) safekeeping and administration of financial instruments on behalf of Clients;
- (ii) foreign exchange transactions associated with investment services;
- (iii) investment research and financial analysis or other forms.

- b. inducements (e.g. sales commission, trailer fees or other rewards with a monetary value) received or granted by or to third parties (e.g. selling commissions) received from or paid to third parties) in connection with investment services and/or ancillary services, or any combination thereof, provided by the Company to, for and/or on behalf of its Clients;
- c. performance-related remuneration paid to the Company's staff and intermediaries in connection with investment services and/or ancillary services, or any combination thereof, provided by the Company to, for and/or on behalf of its Clients;
- d. inducements granted to the Company's staff and intermediaries in connection with investment services and/or ancillary services, or any combination thereof, provided by the Company to, for and/or on behalf of its Clients;
- e. commission trading in connection with services and/or ancillary services, or any combination thereof, provided by the Company to, for and/or on behalf of its Clients Client business;
- f. the Company's relationship with the issuers of financial instruments, e.g. financial relationship, joint issues and cooperation;
- g. the preparation of financial analyses on securities offered for sale to the Company's Clients;
- h. access and use of information obtained by the Company or the Company's staff and/or senior management, which is not in the public domain, i.e. the Company or the Company's staff and/or senior management obtaining information, which has not been published;
- i. personal relationships of the Company's staff and/or senior management, or of any persons associated with them, or the participation of these persons, in supervisory or advisory bodies.

### **C. *POTENTIAL SCENARIOS THAT COULD CREATE 'CONFLICTS OF INTEREST'***

5.7. With respect to the investment services and/or ancillary services mentioned, the Company has conducted an analysis of certain potential scenarios that could create 'Conflicts of Interest':

#### ***a. Potential 'Conflicts of Interest' that may arise in providing the service of receiving and transmitting Client Orders in relation to one or more financial instruments***

5.8. Where the Company is providing the service of receiving and transmitting Client Orders in relation to one or more financial instruments, 'Conflicts of interest' could arise in cases in which Orders are received at the same time from different Clients for the purchase or sale of certain financial instruments, such as equity securities, with no counterpart existing in the market for the different Orders.

5.9. The Company may be paid inducements by fund companies and issuing houses as remuneration for the sale of their financial instruments. This may include portfolio volume dependent trailer fees paid by fund companies out of the respective management fees collected from investors and the sales commissions paid by issuers of securities in the form of placement commissions, reductions on issue prices

(discount/rebate) and trailer fees. In order to avoid any 'Conflicts of Interest', in those instances where the Company is paid inducements by fund companies and issuing houses as a remuneration for the sale of their financial instruments, the Company has decided not to retain inducements paid in favour of the Company, but to pass such payments through to its Clients.

- 5.10. Furthermore, in some instances, the Company may receive non-monetary inducements from other service providers in connection with its investment business, e.g. financial analyses or other data, training and sometimes technical services and equipment for access to third-party information and dissemination systems. These inducements are not directly related to services provided to Clients and the Company uses them to provide the high-quality services that Clients expect. They allow on-going improvements to the Company's Services.
- 5.11. With respect to the transactions conducted via its online trading platform(s), the Company charges commissions according to the conditions as agreed with its Clients. The level of commission is based on and limited to the respective surcharge as defined in the Company's current schedule of fees and services, which is accessible on the Company's Website(s).

***b. Potential 'Conflicts of Interest' that may arise in providing the service of discretionary, individual management of investment portfolios in accordance with powers given by Clients***

- 5.12. Where the Company is providing the service of discretionary, individual management of investment portfolios, Clients delegate asset management to one of the Company's a portfolio managers and with it the decision to buy or sell individual financial instruments. The Company, through its portfolio managers, decides whether to buy or sell assets on the basis of investment guidelines agreed with the Client, but it does not obtain Client approval each time.
- 5.13. In these instances, 'Conflicts of Interest' could arise in the following instances:
- a. in the event of the purchase or sale of financial instruments on behalf of Clients in illiquid or non-transparent markets; in some instances, this could result in a large profit for the Company or for another Client.
  - b. the fee received by the Company's employees providing portfolio or asset management services may be based on the performance of the Client's portfolio they are managing; in this instance, there may be an implicit incentive related to the increase in performance, which could lead to situations where managers, at the time of providing the service, do not take into account the risks inherent in their investment decisions, leading to action that is contrary to the interests of a Client or group of Clients;
  - c. the Company is the discretionary portfolio manager for more than one Client – in particular in respect of issues related to allocation.
- 5.14. As such arrangements may exacerbate existing 'Conflicts of Interest', the Company, in order to counter the associated risks, has introduced appropriate procedures as in particular by an investment selection

process based on each individual Client profile. Furthermore, all inducements received within the scope of a portfolio management related Client relationship are passed through to the Company's Clients.

5.15. Performance-related pay is another area where there is a potential 'Conflict of Interest' where the Company is providing the service of discretionary, individual management of investment portfolios. Here, it is impossible to exclude the possibility that a portfolio manager may take disproportionate risks in order to maximise his/her performance-related pay.

5.16. Measures to reduce this risk include the internal monitoring of investment decisions by staff and combining performance-related pay and fixed remuneration, as set forth in the Company's '*Remuneration Policy*'.

***c. Potential 'Conflicts of Interest' that may arise in providing the service of investment research and financial analysis or other forms***

5.17. Where the Company is providing the service of investment research and financial analysis, 'Conflicts of Interest' could arise in the following instances:

- a. a unit of the Company may be carrying out research or assessments of instruments while operating together with a unit of the Company providing other investment services, such as discretionary portfolio management;
- b. the Company may produce research material, which is to be used to support the Company's sales and trading activities, but which may at the same time be distributed to the Company's Clients and to the Company's associates or some other person connected to the Company.

5.18. Whenever the Company prepares or distributes financial analyses, it provides Clients with information on potential and relevant 'Conflicts of Interest'.

***d. Retrocession fees***

5.19. Retrocession fees are the kickbacks, trailer fees, finder's fees and other payments paid to advisers or distributors from asset managers. These payments are made from Client money but are often not disclosed to Clients. One criticism raised against retrocession fees is that the system encourages advisers to promote funds or products because they will receive a fee and not because they are the most suitable for end-investors.

5.20. Retrocession fees are not accepted by the Company. A situation in which a supplier of a product gives a percentage of the fees received from another company (e.g., a distributor of this product) will be treated as a retrocession fee and will not be accepted by the Company. In order to be deemed acceptable, all fees, commission or profits paid or received in connection with an investment and/or ancillary service must be designed so as to improve the quality of the service in question and must be shared with the Client.

5.21. Additionally, profits paid or received by the Company must in no way affect the Company's duty to act in the best interest of the Client.

***e. Inducements and gifts***

- 5.22. Gifts and entertainments offered by the Company's Clients may influence the behaviour of staff members in a way that conflicts with the interest of the company or the Company's (other) Clients.
- 5.23. In some circumstances, such gifts and/or entertainment could place the Company in a situation where it would not be in compliance with the general duty to act in accordance with the best interests of its Clients.
- 5.24. This could, for instance, be the case when the Company holds itself out as getting the best deal for its Client, and the inducement influences its placement of business in a way that is contrary to its Clients' interests, or the Company is involved in settlement of claims and also receives a profit commission that influences how it settles claims on behalf of its Clients in a way that is contrary to its Clients' interests.

***f. Other 'Conflicts of Interest' that may arise***

- 5.25. Finally, managers, employees, brokers or persons directly or indirectly associated with the Company by a control relationship, may be subject to potential 'Conflicts of Interest' by virtue of their family, economic or professional links, or for any other reason related to a procedure, service or transaction, in instances in which:
- a. they may obtain a financial gain or avoid a financial loss, at the expense of a Client;
  - b. they have an interest in the outcome of the service provided to a Client or the transaction performed on their behalf, other than the interest of the Client.
- 5.26. The Company itself may have a 'Conflict of Interest' in instances where it purchases a financial instrument for a Client and then sells it immediately to one of its other Clients or vice-versa.

## **6. PROCEDURES AND MEASURES TO AVOID AND, WHERE APPLICABLE, MANAGE CONFLICTS OF INTEREST**

### **A. GENERALLY**

- 6.1. The second stage in mitigating 'Conflicts of Interest' is the setting up of an internal control framework. This framework consists of several Compliance Procedures via which the position of the Company's Clients is safeguarded.
- 6.2. Accordingly, the Company endeavours to manage any 'Conflicts of Interest' which may arise from time to time, promptly and fairly and has in place internal policies, procedures and controls designed to prevent and manage 'Conflicts of Interest'.
- 6.3. These policies, procedures and controls, as well as the content of this Policy, are designed to ensure that the persons involved in the different activities, which may give rise to a 'Conflict of Interest', as

specified above, carry on those activities at an appropriate level of independence, these policies, procedures and controls as well as this Policy are subject to on-going monitoring and review.

- 6.4. To ensure that external interests do not influence the Company's Order execution, portfolio and/or asset management, financial analyses, etc., the Company and its staff are under an obligation to maintain high ethical standards. Diligence and integrity are expected at all times, as is behaviour that is professional and within the law.
- 6.5. In addition, the actions of the Company and its staff must comply with market standards and in particular due regard must be given to the interests of the Client. The Company has an independent Compliance Department under the direct responsibility of senior management, which is responsible for the identification, avoidance and management of 'Conflicts of Interest'.

## **B. BRIEF SUMMARY OF ORGANISATIONAL MEASURES**

- 6.6. In general, the procedures and controls, which the Company follows to manage identified 'Conflicts of Interest', include the following measures:
  - a. independence of business areas that do or may involve a 'Conflict of Interest' (separate business areas), and for which the following measures have been taken:
  - b. effective procedures to prevent or control the exchange of information among the Company and Relevant Persons engaged in activities involving a risk of a 'Conflict of Interest' and/or reciprocally among such Relevant Persons, where the exchange of that information may harm the interests of one or more Clients; establishment of physical separation barriers and computer barriers, passwords to files, databases, emails, etc. understanding these barriers to be physical, electronic, or any other kind of element, to ensure that the areas or departments separated are watertight compartments; establishment of regular checks and tests to ensure the effectiveness of the aforementioned barriers; functional separation of the employees assigned to the various departments, especially those related to the provision of different investment or ancillary services;
  - c. the separate supervision of Relevant Persons whose principal functions involve carrying out activities on behalf of, or providing services to, Clients whose interests may conflict, or who otherwise represent different interests that may conflict, including those of the Company;
  - d. the removal of any direct link between the remuneration of Relevant Persons principally engaged in one activity and the remuneration of, or revenues generated by, different Relevant Persons principally engaged in another activity, where a 'Conflict of Interest' may arise in relation to those activities; In this regard, remuneration criteria have been established at the Company that reasonably ensure the objectivity and independence of the services provided, without favouring the interest of one business area over another; furthermore, remuneration schemes within each area have been designed so as to avoid creating 'Conflicts of Interest' between the Company and its Clients.

- e. measures to prevent or limit any person from exercising inappropriate influence over the way in which the Company and/or Relevant Person carry out investment services and/or other ancillary services, or any combination thereof;
- f. measures to prevent or control the simultaneous or sequential involvement of the Company and/or a Relevant Person in separate investment services and/or other ancillary services, or any combination thereof, or activities where such involvement may impair the proper management of Conflicts of Interest. Such measures include the following:
  - (i) a ‘*need to know*’ policy governing the dissemination of confidential or inside information (a) within the Company, (b) among the Company and Relevant Persons and/or (c) reciprocally among Relevant Persons;
  - (ii) Chinese walls restricting the flow of confidential and inside information within the Company, and physical separation of departments;
  - (iii) procedures governing access to electronic data;
  - (iv) segregation of duties that may give rise to ‘Conflicts of Interest’, if carried on by a single individual;
  - (v) personal account dealing requirements applicable to Relevant Persons in relation to their own investments;
  - (vi) a gifts and inducements policy and log registering the solicitation, offer or receipt of certain benefits;
  - (vii) the prohibition of external business interests conflicting with the Company’s interests, insofar as the Company’s officers and employees are concerned, unless approved by the Company’s Board of Directors;
  - (viii) a policy designed to prevent ‘Conflicts of Interest’ arising from the giving and receiving of inducements;
  - (ix) establishment of a Compliance Department to monitor and report on the above to the Company’s Board of Directors, which is responsible for identifying and managing potential ‘Conflicts of Interest’, for up-dating the relevant internal policies and procedures and for ensuring compliance with such policies and procedures;
  - (x) appointment of an Internal Auditor to ensure that appropriate systems and controls are maintained and properly reported to the Company’s Board of Directors;
  - (xi) establishment of the ‘*four-eyes*’ principle in supervising the Company’s activities.
- g. measures designed to hinder the exchange of information between separate business areas:



- (i) establishment of physical separation barriers and computer barriers, passwords to files, databases, emails, etc. understanding these barriers to be physical, electronic, or any other kind of element, to ensure that the areas or departments separated are watertight compartments.
- (ii) establishment of regular checks and tests to ensure the effectiveness of the aforementioned barriers.

6.7. The Company also undertakes the continuous and regular monitoring of its business activities in order to ensure that internal controls are appropriate.

### **C. DETAILED DESCRIPTION OF MAJOR ORGANISATIONAL MEASURES**

6.8. The most crucial measures, which the Company follows to manage identified 'Conflicts of Interest', are described below in further detail.

#### **a. Compliance Department**

6.9. In order to comply with its legal requirements, the Company has established an effective Compliance Department to monitor compliance with its legal obligations, Internal Procedures and/or industry practice, on a full time and exclusive basis.

6.10. Apart from preventing misuse of insider information and market manipulation, one of the core tasks of the Compliance Department is to identify and manage 'Conflicts of Interest' (potential, apparent and existing) and to monitor measures implemented within the Company and adapt them where required.

#### **b. Confidentiality and Information Barriers**

6.11. There are effective controls in place to manage the exchange of information between Relevant Persons engaged in activities involving a risk of a 'Conflict of Interest'. Information barriers also include separation of premises, personnel, reporting lines, files and IT-systems.

6.12. The Company respects the confidentiality of Clients' information by operating a "Need to Know" approach such that access to Clients' information is restricted to those Relevant Persons who have a sincere requirement for the information consistent with the scope of their responsibilities.

#### **c. Chinese walls**

6.14. The establishment of Chinese walls between the Company's various areas of confidentiality ensures that the dissemination or communication of confidential information is limited to the extent necessary in the ordinary course of business (exceptions require special approval). All employees are bound by confidentiality, responsibilities and reporting lines are clearly defined and the sequential involvement of a relevant person in separate investment activities that would lead to 'Conflicts of Interest' is avoided. The spatial segregation of sensitive departments is also enforced.

- 6.15. The primary function of Chinese Walls is to control access to material\price sensitive and non-public information by generally insulating department activities from one another in order to prevent the potential or perceived misuse of that information and thus their application is central in the management and mitigation of potential Conflicts of Interest. They can also prevent the flow of confidential information internally and thus assist in ensuring that insider trading does not occur.
- 6.16. In order to comply with this principle, all of the Company's personnel is expected to observe the following simple, but yet extremely important rules:
- a. company employees must refrain from discussing confidential information in public places such as elevators, hallways, restrooms or at social gatherings;
  - b. unauthorised persons and members of staff of other departments are not allowed to enter the premises of the Company or other departments unless accompanied and supervised by relevant members of staff;
  - c. company employees must avoid using speakerphones in areas where unauthorized persons may over-hear conversations;
  - d. where appropriate, employees should maintain the confidentiality of the identity of Clients by using code names or numbers for confidential projects;
  - e. company employees are expected to exercise care to avoid placing documents containing confidential information in areas where they may be read by unauthorized persons and store such documents in secure locations when they are not in use;
  - f. when documents containing non-public material information are to be disposed of, they shall be destroyed by shredding or some other secure manner, which can prevent readable copies from accidentally falling in the hands of non-insiders;
  - g. company employees are expected to destroy copies of confidential documents no longer needed for a project or not otherwise required to be maintained under legislation;
  - h. associated persons engaging in meetings with corporate officers of companies for the purpose of gathering information for research reports or follow-up meetings with companies, shall maintain written notes of said meetings including but not limited to:

- (i) the names of Company representatives and of corporate officers of the subject company in attendance
  - (ii) the time, date and location of the meeting
  - (iii) the purpose of the meeting
  - (iv) notes on the conversations that took place between the corporate officers and Company representatives in attendance
  - (v) copies of any hand-outs or other written material given to Company representatives in attendance
- i. all of the Company's records that may contain material non-public information, must be kept in locked drawers and file cabinets; they shall only be removed when needed for working on the specific transaction or Client, and shall be locked up each evening.
  - j. all of the Company's employees executing different types of professional activity are placed in different rooms according to the functional characteristics; if for any reason all members of staff leave the room where they are located during working hours, the door is locked.
  - k. if it is not possible, due to lack of space, to place employees of different departments in separate rooms, the Compliance Officer must ensure that PC monitors are kept beyond the sight of employees from other Departments;
  - l. access to the premises and the computer network of the Company during weekends and on holidays is granted only if prior permission by an authorised person is obtained in advance.
  - m. it must be ensured that jalousie or special curtains are used for obscuring visibility by by-passers in the rooms situated on the lower floors;
  - n. at the end of each working day, all computers and peripherals (computers, printers, and copiers) are shut down.
  - o. in case of absence of an employee from his/her working place, access to the Company network is suspended until his/her return.

***d. Separate Supervision and Segregation of Functions***

- 6.17. The principle of segregation of duties adopted within the Company is fundamental to prevent potential 'Conflicts of Interest' to adversely affect the interest of the Company's Clients. Accordingly, these principles are reflected in the Company's organisational structures, procedures and internal control.
- 6.18. The Company further manages potential 'Conflicts of Interest' by ensuring that:

- a. supervisory arrangements provide for separate supervision of employees where necessary for the fair management of 'Conflicts of Interest';
- b. functions which could potentially yield conflict situations are segregated by means of separate reporting lines;
- c. no single employee is simultaneously or successively involved in two different Services when that poses a potential 'Conflict of Interest';
- d. as far as possible, a third party cannot improperly influence the decisions taken by employees that provide the Services;
- e. Chinese Walls are maintained to restrict exchange of information between different Units or Departments within the Company.

6.19. Four-eye supervision is conducted on all relevant persons whose principal functions involve the carrying out of activities on behalf of, or providing services to, Clients whose interest may conflict, or who may otherwise represent different interests that may conflict, including those of the Company.

***e. Training and Monitoring***

- 6.20. The Company insists that in its dealings with Clients its employees must use the highest standard of integrity in their actions at all times.
- 6.21. The induction, on-going training and monitoring programs organized by the Company and, in particular, the Company's Compliance department, are designed to ensure that all relevant staff are familiar with and observe, inter alia, all applicable rules and procedures in relation to the provision of the Services provided by the Company.

***f. Clients' Orders – Order execution Policy***

- 6.22. Clients' Orders must be executed in compliance with the Company's '**Order Execution Policy**'.
- 6.23. In order to ensure fair treatment on all Clients' Orders, the Company's Execution Policy requires its employees to take all reasonable steps to achieve the best overall trading result for Clients; to exercise consistent standards; and to operate the same processes across all markets, Clients and financial instruments in which it operates.
- 6.24. No undue preference may be given to any Client when trades are aggregated.
- 6.25. The same types of Clients' Orders must be executed according to the sequence of their receipt.
- 6.26. The Company treats its Clients fairly in accordance with the criteria that it introduces and notifies to them. In case of differentiated treatment of the Company's Clients in the course of provision to them of investment or non-core services, this shall occur on the basis of objective criteria, such as the volume

of transactions, the amount of capital under Company's management, the category to which the Client belongs (Retail Client or Professional Client) which will have duly been notified by the Company to its Clients.

***g. Clients' Orders - Allocation Policy***

- 6.27. It is our policy to offer allocations to Clients for whom the investment is suitable, or appropriate, who have sufficient funds in their account on the commitment date and who understand the investment's terms and conditions and are willing to be bound by them (including any special considerations, such as selling restrictions, which are generally for a limited period of time). Our policy is to allocate investments on a pro rata basis wherever practicable.
- 6.28. In order to ensure that deals cannot be allocated in favour of one group of Clients or staff, we operate dealing and allocation procedures which cover dealing fairly and in due turn, and how allocations should be made if insufficient stock is available. Similarly, we have strict Personal Account Dealing rules in place to ensure that staff cannot deal on their own account ahead of those of our Clients, or in a manner contrary to our Clients' interests (see further below).

***h. Inducements to the Company from Clients***

- 6.29. The Company, in providing Services, must act honestly, fairly and professionally in accordance with the best interests of a Client.
- 6.30. In so doing, the Company may (i) receive a fee, commission or a non-monetary benefit from the Client or a person acting on the Client's behalf or (ii) pay a fee, commission or other nonmonetary benefit to a Client or a person acting on the Client's behalf.
- 6.31. The Company may also (i) receive a fee, commission or a non-monetary benefit, from a third party or a person acting on behalf of such third party; or (ii) pay a fee, commission or a nonmonetary benefit to a third party or a person acting on behalf of such third party, if:
- a. prior to providing the Service, the Company discloses to the Client in a manner which is comprehensive, accurate and understandable, the existence, nature and amount of fee, commission or non-monetary benefit or where the amount cannot be ascertained, the method of calculating that amount; and
  - b. the fee, commission or non-monetary benefit is designed to enhance the quality of the Service to the Client and does not impair compliance with the Company's duty to act in the Client's best interests.
- 6.32. In addition, the Company may pay or receive proper fees which are necessary for the Company to be able to provide the Service and which by their very nature cannot give rise to conflicts with the Company's duty to act honestly, fairly and professionally in the best interests of the Client such as custody fees, settlement and exchange fees, regulatory levies and legal fees.

- 6.33. As such, the Company may be paid inducements by fund companies and issuing houses as remuneration for the sale of their financial instruments. This may include portfolio volume dependent trailer fees paid by fund companies out of the respective management fees collected from investors and the sales commissions paid by issuers of securities in the form of placement commissions, reductions on issue prices (discount/rebate) and trailer fees. In order to avoid any 'Conflicts of Interest', in those instances where the Company is paid inducements by fund companies and issuing houses as a remuneration for the sale of their financial instruments, the Company has decided not to retain inducements paid in favour of the Company, but to pass such payments through to its Clients.
- 6.34. Furthermore, in some instances, the Company may receive non-monetary inducements from other service providers in connection with its investment business, e.g. financial analyses or other data, training and sometimes technical services and equipment for access to third-party information and dissemination systems. These inducements are not directly related to services provided to Clients and the Company uses them to provide the high-quality services that Clients expect. They allow on-going improvements to the Company's Services.
- 6.35. With respect to the transactions conducted via its online trading platform(s), the Company charges commissions according to the conditions as agreed with its Clients. The level of commission is based on and limited to the respective surcharge as defined in the Company's current schedule of fees and services, which is accessible on the Company's Website(s).

***i. Inducements to Employees from Clients***

- 6.36. The Company has adopted an '***Inducements Handling Policy***', which defines its pricing policy in relation to commissions, charges and other costs and expenditures required to provide investment and ancillary services and products, in an accurate, clear and detailed manner, and provides that the Company does not pay, accept or allows its personnel, management, executive staff members and other persons working under contract for the Company to pay, provide or receive any direct or indirect fees, commissions, discounts or non-monetary benefits from Clients or third parties acting on behalf of Clients, except for those clearly defined for each case.
- 6.37. Under the Company's '***Inducements Handling Policy***', the Company's employees are prohibited from offering or receiving, soliciting or accepting any inducements, gifts, benefits, compensation or consideration that reasonably could be expected to compromise their own or another's independence and objectivity. Employees are prohibited from soliciting gifts for themselves, their family members or related parties. Attempts by suppliers, Clients or third parties to solicit gifts during the course of their interaction with the Company's employees, should immediately be reported to the company's Compliance Officer.
- 6.38. Small gifts under €10 -, such as pens, calendars, rugby tickets, theatre tickets, are acceptable and must be recorded by the employee in the gift register held by the Compliance Officer of the company within thirty (30) calendar days of receipt

- 6.39. Any gift, gratuity or other benefit, for which an arms-length payment was not required, received by Company employees and having a value in excess of €10,- must be pre-approved and disclosed in writing to the Compliance Officer, within twenty-four (24) hours of receipt.
- 6.40. The Compliance Officer will be responsible for updating the gift register, within forty-eight (48) hours after approval was given by the Compliance Officer.
- 6.41. The acceptance of receipt of cash (bank notes or equivalent) is specifically prohibited.
- 6.42. The acceptance of discounts in excess of normal commercial practice or free memberships is prohibited.

***j. Appropriate Procedures for monitoring Inducements***

- 6.43. The Company's Compliance Department shall ensure, together with the Company's senior management, that all relevant inducements have been identified and classified in relation to the Service being proposed and conform with all the above conditions.
- 6.44. Any changes to any inducements in relation to existing Services are to be communicated immediately to the Compliance Department for its review and approval.

***k. Remuneration Policy***

- 6.45. The Company has adopted a '**Remuneration Policy**', which contains measures to reduce the risk of potential 'Conflicts of Interest' through the internal monitoring of investment decisions by staff and combining performance-related pay and fixed remuneration. In this regard, remuneration criteria have been established by the Company, which reasonably ensure the objectivity and independence of the services provided, without favouring the interest of one business area over another.
- 6.46. The Company has eliminated any direct link between the remuneration of relevant persons principally engaged in one activity and the remuneration of different relevant person principally engaged in another activity, where a conflict of interest may arise in relation to those activities. Under the Company's '**Remuneration Policy**', the remuneration of Relevant Persons principally engaged in one Service is not directly linked to the remuneration or income of other Relevant Persons principally engaged in another Service.
- 6.47. Furthermore, remuneration schemes within each area have been designed so as to avoid creating potential 'Conflicts of Interest' between the Company and its Clients.
- 6.48. In line with its '**Remuneration Policy**', the Company undertakes to ensure that it does not give incentives to activities that may lead to 'Conflicts of Interest'. The Company will not offer remuneration packages that reward behaviour that disadvantages the interests of Clients in favour of the Company or other Clients. Employees are rewarded on the basis of merit.

### ***I. Investment Research Policy***

- 6.49. The Company's staff involved in investment research and analysis is guided by an '***Investment Research Policy***', which provides, inter alia, that the Company's employees are expected to maintain a high level of ethics and integrity, and must declare any 'Conflict of Interest' that may arise in executing their job duties.
- 6.50. The Company's financial analysts and employees involved in investment research and analysis shall conduct their research and prepare their analysis following the principle of conscientiousness and fairness and with due professional care and diligence required from the persons who perform investment research and analysis within their professional competence. In performing investment research and analysis, the Company's financial analysts and employees involved will, as much as possible, rely on third party research limited to a small number of renowned foreign correspondents. It is the responsibility of the Company's financial analysts and employees involved in investment research and analysis to perform their investment research and analysis based on the different opinions sourced.
- 6.51. The Company's financial analysts and employees involved in investment research and analysis are precluded under the Company's '***Investment Research Policy***', from accessing information from other sections of the Company for the purposes of performing their investment research and analysis. If a situation arises where this is inevitable, then the financial analyst and/or employee concerned is immediately required to declare any possible 'Conflict of Interest' that may arise to his/her line manager.
- 6.52. The Company's financial analysts and employees involved in investment research and analysis are also precluded from performing personal transactions or trading in financial instruments to which investment research refers, or with any related financial instruments, until such time as the said investment research is published or made available to the Clients or parties for whom this investment research is intended. Furthermore, the general prohibition of trading with knowledge of the likely timing or content of a particular report prior to its publication is implemented (applicable to all employees) on a Company wide basis.
- 6.53. The Company's financial analysts and employees involved in investment research and analysis are prohibited from entering into personal transactions related to such investment research or any other related financial instruments if this is in contradiction of current recommendations. As such, they are prohibited from trading contrary to current recommendations (except in exceptional cases related to financial distress of the said persons and then only subject to the express and prior approval of the Compliance Department).
- 6.54. In addition, the Company, as well as the Company's financial analysts and/or employees involved in investment research and analysis and/or any other relevant person involved in the production of the investment research and analysis, are strictly prohibited from accepting any inducement, in whatever form or circumstance, from those with a material interest in the subject-matter of the investment research and, more in particular, are strictly prohibited from promising issuers or providing issuers favourable research coverage.



6.55. Finally, issuers and/or any other, relevant persons (other than the Company's financial analysts and/or employees involved in investment research and analysis) shall not, before the dissemination of any investment research and/or analysis, be permitted to review a draft of the investment research and/or analysis, except if the draft investment research and/or analysis includes a recommendation or a target price, and then only for the purposes of verifying the accuracy of factual statements made in that research, or for the purpose of verifying compliance with the firm's legal obligations. In those instances, any such review shall be conducted in the presence and under the supervision of the Company's Compliance Officer.

***m. Personal account dealing***

6.56. The Company has implemented personal account dealing rules and procedures regulating its employees' own or associated persons' transactions (PA dealings) are laid out in the Company's '**Employee Manual**' and are aimed at preventing 'Conflicts of Interest' between Clients and its employees or resolving them in the Clients' interests. Under the Company's personal account dealing rules and procedures, restrictions on trading on personal account are imposed on Company employees and persons associated with them in situations where a 'Conflict of Interest' might be created.

6.57. Personal account transactions (PA dealings) mean trades in a financial instrument effected by or on behalf of a Relevant Person, where at least one of the following criteria are met:

- a. that relevant person is acting outside the scope of the activities he carries out in that capacity;
- b. the trade is carried out for the account of any of the following persons:
  - (i) the Relevant Person;
  - (ii) any person with whom he or she has a family relationship, or with whom he or she has close links;
  - (iii) a person whose relationship with the Relevant Person is such that the relevant person has a direct or indirect material interest in the outcome of the trade, other than a fee or commission for the execution of the trade.

6.58. It is prohibited to enter into a personal transaction which meets at least one of the following criteria:

- a. that person is prohibited from entering into it;
- b. it involves the misuse or improper disclosure of confidential information;
- c. it conflicts or is likely to conflict with an obligation of the Company;

- d. advising or procuring, other than in the proper course of his employment or contract for services, any other person to enter into a transaction in financial instruments:
  - (i) which if a personal transaction of the Relevant Person, would be considered as a prohibited personal transaction, as described in the preceding paragraph; or
  - (ii) with knowledge of the likely timing or content of an investment research report that is currently been drafted which is not publicly available or available to Clients and cannot be readily inferred from information that is so available, until the recipients of the investment research have had a reasonable opportunity to act on it;
  - (iii) which is contrary to current recommendations;
  - (iv) which would constitute misuse of information relating to pending Client Orders.
- e. disclosing, other than in the normal course of his employment or contract for services, any information or opinion to any other person if the Relevant Person knows, or reasonably ought to know, that as a result of that disclosure that other person will or would be likely to take either of the following steps:
  - (i) to enter into a prohibited transaction, as described hereinabove;
  - (ii) to advise or procure another person to enter into such a transaction.

6.59. In order to ensure the proper handling of PA dealing, the Company has put the following arrangements in place:

- a. each Relevant Person is aware of the restrictions on personal transactions, and of the measures established by the Company in connection with this requirement.
- b. the Company is to be informed promptly of any personal transaction entered into by a Relevant Person, either by notification of that transaction or by other procedures enabling the Company to identify such transactions;
- c. In the case of outsourcing arrangements, the Company ensures that the firm to which the activity is outsourced maintains a record of all personal transactions entered into by any Relevant Person and provides that information to the Company promptly on request.
- d. a record is kept of the personal transaction notified to the Company or identified by it, including any authorization or prohibition in connection with such a transaction.

6.60. In addition, it is the policy of the Company to request all employees to provide a list of all affiliations either directly or indirectly with any publicly registered companies. Such listing shall include the name of the company, the nature of the affiliation, the percentage (%) ownership (either direct or indirect), and the date in which the affiliation first existed.

- 6.61. Each employee of the company signs the PA declaration and the Declaration of secrecy within one week upon joining the company.
- 6.62. Duplicate statements and confirmations from other registered investment firms for each employee of the Company are obtained on a regular basis (currently, on a quarterly basis). The information contained in such duplicate account statements as well as the account statements for employee affiliated accounts held at the Company, is reviewed by the Compliance Department.
- 6.63. The Compliance Department monitors transactions to identify any potential breaches of the Company's personal account dealing rules and procedures. Any transactions that are traded in close proximity to being in violation of the Company's personal account dealing rules and procedures are also investigated by the Compliance Department. The results of the investigation are prepared in writing and forwarded to the Company's Board of Directors for their review.

***n. Insider trading and market manipulation (market abuse)***

- 6.64. As part of its '**Employee Manual**', the Company has issued internal guidelines and rules of conduct which serve to comply with the legal requirement of preventing market abuse (insider trading and market manipulation) by the Company and its employees.
- 6.65. Certain information received by the Company in the course of its activities may be "inside" information which prohibits the fraudulent misuse of such information in connection with the purchase or sale of securities.
- 6.66. According to the Market Abuse Law, 'Inside information' denotes information of a precise nature which has not been made public, relating, directly or indirectly, to one or more issuers of financial instruments or to one or more financial instruments and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments.
- 6.67. It is provided that information which, if it were made public, would be likely to have a significant effect on the prices of financial instruments or related derivative financial instruments, includes any information a reasonable investor would be likely to take into account in taking his investment decisions.
- 6.68. Information may be classified as inside information if there is a substantial likelihood that a reasonable investor would consider the information important in deciding whether to purchase, hold or sell a security. In other words, there must be a substantial likelihood that disclosure of the information would have been viewed by a reasonable investor as having significantly altered the total mix of information made available. Information may be inside information even if it relates to speculative or contingent events.
- 6.69. It should be noted that one of the major changes brought about by the Market Abuse Law is that for persons charged with the execution of orders concerning financial instruments, "inside information"

shall also mean information conveyed by a Client and related to the Client's pending Orders, which is of a precise nature, which relates directly or indirectly to one or more issuers of financial instruments or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments.

- 6.70. The Company may be exposed to “inside information” in a number of ways. Such information may derive from an external source such as a Client, prospective Client, or other third party with the expectation that the Company will keep the information confidential and use it only for the benefit of the Client or prospective Client.
- 6.71. When performing investment and/or ancillary services, or any combination thereof, employees of the Company may obtain material/price sensitive and non-public information. Information is non-public when it is generally not available to investors in the marketplace or when it has not been circulated to the general public by means such as media article, press release or filing with the supervisory authority or when there has not been a reasonable amount of time for the information to be absorbed in the market.
- 6.72. The employees of the Company who come into the possession of such information are prohibited from:
- a. taking advantage of material/price sensitive and non-public information by buying or selling securities;
  - b. recommending or procuring a third party to buy or sell the securities;
  - c. disclosing material/price sensitive and non-public information to a third party otherwise than in the proper performance of the employee’s duties.
- 6.73. Where a business unit of the Company becomes aware of unpublished, price sensitive information, a conflict may arise between its duty to enforce the insider regulation and its duty to act in the best interests of its Clients. This conflict is in general to be resolved by not making use of the inside information.

***o. Restricted List***

- 6.74. One of the most important tools to prevent/manage conflict of interests is the so called 'Restricted List'.
- 6.75. The purpose of the 'Restricted List' is to inform staff members where restrictions/restraints on trade activities exist with respect to certain securities'
- 6.76. An issuer and its securities may be placed on the 'Restricted List' for a variety of reasons, including, but not limited to, the following reasons:
- a. the Company or any affiliated entity or relevant Person possesses inside price-sensitive information;
  - b. other reasons, including cases where trading in the security is banned in view of applicable legislative requirements or if restriction is initiated by a respective exchange (bourse).
- 6.77. Depending on the grounds for placing a security on the Restricted List, some or all of the below indicated restraints may be imposed:
- a. a prohibition on personal trading (PA dealings) by employees and affiliated entities or Relevant Persons;
  - b. a prohibition on the issuance of research reports or imposing restraints on issuing research reports;
  - c. a prohibition on soliciting Clients' business, particularly for securities sold out of a proprietary position;
  - d. other prohibitions/restraints;
- 6.78. Once a security is placed on the 'Restricted List', and for as long as it remains there, transactions on the said security are monitored (earmarked) and reviewed by the Compliance Department on a daily basis.
- 6.79. Any infringement of the restrictions/restraints that are imposed (PA dealings inclusive) are qualified as a serious violation and may result in disciplinary action.

***p. Outsourcing arrangements***

- 6.82. All outsourcing service providers have signed relevant agreements with the Company, which envisage the keeping of records of personal transactions of their employees.

## 7. DISCLOSURE

- 7.1. Stage three in mitigating potential 'Conflicts of Interest' is to be transparent towards the Clients with regard to the identified conflicts that might arise, or are about to arise when conducting business. Possible measurements will be implemented in order to act in the best interest of the Client.
- 7.2. The purpose of this is to enable the Client to decide whether he wants to avail of the service nevertheless. This will only be possible if the information given provides a sufficient basis for making such a decision and for this reason, sufficient details of the conflict must be given. The degree of detail entered into requires that a relative assessment of the interests of other Clients is also carried out. Insider information must not be disclosed. Thus, prior to making any disclosure, it must be checked whether the particular information could turn into insider information at some point.
- 7.3. Furthermore, where the organizational or administrative arrangements described in this Policy are not sufficient to ensure with reasonable confidence that risks of damage of Client interests will be prevented, the Company clearly discloses the general nature and/or sources of 'Conflicts of Interest' to the Client before undertaking business on its behalf. Disclosures to Clients are done in sufficient detail to enable the Client to make an informed decision about the investment or ancillary service in the context of which the conflict arises.
- 7.5. In the event of any potential or apparent 'Conflict of Interest' which the employee responsible for the provision of the Company's services to the Client knows or should have known and which has not been disclosed to Clients, the Company, in accordance with the prevailing circumstances and before the conclusion of the transaction, informs the Client in writing or by any other equivalent means (e.g. by electronic mail), either generally and/or in abstract or in connection with the specific transaction, in respect of the risks of 'Conflicts of Interest' between the Client and the Company, or between the Client and other Clients of the Company.
- 7.6. Information disclosed to the Client may, for example, include reference to the following issues:
  - a. any kind of benefits, especially indirect, that the Company may obtain from the provision of investment or non-core services through the use of any third parties;
  - b. the fact that the Company offers for sale of financial instruments in which the Company or its associated persons have vested interests (e.g. they possess or have a claim in the specific financial instruments);
  - c. the fact that the Company offers for sale financial instruments in respect of which one of its Clients has already issued a significant sale or purchase Order or in which the said Client conducts a large volume of transactions.
- 7.7. The following conditions should be met with regard to disclosure:
  - a. disclosure should be provided to the Client at the time the arrangement is proposed;

- b. the notification should contain information about the existence, nature and amount of the fee, commission or benefit, and to the service or product to which it relates or, where the amount cannot be ascertained, the method of calculating that amount to such an extent that the Client can make an informed decision on whether to proceed with the investment or service.
- 7.8. The Client's account manager involved is responsible for informing the Client. Such disclosure must take place either in writing or in a permanent medium prior to conclusion of a commercial transaction.
- 7.9. The Client should be informed pro-actively and in a timely manner. The written message has to include the relevant details of the (possible) conflict of interest in order for the Client to evaluate the consequences. The following elements are mandatory:
  - a. the nature of the (potential) conflict;
  - b. the parties involved (on an anonymous basis were required) and their role regarding the (potential) conflict;
  - c. the Company's involvement/role regarding the (potential) conflict; and
  - d. the measures of control that are in place.

- 7.10. In any event the Company must adopt all expedient measures in order to ensure that the Client wishes to proceed to the conclusion of the transaction, notwithstanding the 'Conflict of Interest' disclosed to him or her.

## **8. PROCEDURE FOR ACTING IN CASES IN WHICH A CONFLICT OF INTEREST SITUATION HAS ARISEN**

- 8.1. It is the responsibility of each and every employee of the Company to familiarise themselves with this Policy and to immediately disclose 'Conflicts of Interest' or potential 'Conflicts of Interest'.
- 8.2. When there is a conflict of interest, the person who detected the situation must immediately notify his/her manager and the Compliance Department. Notifications should be made in the shortest time possible and, in any case, before taking any decision which might be affected by the possible conflict of interest.
- 8.3. The Compliance Department will inform the Risk Management Department and senior management of the Company of the matter and the Compliance Department, the Risk Management Department and the senior management of the Company will then jointly agree on the necessary measures for the management of such 'Conflicts of Interest', always putting the interests of Clients before those of the Company.
- 8.4. In the event that it is considered that the measures taken are not reasonably sufficient to avoid the risk that a Client's interests may be harmed, the Client will be informed about the nature of the conflict and any other circumstances that will allow them to make an informed decision about the investment service to be purchased from the Company, in each instance accordance with the provisions of **Section 7** hereinabove.

## **9. RECORD KEEPING**

- 9.1. The Compliance Department will arrange for the recording of any 'Conflict of Interest' in an appropriate and separate 'Conflicts of Interest' register, and will inform the Risk Management, senior management and Board of Directors of the Company of the matter and of any action taken.
- 9.2. The information contained within the register will be kept for a minimum of five (5) years, with any changes made in it will also being kept for the same period of time.



notification shall be deemed as sufficient notice and it is your duty to consult and/or to check regularly this 'Conflicts of Interest Management Policy' on our Website(s) regarding any such Changes. Therefore, you should review this '**Conflicts of Interest Management Policy**' from time to time so as to ensure that you will be aware of any such Changes.

## 10. MISCELLANEOUS

- 10.1. This '**Conflicts of Interest Management Policy**' is not intended to, and does not, create third party rights or duties that would not already exist if the '**Conflicts of Interest Management Policy**' had not been made available.
- 10.3. Should you have a question about '**Conflicts of Interest**' at the Company, please direct your questions to our Compliance Department: [compliance@traders-trust.com](mailto:compliance@traders-trust.com).

