

CONFLICT OF INTEREST POLICY

1. REGULATORY FRAMEWORK

1.1. Within the framework of the EU Markets in Financial Instruments Directive (MiFID), the Company is required to establish, implement and maintain an effective Conflict of Interest Policy. The Company has adopted in this respect, a distinct Conflict of Interest Policy.

1.2. This document sets out the Company's policy to effectively manage any conflict of interest that may arise in carrying on its business.

2. CONFLICT OF INTEREST POLICY

2.1. The Company respects the transparency and integrity of the market and it maintains and operates effective, organisational and administrative arrangements with a view to taking all reasonable steps designed to prevent conflict of interest from constituting or giving rise to a material risk of damage to the interests of the Clients. The requirement to identify and manage conflicts of interest applies equally to all types of Clients (Retail, Professional and Eligible Counterparties).

2.2. The Company ensures that from time to time its systems, controls and procedures are robust and adequate to identify and manage any conflict of interest that may arise, and to ensure, as far as practicable, that all the arrangements made under this policy operate effectively.

2.3. The Company's Conflict of Interest Policy sets out the following:

- a) Defining, in relation to the investment activities and ancillary services that the Company provides, the circumstances which may give rise to conflict of interest entailing a material risk of damage to Client's interests;
- b) Defines the procedures, systems and mechanisms that the Company has established to manage those conflicts.

2.4. Where the organisational or administrative arrangements made by the Company to manage conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to client interests will be prevented, the Company shall clearly disclose the general nature and/or sources of conflicts of interests to the Client before undertaking business on its behalf.

3. OBJECTIVES

3.1. The Conflict of Interest Policy aims to ensure that the Company's clients are treated fairly and at the highest level of integrity and that their interests are protected at all times. It also aims to identify conflict of interest between:

- a) The Company or any person directly or indirectly linked to the Company by control and the Clients;
- b) One Client and another.

4. CRITERIA OF IDENTIFYING CONFLICTS OF INTEREST

4.1. For the purposes of identifying the types of conflict of interest with reference to paragraph (a) above, the Company takes into account, by way of minimum criteria, the question of whether the Company or a relevant person, or a person directly or indirectly linked by control to the Company:

- a) Is likely to make a financial gain, or avoid a financial loss, at the expense of the Client;
- b) Has an interest in the outcome of a service provided to the Client or of a transaction carried out on

- behalf of the Client, which is distinct from the Client's interest in that outcome;
- c) Has a financial or other incentive to favour the interest of one Client over another;
 - d) Carries on the same business as the Client;
 - e) Receives, from a person other than the 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. CIRCUMSTANCES THAT WOULD CONSTITUTE A CONFLICT OF INTEREST

5.1. Taking into consideration the services the Company offers with reference to above paragraph: Reception, Transmission and Execution of Orders and ancillary services and a combination thereof, the non-exhaustive list of circumstances which may constitute or may give rise to a conflict of interest is the following:

- a) Where the Company or relevant person receive substantial gifts or entertainment (including non-monetary inducements) that may influence behaviour in a way that conflicts with the interests of the Client;
- b) Where a transaction is effected in securities in respect of which the Company may benefit from a commission, fee, mark-up or mark-down payable otherwise than by a client, and/or Company may also be remunerated by the counterparty to any such transaction;
- c) Where a director or employee of the Company is a director of, holds or deals in securities of, or is otherwise interested in any company whose securities are held or dealt in on behalf of a Client;
- d) Where the Company may act as agent for a client in relation to transactions in which it is also acting as agent for the account of other customers and/or Group companies;
- e) Where a transaction is effected in securities issued by an affiliated company or the client or customer of an affiliated company;
- f) The Company deals on behalf of the client with, or in the securities of an affiliated company;
- g) Where a transaction is effected in units or shares of connected investment trusts or unit trusts or open ended investment companies or of any company of which the Company or an affiliated company is the manager, authorised corporate director, operator, banker, adviser, custodian, administrator, trustee or depositary;
- h) Where the Company acting as agent for the Client, matches an order of the Client with an order of another customer for whom it is acting as agent.

6. CONTROLS FOR MITIGATING THE RISK OF CONFLICT OF INTEREST

6.1. In determining what steps are reasonable to identify and manage conflict of interest, the Company takes into account:

- a) The level of risk that a conflict of interest may constitute or give rise to a material risk of damage to the interests of the clients;
- b) The nature of the conflicts in question;
- c) The nature and range of services offered to the particular client.

6.2. The procedures followed and measures adopted are necessary and appropriate for the Company to ensure the requisite degree of independence:

- a) There is a clear distinction between the different departments' operations;
- b) No single person will gather conflicting information, thus counterfeiting or hiding information from investors is minimised;
- c) The Company's employees are prohibited from investing in securities for which they have access to non-public or confidential information;
- d) Transactions by the Company's employees are neither performed nor executed by themselves, but by another member of staff of the company;

- e) Employees sign a confidentiality agreement that no associated person may disclose inside information to others, except disclosures made in accordance with the Company's policies and procedures, to other Company personnel or persons outside the Company who have a valid business reason for receiving such information;
- f) There are effective procedures in place to control the flow of information where, otherwise, the risk of Conflict of Interest may harm the interest of a Client;
- g) Relevant information is recorded promptly in a secure environment to enable identification and management of conflict of interest;
- h) Adequate records are maintained of the services and activities of the Company where a conflict of interest has been identified;
- i) Where necessary, Relevant Persons are subject to personal account transaction rules;
- j) In certain jurisdictions appropriate disclosure may be made to the Client in a clear, fair and not misleading manner to enable the Client to make an informed decision;
- k) There is a periodic review of the adequacy of the Company's systems and controls.

7. INFORMATION BARRIERS

7.1. Zerich Securities Ltd. respects the confidentiality of information it receives about its Clients and operates a "Need to Know" approach and complies with all applicable laws in respect of the handling of information. Access to confidential information is restricted to those who have a proper requirement for the information consistent with the legitimate interest of a Client of the Company.

7.2. Zerich Securities Ltd has established and operates internal organisational arrangements to avoid conflicts of interest by controlling, managing or restricting as deemed appropriate the flow of confidential information between different areas of business or within a specific division or department. In particular, Chinese Walls are a key tool for conflict of interest prevention, avoiding insider dealing and market manipulation risks. Chinese Walls can involve separation of premises, personnel, reporting lines, files and IT-systems and controlled procedures for the movement of personnel and information between the Company departments as well as outside of the Company. Zerich Securities Ltd maintains permanent information barriers between departments.

8. SEPERATE SUPERVISION / FUNCTIONS

8.1. There is a clear distinction between the different departments' operations. Two departments or businesses will be managed by different senior staff members, if running them under supervision of one person, may create conflicts of interest. In this way it is secured that no single person will gather conflicting information, thus counterfeiting or hiding information from investors is minimised.

9. PAY

9.1. Pay and bonuses are linked to the profits of the Company or the business or department where an employee works. Pay and bonuses linked to the performance of another department, with possible conflicting interests, will be avoided at all times.

10. INDUCEMENTS

10.1. Zerich Securities Ltd does not offer, solicit or accept any inducements, other than the following:

- a) A fee, commission or non-monetary benefit provided to or by a client or a person on behalf of a client;
- b) A fee, commission or non-monetary benefit provided to or by a third party or a person acting on behalf of a third party, under the following conditions:
 - i. the fee, commission or benefit is disclosed to a client, prior to the provision of the relevant service; and

- ii. It is designed to enhance the quality of the relevant service to a client and in line with Company's duty to act in the best interests of a client.
- c) Proper fees for the provision of investment services, such as custody costs, settlement and exchange fees, regulatory levies or legal fees, and which cannot give rise to conflicts with Company's duties to act honestly, fairly and professionally in accordance with the best interests of its clients.

11. PERSONAL ACCOUNT DEALING

11.1. To prevent conflicts arising from the use of information obtained from clients, and market abuse in general, all employees are subject to personal account dealing rules. That requires all employees to have personal account trades approved before dealing to ensure that dealing does not occur in securities in circumstances where such dealings should be restricted.

12. EMPLOYEES' ACTIVITIES OUTSIDE THE COMPANY

12.1. Company's employees are subject to rules designed to avoid conflicts of interest with activities they undertake outside the Company.

13. GIFTS

13.1. Company's employees will not accept any gifts other than those considered normal in their line of business. Excessive gifts from Clients may result in a conflict of interest, something the Company is committed to avoiding.

14. DISCLOSURE

14.1. Where there is no other way of managing a conflict, or where the measures in place do not sufficiently protect Clients interests, the conflict will be disclosed to allow the Client to make an informed decision on whether to continue using the Company's service in the situation concerned.

15. DECLINING THE ACT

15.1. The Company may decline to act for a Client in cases where the Company believe the conflict of interest cannot be managed in any other way.

16. CONSENT

16.1. In order to execute transactions on the Client's behalf the Company will require the Client's prior consent to this execution policy. The Client will be deemed to have provided such consent upon signing this Agreement.

17. ADDITIONAL INFORMATION

17.1. Further information or details of these conflict management methods are available at any time that the Client written requests by means of a durable medium.