



Conflicts of interest policy



Contents

Introduction	3
Statutory obligations	4
1 Purpose	4
2 Applicability	4
3 Regulatory Framework	4
Measures for the prevention and management of potential conflicts of interest	5
1 Identification of conflict of interest situations	5
2 Management of conflicts of interest situations	6
3 Disclosure of potential conflicts of interests	10
Keeping and updating records of identified conflict situations	10
1 Conflicts of Interest Register	10
APPENDICES	11



Introduction

The present Conflicts of Interest Policy document (the “Policy”) establishes the policies and procedures to be followed by Marcuard Heritage (Europe) Ltd (the “Company”) in respect of the identification, reporting, prevention and management of conflicts of interest and possible inducements.

Generally, a conflict of interest can exist in one of the following cases:

- conflicts between the interests of two or more clients serviced by the Company;
- conflicts between the interests of the Company (or its employees) and the interests of one or more clients.

In particular, the Markets in Financial Instruments Directive 2014/65/EU (“MiFID II”) and the Law 87(1)/2017 require the Company to take all appropriate steps for identifying, preventing and managing conflicts of interest, in order to ensure that no material risk exists to the interests of the Company’s and/or its stakeholders and that clients’ best interest is achieved at all times. Additionally, the present Policy is designed to closely monitor potential conflict of interest scenarios with regards to inducements.

The Company has established relevant policies, procedures and controls around inducements that all employees, management, tied agents, or any person directly or indirectly linked to it by control (“Relevant Persons”), are required to follow and comply with.

The Policy concerns conflicts of interest that may arise between the Company, including its managers, employees and any other Relevant Person, and its clients or between one client and another, in the course of providing any investment or ancillary services, or combinations thereof. The Company implements the Policy so as to respect transparency and integrity and with a view to taking all appropriate steps designed to prevent conflicts of interest from adversely affecting the interests of its clients.

The Policy sets out the manner according to which the Company shall:

- identify situations where actual (or potential) conflicts of interest may arise and can potentially result in a threat against the best interests of clients, shareholders, and/or the Company itself;
- adopt adequate procedures, mechanisms and systems to identify, document and manage such conflicts of interest;
- develop procedures and systems to proactively prevent potential damage from any case of conflicts of interest; and
- monitor on an on-going basis the effectiveness of the controls and measures established around the identification, prevention and disclosure of conflicts of interest;
- define the Inducements rules that apply to the Company’s business and the circumstances that the Company may accept inducements and the requirements that should be satisfied;
- adopt appropriate mechanisms for accepting/giving inducements within the context of the regulations;
- clearly state what information should be disclosed to clients, in what form and at what stage.

The Conflicts of Interest Policy is established and then approved by the Company’s Board of Directors and communicated to all personnel and management.

The relevant Policy should be reviewed annually or more frequently, should the need arise, to assess its appropriateness as regards the mix of services offered by the Company.



Statutory obligations

1 Purpose

Under MiFID II, every Investment Firm is required to establish, implement and maintain an effective Conflicts of Interest Policy set out in writing, which is appropriate to the size and organization of the Company and the nature, scale and complexity of their business. In this respect, the present Conflicts of Interest Policy is established for the purpose of setting the principles and introducing the procedures, which would facilitate the identification and prevention of Conflicts of Interest or, where prevention is not possible, the management of such incidents and disclosure of the associated conflicts of interest to clients as a “measure of last resort”.

The Policy is aiming to meet the Company’s obligations to maintain and operate effective organisational and administrative processes and controls for the identification and management of actual, potential or perceived conflicts of interest as well as any personal, professional and business interests of Relevant Persons and others. The Policy includes issues specified explicitly by CySEC and takes into account any circumstances which may give rise to a conflict of interest as a result of the Company’s structure and business activities.

This Policy is not intended to cover all eventualities and all circumstances that may be encountered. Employees of the Company should be alert to potential conflicts of interest and immediately contact their manager and the Head of Risk and / or Compliance, should an actual or potential conflict of interest arise.

2 Applicability

All the employees and management of the Company should be aware of the provisions of this Policy and understand the role and importance of conflicts of interest relevant to the Company’s operations.

3 Regulatory Framework

The present Policy primarily takes into account the key requirements of the below:

- Law 87(I)/2017 regarding the provision of investment services, the exercise of investment activities and the operation of regulated markets of 2017 (the “Law”);
- Directive 2014/65/EU of the European Parliament and of the Council, of 15 May 2014 on Market in Financial Instruments (“MiFID II”);
- Commission Delegated Regulation (EU) No. 2017/565 of 25 April 2016, supplementing Directive 2014/65/EU of the European Parliament and of the Council;
- Regulation No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, the Directive 2014/57/EU of the European Parliament and the Council of 16 April 2014 on criminal sanctions for market abuse and other supporting Market abuse Delegated Regulations;
- Directive DI87-01 of CySEC for the safeguarding of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits; and
- Regulation (Eu) No 596/2014 on Market Abuse (Market Abuse Regulation).



Measures for the prevention and management of potential conflicts of interest

1 Identification of conflict of interest situations

Under MiFID II, a conflict of interest will arise where there is a conflict:

- between the interests of the Company, certain persons connected to it or a member of the Company's group and a duty owed to a client; or
- between the differing interests of two or more of the Company's clients, to each of whom the Company owes a duty, where the conflict of interest might damage or adversely affect either of their respective interests.

Also, and according to the provisions of MiFID II, the Company is required to take all appropriate measures to identify, prevent and manage any conflicts of interest. Such measures would entail amongst others, a series of administrative and organizational measures/procedures relevant to each type of conflicts of interest.

In view of the above, and for the purpose of identifying the conflicts of interest that arise (or may arise) in the course of providing a service / business activity to a client, the Company is required to take into consideration whether the Company or any of its employees (including members of the Board of Directors) or a person directly or indirectly linked by control to the Company ("Relevant Person"):

- is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
- 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;
- has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client;
- carries on the same business as the client;
- receives or shall receive 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;
- engages or attempts to engage in Insider Dealing and misuse of Inside Information, recommends that another person engages in Insider Dealing or induces another person to engage in Insider Dealing and Market Manipulation with the purpose of deriving personal benefit or benefit of the Company or a client/ third party;

Under MAR, all persons (legal or natural) who disseminate Investment Advice shall take reasonable care to ensure that such information is objectively presented, and to disclose their interests or indicate conflicts to which that information relates.

Based on the Company's current business model, the following represent the key types (but not limited to these) of conflicts of interest:

- Conflicts in dealing in any capacity;
- Conflicts arising from other Group controlled companies;
- Conflicts associated with misuse of Inside Information;
- Conflicts in relation to the provision of investment advice;
- Conflicts associated with holding confidential information;
- Conflicts arising out of the charges for fees and commissions;
- Conflicts in the Company's business relations with issuers of financial instruments;
- Conflicts associated with personal relations of employees or members of the Company's Board of Directors or parties related to such persons;
- Conflicts associated with payments made to third parties in connection with investment services.



2 Management of conflicts of interest situations

In general, the procedures and controls implemented by the Company to detect, manage and promptly resolve conflict of interests, include the following measures:

- **Segregation (Chinese Walls) between business activities likely to generate conflict of interests:**

These arrangements prevent undue circulation of confidential information and prevent the use of confidential information in ways that may damage market integrity or clients' interests. Through the "Chinese Walls", the Company creates information barriers in order to prevent the transfer of confidential / inside Information between departments / units and / or group entities.

Chinese Walls aim to block the exchange of information and to preserve the use of confidential / inside information, so as to avoid any misuse of information which could influence the advice given to clients, or allow staff members to take advantage of facts not yet known to the general public.

Additionally, 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 interests is avoided. The use and effectiveness of Information barriers/Chinese Walls are the subject of both periodic and ad-hoc monitoring by line managers, Compliance and IT Departments, where appropriate.

- **Establishment of procedures designed to identify, prevent, manage and/or disclose conflicts of interest:**

The Company has put in place several procedures that are designed in a specific way to ensure independence when providing various investment or ancillary services or combinations thereof. Examples of such procedures are:

a) The Compliance department

The Company by establishing an effective Compliance department, aims to monitor and ensure at any time, the compliance with legal obligations, the Group Internal Procedures and / or industry practices, on a full time and exclusive basis. Apart from preventing misuse of insider information and market manipulation, one of the core tasks of the Compliance Function is to identify and manage Conflict of Interests (potential, apparent and existing) and to monitor measures implemented within the Group and adapt them where required.

Moreover, the Compliance function ensures that the Executive Directors or other hierarchical officers do not exercise inappropriate influence over the way in which a Relevant Person carries out the provision of investment and ancillary services. This is verified by frequent personal interviews with all Heads of the relevant Departments.

b) Human Resources (HR) related controls

The Company employees involved in the provision of Investment Services are adequately trained and they are either the holders of a Certificate of Professional Competency issued by CySEC and / or other European Competent authorities subject to passing relevant examinations, or they are supervised by a person who is in possession of such a certificate. Persons to be employed in critical positions have to be approved by the Company's Regulator, the Cyprus Securities and Exchange Commission, subject to certain criteria, including the possession of the requisite experience and expertise, and the absence of any prior convictions or pending cases in respect of serious crimes and especially in respect of crimes relating to capital markets.

- **Implementation of Best Execution Policy:**

The Company's Best Execution Policy has been implemented by the Company, as required by the law, and is subject to frequent, at least annual review, to ensure that it remains relevant and up-to-date.



- **Implementation of remuneration procedures:**

The abovementioned procedures included in the Company's Policies and Procedures Manual, implemented and established for the Company employees, are specifically designed to prohibit direct profit and to avoid incentivizing the employees to act contrary to their responsibilities, regulatory requirements or the Company's Code of Conduct and Ethics, covered in the Group Policy.

Overall, the Company should take necessary measures so that remuneration, appraisal and assigned duties do not encourage behaviour of staff that may lead to a situation of conflicts of interest. In particular, it shall not make any arrangement by way of remuneration, sales targets or otherwise that could provide an incentive to its staff to recommend a particular financial instrument to a retail client when the Company could offer a different financial instrument which would better meet that client's needs. For more details, refer to the Company's Policies and Procedures manual.

There is no direct link between the remuneration of relevant persons engaged in one activity and the remuneration of different relevant persons engaged in another activity, where a conflict of interest may arise.

- **Inducements:**

Inducements are fees, commission or non-monetary benefits (goods or services) which are not paid by the Company/ the client within the normal course of business.

In order to avoid giving rise to any conflict of interest in relation to inducements, the Company will provide its clients with information on the following (where applicable) as to avoid any conflict of interest in relation to inducements:

- a) the total price to be paid by the client (including commissions, charges, expenses and all taxes payable via the Company) and the method for calculating the price;
- b) all the associated details in cases where any part of the total price is to be paid or represents any amount in a foreign currency;
- c) notification of other potential costs or taxes that may arise (which are the liabilities of the client for the transaction of their financial instrument);
- d) payment arrangements;
- e) any inducements that are separately disclosed and priced except for minor non-monetary benefits;

The Company shall not, in relation to the provision of an investment or ancillary service to the client, pay or be paid any fee or commission, or provide or is provided with any non-monetary benefit, other than the following:

- a fee, commission or any monetary or non-monetary benefit paid or provided to or by the client or a person on behalf of the client;
- In exceptional cases and only upon prior approval by Compliance, a fee, commission or any monetary or non-monetary benefit may be paid or provided to or by a third party or a person acting on behalf of a third party, where the following conditions are satisfied:
 - a) the existence, nature and amount of the fee, commission or benefit, or, where the amount cannot be ascertained, the method of calculating that amount, must be clearly disclosed to the client, in a manner that is comprehensive, accurate and understandable, prior to the provision of the relevant investment or ancillary service. This disclosure can be in summary form provided that the Company undertakes to disclose further details at the request of the client;
 - b) the payment of the fee or commission, or the provision of any monetary or non-monetary benefit must be designed to enhance the quality of the relevant service to the client and not impair compliance with the Company's duty to act in the best interests of the client.



A fee, commission or non-monetary benefit shall be considered to be designed to enhance the quality of the relevant service to the client if all of the following conditions are met:

- a) it is justified by the provision of an additional or higher-level service to the relevant client, proportional to the level of inducements received
 - b) it does not directly benefit the recipient firm, its shareholders or employees without a tangible benefit to the relevant client;
 - c) it is justified by the provision of an on-going benefit to the relevant client in relation to an on-going inducement.
- proper fees which enable or are necessary for the provision of investment services, such as custody costs, settlement and exchange fees, regulatory levies or legal fees, and which, by their nature, cannot give rise to conflicts with the Company's duties to act honestly, fairly and professionally in accordance with the best interests of its clients.

In relation to the provision of the Investment Advice on an independent basis and the Portfolio Management service, it is restricted for the Company to accept and retain fees, commissions or any monetary and non-monetary benefits from third parties or persons acting on behalf of a third party. This implies that all fees, commissions and any monetary benefits paid or provided by a third party must be returned in full to the Client as soon as possible after receipt of those payments by the Company and the Company should not be allowed to offset any third-party payments from the fees due by the client to the Company. Only minor non-monetary benefits should be allowed as described above, provided that they are clearly disclosed and agreed with the Client, that they are capable of enhancing the quality of the service provided and that they could not be judged to impair the ability of the Company to act in the best interest of its clients shall be clearly disclosed and are excluded from this restriction.

The following benefits shall qualify as acceptable minor non-monetary benefits only if they are:

- information or documentation relating to a financial instrument or an investment service, is generic in nature or personalised to reflect the circumstances of an individual client;
- written material from a third party that is commissioned and paid for by a corporate issuer or potential issuer to promote a new issuance, or where the third party firm is contractually engaged and paid by the issuer to produce such material on an ongoing basis, provided that the relationship is clearly disclosed in the material and that the material is made available at the same time to any investment firm wishing to receive it or to the general public;
- participation in conferences, seminars and other training events on the benefits and features of a specific financial instrument or an investment service;
- hospitality of a reasonable de minimis value, such as food and drink during a business meeting or a conference, seminar or other training events mentioned under point above; and
- other minor non-monetary benefits which CySEC deems capable of enhancing the quality of service provided to a client and, having regard to the total level of benefits provided by one entity or group of entities, are of a scale and nature that are unlikely to impair compliance with a Company's duty to act in the best interest of the client.

Acceptable minor non-monetary benefits are reasonable and proportionate and of such a scale that they are unlikely to influence the Company's behaviour in any way that is detrimental to the interests of the relevant client.

Investment Research is not considered as an inducement, and therefore it is allowed to be provided, if it is received in return for:

- direct payments out of the Company's own resources.;

Currently, the Company pays an amount proportionate to the Company's total revenues, to:

- the Marquard Heritage AG (Switzerland), for the provision of research and investment research
- the Marquard Heritage Limited ('MHCY'), for servicing the Company's clients;
- external introducers in Cyprus, for assistance in servicing the clients.

Disclosures to clients

In relation to any payment to third parties, the Company shall disclose to the Client the following information:

- prior to the provision of the relevant investment or ancillary service, the Company shall disclose to the client information on the payment or benefit concerned. Minor non-monetary benefits may be described in a generic way.



Other non-monetary benefits paid by the Company in connection with the investment service provided to a client shall be priced and disclosed separately;

- where the Company is unable to ascertain on an ex-ante basis the amount any payment or benefit to be received or paid, it should disclose to the client the method of calculating that amount. The Company should however provide its clients with the exact amount of the payment or benefit received or paid on an ex-post basis; and
- at least once a year, as long as (on-going) inducements are received by the Company in relation to the investment services provided to the relevant clients, the Company shall inform its clients on an individual basis about the actual amount of payments or benefits received or paid. Minor non-monetary benefits may be described in a generic way.

Inducements Register

The Company shall prepare and maintain an Inducements Register, as is required to hold evidence that any fees, commissions or non-monetary benefits paid or received by the Company are designed to enhance the quality of the relevant service to the client. The Inducement Register should list all fees, commissions and non-monetary benefits received from a third party in relation to the provision of investment or ancillary services and record how the fees, commissions and non-monetary benefits paid or received by the Company, or that it intends to use, enhance the quality of the services provided to the relevant clients and the steps taken in order not to impair the Company's duty to act honestly, fairly and professionally in accordance with the best interests of its clients.

The Compliance department of the Company shall be responsible for updating and monitoring the relevant Inducements Register, following consultation with Senior Management, where appropriate. The records must be kept in an electronic form as well as in hard copy.



3 Disclosure of potential conflicts of interests

The summary of this Policy shall be available through the Company's website, and the client is aware of its existence and agrees to this Policy's summary prior to the signing of the Terms of Business with the Company. In this summary, the general nature and the conflicts of interest are clearly available to the clients before the Company provides any services while this summary includes sufficient detail, taking into account the categorization of the client, with the aim to enable that client to take an informed decision with respect to the investment or ancillary service in the context of which the conflicts of interest arises.

The clients should be informed in the cases where the measures taken to avoid or manage conflicts of interest are not sufficient and conflicts of interest occur, and their information should take place prior to undertaking any action on behalf of the client regarding the nature and source of such conflicts of interest. This update shall be made by any tangible means, unless the client has not consented to any other means of communication, and include sufficient details, taking into account the client's classification, in order for the client to be in the position to take a substantiated decision with respect to the provided investment or service in the context of which the conflicts of interest have emerged.

The Company shall ensure that disclosure of conflicts of interest to clients is used only as a means of last resort, which shall only be used where the effective organizational and administrative arrangements established to prevent or manage its conflicts of interest are not sufficient to ensure, with reasonable confidence, that the risk of damage to the clients' interests shall be prevented. This shall be clearly stated as part of the disclosure, which shall be made in a durable medium or in detail.

The disclosure shall include a specific description of the conflicts of interest that arise in the provision of investment and/or ancillary services, taking into account the nature of the client to whom the disclosure is being made. The description shall explain the general nature and sources of conflicts of interest, as well as the risks to the client that arise as a result of the conflicts of interest and the steps undertaken to mitigate these risks.

Where the organizational or administrative arrangements described hereabove 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, as the Company aims to protect the clients' interests.

Keeping and updating records of identified conflict situations

1 Conflicts of Interest Register

The Company shall prepare and maintain its own Conflicts of Interest Register, as is required to keep and regularly update a record of the kinds of services and activities carried out by, or on behalf, of the Company in which a conflict of interest entailing a material risk of damage to the interests of one or more clients has arisen, or may arise. Any person becoming aware of a conflict of interest which is not recorded in the relevant Conflicts of Interest Register, must declare the relevant circumstances to the Compliance department of the Company accordingly. Any reporting may be done in various forms, including oral, written or electronic form, in person or anonymous.

The Compliance department of the Company shall be responsible for updating and monitoring the relevant Conflicts of Interest Register and Inducements Register, following consultation with Senior Management (line manager / CEO), where appropriate. The records must be kept in an electronic form as well as in hard copy.



APPENDICES

Appendix I – Market Abuse Regulation

The Market Abuse arrangements aim to avoid actions that could constitute insider dealing, unlawful disclosure of inside information or market manipulation, (transactions, behavior) relating to:

- a) Financial instruments admitted to trading on a regulated market or for which a request for admission to trading on a regulated market has been made;
- b) Financial instruments traded on a Multilateral Trading Facility, admitted to trading on a Multilateral Trading Facility or for which a request for admission to trading on a Multilateral Trading Facility has been made;
- c) Financial instruments traded on an Organised Trading Facility;
- d) Financial instruments not covered by point (a), (b) or (c), the price or value of which depends on or has an effect on the price or value of a financial instruments referred to in those points, including, but not limited to, credit default swaps and contracts for difference.

irrespective of whether or not such actions take place on a trading venue or not.

Inside information shall comprise the following types of information:

- information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more issuers 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;
- in relation to commodity derivatives, information of a precise nature, which has not been made public, relating, directly or indirectly to one or more such derivatives or relating directly to the related spot commodity contract, and which, if it were made public, would be likely to have a significant effect on the prices of such derivatives or related spot commodity contracts, and where this is information which is “reasonably expected to be disclosed” or is required to be disclosed in accordance with legal or regulatory provisions at the Union or national level, market rules, contract, practice or custom, on the relevant commodity derivatives markets or spot markets;
- for persons charged with the execution of transactions concerning financial instruments, it also means information conveyed by a client and relating to the client’s pending orders in financial instruments, which is of a precise nature, relating, directly or indirectly, to one or more issuers 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, the price of related spot commodity contracts, or on the price of related derivative financial instruments.

A person shall not:

- engage or attempt to engage in insider dealing;
- recommend that another person engage in insider dealing or induce another person to engage in insider dealing;
- or
- unlawfully disclose inside information.

Persons who possess Inside information by virtue:

- of their membership in the administrative, management or supervisory bodies of the Company; or
- of their participation in the capital of the Company; or
- of having access to the information through the exercise of their employment, profession or duties; or
- of their activities;

are prohibited from:

- engaging in insider dealing, in any of the following ways:
 - a) using that information by acquiring or disposing of, for their own account or for the account of a third party, directly or indirectly, financial instruments to which that information relates;
 - b) using that information by cancelling or amending an order concerning a financial instrument to which the information relates where the order was placed before they possessed the inside information;



- c) using that information to submit modify or withdraw a bid by a person for their own account or for the account of a third party;
- d) using a recommendation or inducement from another person to acquire/dispose financial instruments or to cancel/amend an order in financial instruments, when they know or ought to know that the recommendation/inducement is based on inside information.
- recommending that another person engage in insider dealing, or inducing another person to engage in insider dealing, in any of the following ways:
 - a) recommending, on the basis of that information, that another person acquire or dispose of financial instruments to which that information relates, or induce that person to make such an acquisition or disposal, or
 - b) recommending, on the basis of that information, that another person cancel or amend an order concerning a financial instrument to which that information relates or induce that person to make such a cancellation or amendment.
- unlawfully disclose inside information by:
 - a) disclosing that information to any other person, except where the disclosure is made in the normal exercise of an employment, a profession or duties;
 - b) disclosing any recommendation or inducement, when they know or ought to know that the recommendation or inducement was based on inside information.

Any person shall not engage in or attempt to engage in market manipulation. Market manipulation comprises the following activities:

- entering into a transaction, or any other behaviour which:
 - a) gives, or is likely to give, false or misleading signals as to the supply of, demand for, or price of, a financial instruments or
 - b) secures, or is likely to secure, the price of one or several financial instruments at an abnormal or artificial level unless the person entering into a transaction, placing an order to trade or engaging in any other behaviour establishes that such transaction, order or behaviour have been carried out for legitimate reasons, and conform with an accepted market practice;
- entering into a transaction, or any other activity or behaviour which affects or is likely to affect the price of one or several financial instruments, which employs a fictitious device or any other form of deception or contrivance;
- disseminating information through the media, including the internet, or by any other means, which gives, or is likely to give, false or misleading signals as to the supply of, demand for, or price of, a financial instrument, or is likely to secure, the price of one or several financial instruments at an abnormal or artificial level, including the dissemination of rumours, where the person who made the dissemination knew, or ought to have known, that the information was false or misleading;
- transmitting false or misleading information or providing false or misleading inputs in relation to a benchmark where the person who made the transmission or provided the input knew or ought to have known that it was false or misleading, or any other behaviour which manipulates the calculation of a benchmark.



Personal Transactions:

All members of staff, irrespective of the position they hold or the function they perform (incl. members of the Board of directors or a Relevant Person as defined above), are aware of the restrictions imposed by the applicable laws in respect of Personal Transactions/ placing of orders to trades (“transactions”) in Financial Instruments, the handling of Conflicts of Interest and Inside Information.

The Company establishes and maintains adequate mechanisms so as to ensure that the relevant persons do not enter into a personal transaction which meets at least one of the following criteria:

- that person is prohibited to enter into it under the current applicable laws as well as the Market Abuse Regulations (MAR);
- it involves the misuse or improper disclosure of that confidential / Inside Information;
- it conflicts or is likely to conflict with an obligation of the Company under the current applicable laws.

The Company shall ensure that Relevant Persons do not advise or recommend, other than in the proper course of employment or contract for services, any other person to enter into a transaction in financial instruments. The arrangements required shall be designed to ensure that:

- each Relevant Person is aware of the restrictions on personal transactions, and of the measures established by the Company in connection with personal transactions and disclosure;
- the Company is 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;
- a record is kept of the personal transaction notified to the Company or identified by it, including any authorisation or prohibition in connection with such a transaction.

A special form has been designed to assist with the disclosure of the accounts controlled by the Relevant Persons and persons associated with them, in order to enable the Company to ensure that all employees have disclosed to the Company their Relevant Persons and the accounts controlled by such persons. If there is a valid ground of breach of applicable rules and regulations, the fact is notified to the CEO who decides on further actions.

It is essential that certain specific restrictions are imposed on personal transactions for certain members of staff. Persons employed in the Portfolio Management Department, Investment Advice Department, Risk Management Department, Compliance and Anti-Money Laundering Department, the CEO and members of the Board of Directors of the Company are not allowed to trade, either through the Company, or through any other Investment Firm, in financial instruments listed or traded on markets where the Company has access, as these are included in the List of Execution Venues that forms an integral part of the Company’s Best Execution Policy. This restriction stems from the fact that the said persons exercise a control function, and as such, there would be a high risk of their impartiality being compromised if the restriction was not in place.

The Company must establish and maintain effective arrangements, systems and procedures that ensure effective and ongoing monitoring of all transactions executed, for the purposes of detecting and identifying suspicious transactions (i.e. that could constitute insider dealing, market manipulation or attempted insider dealing or market manipulation).

Where there is a reasonable suspicion that a transaction in any financial instrument, whether placed or executed on or outside a trading venue, could constitute insider dealing, market manipulation or attempted insider dealing or market manipulation, the person shall submit a STOR to CySEC without delay.

The arrangements, systems and procedures referred to above shall:

- ensure an appropriate level of human analysis in the monitoring, detection and identification of transactions;
- be regularly assessed, at least through an annually conducted audit and internal review, and updated when necessary;
- be clearly documented in writing, including any changes or updates to them, for the purposes of complying with MAR. The documented information shall be maintained for a period of five years and provided to CySEC upon request;
- allow for the analysis, individually and comparatively, of each and every transaction executed, modified, cancelled or rejected in the systems of the trading venue and, in the case of persons professionally arranging or executing transactions, also outside a trading venue;
- produce alerts indicating activities requiring further analysis for the purposes of detecting potential insider dealing or market manipulation or attempted insider dealing or market manipulation;
- cover the full range of investment services undertaken by the Company when professionally arranging or executing transactions;
- enable the Company to assess, for the purposes of submitting a STOR, whether a transaction could constitute insider dealing, market manipulation or attempted insider dealing or market manipulation. The information documenting the analysis and the reasons for submitting or not submitting a STOR, shall be maintained for a period of five years.



STORs submitted to CySEC must contain the following information:

- identification of the person submitting the notification and, in the case of persons professionally arranging or executing transactions, also the capacity in which the person submitting the notification operates, in particular when executing transactions on behalf of third parties;
- description of the transaction, including:
 - a) the type of trading, in particular block trades, and where the activity occurred,
 - b) price and volume;
- reasons for which the transaction is suspected to constitute insider dealing, market manipulation or an attempted insider dealing or market manipulation;
- means of identifying any person involved in the transaction that could constitute insider dealing, market manipulation or attempted insider dealing or market manipulation, including the person who executed the transaction and the person on whose behalf the transaction has been executed;
- any other information and supporting documents which may be deemed relevant for CySEC for the purposes of detecting, investigating and enforcing insider dealing, market manipulation and attempted insider dealing and market manipulation.

The persons submitting the notification of suspicious transactions to CySEC shall not inform any other person of the notification, in particular the persons on behalf of whom the transactions have been carried out or parties related to those persons.