



GIBRALTAR ASSET MANAGEMENT LIMITED

STOCKBROKERS & INVESTMENT MANAGERS

Conflicts of Interest Policy

Introduction

MiFID requires us to manage conflicts of interest fairly. This section of the manual aims to ensure that when we have, or may have a conflict of interest between ourselves and our customer, or between one customer and another customer, we will pay due regard to the interests of each customer and manage the conflict of interest fairly.

The avoidance of potential conflicts of interest is a key consideration for us, and our conflicts of interest policy applies to all directors, employees and any persons directly linked to our business, and refers to all interactions with all clients.

The policy below sets out the systems, controls and procedures that GAM has in place to manage potential conflicts of interest.

Scope

We have carried out an exercise to identify where potential conflicts of interest may exist in our business and have established measures we consider appropriate to monitor, manage and control the potential impact of these conflicts. The potential conflicts of interest identified include situations where:

- the firm or an employee is likely to make a financial gain or avoid a financial loss at the expense of a client;
- the firm or an employee has a financial or other incentive to favour the interests of another client or group of clients over the interests of a client;
- the firm or an employee has an interest in the outcome of a service provided to the client or of a transaction carried out on behalf the client, which is distinct from that client's interest in that outcome;
- the firm or an employee carries on the same business as a client;
- the firm or an employee receives or will 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;
- the firm or an employee designs, markets or recommends a product or service without properly considering all our other products and services and the interests of all our clients.

Managing Conflicts of Interest

If conflicts are not properly identified and managed, GAM and its employees could lose revenue, suffer reputational damage and be subject to legal or regulatory action. Conflicts are managed by the development of a structure to limit the consequences of such conflicts, ensuring that clients of GAM are treated fairly. GAM uses the following measures to manage its conflicts of interest.

1. Separation of function

- the removal of any direct link between the remuneration of GAM employees and the performance of clients;
- measures to control the simultaneous or sequential involvement of an employee where such involvement may impair the proper management of conflicts of interest.

2. Clean Desk policy

GAM operates a "clean desk" policy in order to minimise the risk of accidentally disseminating confidential information. All employees are asked to ensure that when they leave their desk unattended, correspondence and information is not left on the desk so that it is visible and computers are either switched off or locked. Access to sensitive files and software is restricted by the use of passwords and user IDs.

3. Confidential Information

All non-public information obtained from a client or potential client must be kept confidential and not shared with any other company or individual outside of the firm. Employees must abide by the data protection and archiving policies that GAM has in place and which can be found in the Compliance Manual. Where confidential information is to be disposed of, members of staff should use the secure shredding units made available in the office.

4. Personal account dealing

GAM acknowledges that it is usual for employees of financial institutions to undertake deals on their own account. However, employees are prohibited from dealing ahead of client orders and copies of contract notes must be sent to GAM on accounts held outside of GAM.

5. Remuneration

GAM employees' remuneration is not linked to a specific transaction but may be linked to the general profits GAM which shall include the results of transactions. Factors relevant to remuneration can include personal factors such as productivity, quality of work, experience and individual reputation.

Managing Conflicts of Interest - Continued

6. Gifts Register

Employees are prevented from accepting gifts or entertainments worth more than £100 and any gifts received must be recorded in the gift register. Further details of GAM's Gift Policy can be found in the Compliance Manual.

7. Training

GAM will provide training to its employees on conflicts of interest and its procedures for managing conflicts of interest.

8. Allocation of securities

GAM's policies and procedures for managing conflicts of interest arising from the allocation of securities may be found at GAM's Order Execution Policy.

9. Independence Policy

GAM further manages conflicts of interest by relying on a policy of independence. This policy requires relevant employees to disregard any material interest or conflict of interest when advising a customer or dealing on a discretionary basis for the customer. Where appropriate, a client should be advised of such an interest, notwithstanding this policy. This policy ensures that in providing services to clients, GAM employees act independently from any interest that may conflict with the duties owed to clients or between the firm and its clients.

10. Disclosure

Where a conflict of interest arises in circumstances where GAM's arrangements for managing conflicts of interest are insufficient to ensure the prevention of risks of damage to a client's interests, GAM will clearly disclose either orally or in writing the general nature and/or the sources of the conflict of interest to the client before undertaking business for the client. We should also be able to demonstrate that we have taken reasonable steps to ensure that the customer does not object to that material interest or conflict of interest

11. Declining to act

If we determine that we are unable to manage a conflict of interest using one of the methods described above, we should decline to act on behalf of the customer.

Duty to raise conflicts of interests

Employees should inform the compliance officer when becoming aware that they may be involved in an actual conflict of interest or if they become aware that there is a potential conflict of interest.

For conflicts of interest that have been declared, the compliance officer in the first instance should investigate the conflict. He should also formally record that conflict and record the measures (if any) taken in managing the conflict. Equally, if there are no measures taken the reason for this should be noted.

Disclosure

We will provide retail clients with a copy of this policy if requested to do so.

Reviewing Conflicts of Interest Management

GAM will conduct ongoing reviews of its conflict of interest management procedures including the GAM conflicts of interest policy.

Further Information

Questions or requests for further information to the GAM conflicts of interest policy should be addressed to the compliance officer.

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