

Conflicts of Interest Policy

VERSION 1.04 – JANUARY 2018



Calamatta Cuschieri
YOUR PARTNER IN FINANCIAL SERVICES

Calamatta Cuschieri Investment Services Ltd is part of the Calamatta Cuschieri Group. Registered Office: Ewropa Business Centre, Triq Dun Karm, Birkirkara, Malta. Calamatta Cuschieri Investment Services Ltd is licensed to conduct investment services by the Malta Financial Services Authority (MFSA) and is a founding member of the Malta Stock Exchange. Company No: 13729, Vat No 13219224.

CONFLICTS OF INTEREST POLICY

1. Overview

In accordance with MiFID requirements, the MFSA Investment Services Rules and guidelines and any other applicable laws and regulations, Calamatta Cuschieri Investment Services Ltd (*hereinafter referred to as "Calamatta Cuschieri", "CC", "we", "our", or "us"*) own conflicts of interest policy, we have in place arrangements to identify and manage conflicts of interest that may arise between ourselves and our clients or between our different clients.

A conflict of interest is a situation in which someone in a position of trust has competing professional or personal interests. Such competing interests can make it difficult to fulfil his or her duties impartially. A conflict of interest may exist even if no unethical or improper act results from it.

Calamatta Cuschieri is committed to identifying, monitoring and managing all actual and potential conflicts of interest that can arise between us and our clients.

Calamatta Cuschieri offers investment advice and dealing services to clients. It is also authorised to deal on its own account. We also offer services to corporate and institutional clients such as listing on the Malta Stock Exchange. This may make us privy to confidential and price sensitive information and so we adopt a conflicts management system between the services we offer. The purpose of this document is to provide our clients with appropriate information in relation to the policies we have in place to manage conflicts of interest.

Below you will find a summary of the principal conflicts that exist in our business and the steps we take to mitigate them. If you have any questions on this policy in the first instance please raise them with your Investment Advisor on Tel: +356 25688688.

2. Dealing

CC is licensed to deal in instruments on its own account. This means that CC may trade against its proprietary capital and as a result conclude transactions in one or more instruments for its own account. Hence CC may have positions in instruments which are traded by customers and may have trading interests or otherwise deal with customers as counterparty. If an order is executed on behalf of a client with CC as counterparty through a trading system that facilitates anonymous trading CC may not be required to give the client notice of the fact that the client's counterparty was CC itself. Even in such cases, however, CC is required to take all reasonable steps to obtain the best possible results for its clients taking into account price, costs, speed, likelihood of execution and settlement, size, nature and any other consideration relevant to the execution of client orders.

3. Employee dealing

It is natural for Directors, Officers and Employees of a financial services firm, such as ours, to make investments for their own account. We recognise that this can create a conflict with the duties owed to our clients. Therefore all of our Directors, Officers and Employees and Connected Persons are required to comply with our Staff Dealing Policy which amongst other matters affirms that since Calamatta Cuschieri employees are in positions of trust, they are to maintain the trust and respect of clients and of the public at large. In this regard, employees are required, in undertaking personal investment activities and other business related ventures, to ensure that their own reputations are not put at risk, and that the image and reputation of Calamatta Cuschieri is not called into question. Furthermore this Policy requires that:

- a) They must not transact in publicly traded securities for which prior authorisation is required in writing from a Director without obtaining such prior authorisation; and
- b) The prior authorisation to trade securities does not authorise or condone a trade in securities that may contravene securities law, such as trading with material information not generally disclosed.

4. Gifts

On occasion our employees may give gifts or receive them from clients, companies or other institutions in recognition of services provided. We take care to ensure that these gifts are not excessive and do not create an obligation or debt. A token of appreciation may be accepted as long as it would not be perceived as an inducement for preferential treatment with respect to the management of investments. However, certain jobs involve entertainment for business reasons and, as a generally accepted business practice, are unlikely to be interpreted as an inducement or payment.

5. Inducements

Calamatta Cuschieri is a Non Independent Financial Services Firm. We have relationships with many third parties, such as product providers, who remunerate us via commission. We have processes in place to ensure that fees and/or non-monetary benefits provided by third parties do not impair our duty to act in your best interests. All costs and charges are disclosed pre trade and post trade. A separate disclosure of all costs and charges including effect on returns is issued on an annual basis. Receipts from third parties will also be included in this annual disclosure statement.

To eliminate any influence in our research, our analysts are prohibited from accepting inducements in return for favourable research. Research is a paid service by the Firm and all published material is available at no cost to all clients and on the CC website.

Due to the nature of their work, our employees are often required to visit the premises of potential and existing corporate clients to satisfy due diligence requirements or for other reasons connected

with the provision of services to corporate clients. Our employees are only permitted to accept or provide minor hospitality to or from potential or existing corporate clients.

6. Remuneration

A remuneration policy, promoting effective risk management, is in place to ensure that all employees are fairly and competitively compensated. This will ensure that all employees will safeguard clients' interests and does not expose CC to excessive risk. The remuneration policy is also designed to attract competent employees and retain them within the company.

7. Dealing for your Account

We would like to draw to your attention that when we make recommendations to you or deal for you we:

- a) May match your order with that of other clients or with our own orders. We may be dealing on our own account and/or on behalf of other clients as well as on your behalf;
- b) May have positions or trading interests in the securities mentioned in our research or may buy, sell or offer to make a purchase or sale of such securities from time to time;
- c) May recommend that you buy or sell an investment in which we have a position or trading interest.

8. Business Interests and Suitability

Where we provide advice or recommendations we are required to ensure that the transaction is suitable and/or appropriate for our clients.

However, we or some other person connected with us may have an interest, relationship or arrangement that is material to the service, transaction or investment concerned. This may include matters such as:

- a) The retention of commissions which we receive from a third party;
- b) Recommending that you buy an investment instrument, which we or an affiliated company is managing or representing
- c) Recommending that you buy or sell an investment in which one of our other customers has given instructions to buy or sell or in which we have a trading interest;
- d) We may deal with you as counterparty;
- e) We may be acting in relation to investments where we are involved in a new issue (such as an Initial Public Offer or Bond Issue), rights issue, takeovers or other similar transactions; and
- f) We may be acting as financial advisor to such issuer.

In addition, our employees may have an interest, relationship or arrangement whereby they hold a power of attorney on behalf of a client or act as a director of a company.

To manage such conflicts, we require our employees to disregard the interest, relationship or arrangement concerned when acting on your behalf.

9. Aggregation and Allocation

We may combine (“aggregate”) a transaction for you with orders of other clients.

While CC will seek to aggregate orders when this will work overall to the advantage of clients the effect of aggregation may work to your disadvantage in relation to any particular order.

CC maintains an order allocation policy to provide for the fair allocation of aggregated orders and transactions.

If we make an application on your behalf (as your Nominee) for a new issue of securities, you should be aware that if the allocation is scaled back it will be applied *pro rata* across all clients or in accordance with the Allocation Policy adopted by the Issuer.

10. Research Material

Research analysts are prohibited from managing investments on behalf of clients. Prices quoted on research material or documentation published by Calamatta Cuschieri reflect market prices as at the time of publication and will differ from the market pricing as at time of transaction. Any identified conflict, if applicable, will be disclosed in the research material.

11. Accepting engagements

Before we accept a new corporate client we undertake a due diligence process to determine whether to proceed in providing services to them. This process includes ascertaining whether an unmanageable conflict of interest may arise.

12. Chinese Walls

We use procedural controls to ensure that where we provide Corporate Finance Advice and services to a corporate client, the individuals working in other areas of the business are restricted from receiving confidential or non-public information. These arrangements ensure that individuals who need to know information in order to perform their duties are allowed access to the information only when strictly necessary.

13. Offering securities for subscription

When acting for a corporate client who is offering securities for subscription, the employees advising that corporate client are required to act solely in the interests of that corporate client.

14. Review

We will review our Conflicts of Interest Policy regularly, at least annually or whenever a material change occurs that presents a conflict of interest not contemplated in this Policy. Clients are invited to contact their usual Investment Advisor to obtain the latest copy of our Conflict of Interest Policy.