



## MiFID – Conflicts Of Interest Policy

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# CONFLICTS OF INTEREST POLICY

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## Statutory Obligations

Article 13(3) of MiFID states that Investment Firms must maintain and operate effective organizational and administrative arrangements with a view to taking all reasonable steps designed to prevent conflicts of interest from adversely affecting the interests of its clients. Article 22 of the Implementing Directive 2006/73/EC sets the requirement for Investment Firms to produce, establish, implement and maintain an effective conflicts of interest policy, set out in writing. Where an Investment Firm is a member of a group, the said policy should take into account circumstances which may give rise to a conflict of interest as a result of the business activities of other members of the group.

The conflicts of interest policy established in accordance with the above legal acts shall include the following content:

- (a) it must identify, with reference to the specific investment services and activities and ancillary services carried out by or on behalf of the investment firm, 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;
- (b) it must specify procedures to be followed and measures to be adopted in order to manage such conflicts.

This procedure is aimed to:

- (a) prevent or control 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) ensure 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 Firm;
- (c) remove 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) ensure measures to prevent or limit any person from exercising inappropriate influence over the way in which a relevant person carries out investment or ancillary services or activities;
- (e) ensure measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate investment or ancillary services or activities where such involvement may impair the proper management of conflicts of interest.

The process entails the following actions:

- Identification of conflict of interest situations
- Management of Conflicts of Interest situations
- Disclosure of conflicts of interest in cases such situations cannot be contained.
- Keeping and updating records of identified conflict situations

## Identification of Potential Conflicts of Interest

### Spectrum of Operations

Atonline Limited (ALL or the "Firm") offers a wide spectrum of Investment and Ancillary services. Atonline Limited is a member of Aton Group, which includes primarily investment firms offering a combination of Investment and ancillary services outside the European Union. ALL and Aton Group have put in place effective procedures for the mitigation and management of such conflicts. Despite best of efforts, some conflicts cannot be eradicated all together and in such cases, ALL and the Group in general have adopted a transparent and fair approach of disclosing such instances as soon as they become apparent.

## Nature and Sources of potential Conflicts of Interest

Conflicts of interest can be broken down into three classes:

- (a) conflicts of interest between Clients and ALL (or other entities comprising the Group)
- (b) between clients and the management, employees and tied agents of ALL, including persons directly or indirectly linked to the aforesaid by control, and
- (c) between clients themselves.

The areas affected include:

- brokerage (order reception and transmission and/ or execution),
- Investment Research (ALL disseminates research produced by Aton LLC and other affiliated entities of the Group),
- Own Account Dealing,
- Corporate Finance Business (advice to undertakings on capital structure, industrial strategy and related matters) and
- new issue and M&A business (placing of financial instruments and/or advice and services related to mergers and the purchase of undertakings).

## Potential Conflicts of Interest / The Conflicts of Interest Matrix

Due to the multiplicity of operations ALL and the Group is engaged in, potential Conflicts Of Interest are best analysed and mapped in the form of a Matrix (presented herebelow). The Conflicts of Interest Matrix also contains the possible remedies to each potentiality.

In the paragraph that follows, we present some of the major sources of potential conflicts of interest. Conflicts of interest may arise in any of the following circumstances:

- from payments (e.g. selling commissions) received from or made to third parties in connection with investment services provided to them;
- from performance-related remuneration of employees and agents;
- from other business activities of the Firm, especially the Firm's interest in profits from trading on its own account;
- from the Firm's business relations with issuers of financial instruments;
- from the preparation of financial analyses of financial instruments offered for sale to customers;
- from the Firm obtaining information which has not been published;
- from personal relations of employees or members of the Firm's Board of Directors or parties related to such persons;
- from such persons acting as members of supervisory boards and advisory boards.

<b>A</b>		<b>BUSINESS ACTIVITY ☺</b>	
<b>Source of potential Conflicts of Interest ☺</b>		<b>A. Corporate Finance Business</b>	
		<b>Investment Services</b>	<ul style="list-style-type: none"> <li>▪ Advice to undertakings on capital structure, industrial strategy and related matters and advice and services relating to mergers and the purchase of undertakings;</li> </ul>
<b>1. Investment Firm / Group interests</b>	<b>Management</b> e.g. <ul style="list-style-type: none"> <li>▪ membership to the Supervisory Board of Corporate Client</li> <li>▪ Title Holding</li> </ul>	<ul style="list-style-type: none"> <li>* Possible use of confidential information derived from Corporate Finance Business</li> <li>* Exertion of influence on service</li> </ul> <b>Possible measures:</b> <ul style="list-style-type: none"> <li>- Information from compliance on supervisory board mandate and corporate finance activities</li> <li>- Approval of supervisory board mandates</li> <li>- Disclosure of potential conflict of interest, consent of client</li> <li>- Avoidance of conflicts of interest by exclusion from project or refusal of mandate</li> <li>- Abstaining from voting on issues related to the assignment of the project</li> <li>- Segregation of activity areas (Chinese Walls)</li> </ul>	<b>1</b>
	Corporate Finance Business, M & A	<ul style="list-style-type: none"> <li>* Possible use of confidential information derived from Corporate Finance Business</li> <li>* Exertion of influence on service</li> </ul> <b>Possible measures:</b> <ul style="list-style-type: none"> <li>- Confidentiality</li> <li>- avoidance through mandate selection or disclosure towards clients</li> <li>- need-to-know principle</li> </ul>	<b>2</b>
	Brokerage	<ul style="list-style-type: none"> <li>* Influence of issue conditions for brokerage / selling commission purposes</li> <li>* Unjustified use or dissemination of confidential information</li> </ul> <b>Possible measures:</b> <ul style="list-style-type: none"> <li>- Information barriers / strict confidentiality / segregation of functions</li> <li>- spatial organisational segregation of activity areas</li> <li>- Trading restrictions (application of Watch / Restricted List – constant monitoring)</li> <li>- Inter-Group Compliance Function Notification</li> </ul>	<b>3</b>
	Investment Advice	<ul style="list-style-type: none"> <li>* Possible use of confidential information derived from Corporate Finance Business</li> <li>* Biased advice in favour of the Corporate Client</li> </ul> <b>Possible measures:</b> <ul style="list-style-type: none"> <li>- Information Barriers / strict confidentiality / segregation of functions</li> <li>- Trading restrictions including abstention from offering any advice on affected securities (application of Watch / Restricted List – constant monitoring)</li> <li>- Trading restrictions (application of Watch / Restricted List – constant monitoring)</li> <li>- Inter-Group Compliance Function Notification</li> <li>- Prompt disclosure of potential conflict of interest</li> </ul>	<b>4</b>
	Own Account Dealing: Market Making, Proprietary Book, Dealing in Client Interest (Stabilisation, Share Buy-Backs, Option Trading)	<ul style="list-style-type: none"> <li>* Influencing issue conditions for the benefit of own account dealing</li> <li>* unjustified use or dissemination of confidential information</li> </ul> <b>Possible measures:</b> <ul style="list-style-type: none"> <li>- Segregation of activity areas (Chinese Walls)</li> <li>- Trading restrictions (application of Watch / Restricted List – Constant monitoring)</li> <li>- Inter-Group Compliance Function Notification</li> </ul>	<b>5</b>
	Research (ALL is not the producer of research material but disseminates research produced by Aton LLC and other affiliated entities)	<ul style="list-style-type: none"> <li>* Possible use of confidential information derived from Corporate Finance Business</li> <li>* Possibility of preferential treatment of corporate client</li> </ul> <b>Possible measures:</b> <ul style="list-style-type: none"> <li>- Confidentiality</li> <li>- Segregation of Activity</li> <li>- Inter-Group Compliance Function Notification</li> </ul>	<b>6</b>
<b>2. Client Interests</b>	Corporate Finance Business, M & A	* See above – Corporate Finance Clients may receive preferential treatment	
	Brokerage  Research (ALL is not the producer of research material but disseminates research produced by Aton LLC and other affiliated entities)	<b>Possible measures:</b> <ul style="list-style-type: none"> <li>- Internal Audit mandate includes the comparison of commissions / fees charged to clients of the same category (professional, eligible counterparty) – report on identified variances</li> </ul>	<b>7</b>
<b>3. Employee Interests</b>	Personal Interests	<ul style="list-style-type: none"> <li>* Use or dissemination of confidential information</li> </ul> <b>Possible measures:</b> <ul style="list-style-type: none"> <li>- Duty of compliance with the provisions of Market Abuse Directive (especially the parts that relate to insider dealing)</li> <li>- Trading restrictions (application of Watch / Restricted List – constant monitoring)</li> <li>- Inter-Group Compliance Function Notification</li> </ul>	<b>8</b>

<b>B</b>		<b>BUSINESS ACTIVITY ☺</b>	
<b>Source of potential Conflicts of Interest ☺</b>		<b>B. Sales</b>	
		<b>Investment Services</b>	<ul style="list-style-type: none"> <li>▪ Reception and transmission of orders in relation to one or more financial instruments</li> <li>▪ Placing of financial instruments without a firm commitment basis</li> <li>▪ Foreign exchange services where these are connected to the provision of investment services</li> </ul>
<b>1. Investment Firm / Group interests</b>	<b>Management</b> e.g. <ul style="list-style-type: none"> <li>▪ membership to the Supervisory Board of Corporate Client</li> <li>▪ Title Holding</li> </ul>	Not applicable	
	Corporate Finance Business, M & A	* Dissemination of confidential information to the Corporate Finance Department.  <b>Possible measures:</b> <ul style="list-style-type: none"> <li>- Identification of potential conflicts of interest on a Group-wide level prior to undertaking the project</li> <li>- If the conflicts of interest are not manageable, refrain from undertaking the corporate finance project</li> <li>- Organisational and spatial segregation of activities</li> <li>- Segregation of the remuneration of sales persons from the results of the Corporate Finance Department</li> </ul>	
	Brokerage	* Biased Investment advice due to self-interest in commission income * Incentive for preferential allocation to clients who are frequent traders to generate commission income * Use of information derived from brokerage in relation to client orders for the benefit of other people (front running or parallel trading)  <b>Possible measures:</b> <ul style="list-style-type: none"> <li>- transparent allocation principles – verification of compliance with the allocation principles</li> <li>- Straight-Through Processing (STP) of Client orders</li> <li>- Training events, review of sales structures and payments</li> </ul>	
	Own Account Dealing: Market Making, Proprietary Book, Dealing in Client Interest (Stabilisation, Share Buy-Backs, Option Trading)	* Front, Parallel or Contra Running of the market making / proprietary book with knowledge of client orders * Biased advice given to clients to favour the proprietary / market making book * Biased Investment advice due to self-interest in commission income * Mispricing of issues of financial instruments to favour the proprietary / own account book * Mispricing of issues to obtain mandate or price stabilisation  <b>Possible measures:</b> <ul style="list-style-type: none"> <li>- Segregation of the brokerage from the Investment Advice Department</li> <li>- Involve the issuer in the price fixing process</li> <li>- Market-based monitoring of fixed prices</li> <li>- Obtain information about pricing components</li> <li>- Prohibition of short sales by the proprietary / market making positions prior to the issue (to decrease scope for underpricing)</li> <li>- Obtain information about range of products offered</li> </ul>	
	Research (ALL is not the producer of research material but disseminates research produced by Aton LLC and other affiliated entities)	* Corporate Finance interests may influence research material  <b>Possible measures:</b> <ul style="list-style-type: none"> <li>- Where the criterion of objectivity is not met, material is clearly identified as a “marketing communication”</li> <li>- Disclosure as to whether any group entity is a market maker on the financial instrument covered in the research document (Directive 2003/6/EC on Market Abuse)</li> <li>- Disclosure as to whether any Corporate Finance services were offered by any Group entity to the issuer covered by the research report over the previous 12 months (Directive 2003/6/EC on Market Abuse)</li> <li>- Disclosure as to whether any Group entity has been lead manager or co-lead manager over the previous 12 months of any publicly disclosed offer of financial instruments of the issuer</li> <li>- Disclosure of any other conflict of interest that could bear a material influence on the quality of the research report (Directive 2003/6/EC on Market Abuse)</li> <li>- Where the conflicts of interest are not manageable, possibility of imposing a “Blackout period” on the coverage of the affected issuer until the Corporate Finance project is finalised</li> </ul>	

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B		BUSINESS ACTIVITY ☺	
		B. Sales	
Source of potential Conflicts of Interest ☺		Investment Services	<ul style="list-style-type: none"> <li>Reception and transmission of orders in relation to one or more financial instruments</li> <li>Placing of financial instruments without a firm commitment basis</li> <li>Foreign exchange services where these are connected to the provision of investment services</li> </ul>
2. Client Interests	Corporate Finance Business, M & A	* See above – Corporate Finance Clients may receive preferential treatment	
	Brokerage Research (ALL is not the producer of research material but disseminates research produced by Aton LLC and other affiliated entities)	<b>Possible measures:</b> - Internal Audit mandate includes the comparison of commissions / fees charged to clients of the same category (professional, eligible counterparty) – report on identified variances	
3. Employee Interests	Personal Interests	* Use or dissemination of confidential information * Acceptance of personal advantage * Employees may receive preferential treatment in the allocation of issues  <b>Possible measures:</b> - Gifts and entertainment policy - Duty of compliance with the provisions of the Market Abuse Directive (especially the parts that relate to insider dealing) - Trading restrictions (application of W / Restricted List – constant monitoring) - Inter-Group Compliance Function Notification - Transparent allocation processes including discussion with the issuer of allocation criteria – arms length treatment of subscription applications by employees	

C		BUSINESS ACTIVITY ☺	
		C. Brokerage	
Source of potential Conflicts of Interest ☺		Investment Services	<ul style="list-style-type: none"> <li>Order reception and transmission;</li> <li>Execution of Client Orders;</li> </ul>
1. Investment Firm / Group interests	<b>Management</b> e.g. <ul style="list-style-type: none"> <li>membership to the Supervisory Board of Corporate Client</li> <li>Title Holding</li> </ul>	* Exertion of influence by management on order execution * Preferential political or economic treatment of particular Investment Firms, contracting parties or marketplaces  <b>Possible measures:</b> - Segregation of activity areas (Chinese Walls) - Independence policy - Order Execution Policy forces Investment Firms to use those market intermediaries and execution venues that will deliver the best result on a consistent basis	
	Corporate Finance Business, M & A	* Inappropriate differentiation between different client groups in the case of IPOs * Dissemination of confidential information to the Corporate Finance Department  <b>Possible measures:</b> - transparent allocation principles – verification of compliance with the allocation principles - separation of reporting lines - Confidentiality	
	Brokerage	* Inappropriate differentiation between different client groups in the case of IPOs * Preferential execution / transmission of particular orders * Use of information derived from trading for other people (front / parallel / contra running) * Preferential allocation of securities in the case of aggregated orders  <b>Possible measures:</b> - time prioritization of equivalent client orders - Straight Through Processing (STP) of client orders - Transparent allocation policy stated in the Company's Order Execution Policy	
	Own Account Dealing: Market Making, Proprietary Book, Dealing in Client Interest (Stabilisation, Share Buy-Backs, Option Trading)	* Use of information in relation to Client orders (front / parallel / Contra running)  <b>Possible measures:</b> - Segregation of activity areas (Chinese Walls)	
	Research (ALL is not the producer of research material but disseminates research produced by Aton LLC and other affiliated entities)	Not Applicable	

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<b>C</b>		<b>BUSINESS ACTIVITY ☺</b>	
Source of potential Conflicts of Interest ☺		<b>C. Brokerage</b>	
<b>2. Client Interests</b>	Corporate Finance Business, M & A	<b>5</b>	* See above
	Brokerage		
	Research (ALL is not the producer of research material but disseminates research produced by Aton LLC and other affiliated entities)	<b>5</b>	Not Applicable
<b>3. Employee Interests</b>	Personal Interests	<b>6</b>	* Use or dissemination of confidential information * Use of knowledge of client orders (front / parallel / contra running) for personal account trading  <b>Possible measures:</b> - Traders have to place orders for their own / related account with another trader - Duty of compliance with insider trading law - Monitoring and restriction of employee transactions - Prohibition against front/parallel running

<b>D</b>		<b>BUSINESS ACTIVITY ☺</b>	
Source of potential Conflicts of Interest ☺		<b>D. Investment Research (ALL is not the producer of research material but disseminates research produced by Aton LLC and other affiliated entities)</b>	
<b>1. Investment Firm / Group interests</b>	<b>Management e.g.</b> ▪ membership to the Supervisory Board of Corporate Client ▪ Title Holding	<b>1</b>	* Strategic objectives or considerations related to a company covered by research may exert an influence over research * Possibility that research could be jeopardized by information flow ("tainted analyst")  <b>Possible measures:</b> - Independence of research (it is produced by other entities of the Group- ALL simply disseminates research) - Central research database: any conflicts or potential conflicts of interest (such as participation of any Group employee to the Board of any issuer) are reported and are adequately reflected in the disclosures attached to research reports - Corporate Finance projects undertaken by any Group entity are reported centrally and this information is reflected in research disclosures - Duty to name external mandates
	Corporate Finance Business, M & A	<b>2</b>	* Corporate Finance interests in mandate from companies covered by research * Possibility that research could be jeopardized by information flow ("tainted analyst")  <b>Possible measures:</b> - Absolutely no communication of information prior to the publication of research - No participation of analysts in sales pitches and / or definition of wall crossing situations and/or "tainted analyst" - disclosure - Refraining from publishing research (decision taken by the producer and not ALL)
	Brokerage	<b>3</b>	* Companies that are covered by research may be major clients of the brokerage department  <b>Possible measures:</b> - Independence of analysts - Confidentiality with regard to time and content of research material before publication - Prohibition of trading prior to the publication of research reports - Use of disclaimer in research reports
	Own Account Dealing: Market Making, Proprietary Book, Dealing in Client Interest (Stabilisation, Share Buy-Backs, Option Trading)	<b>4</b>	* Proprietary positions in the securities of the Company covered by research * Possibility of market making securities issued by Companies covered by research  <b>Possible measures:</b> - Financial instruments for which any Group entity is acting as market maker are reported centrally and the fact is reflected in research disclosures - Proprietary positions of any Group entity are reported centrally and any substantial holdings are reflected in research disclosures

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<b>D</b>		<b>BUSINESS ACTIVITY ☺</b>	
		<b>D. Investment Research (ALL is not the producer of research material but disseminates research produced by Aton LLC and other affiliated entities)</b>	
<b>Source of potential Conflicts of Interest ☺</b>			
<b>1. Investment Firm / Group interests</b>	Research (ALL is not the producer of research material but disseminates research produced by Aton LLC and other affiliated entities)	* Marketing of paid research as independent  <b>Possible measures:</b> - Any analysis that fails the test of objectivity is clearly identified as a “marketing communication” (Directive 2003/6/EEC or Market Abuse) - Ensuring independence of analysts through organizational measures	<b>5</b>
	Corporate Finance Business, M & A	* Same as <a href="#">D2</a> above	
<b>2. Client Interests</b>	Brokerage	* Same as <a href="#">D3</a> above	
	Research (ALL is not the producer of research material but disseminates research produced by Aton LLC and other affiliated entities)	* Possibility of differing treatment of various investor groups  <b>Possible measures:</b> - Frequent reviews of research reports	<b>6</b>
<b>3. Employee Interests</b>	Personal Interests	* Acceptance of advantages by analysts * Use of confidential information from research for personal account dealing * Personal mandate of analyst, similar to <a href="#">D1</a> above  <b>Possible measures:</b> - Gifts and entertainment policy - Employee guidelines - Prohibition of trading prior to the publication of research reports - Holdings of research analysts and persons associated with them are disclosed in research reports - Prohibition of research analysts trading contrary to research recommendations (with the exemption of situations where the analyst is in financial distress and subject to approval by compliance) - Duty to disclose personal mandates	<b>7</b>

<b>E</b>		<b>BUSINESS ACTIVITY ☺</b>	
		<b>E. Custody Services</b>	
<b>Source of potential Conflicts of Interest ☺</b>		<b>Investment Services</b>	<ul style="list-style-type: none"> <li>Safekeeping and administration of financial instruments for the account of clients, including custodianship and related services such as cash/collateral management;</li> </ul>

<b>1. Investment Firm / Group interests</b>	<b>Management</b> e.g. <ul style="list-style-type: none"> <li>membership to the Supervisory Board of Corporate Client</li> <li>Title Holding</li> </ul>	* Exertion of influence by management resulting in the use of inappropriate criteria in the selection of external depositories  <b>Possible measures:</b> - Compliance with statutory obligation to exercise due diligence in the selection of depositories	<b>1</b>
	Corporate Finance Business, M & A		Not Applicable
	Brokerage		Not Applicable
	Own Account Dealing: Market Making, Proprietary Book, Dealing in Client Interest (Stabilisation, Share Buy-Backs, Option Trading)		Not Applicable
	Research (ALL is not the producer of research material but disseminates research produced by Aton LLC and other affiliated entities)		Not Applicable
<b>2. Client Interests</b>	Corporate Finance Business, M & A		Not Applicable
	Brokerage		Not Applicable
	Research (ALL is not the producer of research material but disseminates research produced by Aton LLC and other affiliated entities)		Not Applicable

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<b>E</b>		<b>BUSINESS ACTIVITY ☺</b>	
		<b>E. Custody Services</b>	
<b>Source of potential Conflicts of Interest ☺</b>		<b>Investment Services</b>	<ul style="list-style-type: none"> <li>▪ Safekeeping and administration of financial instruments for the account of clients, including custodianship and related services such as cash/collateral management;</li> </ul>
			<p>* Acceptance of personal advantage</p> <p><b>Possible measures:</b></p> <ul style="list-style-type: none"> <li>- Gifts and entertainment policy</li> <li>- Compliance with statutory obligation to exercise due diligence in the selection of depositories</li> </ul>
<b>3. Employee Interests</b>	Personal Interests	<b>2</b>	

## Organisational Measures for the Prevention and Management of Potential Conflicts of Interest

Atonline Limited has put in place the procedures to manage conflicts of interests, to detect potential or actual conflicts and to resolve promptly those which do arise.

### Brief Summary of Organisational Measures

The following major measures are used for identifying and managing potential conflicts include:

#### Compliance Function

To comply with its legal requirements, the Firm has established an effective Compliance Function to monitor compliance with legal obligations, Group Internal Procedures and / or industry practice, 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 Conflicts of Interest (potential, apparent and existing) and to monitor measures implemented within the Group and adapt them where required.

#### Chinese walls

The establishment of Chinese walls between the Firm'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 interests is avoided. The spatial segregation of sensitive departments is also enforced.

#### Personal account dealing

Implementation of personal account dealing rules, whereby restrictions on trading on personal account are imposed on Group employees and persons associated with them in situations where a conflict of interest might be created.

#### Special measures in respect of Investment Research

Atonline Limited is not in itself the producer of research analyses, but disseminates Investment Research produced by Aton LLC and other members of Aton Group. The Group applies specific requirements for the full disclosure of conflicts of interest so that such conflicts of interests are reflected in research disclosures in accordance with the provisions of European Directive 2003/6/EC on Insider Dealing and Market Manipulation (Market Abuse) as transposed into National Legislation.

On a Group wide basis, 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 and the Firm's proprietary account – excluding cases where ALL is a market maker on the affected financial instruments subject to the condition of "normal behavior" within the period of the prohibition). In addition, persons involved in the production of Investment Research are prohibited from trading contrary to current recommendations (except in exceptional cases related to financial distress of the said persons and subject to the express approval of the Compliance Function).

#### Priority and fair treatment

Customer interests take precedence over the interests of the Firm and its employee. The Firm ensures the observance of the time priority with regard to the execution by the Firm of orders received by its Clients. The same principle is applied in relation to the allocation of securities in respect of aggregated orders.

The Firm treats its Clients fairly in accordance with the criteria that it introduces and notifies to them. In case of differentiated treatment of the Firm's customers 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 Firm's management, the category to which the Client belongs (Eligible Counterparty (ECP) or professional client) which will have duly been notified by the Firm to its customers.

#### Market abuse

The Firm 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 Firm and its employees.

#### Guidelines for employees' own transactions (agents' own transactions) and reporting requirement for specific functions

The Firm has implemented procedures regulating its employees' own or associated persons' transactions (PA dealings) aimed at preventing conflicts of interest between Clients and its employees or resolving them in the Clients' interests.

#### Outsourcing arrangements

All outsourcing service providers have signed relevant agreements with Atonline Limited which envisage the keeping of records of personal transactions of their employees in accordance with Directive 2006/73/EC and the submission of such records to the Firm at frequent intervals (currently on a quarterly basis).

#### Human Resources (HR) related controls

The Firm 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 the Ministry of Finance of Cyprus 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 Firm's regulators, 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. Conviction in respect of crimes related to the capital markets or money laundering entails the withdrawal of the certificate and the inability of employment in a Cypriot Investment Firm, over and above any administrative fines that may be imposed by the Cyprus Securities and Exchange Commission and / or sanctions imposed by the Criminal Court.

#### Remuneration

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.

#### Acceptance of gifts and other inducements

The Firm's employees are not permitted to demand or accept, for themselves or for persons associated with them, payments or other benefits which might affect their independence.

#### Order Execution policy and allotment in connection with offerings

An Order Execution Policy has been defined and implemented by the Firm. The Firm's Order Execution Policy contains the rules applied by the Firm in executing customer orders and the guiding principles for allotment in connection with offerings. The Firm's Order Execution Policy is subject to frequent, at least annual review, to ensure that it remains relevant and up-to-date. A copy of the Firm's latest Order Execution Policy is posted on the Firm's website at <http://www.atonint.com/mifid/>.

#### Prospectuses and Informational Memorandums

Special requirements for disclosure in the prospectus apply to potential conflicts of interest in connection with public offerings and listings of securities, subject to the provision of European

Directive 2003/71/EC on “the prospectus to be published when securities are offered to the public or admitted to trading” where applicable.

Even in cases where the preparation of a prospectus is not necessary, the “Informational Memorandums” that are prepared are “signed-off” by the Compliance Function prior to distribution to ensure that they are fair, not misleading and that they contain adequate disclosures of any potential conflicts of interest.

#### Disclosure of the Firm’s Conflict of Interest Policy

MiFID requires disclosure in two respects:

- a) Main features: Communication of the main features of policy on conflicts of interest towards retail clients.
- b) Disclosure of individual, specific cases of conflicts of interest: Individual conflicts of interest towards affected clients must always be disclosed, whenever organizational and contractual precautions are inadequate (Art. 18 II MiFID). Such disclosure must take place either in writing or in a permanent medium prior to conclusion of a commercial transaction (Art. 18 II MiFID). 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.

#### Refraining from transactions

If a conflict of interest cannot be prevented despite the organizational and administrative arrangements made by the Firm, the Firm must resolve such conflict of interest in the interests of customers. Possible ways of resolving such a conflict of interest include the disclosure of the conflict of interest to the customer(s) or refraining from a possible transaction.

#### Monitoring

Compliance with the guidelines will be monitored by the Compliance Function and reviewed by the Internal Audit department. The Compliance Function maintains the Conflict of Interest Register. Business units must report to Compliance all material transactions and material advisory mandates with a potential for conflict of interest for insertion into the Conflict of Interest Register.

### **Detailed Description of Major Organisational Measures**

The most crucial measures are described below in detail.

#### Insider Trading Prohibition

Certain information received by the Firm in the course of its activities may be “inside” information within the meaning of the Market Abuse Law which prohibits the fraudulent misuse of such information in connection with the purchase or sale of securities.

According to Article 5 of the “Law on Insider Dealing and Market Manipulation (Market Abuse) of 2005”, “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 in the opinion of the Commission, a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments.

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.

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.

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.

The Firm 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 Firm will keep the information confidential and use it only for the benefit of the client or prospective client.

Under the Firm's policies and procedures, certain "tips" may be treated as inside information. "Tips" are generally material non-public information received from persons with which no client relationship exists. As an example, during the course of gathering information for the preparation of research reports, research analysts may be provided with "inside information" by corporate officials. Associated persons of the Firm who become exposed to such information should contact the Compliance Function and mention the nature of the information they have been exposed to. The Compliance Function must then make an educated decision as whether to place the securities on the Restricted List.

When trading in securities, employees of Aton 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.

Employees of ALL and Aton Group who come into the possession of such information are prohibited from:

- Taking advantage of material/price sensitive and non-public information by buying or selling securities.
- Recommending or procuring a third party to buy or sell the securities
- Disclosing material/price sensitive and non-public information to a third party otherwise than in the proper performance of the employees duties.

Where a business unit of ALL 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 customers. This conflict is in general to be resolved by not making use of the inside information.

### Restricted List

One of the most important tools to prevent/manage conflict of interests is the Restricted List.

The purpose of the Restricted List is to inform staff members where restrictions/restraints on trade activities exist with respect to certain securities, imposed in accordance with the legislative demands and regulations issued by the regulators of securities markets in jurisdictions where the Firm or the Group conducts trade activities.

The Restricted List is a group-wide document. Entries or removals to/from the Restricted List are communicated to all Group entities, enabling the restriction to be effected on a group-wide basis.

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:

- ALL or any affiliated entity is involved in a Corporate Finance (alternatively known as Investment Banking) transaction, such as a merger or an acquisition, which has been publicly announced;
- ALL or any affiliated entity is involved in a distribution that has been publicly announced;
- ALL or any affiliated entity works on a consulting project related to the capital structure of a company based on an exclusive mandate and using confidential, not publicly available information specifically received from the issuer;
- ALL or any affiliated entity possesses inside price-sensitive information;



- Other reasons, including cases where trading in the security is banned in view of applicable legislative requirements (i.e. non-observation of regulators' requirements of disclosure of information by the issuer of securities) or if restriction is initiated by a respective exchange (bourse).

Depending on the grounds for placing a security on the Restricted List, some or all of the below-indicated restraints may be imposed:

- a prohibition on personal trading by employees and affiliated persons/entities;
- a prohibition on company own account dealing (excluding the Market Maker book);
- a prohibition or restraint on market making.
- a prohibition on the issuance of research reports and/or recommendations or imposing restraints on issuing research reports/recommendations;
- a prohibition on soliciting customers' business, particularly for securities sold out of a proprietary position;
- other prohibitions/restraints;

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 Compliance on a daily basis.

Any infringement of the restrictions/restraints that are imposed (personal account dealing inclusive) are qualified as a serious violation and may result in disciplinary action.

#### Chinese Wall Procedures

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.

In order to comply with this principle, ALL personnel is expected to observe the following simple, but yet extremely important rules:

1. Company employees must refrain from discussing confidential information in public places such as elevators, hallways, restrooms or at social gatherings,
2. Unauthorised persons and members of staff of other departments are not allowed to enter the premises of the Firm or other departments unless accompanied and supervised by relevant members of staff
3. ALL employees must avoid using speakerphones in areas where unauthorized persons may over-hear conversations
4. Where appropriate, employees should maintain the confidentiality of the identity of Clients by using code names or numbers for confidential projects
5. 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
6. 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
7. Employees are expected to destroy copies of confidential documents no longer needed for a project or not otherwise required to be maintained under legislation
8. 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:
  - the names of Company representatives and of corporate officers of the subject company in attendance
  - the time, date and location of the meeting
  - the purpose of the meeting
  - notes on the conversations that took place between the corporate officers and Company representatives in attendance
  - copies of any handouts or other written material given to Company representatives in attendance

9. The Company's private placement records, and any other records that may contain material non-public information, shall be kept in locked drawers and file cabinets. They shall only be removed when needed for working on the deal, and shall be locked up each evening.
10. The employees of the subdivisions, 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.
11. If it is not possible, due to lack of space, to place employees of different departments in separate rooms, the Branch Manager and / or the Compliance Officer must ensure that PC monitors are kept beyond the sight of employees from other Departments
12. 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.
13. 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
14. At the end of each working day, all computers and peripherals (computers, printers, copiers) are shut down.
15. In case of absence of an employee from his/her working place, access to the Company network is suspended until his/her return

### Personal Account Dealing

Personal transaction means a trade in a financial instrument effected by or on behalf of a relevant person, where at least one of the following criteria are met (as defined in the European Union Directive 2006/73/EC of August 2006):

- (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 has a family relationship, or with whom he 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.

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

- (i) that person is prohibited from entering into it under Directive 2003/6/EC on insider dealing and market manipulation (market abuse);
- (ii) it involves the misuse or improper disclosure of confidential information;
- (iii) it conflicts or is likely to conflict with an obligation of the investment firm under Directive 2004/39/EC (MIFID Directive);
- (iv) 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:
  - a. which if a personal transaction of the relevant person, would be considered as a prohibited personal transaction, as described in the preceding paragraph or
  - b. 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
  - c. which is contrary to current recommendations
  - d. which would constitute misuse of information relating to pending client orders.
- (v) 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:
  - a. to enter into a prohibited transaction, as described hereabove;
  - b. to advise or procure another person to enter into such a transaction.

To ensure proper handling of PA dealing, the following arrangements are put in place:

- (a) each relevant employee is aware of the restrictions on personal transactions, and of the measures established by the investment firm in connection with this requirement.
- (b) the firm 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 firm to identify such transactions;



- (c) In the case of outsourcing arrangements the investment firm ensures that the firm to which the activity is outsourced maintains a record of personal transactions entered into by any relevant person and provides that information to the investment firm promptly on request.
- (d) a record is kept of the personal transaction notified to the firm or identified by it, including any authorization or prohibition in connection with such a transaction.

To ensure proper handling of the above, 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.

Each employee of the company signs the PA declaration and the Declaration of secrecy within one week upon joining the company.

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 Function.

The Compliance Function monitors transactions to identify any potential breaches of the prohibition (either of the Restricted or the Watch List) including transactions in the firm's own accounts. Any transactions that are traded in close proximity to being placed on either list are also investigated by the Compliance Function. The results of the investigation are prepared in writing and forwarded to the Board of Directors for their review.

Specific restrictions are also put in place in relation to placements:

- (a) short sales or purchases of put options for any purpose within the first three (3) days after the related company or security is placed on the recommended list, and thereafter, only to hedge a position
- (b) No purchases may be made for an employee or employee- related account of securities in a "hot issue" with respect to which the Company is acting as underwriter placement agent. Regardless of whether an offering would be deemed to be a "hot issue", no securities may be allocated to any employee or employee-related account so long as there remain unfilled orders of Company customers.

## **Disclosure of interests and record keeping**

### Disclosure of non-systematic conflicts of interest

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 Firm 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.

ALL takes all measures to disclose the interests of the Firm and its employees. Generally, interests subject to disclosure include the following:

- (a) Interests of the Firm or its affiliates in the securities of companies referred to in Research issued by affiliates.
- (b) Directorship and other material relationship of individual officers of the Firm and its affiliates
- (c) Market making activities undertaken by the Firm
- (d) Corporate Finance (Investment banking) mandates

The Firm maintains and regularly updates a record of various conflict of interests situations that occurred in the course of the provision of investment or ancillary services.

In case of any potential or apparent conflict of interest which the employee responsible for the provision of Firm' s services to the customer knows or should have known and which has not been disclosed to Clients, the Firm, 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 Firm, or between the Client and other Clients of the Firm. Information disclosed to the customer may include reference to any kind of benefits, especially indirect, that the Firm may obtain from the provision of investment or non-core services through the use of any third parties,

In any event the Firm adopts all expedient measures in order to ensure that the customer wishes to proceed to the conclusion of the transaction, notwithstanding the conflict of interest disclosed to him.

Disclosures contained in Investment Research in accordance with Directive 2003/6/EC on insider dealing and market manipulation (market abuse)

The Firm notifies its Clients in an obvious, comprehensible and clear manner about any potential conflict of interest which may be created when, in the course of provision of investment or non-core services, the Firm or affiliated persons draw financial analysis, which it puts at the disposal of its customers or of investors in general, concerning financial instruments or any company in general, which has issued financial instruments that are currently or are due to be traded on a regulated market. In compliance with the above, the Firm in particular expressly mentions in such financial analysis, in a visible part of the analysis and in clear terms whether:

- (a) in the course of the last three years, the Firm or persons associated with it have acted as underwriters, managers and advisors of the issue in the context of a public subscription or public offer concerning financial instruments which are the subject matter of the analysis or any other financial instruments issued by the same issuer;
- (b) the Firm or persons associated with it act as market makers concerning financial instruments issued by the firm, the financial instruments of which have been the subject matter of the analysis;
- (c) the person responsible for the drafting of the financial analysis or any of its associates or their spouses or first degree blood relatives of all the above persons possess financial instruments which are the subject matter of the analysis or any other financial instruments which have been issued by the same company;
- (d) a member of the board of directors or a staff member or an employee of the firm or of any firm associated with it participates as a member in the board of directors of the firm which has issued the financial instruments which are the subject matter of the analysis;
- (e) the Firm or persons associated with it hold more than 5% of the share capital or of any class of financial instruments of the issuer, which are the subject matter of the analysis;
- (f) the Firm or persons associated with it have received remuneration for the provision of banking, investment or non core services from the company which has issued the financial instruments which are the subject matter of the financial analysis in the course of the preceding twelve months prior to the publication of the financial analysis;
- (g) the Firm or persons associated with it expect to receive remuneration in respect of banking, investment or non core services from the issuer of the financial instruments which are the subject matter of the financial analysis in accordance with the terms of a relevant agreement which is in force at the time of the publication of the financial analysis;
- (h) the Firm or persons associated with it have any other significant relation with the company which has issued the financial instruments which have been the subject matter of the financial analysis, which ought to be made public;