



Conflicts of Interest Policy

AETOS Capital Group (UK) Limited

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CONFLICTS OF INTEREST POLICY

1. General statement

It is important to identify and manage conflicts of interest which arise or may arise in the course of providing a service, as their existence may lead to a material risk of damage to a client's interests.

This document sets out the policy of AETOS Capital Group (UK) Limited (“**the firm**”) to effectively manage the conflicts of interest that may arise where it provides services to clients in the course of carrying on regulated activities. Conflicts of interest exist in all businesses and in all financial services organisations. Accordingly we have put in place a number of policies, procedures and processes designed to identify, evaluate and manage these conflicts of interest. The purpose of this policy is to identify in a summary form those conflicts which we experience as an organisation and to describe how we address the challenges such conflicts create. This policy may be reviewed and amended at any time. This document is not intended to create third party rights or duties or form part of any contractual agreement between the firm and any client.

2. The Firm's services

The firm, or any party to whom it may have delegated its functions (a “**delegate**”), may without prior reference to a client, effect transactions in which the firm or a delegate has, directly or indirectly, a material interest or a relationship of any description with another party, which may involve a potential conflict with the firm's duty to the client. In the event of any such transaction, however, the firm will ensure that:

- 2.1. such transactions are effected on normal commercial terms negotiated at arm's length and on terms which are not materially less favourable to the client than if the potential conflict had not existed;
- 2.2. such transactions do not adversely affect the performance of the firm's duties and responsibilities to the client; and
- 2.3. we take reasonable steps to ensure fair treatment for the client in accordance with the requirements of the rules and guidance of the Financial Conduct Authority.

3. Identification of conflicts of interest

The circumstances which should be treated as giving rise to conflicts of interest include all cases where there is:

- 3.1. a conflict between the interests of the firm, an individual member of staff, certain persons directly or indirectly connected to the firm or a delegate; and the duty that the firm owes to a client; or
- 3.2. a conflict between the differing interests of two or more clients, as the firm owes a separate duty to each of them.

Conflicts may arise and all staff must take into account whether any of the persons described at 3.1. above:

- 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; or
- 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.

4. Reporting conflicts of interest

All directors and staff should report conflicts of interest situations or potential conflicts of interest situations immediately by email to the firm's Compliance Officer.

5. Record of conflicts of interest

The firm will keep a record of the kinds of service or activity carried out by, or on behalf of, the firm in which a conflict of interest leading to a material risk of damage to the interest of one or more clients has arisen, or may arise. This record must be regularly updated.

6. Inducements and gifts

No employee may accept from, or give to, any person any gift or other benefit that cannot properly be regarded as justifiable in all the circumstances. Employees may not accept gifts from, or provide gifts to, an individual or firm with whom they conduct, or intend to conduct, business on behalf of the firm unless it can be demonstrated that no conflict of interest is created by doing so.

Entertainment provided by an employee must fall within any expenses policy the firm may adopt and should not in any event create any conflict of interest. Entertainment accepted by an employee should be appropriate and the acceptance of such entertainment should not create any conflict of interest. This rule applies even if the direct recipient of the gift or other benefit is the spouse or a child of the employee or some other third party. The provision or acceptance of gifts and entertainment should be consistent and proportionate with the corporate relationship. The Compliance Officer will monitor gifts and entertainment given and received for compliance with this policy and may require that gifts and entertainment be recorded on a Gifts and Entertainment Register.

7. Personal account dealing

Employees may only undertake personal investment activities that do not breach applicable law or regulation, do not unduly distract from their employment responsibilities and do not create an unacceptable risk to the firm's reputation. Transactions should also be free from business and ethical conflicts of interest. Employees must never misuse proprietary or client confidential information in their personal dealings and must ensure that clients are never disadvantaged as a result of their dealings.

The firm's Personal Account Dealing Policy has been established to ensure that personal account dealing by members of staff comply with this policy. This includes a requirement for pre-deal approval from the Compliance Officer for investments in market traded shares or stocks, debt instruments, warrants or depositary receipts, options or futures and contracts for differences on securities.

8. Investment recommendations

Any investment decisions/recommendations must be fully documented so that any potential conflicts of interest are disclosed at the time and the firm can document how it intends to avoid or manage the conflict with regard to all the facts known at that time.

9. Managing conflicts of interest

It may not be possible to prevent conflicts of interest from arising. In that case, the firm will endeavour to manage the conflicts of interest by:

9.1. Disclosure to the client

The firm will clearly disclose the general nature and source of the conflict of interest to the client before undertaking business for the client. The disclosure will be made in writing and include sufficient detail to enable the client to take an informed decision about the service in the context of which the conflict of interest has arisen.

9.2. Chinese walls- establishing an information barrier

When the firm establishes and maintains a Chinese wall, it is creating an information barrier. Essentially this requires information held by one part of the business to be withheld from, or not used by, persons in another part of the business. The use of a Chinese wall will be established and enforced by the Compliance Officer.

9.3. Independent Oversight

Where a conflict of interest arises as a result of the day-to-day services provided to clients, the matter is reviewed by the compliance officer and senior management of the firm, taking into account various factors including the different requirements of each client.

9.4. Order Management

The firm has a policy in place governing client order priority, whereby all trading on behalf of the firm, including principal trading, and trading on behalf of its clients should take place fairly and in due turn so as to avoid a potential conflict of interest. (v) Declining to provide the service
If it is not possible to avoid or manage a conflict of interest the firm may have no choice but to decline to provide the service requested.

AETOS Capital Group (UK) Limited is authorised and regulated by the Financial Conduct Authority, FCA No. 592778