

## **Conflicts of Interest Policy**

### **Purpose**

In all business, conflict of interest issues may arise. This Conflicts of Interest Policy facilitates the identification, management and reporting of such conflicts should they occur.

### **Policy**

City Asset Management ("CAM") recognises that, in the course of its business, there are circumstances which may arise whereby the interest of a client may conflict with the interests of CAM or with the interest of another client. When dealing with conflicts of interest, CAM must pay particular regard to the FCA Principles of Business, particularly:

- Principle 1- Integrity
- Principle 3- Management and Control
- Principle 5- Market Conduct
- Principle 6- Treating Customers Fairly
- Principle 7- Communications with Clients
- Principle 8- Conflict of Interest
- Principle 9- Customers: relationships of trust

It is CAM's fundamental responsibility to ensure that any potential or actual conflict of interest is identified and managed appropriately. This is to comply with our wider duties to clients and with the FCA rules as set out in:

- The Conduct of Business Sourcebook (particularly COBS 11 and 12)
- Senior Management Arrangements, Systems and Controls (particularly SYSC 10)

We will endeavour to ensure that the integrity of our service is not jeopardised and that we follow best practice as outlined in the FCA Principles of Business (PRIN).

When acting on behalf of our clients, CAM will observe two fundamental principles:

- To act at all times in a way which ensures the fair treatment of all clients. We will endeavour to identify and deal with the potential for any conflicts of interest which may arise either between a client and the interest of the Company or between two or more clients.
- We will not disclose any personal data which has been given to us by clients and will not use such information for our own benefit or for the benefit of any third party, without the original client's consent (unless required to do so by law or regulation).

### **Identification of Conflicts**

Conflicts may arise between

- The firm (or a person linked to the firm) and a client of the firm; or

- One client of the firm and another client of the firm.

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## Type of Conflicts

We set out below situations where CAM may have conflicts of interest which could result in a risk of harm to the interests of a client. In such instances, we may:

- Make a recommendation or arrange the execution of a transaction for a client where CAM or a relevant person has a material interest in the concerned investment or related investment.
- Act for more than one client in the purchase or sale of an asset where the order cannot be executed in full.
- Advise and provide services to a client who may have an interest in investments that conflict with those of other clients.
- Review or appoint the service of a third party which may have internal or outside interest to a member of CAM.
- Receive a gift or inducement in relation to a service provided to a client in the form of money, goods or services (other than the fee we charge for the service).
- Experience situations where we could have 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.

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## Managing Conflicts

CAM has various procedures in place to ensure that where a conflict arises we are able to manage the situation effectively.

### *Cross Trades*

CAM operates a policy that prohibits cross trades. All trades must be traded on an open market. In situations where a cross trade may be necessary for practical reasons, it will require the approval and supervision of Risk and Compliance to ensure that any conflicts and the best interest of the client is managed. Such occasions are very rare.

### *Policy of Independence*

CAM operates a Policy of Independence that requires employees to disregard material interests or conflicts of interest when advising clients.

### *Confidential Information*

We maintain an Insider Dealing, Market Manipulation and Market Abuse Policy and where an employee or team comes into possession of price sensitive information we have robust procedure to ensure this information is not inappropriately exchanged.

### *Aggregation and Allocation of Orders*

CAM maintain a Best Execution Policy and we follow our Order Execution Procedures in the allocation of all orders to manage any conflicts that may arise.

### *Suitability*

There will be instances where an in-house product may be used. In discretionary cases, this may be used for smaller clients where bespoke services would not be the most appropriate outcome because of the size of the account and the practical aspects of administering it. Where a CAM product is recommended as part of an advice service, suitability will be clearly documented on file, including how it is appropriate in regards to the client's attitude to risk, investment objectives and financial situation.

Where we use our discretion to make investment decisions or provide any recommendations, we are required to ensure that our actions are suitable for our clients.

### *Personal Account Dealing*

CAM has in place a Personal Account Dealing Policy which, amongst other matters, prohibits dealing ahead of client orders.

### *Outside Business Interest*

All Approved Persons, Directors and Senior Managers are required to disclose any outside business interests (OBI) to ensure these do not conflict with our duties to clients. Risk and Compliance will require the completion of an OBI disclosure annually.

### *Remuneration*

The Board is responsible for setting remuneration and bonuses. CAM maintains a Remuneration Policy.

CAM's remuneration and bonuses schemes are in place to ensure that our employees remain motivated, whilst at the same time ensuring that the schemes do not encourage inappropriate behaviour, such as excessive trading. We recognise this conflict and, through our monitoring, remain alert to any potential abuse.

### *Gifts and Corporate Hospitality*

CAM has in place a Gifts and Hospitality policy for all employees. Compliance reviews and reports to the Board monthly on inducements. We take care through our Gifts and Hospitality Policy to ensure that these gifts are not excessive and do not create an obligation/debt.

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### **Disclosure**

If we become aware of a conflict we should disclose this to the client prior to acting for them. This disclosure is in addition to and NOT in place of the policy and procedures above.

If a conflict cannot be adequately managed, we may have to decline to act for a client.

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### **Recording of Conflicts**

Where specific conflicts are identified, outlined above or otherwise, they should be reported to Risk and Compliance for recording on the Conflicts Register.