

# Conflicts of Interest Policy

## Background and general principles

Amati Global Investors Limited (“Amati”) has a duty to avoid conflicts of interest arising or, in circumstances in which such conflicts do arise, to ensure fair treatment of clients. Importantly, Amati must not unfairly place its own interests above those of its clients. It is therefore essential that any conflicts of interest are identified and managed appropriately. Disclosures should only be used as a last resort, and where there is a recognition that the processes put in place by Amati have not been sufficient to manage and prevent the conflict in question.

Conflicts are best handled early in the context of a client relationship. Therefore, all must be alert to potential conflicts of interest both actual and those matters that a client might perceive as such. Consideration should be given to actual or potential conflicts at the time the client is taken on.

Once a conflict has been identified it must be brought to the attention of the Head of Risk and Compliance and the Chief Executive Officer. On some occasions Amati may have to decline to act because of a conflict; on others a combination of appropriate disclosure and allocation of staff may allow the assignments to proceed. Where Amati Global Investors relies on disclosure it is important that the disclosures are documented (initial disclosure may be oral but should be followed up in writing).

Where a conflict is difficult to resolve it is important to involve other directors. In extreme cases, if a member of staff has disclosed concerns but is not satisfied with the way in which they are being acted upon, he or she has the right to “blow the whistle”. See our Whistleblowing Policy for further details.

## What is the purpose of the policy?

This policy addresses FCA requirements as per SYSC10 and sets out the guidelines for employees who find themselves in situations where the company (or the employee asked to advise or deal for the customer) has a material interest or a conflict of interest.

The general policy of Amati is that in such situations no employee must knowingly advise or deal in relation to the relevant transaction unless he/she takes “appropriate steps” to ensure fair treatment for a customer.

## What is Amati’s company policy and guidance?

Amati’s policy is to follow the FCA’s guidelines regarding the management of conflicts of interest by taking one or more of the following steps:

- (1) actively managing and preventing conflicts of interest;

(2) disclosing the conflict of an interest to a customer, but only as a last resort and where there is a recognition that the systems and processes in place were not sufficient to manage and prevent the particular conflict in question;

(3) relying on a policy of independence; and

(4) declining to act for a customer.

## Are we required to disclose the conflict of interest to a client?

Subject to (2) above, Amati Global Investors Limited's policy is to disclose all material interest or conflicts of interest (that it has not been otherwise able to manage and prevent) to the customer whether generally or in relation to a specific transaction before it deals on behalf of the customer. Any disclosure should not be generic in nature and should provide specific details on the actual conflict involved at client/service level and explain why the organisational and administrative processes in place were not sufficient to manage and prevent the conflict in question.

Amati's terms and conditions for investment management clients state:

"Amati Global Investors may, without prior reference to the client, effect transactions in which Amati or an Associate has, directly or indirectly, a material interest or a relationship with another party, which may involve a potential conflict with Amati's duty to the client. In particular, but without limitation, such potential conflicting interests or duties may arise because Amati or an Associate undertakes investment business for other clients. Unless otherwise stated, Amati shall not be liable to account to the client for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions, and Amati's fees and charges shall not be abated thereby".

At all times Amati must be able to demonstrate that it has taken appropriate steps to ensure that the customer does not object to that material interest or conflict of interest and this, where applicable, should be evidenced in writing.

## What is the policy of independence?

In exceptional situations when it is not practical to act in accordance with the disclosure policy Amati Global Investors Group ensures fair treatment for its customers by relying on a policy of independence.

An independence policy is designed to ensure that in providing services to clients, Amati employees act independently of any interest which may conflict with the duties owed to different clients or between the firm and its clients.

Where conflicts are significant, the independence policy may not of itself be sufficient to ensure fair treatment for clients. In these circumstances it may be necessary to take other appropriate steps such as the establishment of a Chinese wall, specific disclosure of an interest to the client, reallocating responsibilities or ceasing to act.

Amati Global Investors' employees must comply with the following independence policy:

All members of staff must disregard any of the interests described below and must not allow the existence of such interests to influence them when dealing with clients or potential clients:

- any personal interests which they or members of their family may have. Where appropriate, a client should be advised of such an interest, notwithstanding this policy
- any existing, proposed or prospective business relationship between any member of Amati Global Investors and any third party
- any agreement or transaction which has been, will or may be, entered into by any member of Amati Global Investors.
- the holding by, interest or position of any member of Amati Global Investors in any investments issued by the client or any third party.

It is important to note that the examples above are not exhaustive. Employees are reminded that they are required to consider conflicts of interest and the need to act independently of such conflicts at all times.

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