



CONFLICTS OF INTEREST POLICY

INTRODUCTION

As a regulated financial services entity, Hogg Capital Investments Limited (“HCI”, “the Company”, “we”, “us”) is responsible for identifying, preventing and/or managing conflicts of interest.

The overriding principle here is that we act as agent to our clients and we owe a fiduciary duty to them. We are committed to treating our clients in a fair and in a consistent manner, and in safeguarding their interests when acting on their behalf.

The Company’s board of directors defines, oversees and is accountable for the identification and the implementation of its governance arrangements and alongside its senior management for ensuring its mandate to prevent conflicts of interest.

The Company maintains a Conflicts Management Policy (the Policy) that seeks to identify the circumstances that, relative to our services, may give rise to a conflict of interest and possible damage to the interests of one or more clients. We take all appropriate steps to identify conflicts of interest between our firm, including managers and staff, and our clients, and between one client and another client, which arise or may arise in the course of providing our services.

If we cannot prevent a conflict of interest, we will disclose this to our clients. This will only occur where the Company’s policies to prevent or manage its conflict of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the client will be prevented. Such disclosure is a measure of last resort and a failure to prevent such conflict beforehand. It does not, however, preclude the Company from seeking to prevent its recurrence at a future point in time.

The Company will monitor on an ongoing basis its offerings (products and/or services) for potential conflicts of interest, as well as assess whether our policies are effective and adequate for resolving any such issues, were they to arise.

The Company can declare that it has no general conflicts of interest that are not appropriately prevented or managed, or that we would be obliged to disclose in accordance with the MFSA Conduct of Business Rulebook. In the event of such disclosure however, we shall clearly state that the preventive policies adopted by the Company to avoid that conflict are not sufficient to reasonably ensure that there will be no damage to the interests of the client as a result. The disclosure will describe the conflict of interest and will refer to the general nature and sources of said conflict, as well as the risks to the client that may arise, or may have arisen, as a consequence along with the steps that were subsequently undertaken to mitigate these risks. This disclosure must be rendered in sufficient detail to enable the client in question to take an informed decision regarding this issue.

Below we have listed for your information details of specific areas of potential conflict and controls, as they may impact upon our services.

Remuneration Policies

Our Remuneration Policy sets out how we seek to comply with our regulatory obligations regarding executive and staff remuneration and group remuneration schemes. Where staff are remunerated by reference to business volumes, there is potential for conflict with client interests as such remuneration schemes may provide an incentive to maximise revenues at the expense of clients’ interests.

The remuneration of all our permanent members of staff usually consists of a salary and a performance related bonus. We strive to ensure our employees remain motivated whilst at the same time discouraging

inappropriate behaviour or excessive trading. We recognise this conflict and through our monitoring mechanisms remain alert to any potential abuse.

Staff Personal Dealing

The Company's employees may undertake deals on their own behalf. We recognise that this can give rise to a conflict with their professional obligations to their clients and may possibly be material in relation to the investment in question. Our policies will restrict staff personal dealing in certain circumstances and importantly such restrictions will include dealing ahead of client orders.

External Business Interests

Staff may not accept any employment or business interest outside the Company without the prior approval of the Company's Board of Directors.

Inducements/Gifts and Hospitality

The Company will not accept any gifts and or hospitality other than those considered normal in its line of business; moreover that such gifts are neither extravagant nor will they compromise the impartiality of the relationship between the employee and the client, and harm the professional integrity of the Company. This process is subject to continual senior management oversight.

Client Categorisation

A potential conflict exists in that it may be to the Company's benefit to categorise clients as Professional rather than Retail Clients, thereby reducing the level of investor protection enjoyed by clients. Policies and procedures are in place to ensure that clients are only categorised as Professional when this is fully justified in all the circumstances and permitted by the prevailing Investment Services Rules on client categorisation. Under any other circumstances, clients will be categorised as Retail Clients.

Client Orders

When we recommend a transaction to you or enter into a transaction for you, conflicts may exist where:

- (i) we carry out your Order by matching it with that of another client;
- (ii) we carry out comparable Orders given simultaneously by different clients;
- (iii) we allocate Investments, where you are a discretionary managed client or your Orders are aggregated with those of other clients but full allocations are not possible; or
- (iv) a Person connected with us is dealing as principal for their own account by selling the Investment concerned to you or buying it from you.

In making any recommendation or in carrying out any transaction for you, we are not required to disclose that the other party to the transaction may be ourselves, a company connected with us, or another client of ours or of another company. You should nevertheless be assured that we maintain Client Order Handling procedures that are designed to ensure the fair treatment of clients in such instances.

Research

The Company, its directors, members, staff and members of their families may have positions in the securities of Financial Instruments referred to in our research. In giving advice on or making a recommendation about a security we are required to disregard any such relationship, arrangement or interest, which might influence the advice or recommendation. Moreover, in such circumstances, we will disclose potential or actual conflicts prior to any advice, recommendations or related research being released.

Our professional responsibility

The Company, its directors and its members of staff are collectively responsible for identifying and reporting potential and actual conflicts of interest, based upon their respective assessments of such situations as they may arise.

The senior management is nevertheless responsible for ensuring, on an ongoing basis, that its systems, controls and procedures are adequate to identify, manage and monitor conflicts. Senior management is also responsible for ensuring that staff is aware of the aspects of the Policies relevant to them.

Failure of a member of staff to adhere to the Company's policy on conflicts of interest may be viewed as a breach of that member's contract of employment. Moreover, the failure of a member of staff to declare an interest will be regarded as misconduct and may lead to disciplinary action being taken against that individual.