COLLINS SARRI STATHAM
INVESTMENTS

Conflict of Interests Policy

1.0 INTRODUCTION

1.1 The circumstances which should be treated as giving rise to a conflict of interest cover cases where there is a conflict between the interests of the firm or a member of staff and the duty the firm owes to a client; or between the differing interests of two or more of its clients, to whom the firm owes in each case a duty. An example would be where the firm or another 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.

1.2 Collins Sarri Statham Investments (CSSI) recognises that there is a natural potential conflict of interest between itself, its employees, clients and suppliers which if not identified and where possible, prevented or managed, could lead to the detriment of a client or clients. CSSI expects all staff to observe the highest standards when acting on behalf of the firm and its clients.

1.3 As an FCA regulated firm, CSSI is mindful of the FCA Principle 8: Conflicts of Interest ("A firm must manage conflicts of interest fairly both between itself, and its customers, and between a customer and another client.") and those set out in the FCA Handbook (SYSC 10, and MAR 8). In particular, the firm is required to identify any conflict of interest it may have, maintain a written conflicts of interest policy, and keep a record of all conflicts it has identified.

1.4 All brokers are obliged to give consideration to conflicts when managing and advising their clients. Equally all brokers hold a SPS certificate as members of the Chartered Institute of Securities and Investments (CISI) and are required to abide by its Code of Professional Conduct which states that they must "… be alert to and manage fairly and effectively and to the best of their ability any relevant conflict of interest". CSSI brokers receive regular training and guidance in this.

2.0 OUTLINE OF POLICY

2.1 The purpose of this policy is to set out the Conflict of Interests between CSSI and its clients and its responsibility under the FCA principles and its Handbook to prevent or manage these effectively.

2.2 The firm does not engage in principal or proprietary dealing and/or trading and therefore has no Conflicts of Interests in this regard.

2.3 Employees have personal obligations not to engage in the following (market abuse) behaviours which may be to the detriment of clients. Further details regarding this are set out in the Market Abuse Policy. Such behaviours include:

- Insider Dealing
- Improper disclosure of information
- Misuse of information
- Manipulate transactions – creating false markets/impressions
- Dissemination of misleading information

2.4 Employees dealing for their Personal Accounts ("PA") can give rise to obvious conflicts between their own investment interests and those of the firm's customers. The firm has a well-established policy and procedures concerning such PA dealing which are made clear to employees on joining the firm and of which employees are reminded annually. These procedures are designed to limit an employee's ability to distort the price of the investment or time their own transactions to the detriment of the firm's clients.

2.5 As an employee of a regulated firm, and therefore privy to personal and confidential information regarding the firm's clients' investments account dealing, it is a privilege and not a right to undertake Personal Account dealing. The firm, through its Compliance Department, retains the right to refuse an employee permission to conduct a Personal Account deal without providing a reason for the refusal.

2.6 A Conflict of Interest can potentially arise between one client and another client when advised to invest or divest in the same security.

a. There may be a delay in contacting clients reflecting the advisory nature of the service offered.
b. Depending on the client's investment objectives, brokers maybe advising one client to buy and another to sell e.g. depending on income, capital appreciation objectives, time horizons and risk appetite.
c. Internally brokers may have conflicting opinions regarding the future prospects of a company and therefore one broker maybe advising clients to sell, whereas another broker might be advising their clients to buy.
d. Clients who hold a discretionary account may potentially be advantaged compared to advisory clients given that a broker can place an order for all discretionary managed clients at the same time whereas advisory clients need to be contacted individually and approval sought for any trade recommendation.

2.7 A Conflict of Interest may also arise from the research notes we periodically publish. These are essentially marketing communications and as such do not conform to the FCA rules regarding independence in respect to investment research. As a marketing tool, they are sent to clients and prospective clients and these clients maybe invested or divested in the securities highlighted, independent of the views of the analyst or report's author (there are caveats on these notes stating that they do not represent advice to trade).

2.8 The firm's broker remuneration policies may create a potential conflict between that of the broker and of the clients managed by the broker.

2.9 Another area of potential conflict of interest arises in the handling of dealing errors. The firm has a written policy on this which includes ensuring that the client has not been disadvantaged by any dealing error and that any profit which should arise from such dealing is credited to the client's account.

2.10 A further area of potential conflict is where a member of staff or their immediate family has business interests outside of CSSI. For example, a spouse may be a director of a business which tenders to provide services to CSSI.

2.11 The Conflict of Interests Policy and related procedures will be maintained by the Compliance Department. The Policy will be subject to annual review or where there are changes in the law or regulatory requirements.