

Description of Policy on the Avoidance and Management of Conflicts of Interest

This document contains the summary of Rules on the Avoidance and Management of Conflicts of Interest approved by UAB "Atelier Investment Management". An investor wishing to read the full document is kindly invited to contact us by phone +370 686 29456 or e-mail aim@atelierinvest.com, or to visit the Company at Gedimino pr. 20–27, Vilnius.



By Order No AIM–T–003 of 24 January 2018, the Director of UAB "Atelier Investment Management" has approved the Rules on the Avoidance and Management of Conflicts of Interest (hereinafter referred to as the Rules). The purpose of the Rules is to ensure a proper organisation of prevention of possible conflicts of interest at the management company UAB "Atelier Investment Management", which may have a negative effect on customers' financial interests and Company reputation, including identification and assessment of potential conflicts of interests arising out of the Company business, and establishment of internal control procedures and measures required to control the implementation of the policy on the conflicts of interests. The Rules shall apply to all Company employees, who directly or indirectly participate in the decisions on the investment made by the Company.

It is provided that a conflict of interest may arise between the Company, an affiliated person or a person connected with the affiliated person by family relations, a person having a direct or indirect control relation with the Company, and customers of the Company, or simply between the customers of the Company.

It shall be considered that a conflict of interest exists when the aforementioned persons find themselves in any of the following situations:

1. the Company or a particular person may gain financial benefit or avoid financial loss at the expense of a collective investment undertaking;
2. the Company or a particular person is interested in the result of a service provided to or activity performed for the collective investment undertaking or another customer, or in the result of a transaction made at the expense of another customer otherwise than the collective investment undertaking is interested in this result;
3. the Company or a particular person has a financial or other reason to prioritise the interests of another customer or another customer group at the expense of interests of the collective investment undertaking;
4. the Company or a particular person provides the same services to the collective investment undertaking and other customer or customers who are not collective investment undertakings;
5. the Company or a particular person receives or will receive otherwise than from the collective investment undertaking an incentive which is related to the management activity performed by the collective investment undertaking and which can be provided in a form of funds, goods, or services, except for the usual commission or other fees for services paid in such cases.

In order to ensure the necessary degree of independence of the Company, the Company shall implement the following measures and procedures:

1. In order to control the activities of Company, the employees whose primary duty is the performance of activities and provision of services to customers whose interests may contradict each other or who otherwise represent interests that may contradict each other, including the Company interests, the investment decisions must be approved by another employee or the head of the Company.
2. Remuneration and incentive system for Company employees is created in view of the fact that there must be no link between the remuneration of affiliated persons mostly engaged in one type of activity and the remuneration or income received by another affiliated persons mostly engaged in another type of activity where a conflict of interest may arise due to different types of activities.

3. The same Company employee may not participate in different projects that may potentially instigate or have instigated a conflict of interest.

4. Individual activity of affiliated persons whose primary duty is the management of collective investment undertakings or provision of services to customers or investors whose interests may contradict each other, or who otherwise represent interests that may contradict each other, including the Company interests, is possible only upon the approval of the head or the Board of the Company.

5. Company employees shall fill in the Declaration of Interest and submit it to the head of the Company along with the Employment Contract. In case of any changes in the information contained therein the Declaration of Interest shall be updated within the maximum period of seven days.

6. Company employees are familiarised in writing with the prohibition to exchange information between affiliated persons engaged in the activity involving a risk of conflict of interest if the exchange of this information may cause a negative effect on one or several customers.

7. When making investment decision that may cause a risk of conflict of interest, at least three financial intermediaries offering the equivalent product shall be interviewed and the most economically beneficial offer shall be selected in order to preserve the investor's interests. Motives for making the decision must be substantiated and stored on durable storage media.

8. The Company has a list of financial instruments which may cause a conflict of interest in the course of performance of activities, provision of services, or implementation of transactions of the Company. All Company employees who participate in the activities of the Company, provide services to investors and/or customers or are entitled to implement transactions on behalf of the Company are familiarised with this list. This list shall contain financial instruments and transactions:

i. which may cause a conflict of interest in the course of performance of activities, provision of services, or implementation of transactions of the Company;

ii. which are prohibited to purchase, sell (or conclude any other transactions with) by Company employees, shareholders, and members of management bodies due to non-public information available (held) by these persons.

In case of a conflict of interest, the Company, prior to providing a respective service, must expressly, comprehensively (in view of an investor's or customer's understanding of financial instruments markets) and upon their signature notify every investor or customer about the existing conflict of interest. The service may be provided only in the case where the investor or customer gives its express consent regarding the provision of the respective service in the presence of the conflict of interest.

For any additional information, please contact us by phone +370 686 29456 or e-mail aim@atelierinvest.com, or to visit the Company at Gedimino pr. 20–27, Vilnius.