



AmiasBerman&Co

Conflicts of Interest Policy

Purpose

The purpose of this Conflicts of Interest Policy under SYSC 10.1.11 R is:

- > To identify by reference to the specific services and activities carried out by (or on behalf of) the Firm the circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of one or more clients.
- > To specify procedures to be followed and measures to be adopted in order to manage such conflicts.
- > To communicate this information to all those who are in the Firm.

Regulatory Background

FSA Principle 8 (Conflicts of Interest) states:

A firm must manage conflicts of interest fairly, both between itself and its customers and between a customer and another client.

These requirements have been amplified in the FSA sourcebook SYSC (Senior Management Arrangements, Systems and Controls).

The FSA's 'common platform' of organisational requirements, principally for firms affected by MiFID and CRD, has applied since 1 November 2007. The Common Platform is designed to make clear to common platform firms (such as this Firm) what is expected of them and of their senior management. It does this by having management oversight and systems and controls in several areas including conflicts of interest.



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What is a conflict of interest?

A conflict of interest under MiFID is a conflict that arises in any area of Amias Berman & Co's business in the course of providing its customers with a service which may benefit Amias Berman & Co (or another customer for whom Amias Berman & Co is acting) whilst potentially materially damaging another customer where Amias Berman & Co owes a duty to the customer. There may be a conflict where Amias Berman & Co (or anyone connected to Amias Berman & Co.

- > is likely to make a financial gain (or avoid a loss) at the expense of its customer.
- > is interested in the outcome of the service provided to its customer where the interests of Amias Berman & Co is distinct from that of the customer;
- > has a financial or other incentive to favour the interests of one customer over another;
- > carries on the same business as a customer;
- > receives money, goods or services from a third party in relation to services provided to a customer other than standard fees or commissions.

Amias Berman & Co has sought to identify conflicts of interest that exist in its business and has put in place measures it considers appropriate to the relevant conflict in an effort to monitor, manage and control the potential impact of those conflicts on its customers. The conflicts identified include:

- > Potential misuse of information
- > Remuneration Policy
- > Disparity between performance fees for different funds
- > Personal account dealing
- > Personal interest in funds
- > Staff on notice to leave
- > Inducements
- > Cross trading between funds



Policy and Procedures

Amias Berman & Co has adopted numerous internal policies and procedures, often set out in its Compliance Manual, in order to manage recognised conflicts of interest. These policies and procedures will be subject to our normal monitoring and review processes and include:

> Responsibilities of Staff

It is the responsibility of all employees to familiarise themselves with this policy and to report conflicts of interest to their line manager who will in turn report them to the Compliance Officer. Failure to adhere to this policy can be taken to be a breach of an employee's contract.

Overall responsibility for Conflicts of Interest lies with the Board. The Compliance Officer is responsible for day to day administration of the policy. The Compliance Officer will work with line management to eliminate Conflicts of Interest, record conflicts and the mitigating action in the Conflicts Register, and report the situation to the Board

The Compliance Officer has responsibility for ensuring that staff are aware of the aspects of the policy relevant to them.

> Integrity and Standards of Conduct

Amias Berman & Co insists that in its dealings with customers its members must use the highest standard of integrity in their actions at all times. The Training & Competency procedures and monitoring programme at Amias Berman & Co are designed to ensure that all relevant members are familiar with and observe, inter alia, the FSA Principles for Businesses and the Statements of Principle and Code of Practice for Approved Persons.

> Reporting Lines

The Firm has defined and clear reporting lines. An organisational chart is maintained by the Compliance Officer.

> Segregation of functions

The rules in SYSC 5.1 requiring segregation of functions are met by segregating duties as appropriate to avoid conflicts of interest wherever possible. These duties are set out via job descriptions, procedure manuals and organisation charts. Ensuring these duties remain segregated is the responsibility of line managers as advised by the Compliance Officer.



> Remuneration/Compensation Arrangements

All relevant staff who are open to a conflict of interest are paid a basic salary including those in key support areas such as Compliance, Finance and Operations. This salary is not dependent on company performance. A bonus structure does exist which is linked to company performance, team performance or the individual's performance. It is at the discretion of the senior management and notified only on payment.

> Disclosure of Personal Conflicts

Employees and owners are required to disclose conflicts of interest. Employees will disclose any conflicts of interest to their line manager who in turn will inform the Compliance Officer. Owners will disclose any conflicts directly to the Compliance Officer. The Compliance Officer will record in the appropriate register and inform the Board of any action taken.

> Disclosure to Clients

If our arrangements to manage a conflict of interest are not sufficient to ensure with reasonable confidence that the risk of damage to that client's interests is prevented, we will inform the client, in a durable medium, of the general nature and/or source of the conflict in such a way that an informed decision can be made by that client before business is undertaken.

> Recruitment

In recruiting individuals their fitness and propriety is considered by the Compliance Officer as well as technical and managerial ability. Suitable background checks are made and references are taken up.

> Training

Compliance training relevant to conflicts of interest forms part of the annual training needs analysis. The Compliance Officer ensures that appropriate training is devised and delivered.

> Compliance and Procedures Manuals

Systems and controls are documented in the compliance and procedures manuals which are reviewed at least once a year to ensure they are fit for purpose. The reviewer is appointed by the Board.



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> Periodic Audit

The Compliance Officer oversees and executes a suitable audit programme at least once a year to verify that the systems and controls are being applied.

> Management Information

Management information relevant to identifying conflicts is reviewed by the Compliance Officer – set out the management information that is monitored (e.g. monitoring of turnover levels, value at risk and volatility levels, as appropriate)

> Verifying Compliance

The principal means of verifying that these policies have been complied with will be an annual compliance review undertaken by the Compliance Officer. The Compliance Officer/Internal Committee will have the responsibility of considering compliance with the policy on a monthly basis and will report formally to the Board/ Governing Body.

> Confidentiality

No portion of this Policy may be copied reproduced or shown to any individual who is not an employee of the Firm, a representative of a relevant legal or regulatory authority or a relevant professional advisor.

> Approval

This Policy was last amended on 10.08.2009 and, following review, was approved by the Board on 10.08.2009.