



## Conflicts of Interest Policy

Our Conflicts of Interest Policy is reviewed at least annually. We are committed to taking measures to recognise, supervise, examine and resolve conflicts of interest. We recognise that it is not possible to eliminate all sources of conflict of interest; however, safeguarding customers' welfare remains our primary objective.

### Types of conflicts to be considered

For the purposes of identifying the types of conflict of interest that arise, or may arise, in the course of providing a service and whose existence may entail a material risk of damage to the interests of a client or Alternative Investment Fund ("AIF") investor, we will take into account, as a minimum, whether Delcap or a relevant person, or a person directly or indirectly linked by control to Delcap:

- is likely to make a financial gain or avoid a financial loss, at the expense of the 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;
- has a financial or other incentive to favour the interest of another client or group of clients over the interest of the client;
- carries on the same business as the client.

Delcap identifies conflicts of interest that arise, in the course of managing an AIF, between:

- Delcap's managers, employees or any person directly or indirectly linked to us by control, and an AIF managed by us or the investors in that AIF; or
- an AIF or the investors in that AIF, and another AIF or the investors in that AIF; or
- an AIF or the investors in that AIF, and another client of Delcap; or
- two clients of Delcap.

In addition, the circumstances which will be treated as giving rise to a conflict of interest cover cases where there is a conflict between the interests of Delcap or certain persons connected to Delcap or Delcap's group and the duty Delcap owes to a client; or between the differing interests of two or more of Delcap's clients, to whom Delcap owes in each case a duty. It is not enough that Delcap may gain a benefit if there is not also a possible disadvantage to a client, or that one client to whom Delcap owes a duty may make a gain or avoid a loss without there being a concomitant possible loss to another such client.

### Inducements, Research and Other

We do not give or receive inducements i.e. fees or commissions from third parties, except acceptable minor non-monetary benefits. Minor non-monetary benefits will be acceptable with respect to the service that we provide the client if:



- they are intended to enhance the service that we provide; and
- are of a scale and nature that they objectively do not impair our duty to act honestly, fairly and professionally in the client's best interests.

Examples of acceptable minor non-monetary benefits include, but are not limited to: participation in seminars and other training events on the benefits and features of a specific financial instrument or an investment service, and hospitality of a reasonable minimal value, such as food and drink, during a business meeting, conference, seminar or training event etc.

Any research that we receive from third parties will be paid for directly from our own resources.

Personal account dealing rules are enforced for each member of staff.

Staff remuneration is by means of a basic salary which is not linked to the underlying performance of the company.

#### **Procedures and measures adopted in order to manage the conflicts**

Protocols have been developed and introduced to manage conflicts of interest. Our employees are provided with relevant training about the protocols and standards of conduct expected thereafter. Our management remains responsible for ensuring that protocols and resources are sufficient to identify and attend to a conflict as it may arise.

Where our functions could create an internal conflict, duty lines are kept separate and individual management and reporting structures are established. The measures and procedures adopted by Delcap are designed so that persons engaged in business involving a conflict of interest carry on their activities at a level of independence appropriate to the size and activities of Delcap. We therefore have the following protocols:

- effective procedures to prevent or control the exchange of information between relevant persons engaged in activities involving a risk of a conflict of interest where the exchange of that information may harm the interests of one or more clients;
- the separate supervision of relevant persons whose principal functions involve carrying out activities on behalf of, or providing services to, clients whose interests may conflict, or who otherwise represent different interests that may conflict, including those of Delcap;
- measures to prevent or limit any person from exercising inappropriate influence over the way in which a relevant person carries out services or activities; and
- measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate services or activities where such involvement may impair the proper management of conflicts of interest.

In addition, in regard to Delcap's individual portfolio management of client portfolios, we will obtain approval from our clients before they invest all or part of their portfolio in units or shares of the AIF, which Delcap also manages.



We maintain an internal log of conflicts that arise, listing how each conflict was monitored and any solution which was developed and applied to resolve the problem and to prevent the client's interests from being disadvantaged.

### **Disclosure of conflicts**

If our arrangements to manage conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of a client will be prevented, we will clearly disclose the general nature and/or sources of conflicts of interest to the client before undertaking business for the client.

The disclosure will be made in a durable medium and include sufficient detail, taking into account the nature of the client, to enable that client to take an informed decision with respect to the service in the context of which the conflict of interest arises.

### **Resolution**

Delcap will aim to identify and manage the conflicts of interest arising in relation to various business lines and our activities under the conflicts of interest policy. In particular, the disclosure of conflicts of interest by Delcap does not exempt us from the obligation to maintain and operate effective organisational and administrative arrangements.

Where we are unable to resolve a conflict of interest we will notify the Client formally by email. This disclosure will permit the Client to evaluate whether it is appropriate to continue using our services in respect of the pertinent conflict.

Where we have examined the conflict of interest and its cause we may inform the Client of our decision not to act on the Client's behalf if we determine no other course of action is possible.