

Williams & Wilson

CONFLICT OF INTEREST POLICY

**Williams & Wilson Limited
(the “Company”)**

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Conflict of Interest Policy

1.Literature

At the outset of the Company's operations, many of the potential conflicts below can arise due to the narrow scope of the Company's business and its business model. However, we hope to expand and have therefore designed a policy that takes future expansion into account.

The Company is required by the Rules of the FSC to maintain a conflicts of interest policy identifying the circumstances that constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of one or more clients, and specifying the procedures that we follow and measures that we adopt in order to manage such conflicts. All financial services firms will face areas of potential conflicts of interest, the nature of these depending upon the nature of a firm's business model.

Where the Company acts for more than one client, there is the possibility of a conflict of interest. For example, when we recommend a transaction to clients or enter into a transaction for clients, we (or a Person connected with us) may face conflicts where we are:

- a) Carrying out Clients' transaction by matching it with that of another client;
- b) Carrying out comparable transaction given simultaneously by different clients;

The Company is required to maintain and operate effective organisation and administrative arrangements with a view to taking all reasonable steps designed to prevent conflicts of interest from constituting or giving rise to a material risk of damage to the interests of the Company's clients.

Where the measures outlined in this section are insufficient, in our opinion, for the avoidance, mitigation and management of potential and actual conflicts of interest, we will disclose such facts to Clients, or decline to act for Clients.

The Company reserves the right to review and amend the above rules whenever it deems appropriate.

It is the policy of the Company to identify conflicts of interests involving the Company and related parties/clients as well as to identify situations which may give rise to the appearance of a conflict of interest, and to address such conflicts and situations in a manner that will fully protect the integrity and reputation of the company, as well as related parties/clients.

The Company has in place arrangements designed to ensure that:

- a) Where there is a conflict of interest, the conflict is appropriately disclosed.
- b) It controls the flow of information where, otherwise, the risk of a conflict of interest may harm the interests of a client.

The Company shall ensure that all conflict of interests shall be appropriately addressed.

2. Purpose

The purpose of this Policy is to specify the procedures put in place by the Company, for identifying and responsibly managing and controlling and, where necessary, disclosing the conflicts of interests arising in relation to its business. It is also to reduce the risks of client disadvantage, risk of legal liability, regulatory censure or damage to Company's commercial interests and reputation and to ensure that it

complies with legislative requirements and the departmental and general procedures as and if applicable.

3. Policy

All employees of the Company must on commencement of their employment read and fully understand the Policy. All employees of the Company are obliged to register their acceptance of having read and understood the Policy, which is to be kept by the Company. Any employee that suspects any conflict of interest must immediately inform the Compliance Committee who will determine if any conflict does exist or has the potential to arise and will state the reasoning for their findings in a file kept in storage for future referral should such need arise.

In particular, the Company defines a conflict of interest as any situation where either the Company or an individual is in a position to exploit a professional or official capacity in some way for either corporate or personal benefit.

Situations where conflicts of interest can occur include the following:

- a) The Company or a relevant person, or a person directly or indirectly linked by control to the Company, is likely to make a financial gain or avoid a financial loss, at the expense of the client.
- b) The Company or a relevant person, or a person directly or indirectly linked by control to the Company, has an interest in the outcome of a service provided to the client, or of the transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome.
- c) The Company or a relevant person, or a person directly or indirectly linked by control to the Company, has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client.
- d) The Company or a relevant person, or a person directly or indirectly linked by control to the Company, carries on the same business as the client.
- e) The Company or a relevant person, or a person directly or indirectly linked by control to the Company, receives or will receive from a person other than the client an inducement in relation to a service provided to the client, in the form of money, goods or services, other than the standard commission or fee for that service.

Relevant person in relation to the Company means any of the following persons:

- a) A member of the board of directors, partner or equivalent, or manager of the Company;
- b) A member of the board of directors, partner or equivalent, of the Company;
- c) An employee of the Company, as well as any other natural person whose services are placed at the disposal and under the control of the Company who is involved in the provision by the Company of investment services or/and the performance of investment activities;
- d) A natural person who is directly involved in the provision of services to the Company under an outsourcing arrangement for the purpose of the provision by the Company of investment services or/and the performance of investment activities;

The affected parties if conflict of interest arises can be the Company, its employees or its clients. More specifically, a conflict of interest may arise, between the following parties:

- a) Between the client and the Company.
- b) Between two clients of the Company.

- c) Between the Company and its employees.
- d) Between a client of the Company and an employee/manager of the Company.
- e) Between Company's Departments.

Conflicts of interest can occur in a number of situations, for example:

- a) The Company is likely to sustain an overall financial loss or avoid a financial loss, by processing a client's transaction.
- b) The Company is likely to sustain an overall financial gain by not processing a client's specific transaction.
- c) The market moves to a direction of a point/timing when by executing client's transaction will result in a financial loss for the Company.

4. Reporting Conflicts of Interest

In the case of identification of a possible conflict of interest, a staff member must refer it initially to his immediate supervisor to assist in the assessment of a material risk of damage and send a completed Conflict of Interest Notification Form (as per relevant appendix) together with full details to allow regulatory scrutiny, of:

- a) Corrective and preventive actions.
- b) How these actions were considered appropriate?
- c) Any conditions imposed?
- d) whether there are still ongoing conflicts, how these are being managed and advised to the client.
- e) To the head of compliance for inclusion within the reports reviewed by the Board of Directors.

5. Measures against Conflict of Interest

In respect of the business that we conduct with Clients, we take the following measures to manage, mitigate and avoid potential or actual conflicts:

- (i) Our employees are required to act in the best interests of each individual client and not to have regard to the interests of one client over the interests of any other. Our employees are required to comply with a policy of independence and disregard any interest other than Clients own interests when making recommendations to Clients (where authorization to do so exists) or carrying out transactions on Clients behalf;
- (ii) We operate a policy of additional supervision of persons whose principal functions involve carrying out activities, or providing services to, clients whose interests may conflict, or whose interests may conflict with the interests of our firm;
- (iii) We operate measures to prevent or limit any person from exercising inappropriate influence over the way in which a relevant person carries out services and activities, and to prevent or control the simultaneous or sequential involvement of relevant persons in separate services or activities where such involvement may impair the proper management of conflicts of interest;
- (iv) We operate procedures to prevent or control the exchange of information ('Chinese Walls') between persons engaged in activities involving a risk of a conflict of interest where the exchange of that information could harm interests of one or more clients;
- (v) We operate a policy of the removal of any direct link between the remuneration of persons principally engaged in one activity and the remuneration of, or revenues generated by,

different persons principally engaged in another activity, where a conflict of interest may arise in relation to those activities;

- (vi) Internal systems are in place to ensure that otherwise comparable client transactions are carried out sequentially and promptly unless the characteristics of the transactions or prevailing market conditions make this impracticable, or the interests of the client require otherwise.

6. Management of Conflicts of Interest

a) Independence

The following measures have been adopted by the Company for ensuring the requisite degree of independence:

- Measures to prevent or control the exchange of information between relevant persons engaged in activities involving a risk of a conflict of interest (i.e. by establishing a Chinese wall)
- 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 the Company.
- The Company's department whose interests may conflict with clients are:

i. Dealing Room

Measures to prevent or limit any person from exercising inappropriate influence over the way in which a relevant person carries out investment services or activities. Additionally, the person who decides or influences an individual's bonus may exert undue influence over that individual's integrity of judgment.

Measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate investment services or activities such as reception and transmission of clients' requests.

ii. Chinese Walls

Chinese walls are essentially information barriers which are used to prevent inside or highly confidential information possessed by one part of the business from being inappropriately passed to, or obtained by, another part of the business.

When a Chinese wall is used as a way of managing conflicts of interests, individuals on the other side of the wall will not be regarded as being in possession of knowledge denied to them as a result of the Chinese wall. For example, where arrangements have been put in place to ensure that entities belonging to the same group operate independently of each other with effective Chinese walls, the entities shall not be deemed to have knowledge of each other for conflicts of interest purposes.

b) Disclosure of conflict of interest

When the measures taken by the Company to manage conflicts of interest are not sufficient to ensure, with reasonable confidence that risks of damage to clients' interest will be prevented, the Company proceeds with the disclosure of conflicts of interest to the client. Prior to carrying out a transaction or provide an investment service to a client, the Company must disclose any actual or potential conflict of interest to the client. The disclosure will be made in sufficient time and in a durable mean and shall include sufficient detail, taking into account the nature of the client, to enable him to take an informed decision with respect to the investment service in the context of which the conflict of interest arises.

Clients will be given the opportunity to decide on whether or not to continue their relationship with us with no unreasonable obstacles.

c) Marketing Communication

The Company shall ensure that any such recommendation contains a clear and prominent statement that (or, in the case of an oral recommendation, to the effect that) it has been prepared in accordance with legal requirements designed to promote the independence of investment research and that it is not subject to any prohibition on dealing ahead of the dissemination of investment research.

d) Record keeping

The Company keeps and regularly updates a record of the kinds of investment service or investment activity carried out by or on behalf of the Company in which a conflict of interest entailing a material risk of damage to the interests of one or more clients has arisen or, in the case of an ongoing service or activity, may arise. The following documentation shall be maintained for a minimum period of five years:

- This policy, any functional variations if applicable;
- The Conflicts Log;
- Rules, procedures and processes;
- Training material and training records;
- Conflicts of Interest Notification Forms;
- Details of any review work carried out (including any decisions made on conflicts management); and
- Any other documentation used to demonstrate the management of conflicts of interest.

e) Responsibilities

The Company's Operations Committee is responsible for clearly allocating responsibility and delegating authority to accountable individuals to ensure that those involved are aware of their involvement.

7. Management & Responsibility

The Company's Management is required to:

- Fully engage in the implementation of policies, procedures and arrangements for the identification, management and ongoing monitoring of conflicts of interest;
- Adopt a holistic view to ensure the identification of potential and emerging conflicts within and across business lines and to ensure that informed judgments are made with respect to materiality;
- Raise awareness and ensure compliance of relevant individuals by ensuring: regular training (including to contractors and third party service providers' staff) both at induction and in the form of refresher training; the clear communication of policies, procedures and expectations; that awareness of conflicts procedures forms part of the performance review/appraisal process, and that the best practice is shared throughout the Company;
- Sponsor robust systems and controls and effective regular reviews to ensure that strategies and controls used to manage and mitigate risks remain appropriate and effective and that appropriate warnings and disclosures are issued to clients where necessary;
- Utilize management information to remain sufficiently up-to-date and informed; and
- Support an independent review of the processes and procedures in place.

The Compliance Committee who is responsible for the day to day management of the implementation of this policy is responsible for:

- establishing the policy in relation to conflicts of interest;
- providing training oversight and aid;
- monitoring compliance with arrangements;
- the oversight of conflicts management;
- maintaining records in relation to conflicts of interest;
- providing appropriate internal reporting to the Board of Directors.

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