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1.1. Regulatory background

NATAM Luxembourg S.A licensed by the CSSF as Management Company under UCITS law 2010 and AIFM law 2013, has implemented a Conflict of Interest policy in compliance with the following legal and regulatory requirements:

- *Articles 109 (1) b) and 111 d) of the December 17th, 2010 Law*
- *Articles 18, 19, 20, 21 and 22 of the CSSF Regulation Nr 10-4*
- *Sections 5.2.6. and 5.2.6.1. of the CSSF Circular 12/546*
- *Article 13 of the July 12th, 2013 Law*
- *Articles 30, 31, 32, 33, 34, 35 and 36 of the Delegated Regulation 231/2013*

1.2. Purpose of the Policy

The purpose of the Conflict of Interest Policy is:

- i. to identify by reference to the specific services and activities carried out by (or on behalf of) the Management Company, potential and existing conflicts of interest entailing a risk of damage to the interests of a Fund or its shareholders; and
- ii. to specify procedures to be followed and measures to be adopted in order to manage such conflicts in an independent manner, and
- iii. to communicate this information to all employees in the Management Company

1.3. Scope of the Policy

The MANCO intends to manage conflict of interest fairly, both between the relevant persons or relevant entities and its funds UCITs/AIF or investors and between an investor and another investor.

1.4. Relevant persons and entities

To the extent of this policy, the following subjects are considered as:

Relevant persons:

- Member of the Boards of Directors;
- Conducting Persons;

- the members of any investment committee of any of the Funds;
- any Portfolio Manager acting for any of the Funds;
- any other individual who participates in the provision of investment services and activities on behalf of the MANCO.

Relevant entities:

- Fund's depositaries;
- Fund's central administrator;
- any external valuer for any of the Funds;
- any structuring or placement agent acting for the Funds;
- any other entities that participates in the provision of investment services and activities on behalf of the MANCO.

1.5. Independence in the Management of Conflicts of interest.

The BOD has appointed among the CPs, the Conflicts of Interests Responsible (CIR), who is responsible as an independent position for active management of conflict of interest. The CIR assists in the process of management but it is each employee responsibility to manage conflicts.

In making investment decisions, or buying products and services, the MANCO act in investor's best interest and put investors' interest ahead of those of the relevant persons or relevant entities.

With this aim, the BoD issued this policy, through the following steps by virtue of which:

1. Identification of actual and potential conflicts of interest
2. Mitigating conflicts of interest
3. Resolution of conflicts of interest
4. Maintenance of a conflicts of interest register ("Register")
5. Initiating the disclosure of unresolved conflicts of interest
6. Monitoring of conflicts of interests for outsourced activities
7. Regular reporting to the Board of Directors
8. Disclosure to investors
9. Set up of specific policies regarding:
 - gift;
 - remuneration;
 - inducement;

- strategy for the exercise of voting rights.

REQUIREMENTS

1.6. Conflicts of Interest definition

The Regulation provides the non-exhaustive list of criteria used to identify potential conflicts of interest arising in the course of the management of the Funds in the following situations:

- when the MANCO, or relevant persons amongst its group, can make a financial gain or avoid a financial loss to the detriment of the client;
- when the MANCO, or relevant persons amongst its group have an interest in the outcome of a service provided to the client, distinct from that of the customer;
- when the MANCO, or relevant persons amongst its group, have an incentive to favor the interests of customers other than that to which the service is provided;
- when the MANCO carries out the same activity as the client;
- when the MANCO, or relevant persons amongst its group, receives or may receive from a person other than the customer, in connection with the service to these borrowed, an incentive in the form of money, goods or services, other than committees or received for that service

1.7. Scenario of potential conflict of interests

Considering the above criteria, the BOD has identified the following main scenarios of potential conflict of interest:

Situation	Example
<p>FINANCIAL/PERSONAL INTEREST</p> <p>Where a Board member has a financial/personal interest in an enterprise in which the MANCO invests and could be perceived to be in a position to influence relevant investment decisions.</p>	<p>Holding an equity interest in a Company in which the MANCO invests or a personal relationship of a Board member with another board member in the enterprise selected.</p>

Situation	Example
<p>HOLDING MULTIPLE POSITIONS</p> <p>Where a Board member holds multiple positions in companies or other collective investment schemes, in which the MANCO invests while simultaneously being a board member.</p>	<p>Assuming responsibilities in paid or unpaid positions, for an outside organisation that diverts its attention from the investment <i>Company</i> duties, or creates other conflicts of loyalty.</p>
<p>INDUCEMENTS</p> <p>Where the MANCO an inducement in relation to portfolio management activities provided to a client, or they receive the commissions from another Company or introducing broker, for purchasing a particular security in which the MANCO invests.</p>	<p>The MANCO will seek out the products that pay the greatest commission for themselves, instead of focusing on what investment is going to be best for the client.</p>
<p>TYPE OF CLIENTS</p> <p>Where the MANCO, or the Investment Managers/Advisors, carry on the same activities for the MANCO and for other individuals, which are not clients of the MANCO.</p>	<p>The MANCO has a financial or other incentive to favour the interests of another individual over the interests of the MANCO.</p>
<p>SERVICES</p> <p>Where the Board has an interest in the outcome of a service provided to the MANCO, which is distinct from the MANCO's interest in that outcome.</p>	<p>The Board enjoys of some services not relevant for MANCO resp. its clients.</p>
<p>CLIENT INTERESTS</p> <p>Where the MANCO is likely to make a financial gain, or avoid a financial loss, at the expenses of the client.</p>	<p>The MANCO takes the decision to make some investments not aligned to the client interests.</p>

MANAGING AND MONITORING CONFLICTS OF INTEREST

1.8. Governance

The MANCO has robust governance arrangements:

- a) The Policy will be approved by the BOD. The BOD is informed on an ad hoc basis on the occurrence of (potential) conflicts of interest. Key business decisions are taken by the BODs and are recorded.
- b) The *Conflicts of Interests Responsible* reports directly to the BOD.
- c) The MANCO maintains a *Conflicts of Interest Register*.

1.9. Reporting lines

The CPs and the BOD ensure the ongoing activity to identify specific situations of conflict of interest and endeavor to make sure that all parties involved in the MANCO are aware of this matter.

The responsibility to assess the compliance of the MANCO's relevant persons and relevant entities with the conflict of interest procedure has been assigned to the Independent CP, Mr. Petronio (**Conflict of Interest Responsible** – "CIR"), under the supervision of the Board.

The CIR, having heard other Conducting Persons, must control that the procedure is respected and must notify the BOD for any breach or violation he should be aware of, in the normal course of his assessment procedures.

Whoever, within the Fund, has a potential conflict of interests, it is required to disclose it to the CIR, including those in which may have been inadvertently incurred due to either business or personal relationships with clients, suppliers, business associates or competitors of the Fund.

In case a CP detects a new circumstance that aggravates a pre-existing conflict of interest, or that generates a new one, without delay, must inform the CIR.

The CPs taking into account the principle of proportionality, the organization and the nature of business of the MANCO, identifying situations that could suit potentially lead to conflicts of interests, effectively manage only those specific circumstances that are appropriate to effectively generate conflict "significant", that can seriously harm the interests of the MANCO or its investors.

To properly manage these concrete situations of conflict of interest CPs show the measures already in place (if any), propose any appropriate measures to mitigate the extent and will jointly assess the severity.

1.10. Criteria for the managing of conflicts of interest

The main methods used by the MANCO to manage conflict of interest, either real or potential, include the following:

1.	Information Barriers: Physical and electronic Information Barriers which are designed to prevent the exchange or misuse of material, non-public information obtained in the MANCO. Employees are prohibited from inappropriately passing on sensitive information to those in a business unit who cannot access the information. An Information Barrier could be, for example, where employees sit in separate premises or systems with access and security control.
2.	Segregation of functions: the separate supervision of Relevant Persons whose principal functions involve carrying out activities on behalf of customers whose interests may conflict, or where these clients represent different interests that may conflict with the interests of the MANCO.
3.	Remuneration: The removal of any direct link between the remuneration of Relevant Persons where a conflict of interest may arise in relation to the activities they are engaged in.
4.	Gifts, Entertainment and Inducements: The giving and receiving of gifts, entertainment or inducements has the potential to create conflicts of interest. Employees must not solicit or provide anything of value directly or indirectly to or from anyone, which would impair a firm's duty to act in the best interest of the client. For employees, there is a policy with regard to giving and receiving of gifts and entertainment
5.	Personal Account Dealing and Outside Business Interests: To prevent conflicts arising from the use of information obtained from clients, and market abuse generally, all employees are subject to personal account dealing rules. In addition, employees are required to pre-clear their outside business interests. There is a prohibition on 'front-running' client orders and the MANCO has established dealing policy on the management of client orders.
6.	Declining to Act: Where we consider that the conflict of interest cannot be managed in any other way, The MANCO may decline to act for a client.
7.	Disclosure: Where a firm considers that there are no other means of managing the conflict, or where the measures in place do not sufficiently mitigate the conflict, the conflict must be disclosed to enable those affected to make an informed decision.

1.11. Disclosure of conflicts

The MANCO maintains a **Conflicts of Interest Register** [\(Annex 18\)](#) in order to record all activities which produce or can produce a conflict of interest.

The register is archived in the MANCO registered office and in the CPs' office.

The conflict register contains information on:

1. The sequence number of the conflict
2. Designation of the type of conflict;
3. Description of the conflict;
4. Parties which interest are in conflict;
5. Measures taken to mitigate the conflict
6. Conflict rating (low, medium, high) considering the mitigating measures
7. Indication of disclosure on a durable medium(only for high or medium rating)

Such register is updated by CIR and submitted to the BOD on a yearly basis.

1.12. Disclosure to Clients

If 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, the client will be informed 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. The durable medium is described in the conflicts of interest Register.

1.13. Monitoring

For the concrete situations of conflict that have been duly identified, the CPs check the existence of measures and safeguards to minimize the risk of serious damage to the interests of the MANCO or of its investors.

Where appropriate, the CPs adopt further relevant measures to better manage the potential conflict of interest, leading to the attention of the parties such measures and then making sure that they are adhered to.

The register and any subsequent updates shall be approved by the BOD who thus expresses his opinion on the effectiveness of the modality of management of each conflict.

In particular, the BOD, even taking into account the specific circumstances that reduce or amplify the severity of the conflict, checks whether the mechanisms adopted are sufficient and adequate to ensure reasonable assurance that the risk of damage to the interests of the MANCO or its investors is avoided.

The CIR proposes to the Board the update of the conflicts of interest register whenever arise a new conflict of interest which would seriously harm the interests of THE MANCO or its investors, and at least once a year.

1.14. Management of conflicts

Situations of conflicts of interest that entails a “medium” risk that the measures adopted and the existing procedures for the management are not adequate to avoid a material risk of damage the interests of the MANCO and of the investors, are disclosed to the investor by the web site of the MANCO (www.natam.com/www.natam.lu)

The information is expressed in a clear, complete and understandable way. If the situation of conflicts of interest entail a “high” risk the Board informs the investors not only through the website but, at the earliest opportunity also through the prospectus.

If this circumstances will occur they will be disclosed on the Board minutes.

Further situation of potential conflicts of interest and way to manage them

Company discipline further matters which, in abstract, may lead to potential situations of serious conflict of interest:

- gift, entertainment or other incentives, from services providers
- remuneration and incentive policies
- Strategy for the exercise of voting rights

