

1 Introduction

Chase Buchanan Ltd & Chase Buchanan Insurance Services, Agents & Advisors Ltd, (hereinafter referred to as the "Company") are committed to the identification and fair management of any conflict of interest which may arise in the normal course of business. In accordance with CYSEC guidelines, we aim to manage conflicts of interest fairly, both between The Company and our customers, and between any customer and another client.

2 Purpose

The purpose of the policy is to set out the Company's approach to:

- identifying circumstances that may give rise to a conflict of interest;
- identifying and managing conflicts of interest that may arise during the course of normal business activities;
- providing clear guidance to our staff on managing conflicts of interest in the workplace;
- ensuring a fair and transparent approach at all times.

This policy is deemed appropriate for the size and organisational structure of the Company, as well as the nature, scale and complexity of the Company's business.

3 Scope

The policy relates to all staff within the organisation and refers to all interactions with all clients.

4 Identifying conflicts of interest

4.1 TYPES OF CONFLICT OF INTEREST (MINIMUM CRITERIA)

When identifying conflicts of interest that may arise when providing investment services, the Company considers whether the Company or any staff member:

- 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 interests of the client;
- carries on the same business as the client;
- receives or will receive from a person other than the client, an inducement in relation to a service provided to a client, in the form of monetary or non-monetary benefits or services.

4.2 CIRCUMSTANCES LEADING TO CONFLICTS OF INTEREST

Whilst it is not possible to define precisely or create an exhaustive list of all relevant conflicts of interest that may arise, the following list includes circumstances that may give rise to a conflict of interest in the course of providing the investment services; specifically the investment services for which the Company is licenced: Investment Advice, and Reception and Transmission of Orders:

- The Company's bonus scheme may award its staff based on volumes of investment services conducted;
- The Company may receive or pay inducements to/ from third parties due to the referral of new clients or investment services conducted for clients;
- The Company or a staff member has an interest in the outcome of an investment service provided to a client, or of a resultant transaction related to that investment service, which is distinct from the client's interest in that outcome;
- The Company or a staff member has a financial or other incentive to favour the interest of one client or group of clients, over the same interests of another client or group of clients;
- The Company or a staff member carries on the same business as the client;
- The Company may have relationships with third party product providers who may remunerate the Company via inducements, commissions or fees, and the Company may favour one provider over another in the recommendation process if higher inducements, commissions or fees are paid;
- When providing investment services to clients the Company may receive commissions from third party product providers, and certain investment fund houses, instead of direct client fees;
- Occasionally we may receive an Introducer fee for referring a client to another investment service provider.

5 Procedures and controls

5.1 OBJECTIVES

The Company has the below objectives which it aims to meet when dealing with conflicts of interest:

- Ensure clear procedures are in place for identifying and managing conflicts of interest;
- Ensure all staff are provided with training on identifying and dealing with conflicts of interest, including being advised of the responsible person within the firm;
- Ensure the Company complies with all legal and regulatory requirements on managing conflicts of interest;

- Ensure any conflict, including potential conflicts, are recorded and continuously monitored, including any risks associated with such conflicts;
- To maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to prevent conflicts of interest;
- If the mitigating measures and controls used to prevent conflicts of interest are not successful in preventing risk to clients, the Company will disclose the nature and sources of the conflict before undertaking any business relationship with the client(s);
- To ensure this Conflicts of Interest policy is updated and maintained in accordance with legal and regulatory requirements and any updates are communicated to staff in a timely manner.

5.2 PROCEDURES AND CONTROLS

Below is a non-exhaustive summary of the procedures and controls we have in place to identify and manage conflicts of interest:

5.2.1 EXCHANGE OF INFORMATION

- The Company has effective and robust procedures to prevent and control the flow and exchange of information within the Company and between staff members involved in activities where there is a risk of a conflict of interest;
- Access to confidential information is restricted to staff members that have a proper requirement due to the nature of their role or business activity;
- The Company complies with all laws and regulations on the handling of information and procedures are in place for the use, storage and retention of the information.

5.2.2 SEPARATE SUPERVISION

For staff members of two or more departments within the Company, where by working together a conflict of interest could occur, these departments have clear separation of duties as well as separate supervisory procedures and management.

5.2.3 REMUNERATION

- There is no direct link between remuneration of staff engaged in one activity and staff engaged in another activity where a conflict of interest may arise in relation to those activities.
- Staff members open to conflicts of interest in their role or business activities are not subject to commissions or bonuses that are performance related.
- Where the Company receives commission from third party product providers and investment fund houses, investment advice will be strictly monitored to ensure recommendations are made in line with the clients' objectives, and there is no financial incentive to offer one product over another.

- Incentives or bonuses offered to staff are strictly monitored by management to ensure that conflicts of interest are not a deciding factor and cannot be misconstrued as such.

5.2.4 INTERNAL POLICIES

- The Company will prevent or control the simultaneous or sequential involvement of any staff member in separate departments, activities or investment services where such involvement may impair the proper management of conflicts of interest.
- The Company will prevent or limit any staff member from exercising inappropriate influence over the way another staff member carries out investment services or activities.
- The Company maintains an Investment Committee that approves the product providers and investment funds that may be used for the provision of investment services.
- The Company's Investment Advice Department that will ensure strict implementation of assessment of suitability and adequately monitor investment advice to clients. Where possible, more than one product will be recommended for the client to consider.
- The Company has an Inducements Policy that is designed to limit conflicts of interest arising by the giving and receiving of inducements.
- The Company has a Personal Account Dealing policy that is designed to prevent any staff member being involved in activities that may give rise to a conflict of interest in relation to their own investments.
- The Company's Compliance Department will monitor all policies relating to conflict of interest and report regularly to the Board of Directors.
- Staff members are prohibited from having external business interests, or direct/indirect interests in financial instruments, that conflict with the interests of the company, without the approval of the Company's Board of Directors.
- Staff members are prohibited from recommending investment services that are unnecessary or unreasonable, cannot be adequately explained or justified, or aim to increase the commission received from third parties, and do not aim to serve the client's best interests or objectives.
- Staff members are prohibited from accepting gifts, promotions, discounts or any other monetary benefit in kind from clients or third parties that may create conflicts of interest, without prior approval from the Company.
- Staff members are trained on the conflict of interest policy and are required to sign an annual declaration to confirm their understanding and compliance.
- The Company engages internal auditors that report to the Board of Directors, to ensure all controls are maintained.

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6 Decision making

- In situations where a conflict of interest occurs and the reasons for continuing with the activity still exist, individual staff members will be removed from the activity and the Compliance Officer in conjunction with the Directors/Senior Management will consider the circumstances and make an informed decision on proceeding.
- All decisions in a conflict of interest situation will be reported to the Board of Directors and recorded on the conflicts of interest register by the Compliance Officer. The report will record:
 - The nature and extent of the conflict;
 - An outline of the discussion and decision-making process;
 - The actions taken to manage the conflict.
- The client will be notified whether the activity has been allowed or not.

7 Disclosure

- Where there is no way to prevent the conflict of interest and the Company has allowed the activity to proceed, the Company will disclose the nature and source of the conflict to the client/s prior to entering a business relationship with them. All disclosed conflicts will be recorded on the conflicts of interest register.
- If during the course of an existing business relationship with a client or group of clients a conflict of interest occurs, the Company will disclose the conflict before undertaking any further business with the client(s).
- The disclosure is to allow the client(s) to make an informed decision regarding the business relationship and nature of the conflict.
- Disclosure will be a measure of last resort and used only where organisational and administrative arrangements are not sufficient to ensure with reasonable confidence, the risks of damage to the interest of the client(s) are prevented.

8 Record keeping

The Company maintains a conflict of interest register that contains all the regulated activities in which any conflict of interest that could cause a material risk of damage to the interests of one or more clients is recorded.

9 Responsibilities

- The Company will ensure that all staff are provided with the time, training and support to learn, understand and implement the Conflicts of Interest Policy.
- All staff members are required to notify the Company immediately they suspect a conflict of interest may occur due to the undertaking of a specific activity;

- Management are responsible for a top down approach in ensuring all staff are included and have the support needed to meet the regulatory requirements in this area.
- The Compliance Officer and Senior Management are responsible for developing the procedures to identify and manage conflicts of interest and for monitoring these procedures to ensure that they are fit for purpose.

10 Review

- The Company will review this policy at least annually in accordance with the relevant legislation.
- Should you require any further information and/or have any questions about conflicts of interest please direct your enquiry to info@chasebuchanan.com

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