



171, Old Bakery Street, VALLETTA VLT1455, Malta
Tel. +356 2258 9030

<http://www.rigsavecapital.com> | info@rigsavecapital.com

LEI CODE: 9845008G1EB2E4BC1E22

Rigsave Capital Ltd is a category 2 investment service provider regulated and supervised by MFSA
License n° C92570

CONFLICTS OF INTEREST POLICY

Validated by the Board of Directors on 31 October 2019

Last Reviewed on 19th September 2022



VERSION CONTROL

Date	Version	Amended by	Distributed to Identified Staff?	Distribution Date
31/10/2019	1.0	Compliance Officer	Y	11/12/2019
19/01/2021	1.1	Compliance Officer	Y	19/01/2021
15/09/2022	1.2	Compliance Officer	Y	19/09/2022



Index

1. INTRODUCTION	3
2. DEFINITION OF CONFLICT OF INTEREST	4
3. PREVENTION AND MANAGEMENT OF CONFLICTS OF INTEREST	5
A. Valuation of Assets	5
B. Excessive Risk Taking.....	5
C. Churning	6
D. Investments Allocation to Clients	7
E. Trading Counterparties and Execution	7
F. Delegation of Duties	8
G. Gifts, Inducements and Entertainment	8
H. Personal Account Dealing	8
I. Client Information.....	9
J. Outside Business Activities	10
K. Investment Advisory Services	10
<i>Potential Conflict K</i>	10
In its provision of Advisory Services, the Company could target the client’s investments, targeting them to alternatives that are more beneficial to the Company but do not represent a good choice for the client’s needs. The Company may have incentives to overvalue the portfolios advised, either to increase the advisory commissions charged to clients on the basis of the equity invested or through income commissions, or to high low returns.	10
<i>Mitigating Factor Conflict K</i>	10
(i) Any potential conflicts of interests must be disclosed and clearly state that such investment advice is provided on a non-independent basis;	10
(ii) The Investment Advisor and Advisory Committee will be remunerated via a fixed fee and not according to the performance or total asset under advisory; and	10
(iii) A documented analysis of the research undertaken in comparison with other investment opportunities to well explain the rational behind the investment advice provided to the client.	10
5. DECLARATION OF COMPLIANCE AND OF PERSONAL ACCOUNT DEALING	13



1. INTRODUCTION

The Investment Services Rules for Investment Services Providers (the “**Rules**”) issued by the Malta Financial Services Authority (“**MFSA**”) lay down regulatory obligations imposed on investment services licence holders with respect to the management of conflicts of interest.

This document shall also be applicable for any branches (“**Branches**”) set up by the Manager including Italy and Spain. The policy is developed to comply with Article 23 of Directive 2014/65/EU of the European Parliament and of the Council of 15th May 2014.

The purpose of this document is to provide information on Rigsave Capital Ltd (the “**Manager**” or the “**Company**”)’s and its Branches approach, in a harmonised manner, to managing any conflicts of interest fairly for the Manager itself (including its officers and employees), its clients and any related counterparties, as is required under the Rules. This document sets out the effective organisational and administrative arrangements that have been put in place to identify, prevent, manage and monitor all conflicts of interest which entail a potential risk of damage to the interests of the clients. In addition, the Company is expected to document, for its internal control, and where appropriate, for its explanation to the Regulators the internal measures established by the Company to serve such purpose.

The structure and activities of the Manager shall at all times be organised in such a way that the risk of conflicts of interest between the Manager and its clients, as well as between the clients of the Manager, are minimised. If conflicts of interest cannot be avoided, the Manager shall ensure that the interests of the client take precedence over the interests of the Manager, and that no individual client is unfairly favoured to the detriment of other clients. The Manager’s board of directors (the “**Board**”), and the Compliance Officer (the “**CO**”) shall be responsible for identifying potential conflicts of interest on an ongoing basis.

This policy is periodically reviewed and updated by the Company’s compliance function, having regard to possible changes in circumstances, Company’s organization, new businesses, regulatory requirements and internal regulation. Regardless of the above, said function shall evaluate this Policy at least once a year and whenever there is a relevant change, in order to ensure its adequacy.



2. DEFINITION OF CONFLICT OF INTEREST

A conflict of interest is a situation where either the Manager, any of its officers or employees or any individual associated with the Manager is in a position to exploit the proceedings of a transaction in a professional or official capacity in some way, either for corporate or personal benefit.

Individuals associated with the Manager should also include personal relationships such as spouse, children or stepchildren, any other relative that co-habit together as well as any other form of controlling link either directly or indirectly in possession of twenty (20) percent or more of the voting rights of a company's control.

Conflicts of interest include situations where the Manager, any of its officers or employees or any individual associated with it:

- are likely to make a financial gain, or avoid a financial loss at the expense of a client;
- have an interest distinct from the client in the outcome of a transaction or a service undertaken on behalf of the client;
- have a financial interest or other incentive in favouring one client over another;
- carry on the same business or are involved in the same business as the client;
- receive payment or other form of inducement from someone other than the client and other than a contractually agreed commission or standard fee; and
- Access to information that is not public, and that may be of a privileged nature, relating to a customer or to a transaction or possible operation that he/ she will perform.

The Manager may face other conflicts such as trading and investment conflicts. These include:

- personal account trading by staff in securities traded for the clients;
- allocation of transactions and investment opportunities amongst different clients;
- favouring some counterparties over others in the execution of transactions;
- other forms of inducement;
- having a conflicted position in securities or adopting conflicting trading strategies for different clients such that dealing for one client may potentially be detrimental to the other.

Conflicts of interest may arise between:

- the Manager, including its managers, employees or any person directly or indirectly linked to the Manager by control and the client;
- two clients of the Manager;
- underlying investors of the same collective investment scheme;
- underlying investors of different collective investment schemes; or
- a delegate and sub-delegate, external valuer, or counterparty entailing a material risk of damage to the interest of a client of the Manager or its investors.



3. PREVENTION AND MANAGEMENT OF CONFLICTS OF INTEREST

The Manager shall maintain and operate effective operational and administrative measures designed to identify, prevent, manage and monitor conflicts of interest thereby ensuring that none of its clients are affected by a potential conflict of interest.

To prevent the possibility of conflicts of interest from adversely affecting the interest of its clients, the Manager will ensure that the conflicted person engaged in activities involving a conflict of interest, carries on those activities at arm's length in an independent manner.

The Manager adopts a segregation of functions whereby the portfolio management function is independent from the risk management function. The Compliance function is also independent from the rest of the team.

If any director, member of the Investment Committee, portfolio manager, employee or other officer of the Manager is concerned about a conflict of interest listed below or any other potential conflict of interest that may arise, he/she is encouraged to discuss this with the Compliance Officer.

The following are potential sources of conflicts of interest and the respective mitigations factors:

A. Valuation of Assets

Potential Conflict A:

The Manager's income is primarily based (i) on the overall level of assets under management (management fee), and (ii) on the level of investment performance registered over a period of time (performance fee). Hence, incorrectly or fraudulently inflated asset values will lead to higher levels of income for the Manager.

Mitigating Factors Conflict A:

- (i) the Manager maintains a Valuation Policy documenting how portfolio securities, including harder to value securities, are to be valued, thus eliminating any subjective valuation methodology;
- (ii) the valuation function has been delegated to a Valuation Officer or Valuation Committee, as applicable, who are independent from the portfolio management and other functions of the manager and whose actions are supervised by the CO and the Board;
- (iii) in the case of funds managed by the Manager, the fund administrator and the auditor independently source prices for exchange traded instruments whose information is available on reputable pricing sources and verify the valuation of hard-to-value assets, questioning the valuation methodology used and in some instance re-calculating independently such values.

B. Excessive Risk Taking

Potential Conflict B:

The Manager generates part of its income from performance fees and may thus be incentivised to expose clients' portfolios to excessive market risk in the expectation that the higher risk would increase the possibility of generating higher investment returns.



Mitigating Factors Conflict B:

- (i) the Manager maintains a Risk Management Policy that outlines the approach taken to manage clients' portfolios exposure to market risk. A metric of market risk referred to by the Manager to manage market risk may be Value-at-Risk ("VaR"), but others may apply. The Investment Committee of the Manager sets VaR limits or any other relevant limit and the risk management function is responsible for monitoring compliance with such limit. Any breaches of these limits are notified to the CO and the portfolio manager, the latter being then required to rectify the breach within a reasonable timeframe.
- (ii) The Risk Management function is functionally and hierarchically separate from the function of portfolio management and reports directly to the Board.

Potential Conflict C:

The remuneration of group staff members may include a discretionary bonus. The determination of the level of the bonus may take into consideration various factors, including the level of fees generated by the Investment Manager.

Mitigating Factors Conflict C:

- (i) The Manager has a Remuneration Policy that prohibits remuneration of identified staff solely based on portfolio performance and that goes against the client's best interests and investment limits set in accordance with the client's classification based on a suitability assessment conducted to establish the client's risk and return objectives and tolerance and the client's knowledge of financial instruments, when applicable.
- (ii) The Remuneration director supervises the correct application of the Remuneration Policy to ensure compliance and reports directly to the other members of the Board.

C. Churning

Potential Conflict C:

'Churning' is a term applied to the practice of a broker or investment manager conducting excessive trading in a client's account that does little to meet the client's investment objectives and with the aim to generate commissions or rebates. The Manager may make excessive and frequent buying and selling of financial instruments with trading counterparties in order to obtain a rebate on the generated commissions, as it may be agreed with such counterparties.

Mitigating Factor Conflict C:

- (i) No trading counterparty the Manager trades with on behalf of its clients is an affiliate of the Manager;
- (ii) All staff of the Manager is prohibited from agreeing any commission rebate or other remuneration arrangements with any trading counterparty it trades with on behalf of its clients;
- (iii) The remuneration of the Manager's employees is structured in a manner that discourages behaviour which is not in the best interests of clients and which promotes sound risk management practices, including conduct risk;
- (iv) In order to assess the presence of a concealed potential churning activity by any of its employees involved in investment management, the Manager's risk management function will monitor on a quarterly basis, through reports it receives from the fund administrator of the funds the Manager manages or internally generated by systems used by the Manager (in case there is no fund administrator or the fund administrator cannot produce such report),



that the year-to-date portfolio turnover at each observation is less than 250%. In case any quarterly-monitored year-to-date portfolio turnover exceeds the figure highlighted above, the Risk Manager will raise the issue with the CO and both will conduct independent investigations, also involving the involved trading counterparties, on whether such activity was legitimate or was dictated by any undisclosed arrangement with any of the Manager's employees that the Firm was not aware of. If malfeasance is found, the issue will be promptly escalated by the CO to the Board;

- (vii) There are some fund portfolios that may purposely follow strategies for which a high level of activities is expected and duly disclaimed to the investors, including but not limited to high frequency trading, algorithmic trading, arbitrage strategies, event-driven strategies, etc. In such instances, it would not make sense to monitor portfolio turnover activity per se and therefore such funds are excluded from the Risk Manager's monitoring. However, the CO will classify such funds as having 'high churning risk' and monitor closely the activity of the portfolio management function in relation to possible fraudulent arrangements with trading counterparties;
- (viii) No churning activity can take place by definition on non-financial instrument investments, such as private equity, real estate and other real assets, whose exchange is not subject to the presence of a market intermediary and are not readily tradable. Funds investing exclusively in such assets are also excluded from the Risk Manager's monitoring.

D. Investments Allocation to Clients

Potential Conflict D:

The investment management services provided to clients may be subject to economic terms which are different for each client. The Manager may therefore be incentivised to maximise its income, potentially by allocating investment opportunities and/or trades differently across clients, prioritising some vs others.

Mitigating Factor Conflict D:

- (i) The Manager will seek to allocate investment opportunities and trades equitably across all client portfolios, considering however the client investment classification and the suitable opportunities for each. Trades which are allocated to multiple portfolios are booked at average prices wherever averaging is permitted. If averaging is not permitted, the Manager will, on a best effort basis, seek to allocate the trades in a manner which would replicate the outcome that would be achieved if averaging were possible.
- (ii) The Investment Committee also reviews the monthly performance returns of the respective clients so as to assess whether each clients is being given equitable exposure to the investment opportunities.

E. Trading Counterparties and Execution

Potential Conflict E:

The Manager may direct trade orders to particular trading counterparties in return for benefits which are enjoyed primarily by the Manager (or its employees).

Mitigating Factors Conflict E:



- (i) The Manager requires team members to act honestly, fairly and professionally in accordance with the best interests of a client, including when executing, receiving or transmitting orders on behalf of a client. In particular, the Manager has a Best Execution Policy which emphasizes the need to obtain the best possible for clients when executing trades;
- (ii) The CO will periodically review trading counterparty relationships and the investment process to ensure that no preferential treatment is given to particular trading counterparties in return for personal hard or soft benefits for members of the portfolio management team.

F. Delegation of Duties

Potential Conflict F:

The Company may delegate some of its duties, including risk management, investment management, or investment advisory to third parties that have interests conflicting with the Company's or its clients.

Mitigating Factors Conflict F:

- (i) In the case of regulated activities such as investment management or investment advice, prospect delegate to provide to the Company its conflicts of interest policy for the Company's review prior to establishing any business relationship. If the Manager finds that conflicts of interest by the prospect delegate are not properly identified and mitigating factors applied and that no control function has been appointed to properly monitor such conflicts, then the Manager will refuse to establish such delegation arrangement;
- (ii) If at any point in time an unforeseen conflict of interest is identified, the Manager will ask the delegate to mitigate it to the Manager's satisfaction and any failure to put in place a mitigating factor will resolve in the termination of the delegation arrangement;

G. Gifts, Inducements and Entertainment

Potential Conflict G:

A conflict of interest may arise where a team member receives or offers a gift, entertainment and anything else of value that constitutes an inappropriate incentive for a team member, Third Party Service Provider, or client to act in a certain way. Acceptance of gifts, entertainment or anything of value by team members is not permitted unless they are reasonable, proportionate and for a legitimate business purpose.

Mitigating Factors Conflict G:

- (i) All staff is prohibited from offering, giving, providing, demanding, or receiving gifts, inducements, entertainment or other things of value as an improper means of obtaining, retaining, or awarding business or securing or conferring an advantage and this is also in accordance with the contract of employment signed by the employee. To such extent, the Manager has an internal process that requires that the receipt or distribution of any gift, invitation or such like inducement having a monetary value in excess of 250 EUR is to be approved by the CO.

H. Personal Account Dealing



Potential Conflict H:

Board of Directors and other employees of the Manager may have access to information regarding portfolio positions that they can utilise for their own gain.

Mitigating Factor Conflict H:

- (i) All requests for an intended investment transaction, whether an acquisition or a disposal, in the following categories must be made via e-mail, specifying the full economic details of the trade, to the CO and require the written authorisation, also communicated via e-mail, of both the CO and of one member of the Board prior to proceeding:
 - Any collective investment scheme managed by the Manager;
 - Any equity or debt instruments of listed and unlisted companies for which a conflict of interest with or reputational risk for the Manager may arise;
 - Any equity or debt instruments of listed and unlisted companies in which the investing staff will acquire the role of director or acquire interest for above 25% of its capital.

An investment transaction does not fall within the scope of these restrictions if it is undertaken on behalf of a director or employee by an authorised third party who has full and sole discretion over the choice of investments to be dealt in, such as a managed account, as long as such third party has received no input by any of the Manager's staff or the staff whose portfolio is being managed in regard to which investment to make;

- (ii) In considering whether or not to give authorisation to the proposed transaction, the CO and authorising member of the Board will consider whether it is, or is likely to be, in breach of the insider trading legislation and/or the interests of the Manager's clients are going to be prejudiced;
- (iii) The CO will keep a log of all the personal account deals made by all staff, specifying request date, approval date, transaction date and time and all economic details of the transaction;
- (ii) The Manager requires that all directors, employees and their immediate family members (the latter herein the "**Connected Persons**") is provided within place which lays down the procedures with respect to personal account dealing by members of the investment management function and other applicable staff that prohibit improper conduct by team members, such as front-running client orders, and require the approval by the CO prior to any personal trade being made.
- (ii) Upon joining the Manager and once a year, each director and employee is requested by the CO to sign a declaration to confirm they fully reported all personal account dealings they or their Connected Person have undertaken in the applicable year and undertakes to continue observing the personal account dealing requirements set in this policy.

I. Client Information

Potential Conflict I:

Staff may have access to confidential client information and it is possible that they may misuse this information to the detriment of the client's best interests.

Mitigating Factor Conflict I:

- (i) Client personal and confidential information is restricted to staff with a business need to know. Moreover, staff are bound by confidentiality clauses in their contracts.



J. Outside Business Activities

Potential Conflict J:

Directors and employees of the Manager may hold positions with other entities (e.g. directorships), be members of groups, or engage in outside activities which may be in conflict with the interest with the Manager and/or its clients.

Mitigating Factor Conflict J:

- (i) Team members are required to be alert as to any outside activity that, if undertaken by them, could give rise to a conflict of interest with the interests of the Manager or its clients.
- (ii) Further to the above, upon engagement by the Manager, the officer or employee, as applicable, will make a full, written disclosure of interests, such as relationships, and posts held, that could potentially result in a conflict of interest. This written disclosure will be kept on file and will be updated as appropriate.
- (iii) In the course of meetings or decision-related activities, a Director or Investment Committee member will disclose any interests in the transaction where there may be a conflict between the Manager's best interests and those of the Director or Investment Committee member, or a conflict between the best interests of two organisations that the Director or Investment Committee member are involved with. After disclosure, and prior to any discussion related to the matter, that person will not be involved in the discussion or any decision relating to the matter. Any such disclosure and subsequent action taken will be noted in the minutes.

K. Investment Advisory Services

Potential Conflict K

In its provision of Advisory Services, the Company could target the client's investments, targeting them to alternatives that are more beneficial to the Company but do not represent a good choice for the client's needs. The Company may have incentives to overvalue the portfolios advised, either to increase the advisory commissions charged to clients on the basis of the equity invested or through income commissions, or to high low returns.

Mitigating Factor Conflict K

- (i) Any potential conflicts of interests must be disclosed and clearly state that such investment advice is provided on a non-independent basis;
- (ii) The Investment Advisor and Advisory Committee will be remunerated via a fixed fee and not according to the performance or total asset under advisory; and
- (iii) A documented analysis of the research undertaken in comparison with other investment opportunities to well explain the rational behind the investment advice provided to the client.

4. Operating procedures to manage conflicts of interest



In order to manage conflicts of interest the Company has issued an internal policy concerning measures adopted for the management of conflicts of interest, suitable to the nature, size and complexity of the business activities carried out.

In order to manage conflicts of interest the Company has also adopted the following measures:

- all the procedures to be followed and the measures to be taken for dealing with conflicts of interest;
- all Company areas/ structures have the duty to report to Compliance function any possible situation which may give rise to new conflicts of interest for the purpose of their managing and recording;
- the Compliance function intervenes when it receives such reports, with the aim of analysing and updating, if necessary, the list of possible conflicts of interest;
- constant monitoring of compliance with management procedures of conflicts of interest, through specific compliance controls aimed at checking compliance with applicable regulations within the provision of services and audits to assess the adequacy and effectiveness of control mechanisms;
- prohibiting conflicted Company areas/ structures to cooperate with each other;
- limitations on the possibility of a third party having an inappropriate influence on the decisions taken by the Company;
- adaption of general rules on the behaviour of the Company's employees, as for confidentiality on relevant news.

5. Register of services giving rise to conflicts of interest

In accordance with applicable regulations, the Company has arranged for a register to be kept in which the types of investment services provided by the Company itself are entered, for which a conflict of interest that risks seriously harming the interests of one or more clients and/or subscribers has arisen or may arise. To this end, the Company:

- has established a register for recording conflicts of interest;
- has appointed Compliance function as responsible for keeping and updating the conflicts of interest register;
- has established a procedure to manage the conflicts of interest register.

6. Monitoring and supervision of conflicts of interest

Compliance function is responsible for checking and assessing on an ongoing basis the suitability and effectiveness of the organizational procedures and the measures adopted for correctly managing conflicts of interest. An annual report is submitted to the Board of Directors on the activities carried out.

7. Conflicts of interest disclosure

Where the Company is not reasonably confident that the organizational and administrative measures for managing the potential conflict will prevent or minimize the risk of damage to the affected clients' and/or subscribers' interests, the Company discloses any potential conflict of interest to their clients and/or subscribers, prior to act on their behalf. In any case, the disclosure of a conflict of interest to a client and/or subscriber does not exempt the Company from the obligation to adopt and enforce effective organizational and administrative measures.



Disclosure of conflicts of interest to clients is a last resort solution that will only be used in cases where the effective organisational and administrative measures established by the Company to prevent or manage conflicts of interest are not sufficient. Excessive recourse to disclosure of conflicts of interest to the client will be considered a reason for the need to revise the Policy and in particular, the measures established by the Company to prevent and manage conflicts of interest.



5. DECLARATION OF COMPLIANCE AND OF PERSONAL ACCOUNT DEALING

Upon joining the Manager and within 10 working days from the joining date, each new director and employee is required to sign, by hand or electronically, and to provide to the CO:

- a. a declaration to the effect that she/he has read and understood the contents of this policy and undertakes to observe its requirements and well as the requirements contained in any subsequent version of the policy;

In addition, independently from the joining date, in December of each year all directors and employees are required to sign, by hand or electronically, and to provide to the CO:

- b. a declaration to the effect that she/he has been provided by the Manager with the most up to date version of this policy and undertakes to continue observing its requirements;
- c. a declaration to the effect that she/he has fully reported all personal account dealings she/he or Connected Person have undertaken in the applicable year and undertakes to continue observing the personal account dealing requirements set in this policy and the requirements of applicable insider dealing laws.

The suggested text of the above three declarations is in annex to this policy. However, the CO may decide to modify such text as deemed more appropriate. The format in which these declarations are provided and recorded may both be electronic or in paper form.

DECLARATION OF COMPLIANCE WITH THE CONFLICTS OF INTEREST POLICY

I declare that:

I have received the latest valid version of the Rigsave Capital Limited's Conflicts of Interest Policy and have read and understood it. I undertake to comply with the requirements contained in it, as well as with any new requirements contained in any subsequent amending or replacement versions of the such policy that will be duly notified to me.

Signed: _____

Name: _____

Date: _____

Note: This declaration applies to all directors and employees joining Rigsave Capital Limited. It must be submitted, duly signed, to the Compliance Officer within 10 working days from the start of employment or service provision and during the month of December each year henceforth.

ANNUAL DECLARATION OF PERSONAL ACCOUNT DEALING

I declare that:

In accordance with the Rigsave Capital Limited's personal account dealing rules as detailed in the Conflicts of Interest Policy, which I am familiar with, I have reported details of all personal account dealings that I have, or any person connected to me has, undertaken during this calendar year.

I have not undertaken any personal account deals during this calendar year.

(tick as appropriate)

Signed: _____

Name: _____

Date: _____

Note: This declaration applies to all directors and employees of Rigsave Capital Limited. It must be voluntarily submitted, duly signed, to the Compliance Officer during the month of December each year.