

## PREVENTION OF CONFLICTS OF INTERESTS RULES

2<sup>nd</sup> JUNE, 2010

In accordance with the Estonian Securities Market Act the investment firms are obligated to offer investment and ancillary services in a way most beneficial to the Client. Such rules include preventing and avoiding any conflicts of interests that may arise between the investment firm (incl. its managers and employees) and Clients or between two or several of its Clients. AS Trigon Wealth Management („TWM“) is providing services considering the following principles on conflict of interests:

1. TWM shall ensure that at all times both the direct and indirect conflicts of interests between TWM and its Clients and between its different Clients are eliminated or as minimal as possible.
2. TWM has made, *inter alia*, the following arrangements and set the following rules in order to prevent and avoid conflicts of interests:
  - Functions performed by TWM personnel are separated (i.e. front office and back office, compliance, supervision etc) and TWM personnel engaged in providing services is supervised;
  - TWM has adopted certain internal rules as guidelines to personnel. Such internal rules also include, *inter alia*, code of ethics, rules for providing services to Clients, incl. specific procedures for identifying conflict of interest situations and actions to be taken thereafter;
  - Specific internal rules are also applied to personal securities transactions by employees/managers of TWM;
  - Trigon Capital group, incl. TWM, has set up information barriers around and within certain business divisions and/or activities where sensitive information is handled, for the purposes of protecting Client information and managing information flow. TWM grants access to Client data to its personnel up to the extent required for provision of services and supervision over personnel/functions;
  - Measures to prevent or limit any person from exercising inappropriate influence over the way in which TWM services or activities are carried out;
  - TWM is independent from third party service providers as well as Trigon Capital group companies and their products;
3. Fees (commissions, inducements, interests etc) received from third party services providers will be disclosed to Clients and such fees will be attributed to Clients by using fee offsetting.
4. In case conflict of interest is inevitable, TWM shall act based on good market practice. TWM shall inform the Client about the existing or potential conflict of interest between TWM and the Client, including reasons of such conflict and possible consequences thereof. Provided that TWM has not informed the Client and the Client has not provided clear acceptance to such conflict of interest in writing, TWM is not allowed to provide services to the Client or execute transactions for the Client in situations of conflict of interest.
5. TWM shall treat its Clients equally. TWM is not allowed to favour or prefer one Client to another Client. For example, in case of an order that is executed not in full scale, proportional distribution is used, provided that it has cost-wise meaning to each party.