



# Valu-Trac Investment Management Limited

## Conflicts of Interest (CoI) Policy

### Website Version

**Version 4.3**

**01/03/2022**

#### Document Control

<b>Document Name</b>	Conflicts of Interest (CoI) Policy
<b>Version Number</b>	4.3
<b>Date</b>	01/03/2022
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<b>Approval Committee</b>	Board of Directors

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## 1 Introduction

This abridged Policy sets the standards and process that is adopted when identifying and reporting Conflicts of Interest within the Valu-Trac Investment Management Limited (V-T). V-T is required to record and report Col to relevant Committees and the Board of Directors, the rules relating to Col are included in the FCA Handbook SYSC (SYSC 10) and as part of the FCA Principals, Principal 8.

## 2 Application

This policy covers all V-T employees and workers, either on a permanent or fixed term contract, temporary contract and where appropriate, third party suppliers.

## 3 Applicable Regulations

- FCA Principal 8
- FCA SYSC 10

## 4 Staff Training

Given the requirement of all staff to report and monitor Col, V-T provides a mandatory training course that is required to be retaken annually.

The suitability and effectiveness of the course, including staff completion will be monitored by 2<sup>nd</sup> Line.

## 5 Identifying Conflicts of Interest

Conflicts can arise between:

- The firm (including managers, employees and appointed representatives) or any person directly or indirectly linked to them by control and a client of the firm,
- One client of the firm and another client,
- One client and a UCITS scheme, or,
- Between two such schemes.

When identifying a Col reference will be given to SYSC 10.1.4R and 10.1.17R:

- Is there likely to be a financial gain, or avoid a financial loss at the expenses of the client?
- Is there an interest in the outcome of a service provided to or on behalf of the client which is distinct from the client's interest?
- Is there a financial or other incentive to favour the interests of another client or group of clients over the interests of the client?
- Is there a conflict in the types of services offered that are the same as the clients'?
- Is there an inducement from a party other than the client on performing the service other than standard commissions or fees?
- Is substantially involved in the management or development of policies, in particular where such a person has an influence on the pricing of those policies or their distribution costs?
- Is the action fair to the interests of all the UCITS schemes under management?

V-T has a number of processes in place to identify Col, including but not limited to;

- Declarations of Outside Business Interests,
- Personal Account Dealing Policy,
- Gifts, Benefits, Inducements and Anti-Bribery Policy,
- Pre-Employment checks; includes Director time assessments,
- Due Diligence Reviews prior to client/fund take on,
- Annual Due Diligence Reviews, and,
- Col Training.

## **6 Initial Reporting Process**

All levels of the business are responsible for reporting any identified Col regardless of their potential or expected impact to the Risk Manager as soon as they become aware of them. This allows for prompt analysis of the Col to be carried out and any processes required to mitigate the issue to be put in place.

## **7 Controls for COI**

While on initial reporting, controls may be suggested, these may not be appropriate or sufficient to mitigate the risk that may arise from the Col. The Risk Manager will review the controls available and working with the relevant departments, determine the most suitable action to either remove or mitigate the Col impact.

For Conflicts that pose a higher risk or that cannot be mitigated these are sent to the Board of Directors to assess and decide on next steps.

As a last resort where VT is not reasonably confident that it is able to manage a particular conflict to adequately protect the interest of a client, the general nature and/or sources of conflicts of interest will be clearly disclosed to the client, either before VT undertakes any business or in the case of current clients, as soon as is practical.

As described below controls will be regularly monitored and reviewed to ensure they remain effective and relevant. Any failings in the controls should be reported immediately to the Risk Manager.

## **8 Ongoing Oversight of Col Process**

The Risk Manager will ensure that all Department Heads are aware of the Col's and controls that relate to their areas. Department Heads are then required to fully review their relevant Col's quarterly and report to the Risk Manager on their current status and appropriateness.

The Risk Manager will review The Register and ensure that every Col is reviewed quarterly, following up with relevant departments as required.