

## Conflicts of Interest Policy

### Markets in Financial Instruments Directive (MiFID)

From 1 November 2007 the new legislative structure under the Markets in Financial Instruments Directive requires us to provide information on our Conflicts of Interest Policy. Whilst we have always had a policy and procedures to identify and manage conflicts of interest to ensure we act in our client's interests, MiFID now requires us to publish this policy.

Speirs & Jeffrey is an agency stockbroker, we do not undertake principal trading on the firm's account, we do not operate collective investment schemes or packaged products and we do not offer corporate advice or get involved in issuing new securities for companies. Through this independence we limit the potential for conflicts of interest to exist.

Our procedures are therefore designed to address potential conflicts that may arise between our employees and the interests of a client and secondly between the procedures when dealing in the interest of one client against another client. We continually assess and monitor our procedures to meet our obligations under our Conflicts of Interest Policy.

### Employees Personal Account Dealing

The avoidance of conflicts of interest is fundamental to our way of working. To reinforce this all our directors and employees (including those responsible for producing research) are required to obtain prior permission from a director before dealing for their own account. Where any proposed employee transaction may disadvantage, or perceive to advantage an employee at the expense, or potential expense of any client, such transaction is not permitted. It is the responsibility of the head of research to liaise with the director in charge of research to identify any research completed, but not published which may be price sensitive and which could give rise to a conflict of interest if an employee were to attempt to deal in the relevant security ahead of publication.

### Investment Research

Research is produced to inform our advisers and in turn advisory clients of investment opportunities, which may meet their requirements, and for no other purpose. All such research is held out to be an impartial assessment of the value or prospects of its subject matter.

### Inappropriate influences and inducements

Our internal controls monitor the activities of individuals whose roles could have the potential, through exercising inappropriate influence, to conflict with the interest of the firm and so the interests of our clients. Gifts and inducements over £100 in value must be disclosed to and logged by the compliance department. In addition where the gift (including corporate entertainment) could be material in value or have the potential to influence an employee or be perceived to influence an employee the gift must be approved by a director prior to its acceptance.

Employee remuneration is based on the overall profitability of the firm rather than linked to either private client transactions or services offered to a client.-

### Aggregation and Allocation

On occasion we may combine a client's order with our employee orders and orders of other clients. By combining a client's orders with those of other clients we must reasonably believe that we will obtain a more favourable price than if the order had been executed separately. However on occasions aggregation may result in the client obtaining a less favourable price. Where we match a client's order with another client's order we must reasonably expect to obtain a more favourable price, however there may be other considerations in a client's order that in rare circumstances may result in the client obtaining a less favourable price but satisfy our order execution policy for that order.

Our internal procedures are designed to ensure that comparable client orders are carried out sequentially and in a timely fashion unless prevailing market conditions or the requirements of the client's order make this impracticable to be in the interest of the client.

Where full allocations are not possible we will adopt a pro-rata basis for partial allocations unless this is considered to be detrimental to the clients' interests as a whole.

**Where we are unable to implement measures to prevent the risk of damage to a client we will endeavour to disclose the general nature and/or source of the conflict of interest to the client before acting on the client's behalf.**