



Fulcrum Asset Management LLP

Conflicts of Interest Policy

September 2023

Contents

1	Introduction.....	3
2	Application.....	4
3	Conflicts of Interest Policy	4
3.1	Definition.....	4
3.2	Detailed conflicts of interest review	5
3.3	Record of conflicts and mitigating controls	5
3.4	Information Barriers.....	5
3.5	Disclosure.....	5
3.6	Redemption of Investments for Open- Ended AIF	6
3.7	Periodic review.....	6
3.8	What to do if you face a potential conflict.....	6
3.9	Declaration of external interests.....	7
3.10	Limitations on staff	7
3.11	Record keeping.....	7
4	Appendix A – Stewardship Code, addressing conflicts of Interest	8
5	Appendix B – Conflicts of Interest Register	12
6	Appendix C – Conflicts Disclosure Form	17

I Introduction

Fulcrum Asset Management LLP, (“Fulcrum” or the “Firm”) provides discretionary investment management services to collective investment schemes and separately managed accounts. For the provision of these services, it is authorised as a collective portfolio investment management (“CPMI”) firm by the Financial Conduct Authority (“FCA”) in the United Kingdom, registered as an investment advisor with the Securities Exchange Commission (“SEC”), a Commodity Pool Operator regulated by the Commodities Futures Trade Commission (“CFTC”); and, is a member of the National Futures Association (“NFA”) in the United States.

The UK Stewardship Code 2020 requires signatories to disclose how their conflicts of interest policy is applied to stewardship. It also provides a list of instances where conflicts may arise as a result of: Conflicts may arise as a result of: • ownership structure; • business relationships between asset owners and asset managers, and/or the assets they manage; • differences between the stewardship policies of managers and their clients; • cross-directorships; • bond and equity managers’ objectives; and • client or beneficiary interests diverging from each other. Lastly, the UK Shareholder Rights Directive, requires asset managers to be transparent and make certain disclosures in respect of its investment strategy. One disclosure item required under SRD II is for asset managers to provide information to its investors on whether conflicts of interest have arisen in connection with engagement activities and how they have been managed.

The purpose of this policy is to set out the the principles by which Fulcrum operates and its approach to addressing its identified potential and actual conflicts of interest as required by Fulcrum’s global regulatory regulations and legislation applicable to Fulcrum as described above. Appendix A of policy specifically addresses Fulcrum’s requirements under the UK Stewardship Code.

UK FCA

Under Financial Conduct Authority (“FCA”) rule SYSC 10.1.10R and Article 31(1) of the delegated Level 2 Regulation (No.231/2013) (“**the Level 2 Regulation**”) under the UK Alternative Investment Managers Regulation UK **AIFMR**), Fulcrum Asset Management LLP, (**the “AIFM”** or “**the “Firm”**”) must establish, implement and maintain an effective written conflicts of interest policy (“**Policy**”) that is appropriate to the size and organisation, nature, scale and complexity of its business. Where the Firm is a member of a group, the Policy must also take into account any circumstances of which the Firm is, or should be, aware, which may give rise to a conflict of interest from the structure and business activities of other group companies.

Furthermore, SYSC 10.1.6R, requires the Firm to maintain an up-to-date record of the kinds of service or activity carried out by or on behalf of the Firm in which a conflict of interest entailing a material risk of damage to the interest of one or more clients, AIFs, or investors in the AIF (in all cases, the Policy will refer to “**clients**”) has arisen, or in the case of continuing services, may arise.

FCA Principle 8 states:

“A firm must manage conflicts of interest fairly, both between itself and its customers and between a customer and another client.”

US: Registered Investment Advisor, Code of Ethics

The Securities and Exchange Commission (“SEC”) requires a firm to abide by a Code of Ethics and to properly exercise the fiduciary duty that it has towards its clients. The latest version of the Code of Ethics is available from Fulcrum’s Compliance team.

This policy sets out the principles and guidelines for identifying, managing, recording and, where relevant, disclosing existing or potential conflicts and protecting the interests of its clients.

All staff and relevant persons are responsible for identifying actual or potential conflicts of interest between the Firm and managing and mitigating those conflicts fairly and in accordance with this Policy. Any concerns or queries about actual or potential conflicts must be discussed with the Compliance Officer in the first instance.

Fulcrum’s Compliance team is responsible for maintaining the Policy, the record of conflicts, monitoring adherence to the Policy and periodic reporting to senior management.

2 Application

The Policy applies to the Firm, its members and employees (including consultants, contractors and internees) and should be read in conjunction to its Compliance Manual, particularly on matters including market abuse, personal account dealing, gifts and inducements where additional guidance is provided.

3 Conflicts of Interest Policy

3.1 Definition

A *conflict of interest* may only arise when the Firm is providing services to clients (in the course of carrying to regulated or ancillary activities).

Conflicts of interest may arise between:

- **The Firm** (its managers, employees and appointed representatives, tied agents and persons directly and indirectly linked to them by control) **and a client of the Firm.**
- **One client** of the Firm (its managers, employees and appointed representatives and persons directly and indirectly linked to them by control) **and another client.**

Conflicts of interest involve a failure by the Firm to act in the best interests of its client and will typically involve a material risk of damage to the interests of that client. Either the Firm (and connected persons or other members of the Firm's group) may gain a benefit at the expense of a loss or disadvantage to a client; or one client may gain a benefit at the expense of a loss or disadvantage to another client. When assessing a potential conflict of interest the Firm must consider whether it:

- (1) is likely to make a financial gain, or avoid financial loss, at the expense of the client;
- (2) has a distinct interest in the outcome of the service provided to the client or of a transaction carried out on behalf of the client;
- (3) has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client;
- (4) carries on the same business as the client, or
- (5) receives, or will receive, from a person other than the client an inducement in relation to the service provided to the client, in the form of monies, goods or services, other than the standard commission fee or fee for that service.

Furthermore, even if no actual conflict of interest occurs should any activity have the potential to be perceived as a conflict of interest it should be classified as such.

Examples of potential conflicts of interest may include, but are not limited to, the following;

- **Misuse of information** - Individuals with knowledge of trading activity may potentially front run the dealings of a fund. Individuals may potentially misuse information obtained during the course of their employment to trade for their personal account.
- **Remuneration** - Individuals may act unfairly between clients if their remuneration structure encourages them to favour one fund over another.
- **Research** - Research staff may hold securities which they are recommending for inclusion in Firm portfolios.
- **Inducements** - Employees could be unduly influenced by gifts from counterparties resulting in them doing business on the basis of entertainment/gifts, rather than on what would be deemed best for client.
- **Allocation** - The Firm may act as a discretionary portfolio manager for more than one client or fund and issues of allocation and aggregation between the clients and funds may arise.

- **Dealing Commission** - Additional costs are borne by a fund which are not demonstrated in monetary terms or two funds are paying for services which are only being used for one fund.
- **Best Execution** - Risk that the Firm may get a better price for one fund than another.
- **Side Letters** - One client has a side letter in place which gives it preferential treatment over another client.
- **External Interests** - Employees may have other business which would mean that they may not potentially devote enough time to a fund.
- **Shared back-office and support functions** - Other Investment Management Firms with access to confidential information may misuse it or lack adequate internal controls to prevent unauthorized access to information.
- **Personal interest in funds** - Staff may have a personal interest in certain funds managed by the Firm, resulting in favourable treatment being shown to such funds.
- **Proxy Voting** – staff may have a vested interest in the portfolio company which requires a corporate action (such as a vote) on behalf of Fulcrum’s managed fund(s). The firm has implemented a proxy voting policy in order to circumvent conflicts. Please see Appendix A for further information and other types of conflicts from a stewardship perspective.

3.2 Detailed conflicts of interest review

The Firm conducts an annual review to identify potential conflicts of interest within its business and establishes appropriate administrative and organisational arrangements to manage those conflicts. This review has covered actual and potential conflicts between the Firm’s staff, and any legal person directly or indirectly linked to them by control and client and between one or more clients.

3.3 Record of conflicts and mitigating controls

A record of the Firm’s conflicts and mitigating controls can be found in Appendix B. This discloses by business service or activity the circumstances in which conflicts arise which are potentially damaging to one or more clients. It also identifies the mitigating procedures and controls the Firm has implemented in order to manage each conflict.

The Firm will use a number of administrative and organisational arrangements to mitigate any actual or potential conflicts including:

- Functional independence and separate supervision of relevant employees whose main functions involve carrying out activities or providing services for clients whose interests may conflict, or otherwise represent interests that may conflict.
- A review of remuneration arrangements in the Firm where these might give rise to conflicts of interest in relation to the activities or services provided by the relevant employees.
- Reassignment of employees to prevent or control the simultaneous or sequential involvement of relevant employees in separate services or activities where such involvement may impair the proper management of conflicts of interest.
- Policies covering gifts and entertainment, PA dealing and external interests.
- Disclosure of any personal conflicts/external appointments.
- Maintenance of the Restricted list.

3.4 Information Barriers

Information barriers involve the restriction of information flows between different parts of Fulcrum’s business lines or teams or even business group. Where the Firm uses information barriers as a mitigating control it must record details of departments impacted and must maintain the controls and monitor them to ensure they remain effective.

3.5 Disclosure

Where the Firm is **not** reasonably confident the mitigating controls it has implemented will prevent loss to its client(s), then the Firm is required to disclose clearly the general nature and sources of conflicts before undertaking the client business.

Disclosure does not exempt the Firm from implementing mitigating controls but should be used in those instances where the controls do not give management a reasonable level of confidence that the client will not suffer a loss from the conflict.

SYSC 10.1.8R requires that disclosure is made in a durable medium and with sufficient detail, taking the nature of the client into account, to enable them to make an informed decision about the service.

3.6 Redemption of Investments for Open- Ended AIF

Under UK AIFMR Section 2, Article 32, an AIFM that manages an open-ended AIF shall identify, manage and monitor conflicts of interest arising between investors wishing to redeem their investments and investors wishing to maintain their investments in the AIF, and any conflicts between the AIFM's incentive to invest in illiquid assets and the AIF's redemption policy.

3.7 Periodic review

As required by UK AIFMR Article 34, conflicts of interest will be regularly discussed at meetings of the Management Board and conflicts of interest entailing a material risk of damage to the interests of one or more clients will be addressed.

The conflicts of interest register (in Appendix B) is reviewed annually and presented to the Firm's Management Board for review and approval.

Fulcrum's Compliance team regularly monitors the conflicts of interest register to ensure it remains up to date and the mitigating internal controls remain effective.

3.8 What to do if you face a potential conflict

All staff must comply with the operating controls and procedures established in their department and recorded in Appendix B. If unsure as to whether a conflict exists, or require guidance on the mitigating controls, consult with the Fulcrum's Compliance team.

Staff must ensure that they obtain permission from the Compliance Officer prior to entering into an agreement that could potentially conflict with the Firm's duties to its fund(s) or AIF(s) or between the Firm's AIF(s)/clients. Furthermore, upon request, employees must supply appropriate information to assist in the identification of potential conflicts.

A Conflict Disclosure form is available for use where you believe you are conflicted (see Appendix C). Complete the form and forward it to the Compliance Officer, who will review it and respond.

3.9 Declaration of external interests

Each person to whom this policy applies must declare all external interests quarterly. These include:

- Directorships (paid or unpaid)
- Partnership interests
- Proprietary interests
- Consultancy arrangements
- Charitable trusteeships
- Political donations

External interest declarations will be recorded by the Compliance Officer on the appointments register.

* For declaration of personal equity holdings please refer to the Firm's Personal Account Dealing Policy in the Compliance Manual.

** For declaration of inducements and gifts please see the Firm's Inducements & Gifts Policy in the Compliance Manual.

It should be noted Compliance forms such as, Compliance attestations (which include outside business interests), PA dealing, Gifts and CPDs are now submitted online through confluence.

If individuals are in doubt as to whether a particular activity or interest requires disclosure, the Compliance Officer should be consulted.

3.10 Limitations on staff

Fulcrum's Management Board reserves the right to limit staff ability to engage in external interests.

In addition, SYSC 5.1.6R to 5.1.11G require the senior management of a firm to segregate duties so as to avoid conflicts of interest. This is done at Fulcrum by setting out staff duties in job descriptions, procedure manuals and organisational charts. Ensuring these duties remain segregated is the responsibility of line managers, as advised by the Compliance Officer this is commensurate with the senior management and conduct regime.

3.11 Record keeping

Upon request, employees must supply appropriate information to assist in the identification of potential conflicts. The Compliance team maintains an updated conflict of interest registers and the associated records in keeping with FCA guidelines.

4 Appendix A – Stewardship Code, addressing conflicts of Interest

This appendix focuses specifically on Fulcrum’s management of conflicts from an investment stewardship perspective and should be read in conjunction to Fulcrum’s Stewardship Policy, Responsible Investing Policy, and this overarching Conflicts of Interest Policy.

Scope of Conflicts of Interest from an investment stewardship perspective

Fulcrum is independently member owned and does not act as a principal or trade for its own account as some other financial institutions may do. Fulcrum is in general a top-down, macro investor alongside a significant systematic business and invests in equities on a thematic basis looking only at company specific ESG risks during the investment and portfolio construction process. Due to Fulcrum’s top-down investment approach to equities, it has appointed proxy voting advisors for any corporate actions in connection with its investment securities. The governance in relation to the use of proxy voting advisors is detailed in Fulcrum’s Proxy Voting Policy.

Due to Fulcrum independent ownership structure, the nature of its investment business, the risk of encountering a material conflict of interest is relatively low. However, Fulcrum acknowledges that it may encounter conflicts when considering engagement and voting matters and understands the need for vigilance to identify them as they arise to facilitate an optimal outcome for its clients.

Fulcrum has a fiduciary obligation to act in the best interests of its client and this section sets out Fulcrum’s governance framework for dealing conflicts on an investment stewardship perspective.

This policy lists some of the actual or potential conflicts of interest that Fulcrum may encounter and is not intended to be an exhaustive list.

Investment Stewardship: Examples of Conflicts of Interest	
between either the firm and/or its staff and its clients	<ul style="list-style-type: none"> • Conflicts arising from the relationships Fulcrum has entered into with other financial service entities (Contractual Affiliates), which may have a financial or other business interest that differs or opposes our clients; • Certain Fulcrum funds invest on a fund of fund basis. From time to time, there may be occasions whereby Fulcrum is marketing to a client to invest its managed funds; and, separately considering whether to invest in a fund managed by the same client. • Fulcrum Staff may from time to time, serve as a director, advisory board member or other oversight capacity for a public or private company • Fulcrum’s employees may hold a personal investment position in a security is also traded in Client portfolios. As a result, employees may vote for their own account. • Fulcrum may invest capital from one or more of its discretionary managed fund to invest in another discretionary managed fund.
between its clients	<p>Fulcrum casts proxy votes for other clients;</p> <ul style="list-style-type: none"> • Fulcrum seek to cast proxy votes consistent with our client(s) investment strategies which may conflict with the investment strategies of other clients of Fulcrum; • Fulcrum may cast proxy votes where it has authority to do so. Segregated portfolio clients (Managed Accounts) may choose to retain such authority, resulting in votes being independently cast, which may conflict with industry or Fulcrum’s recommendations <p>Transfer of assets between Fulcrum’s managed funds (its “Clients”)</p> <p>From time to time assets to be sold on behalf of one or more of Fulcrum’s Clients may be suitable for purchase by another Client i.e., if the opportunity meets the</p>

	<p>purchasing Client’s investment objectives and is in the best interests of both parties.</p> <p>Fulcrum’s Investment Management team is responsible for obtaining Compliance Committee and Valuation Committee approval prior to instructing such a transaction to ensure both Clients on either side of the transaction are treated fairly.</p> <p>Different regulators have different views of cross trading and the inherent conflicts involved in the activity. For instance, and in relation to any ERISA Clients, the US Department of Labor takes the view that cross trades are undesirable because of the conflicts which arise from the potential provision of liquidity or allocation of opportunity to favored accounts at the expense of others. Specifically, with US ERISA mandates, cross trades are prohibited. Similarly, the recently enacted SEC Rule 2a-5 under the 1940 Act (the “Valuation Rule”) only permits cross trades for securities with “readily available market quotation” (i.e., Level 1 assets under US GAAP).</p> <p>Whereas the FCA takes the view that cross trades are permissible provided that firms can demonstrate that cross trading between clients is always in the interests of both clients and has been executed at a fair price.</p> <p>For the purposes of demonstrating that the inherent conflicts in relation to the transfer of assets between Fulcrum’s Clients have been appropriately managed and mitigated, any potential transfer of assets between Fulcrum’s clients requires independent approval from its Compliance Committee and Valuation Committee. Relevant staff must ensure they are aware of the requirements of Fulcrum’s Order Execution Policy to escalate questions appropriately.</p>
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Investment Stewardship: Examples of Conflicts of Interest	
proxy voting and engagement on behalf of clients;	<ul style="list-style-type: none"> • Fulcrum may be required to cast proxy votes in relation to ‘own’ funds or inhouse investment vehicles • During the course of engagement with company management, we may inadvertently become ‘insiders’ or privy to material non-public or price-sensitive information • We must give due regard to Takeover Panel and equivalent guidance in relation to acting in concert when entering into collective engagement activity with other investment managers

Identification of conflicts

Fulcrum’s staff receive training on conflicts of interest in order to ensure that potential and actual conflicts of interest are identified early.

Mitigating conflicts of interest

Fulcrum has implemented the following measures to identify potential conflicts of interest and to reduce the risk and mitigate the impact of an actual conflict of interest from arising:

Conflicts of Interest: Mitigation Measures	
✓ Policies and Procedures	<ul style="list-style-type: none"> • Policies and procedures throughout our businesses to manage conflicts of interests. These policies and procedures will be subject to our normal monitoring and review processes. The review process falls part of Fulcrum’s Compliance monitoring programme.
✓ Information Barriers	<ul style="list-style-type: none"> • Fulcrum’s does not permit any wall crossings or receipt of inside information. In the case, Fulcrum inadvertently receives such information, it has established policies and procedures to create information barriers to reduce the risk of any conflicts of interest.
✓ Proxy Voting	<ul style="list-style-type: none"> • Where a potential material conflict of interest has been identified in relation to a proxy vote, Fulcrum will call upon an independent third-party to make the voting decision or may elect not to vote. Stocks placed on the banned list may not be voted.
✓ Gifts and Inducements Policy	<ul style="list-style-type: none"> • The giving and receiving of gifts or inducements has the potential to create conflicts of interest. Fulcrum employees must not solicit or provide anything of value directly or indirectly to or from anyone, except under limited circumstances, which would impair the Fulcrum’s duty to act in the best interest of the client.
✓ Personal Account Dealing Policy	<ul style="list-style-type: none"> • To prevent conflicts arising from the use of information obtained from clients, and market abuse generally, all employees are subject to personal account dealing rules.
✓ Outside of business	<ul style="list-style-type: none"> • Staff employees are required to pre-clear their outside business activities which are only permitted in limited circumstances.

✓ Declining to act	• Where Fulcrum deems that the conflict of interest cannot be managed in any other way, we may decline to act for a client.
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Stewardship Committee and Senior Management Review of Conflicts of Interests

Conflicts of interest are annually reviewed at the Stewardship Committee and Management Board. In the instance a staff member recognises a potential conflict of interest with an investment company in which they are engaging, he or she must raise this with Fulcrum’s Compliance team. We also have policies that seek to avoid any potential conflicts for individual Fulcrum members arising from engagements with companies in which individuals have personal investments or some material personal relationship with a relevant individual. Where a staff member has a personal connection with a company, he or she is required to make this known and is not involved in any relevant engagement activities.

Recording and escalation

Fulcrum maintains a conflicts of interest register. Where an instance of a material conflict of interest arises, this will be discussed at the Stewardship Committee and if necessary, established at management board level. All records are kept for 7 years.

Disclosure

Additional conflicts that are identified by Fulcrum in the future will be included within appropriate mechanisms or systems in order to manage those conflicts. Where we consider that there are no other means of managing the conflict or where the measures in place do not sufficiently protect your interests, the specific conflict will be disclosed to enables a (prospective) investormake an informed decision whether to continue with our service in that particular situation.

5 Appendix B – Conflicts of Interest Register

<p>Misuse of information</p>	<p>Employees with knowledge of fund trading activity may potentially front run the dealings of a fund. Employees may potentially misuse information obtained during the course of their employment to trade for their personal account.</p>	<p>The Firm maintains a PA dealing policy whereby they are prohibited from acquiring personal investments in cash equities and acquitting any other in scope security without the pre-clearance of the compliance team. The Compliance team Officer will check the proposed personal account dealing trade against Fulcrum’s restricted/insider lists. On a quarterly basis, the Compliance team rollout attestations requiring (amongst other things) employees to confirm that they have read and understood the policy.</p> <p>No personal account dealing is allowed to take place if it is in conflict with a client’s interests.</p>
<p>Remuneration</p>	<p>Investment decisions may be influenced by the Firm and/or fund remuneration structure. For example, one client may be favoured if the manager earns more performance fees compared to another.</p>	<p>Investment decisions are determined by the Investment Committee, models and the risk / return profile of the client, not by remuneration. Remuneration is based on the profitability of the Firm as a whole.</p> <p>Remuneration structures are reviewed on a regular basis.</p> <p>As part of the compliance monitoring programme, a review is carried out to ensure customers are treated fairly.</p> <p>The Firm has implemented a Remuneration Policy that is compliant with SYSC 19B AIFM Remuneration Code rules which includes a remuneration deferral procedure.</p>
<p>Advice driven by remuneration</p>	<p>The Firm may give advice based on the remuneration it receives rather than in the client’s best interests.</p>	<p>There is little or no scope for this given the centralisation and quantitative basis of the investment process at Fulcrum.</p> <p>The Firm’s investment advice is driven by client objectives and risk tolerance is encompassed in the relevant Investment Management Agreement. Within this constraint Fulcrum will aim for the cheapest implementation possible and will never share commissions or pay fund rebates to anyone apart from the client.</p>
<p>Research</p>	<p>Fundamental research paid for by the client may be used to others’ advantage. E.g. Research staff may deal for their own benefit ahead of the client or sell to third parties permitting them to act on it also.</p>	<p>The Firm maintains a personal account dealing policy and asks staff to sign a quarterly declaration to confirm that they have acted in accordance with the policy and disclosed all personal account dealing accounts.</p> <p>The Firm obtains holdings reports from all staff (directly from the broker) and carries out a quarterly review to ensure that all appropriate trades have been pre-approved.</p> <p>The Firm does not use client money to pay for research. The Firm uses its own P&L in accordance</p>

		with MiFID II.
Inducements	Excessive gifts and entertainment may unduly influence the investment manager in favour of the gift giver at the expense of the client (e.g. higher trading fees, poor execution services and prices).	The Firm maintains a strict policy concerning the giving and receiving of gifts. The Firm requires pre-authorization by the Compliance Officer of any gifts or entertainment received or given (over \$100), however all gifts are recorded. Staff are expected to be prudent in accepting hospitality. All staff sign a compliance undertaking in this regard. The trading team can only trade with brokers on an approved list via the broker committee.
Allocation	Where a firm has more than one client, they may unfairly allocate transactions between them.	Trades are generated by fund models at a strategy level. For each of account (or fund) running the particular strategy, orders are raised for those accounts based on the account's size and risk profile. Where applicable, these orders are grouped together to be executed as a single trade. Once executed, the fills are allocated post-trade across the accounts (in the amounts determined earlier) using an automated algorithm that aims to give each account the average order execution level, thus ensuring fairness in execution over time. Compliance conducts fair allocation reviews quarterly to ensure fairness is allocated appropriately.
Scarce Capacity	The Firm may unfairly allocate scarce capacity in an investment between clients.	The Firm devises a strict allocation policy to eliminate bias and reduce scope for conflict between clients. The Firm does not participate in IPOs.
Dealing commission	The dealing commissions may be driven by services received by the Firm at the expense of the client. Where a fund has two clients, the dealing commission may be unfairly shared (e.g. two funds paying for services which are only being used for one fund).	Disclosure in accordance with FCA rules. The Firm does not engage in 'softing'.
Best Execution	Where a firm is incentivised to not get the best result for the client when trading. e.g. The firm is incentivised to use client's trading activity to subsidise benefits that it receives from brokers.	The Firm has a clear best execution policy which is communicated to all clients. All relevant Fulcrum employees are also aware of the policy. Compliance conduct a best execution test every quarter. The Firm does not engage in 'softing'. The Firm does not have an affiliated broker. The Firm does not charge any commission for itself in respect to its investment management activities.
Counterparty Selection	The Firm's choice of counterparties may be driven by self-interest rather than client interests (e.g. some counterparties may invest in or introduce assets to a fund as well as being the prime broker. This could mean that the Firm has been unduly influenced in choice of prime broker (including the ongoing retention of its	Prime broker and ISDA counterparty selection is primarily driven by trading coverage, financial standing, reputation, technical infrastructure and client services. Trading counterparty selection is driven by transaction cost, reliability, technology and client services. Counterparties are integrated with Fulcrum's trading desk either using broker neutral platforms to ensure best execution (Trading Screen,

	services) because of capital they are introducing and not because of quality of service.	FXall, Tradebook and IB Manager) or via fix DMA. They are reviewed on at least annual basis. Service levels are reviewed regularly. Capital introduction services are not the determining factor in any counterparty selection.
Side Letters	When a firm grants a particular client a side letter, which gives it preferential treatment over other clients.	No side letters are in existence with respect to preferential liquidity. No side letters are in existence with respect to transparency terms that would not be made available to all investors. Disclosure is in place in accordance with FCA expectations. Side letters will be subject to MFN clauses.
Outside interests	Outside interests may detract from, or compromise, the investment manager's responsibility to the client. E.g. devoting less time to the client, or the external interest may be in competition with the client.	All employees are required to disclose outside interests, and they have to attest to this every quarter in the compliance attestations. The Compliance Officer must approve any such interests and will maintain a record of them. Gavyn Davies, Fulcrum's chairman, has outside interests with Active Private Equity (& associated portfolio companies), KKR where he serves as a senior advisor, Anthos Capital (private equity fund) and Impower Holdings Ltd (management consultancy in public services). Fulcrum business does not overlap with Active, Anthos, or Impower businesses so there is no risk of competition between the firms. Fulcrum and KKR both run fund of hedge funds. Fulcrum and KKR do not share any office, facilities or systems. Risk is low since target investors are very different and relevant investments are highly illiquid meaning that it would be very difficult to take advantage of confidential information to the detriment of either party.
Structure/ governance	Where Partners/Directors of the Firm also sit on the client's (Fund) Board, it may represent a direct conflict between the interests of the Firm and those of the client (Fund) and its investors.	Interests of both the Firm and a Fund are by definition aligned. Partners who sit on the boards of funds managed by Fulcrum do not have majority vote (this is the case with Andrew Stevens or Joseph Davidson). Some partners are also investors in the funds. Partners of the Firm are not remunerated for their positions on the board.
Investment manager and investment adviser	A firm, which has an investment management agreement and a separate advisory mandate, may trade before advising the advisory mandate.	Disclosure in IMA/IAA. Fulcrum does not typically offer advisory mandates.
Valuations	There are inherent conflicts of interests where a firm is responsible for administration and/or client valuations and is remunerated on performance.	The valuation function is performed by the Firm as required by AIFMR 67 (4). In undertaking this function, the Firm will oversee third party administrators but will never directly instruct or override valuations. All administrators and custodians have strict policies and internal procedures in place with respect to

		reliance on investment manager for pricing of instruments. Fulcrum also maintains a valuation policy which is approved and reviewed by the Fund directors on an annual basis.
Affiliate transactions	The Firm may use existing client funds to seed new funds or invest in existing funds, using them as a captive source of funds, which may not be in the original client's best interests.	<p>The Firm may only invest where the existing and new funds objectives and restrictions align to the investment opportunity.</p> <p>Where investments are made in internal funds, no management or performance fees are paid in these target funds.</p> <p>In addition, investments will only be made in internal products if it is appropriate from an investment point of view considering, trading costs, regulatory and tax considerations.</p>
Dual regulation conflict	Where the Firm is subject to the rules of more than one regulator, policies may not meet all requirements.	The Firm adopts the highest regulatory standards in both the UK and the US and generally in Europe. The Firm is assisted with the coordination of this process by its compliance consultants, Duff and Phelps.
Trading Errors	A conflict may exist between the Firm and its client over who should bear the cost of the error.	<p>Fulcrum works to minimise the occurrence of errors by putting strong and efficient checking mechanisms in place to pick up any error as early as possible. In order to minimise the possibility of errors, the Firm has invested extensively in a system that provides automation across the trade life-cycle. Should errors occur then the procedure for resolving them is critical to ensure that they are mitigated correctly and that subsequently, efficient controls are put in place to minimise the risk of such errors in the future.</p> <p>Fulcrum defines trade errors as the execution of a trade for a client that is inconsistent with the instruction provided by the investment team or where the trade causes the portfolio to be inconsistent with investment restrictions or rules established in the IMA or by the Regulatory Rules. In the event of a trading error, it shall be at Fulcrum's discretion whether or not to retain that position for the Fund subject to considerations of risk management, fund requirements and the fair treatment of clients. Any profit arising from an error will be credited to the relevant account. In the event of a loss as a result of a trade error, compensation will be paid dependent on the Fund's regulatory status or applicable regulatory rules (this may be subject to a materiality threshold).</p>
Fund investment managed by an existing or prospective client	<p>Examples of conflicts exist in respect of:</p> <p>The asset manager may be tempted to provide preferential treatment to the client who manages the fund in which they have invested.</p> <p>Decisions regarding when and how to exit the investment in the client-</p>	Fulcrum's Alternative Investment Solutions teams performs extensive due diligence on its fund investments that are reviewed by Fulcrum's Compliance team ahead of making an investment. On an ongoing basis to alleviate the risk of conflicts from arising on an ongoing basis, Fulcrum maintains a number of compliance policies that are designed to protect the best interest of its clients which include (and amongst others) best execution and fair

	managed fund can be influenced by conflicts, potentially impacting the timing and terms of the exit.	allocaton policy.
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6 Appendix C – Conflicts Disclosure Form

Name:	
Manager:	
Type of conflict:	(1) Between the Firm and client(s) (2) Between one client and another client (or clients)
Describe the nature of the conflict:	

How did the conflict arise?	
Describe any potential mitigating controls to resolve the conflict:	

Signed: _____ Date _____

Compliance Review

Conflict confirmed (Yes/No):	
Record of conflicts updated (Yes/No):	
Mitigating controls implemented (Yes/No):	
Conflict monitoring updated (Yes/No):	
Disclosure update required (Yes/No):	

Signed: _____ Date _____