

Conflicts of Interest Policy

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1. Purpose and scope of the conflicts of interest policy

The Management Committee (- "**MC**") of WRM Capital Asset Management S.A.R.L. ("**AIFM**") has established this conflicts of interest policy ("the **Policy**") to identify any situation in which activities carried out could constitute or may give rise to conflicts of interest, entailing risks of damage of the funds managed by the AIFM (the "**Funds**"), also taking into account the relationships with other members of the AIFM's group (the "**Group**").

This Policy describes the processes established by the AIFM in relation to the identification, management and disclosure of such situations.

This Policy details:

- How conflicts of interest are identified and managed;
- The escalation process;
- The conditions and characteristics of the disclosure of conflicts of interest to investors; and
- The recordkeeping of the conflicts of interest.

2. Identification and management of conflicts

The circumstances which could result in a conflict of interest are described below (non-exhaustive list):

- The AIFM, an employee or one or more of the Group entities, is likely to make a financial gain, or avoid a financial loss, at the expense of a fund;
- The AIFM, an employee or one or more of the Group entities has an interest in the outcome of a service provided to, or transaction carried out on behalf of the Funds managed by the AIFM which is distinct from the Funds interests;
- An employee is involved in a business that is the same as the Funds' businesses;
- The AIFM or an employee has financial or other incentive to favor the interests of one Fund or group of Funds over the interests of another Fund or group of Funds;
- The AIFM or an employee receives or will receive from a person other than the Fund(s) or its investors an inducement in relation to collective portfolio management activities provided to Funds in the form of monies, goods or services, other than the standard commission or fee for that service.
- Potential conflicts of interest linked to the situation of the MC within a group;
- Potential conflicts of interest between funds;
- Potential conflicts of interest related to the redemption of investments;
- Potential conflicts of interest between the MC and its third-party providers;
- Potential conflicts of interest related to benefits, gifts and compensation.

Conflicts of interest are generally prevented by ensuring that actions taken by the AIFM are in best interests of the Funds and are taken independently of the interests of the AIFM and/or of the Group or of other Funds where relevant.

The conducting officer in charge of the compliance function of the AIFM ("**the Compliance Officer**") and whenever necessary the Board of Managers of the AIFM (the "**Board of Managers**") will identify and manage an actual or potential conflict of interest, which could materially affect the interests of the Funds and / or the AIFM.

Where an employee becomes aware of circumstances, which he/she believes could constitute a conflict of interest, and is likely to have a material impact on the interests of a Fund managed by the AIFM, he/she shall report the matter to the Compliance Officer.

2.1 Control of the exchange of information

As a principle, any employees of the AIFM refrain from sharing information that may be detrimental to the interests of a Fund.

In particular, where an employee is employed by another legal entity within the AIFM group and/or by another entity in addition to its employment contract with the AIFM, the latter should be aware of the obligation to preserve secrecy and does not exchange information with the legal entity within the Group and/or the other entity, where the exchange of that information could harm the interests(s) of one or more Fund.

2.2 Late trading / market timing

Trading of a Fund's units or shares (i.e. subscription and/or redemption of the Funds interests) must occur at an unknown price to ensure that all investors are treated equally.

As a rule, subscriptions and redemptions in the Funds units or shares are subject to the cut-off time described in the Funds offering documentation.

Under the AIFM business model, the performance of these activities is delegated to a third-party service provider. In this context, the AIFM has established a due diligence framework that is in particular focuses on the processes established by the delegate to ensure that the Funds are not exposed to a particular risk of market timing. Further information is included in the "Delegation and oversight policy and procedure".

2.3 Remuneration principles

The AIFM has adopted a remuneration policy and ensures that principles for remuneration to employees, especially incentive compensation, do not conflict to the interests of the Funds, promote a sound and prudent risk management and do not give rise to a conflict of interest.

In particular, the remuneration policy of the AIFM ensures that any direct remuneration link is removed between persons principally engaged in one activity and the remuneration of, or revenues generated by, different persons principally engaged in another activity, where a potential conflict of interest may arise in relation to those activities (e.g. the remuneration of the employees working for the internal audit function is not linked to the performance of the compliance and risk management functions).

2.4 Personal transactions

The AIFM has also adopted a standard procedure for personal transaction to ensure that employees trading in securities for themselves and closely related persons' account do not give rise to any conflicts of interest.

2.5 Delegation

The AIFM has a number of counterparties, service providers and commercial partners. These may or not belong to Group. As a rule, any delegation of function or appointment of business partner will be assessed ex-ante and on an ongoing basis in order to ensure that:

- The delegation relationship does not create a conflict of interest situation at the AIFM level; and
- The delegate has established an adequate conflicts of interest monitoring process.

To avoid any rise of potential or actual conflicts of interest, the AIFM ensures that all functions, which are delegated to any legal entity within the Group, are on an arm's length basis.

2.6 Inducements related to collective portfolio management activities

The AIFM is not regarded as acting honestly, fairly and professionally in accordance with the best interests of the Funds it manages or the investors in these Funds if, in relation to the activities performed when carrying out its functions, it pays or is paid any fee or commission, or provides or is provided with any non-monetary benefit, other than the following:

- A fee, commission or non-monetary benefit paid or provided to or by the Funds or a person on behalf of the Funds;
- A fee, commission or non-monetary benefit paid or provided to or by a third party or a person acting on behalf of a third party, where the following conditions are satisfied:
 - i. The existence, nature and amount of the fee, commission or benefit, or, where the amount cannot be ascertained, the method of calculating that amount is clearly disclosed to the Funds in a manner that is comprehensive, accurate and understandable, prior to the provision of the relevant service; and
 - ii. The payment of the fee or commission, or the provision of the non-monetary benefit is designed to enhance the quality of the relevant service and not impair compliance with the AIFM's duty to act in the best interests of the Funds it manages or the investors in the Funds.
- Proper fees which enable or are necessary for the provision of the relevant service, including custody costs, settlement and exchange fees, regulatory taxes or legal fees, and which, by their nature, cannot give rise to conflicts with the AIFM's duties to act honestly, fairly and professionally in accordance with the best interests of the fund it manages or the investors in the fund.

For the purposes of point i. above, the AIFM discloses the essential terms of the arrangements relating to the fee, commission or non-monetary benefit in summary form, provided that the AIFM undertakes to disclose further details at the request of the Funds' investors.

2.7 Independence of the Funds' depositary function

The AIFM ensures that no person may at the same time be both:

- A director of the AIFM and a member of the Board of Managers of the depositary;
- A director of the AIFM and an employee of the depositary;
- A member of the Board of Managers of the depositary and an employee of the AIFM;

The AIFM has established and maintains a decision-making process for selection and appointing the depositary, which is based on objective pre-defined criteria and meet the interests of the Funds and its investors.

Where the AIFM or the Funds appoint a depositary to which it has any link or group link, it shall in particular:

- Keep documentary evidence of an assessment comparing the merits of appointing a depositary with the link or group link with the merits of appointing a depositary which has no link or no group link with the AIFM or the Funds, taking into account at least the costs, the expertise, financial standing and the quality of services provided by all depositaries assessed; and
- Justify to the investors of the Funds, upon request, the choice of the depositary.

Further, in order to satisfy independence requirements, where a group link exists between the AIFM and the depositary, at least one-third of the members or two persons, whichever is less, on the Board of Managers and on the Board of Managers of the depositary shall be independent.

2.8 Independence of internal functions

In order to prevent conflicts of interest in the split of internal functions, the AIFM shall utilise the below as a guide when organising its internal functions. Please note that in accordance with the provisions of § 202 of the CSSF 18/698 Circular, the tasks of the person responsible for the permanent risk management function can be exercised directly by a member of the board of managers, to the extent that the latter is at the same time acting as conducting officer of the AIFM in charge of the risk management function.

	Director	Conducting Officer	Portfolio Manager	Risk Manager	Compliance Officer	Internal Auditor	Internal Valuer	Accounting Function
Director								
Conducting Officer								
Portfolio Manager								
Risk Manager								
Compliance Officer								
Internal Auditor								
Internal Valuer								
Accounting Function								

N/A
 Incompatibility
 Compatibility

2.9 Review of the mandates of the members of the Board of Managers and of the members of the management meeting

Every member of the Board of Managers is responsible for continuously ensuring compliance with the principles laid down in section 4.1.3 of the CSSF circular 18/698. In this context, the members of the Board of Managers must ensure that their mandate is and remains compatible with their other professional occupations. The members of the Board of Managers must inform the Board of Managers of the mandates they have outside the AIFM in order to allow for the identification of the potential conflicts of interest which arise from such situation.

In this context, each member of the Board of Managers shall ensure that (i) the number of hours spent fulfilling professional engagements does not exceed 1920 hours per year; and (ii) that the number of mandates in regulated entities and in operating companies does not exceed 20 mandates unless duly justified in accordance with the provisions of § 70 of the CSSF Circular 18/698.

In accordance with the provisions of annex 2.3 of the CSSF Circular 18/698, the Compliance Officer of the AIFM will provide the CSSF with an annual update of the list of mandates held by the members of the Board of Managers. It is understood that the Compliance Officer shall review such list in order to identify potential conflicts of interest before to share them with the regulator.

The above applies to mandates of the conducting officers of the AIFM.

3. Escalation

Any employee who (i) would be uncertain of how to act in a particular circumstance and whether or not a situation gives rise to a conflict of interest or (ii) identify a conflict of interest not already monitored, consults the Compliance Officer, who will then assist with the assessment of a possible conflict of interest.

The Management Committee, after being informed by the Compliance Officer shall then submit to the Board of Managers an adequate proposal on the management of any potential conflicts of interest, which includes:

- Disclose the conflict of interest;
- Choosing a solution that is in the Fund or/and its investors interests; and
- Refraining from any action if the previous solution cannot be implemented.

Based on the proposed action, the Board of Managers will decide on the measure(s) to be taken and its/their implementation.

4. Disclosure

Where, in case of a specific conflict of interest, the AIFM is not reasonably confident that the measures adopted under this instruction will prevent the risk of material damage to the Fund and its investors, the general nature or source of the conflict of interest shall be disclosed to the Fund's investors concerned. Such disclosure is a last resort and should only be adopted in specific cases where the measures otherwise put in place are judged inadequate to prevent the risk of material damage.

The disclosure must:

- be made in a durable medium (such as the prospectus or subsequent written notification in the form of an email to existing investors);
- include sufficient details, taking into account the nature of the Fund's investors, enabling to take an informed decision with respect to the service in the context of which the conflict of interest arises; and
- indicate the reasons of the decision to disclose the conflict of interest.

In case the AIFM would identify a conflict of interest before undertaking business, the AIFM shall disclose the relevant conflict of interest, giving sufficient information to enable the relevant party(ies) to take an informed decision on whether or not to proceed with the proposed business.

5. Recordkeeping

In accordance with section 5.5.7.2 of the CSSF Circular 18/698, the Compliance Officer maintains and regularly updates a record of the types of activities undertaken by or on behalf of the AIFM in which a conflict of interest has arisen or, in the case of an ongoing activity, may arise, entailing a material risk of damage to the interests of one or more Funds or investors.

The record covers at least the following elements (in the form of a conflict of interest register):

- the description of the conflict of interest (including potential conflicts of interest);
- the identification of the person or unit involved in the conflicts of interest;
- the date of occurrence or discovery of the conflicts of interest;
- the potential or ascertained impacts of the conflicts of interest;
- the description of the envisaged solutions and of the chosen measures; and
- where appropriate, the arrangements for informing the investors.

The template of record of conflicts of interest of the AIFM is attached as Appendix 1 to this Policy. Upon request, such report might need to be provided to the CSSF.

6. Review

This Policy will be reviewed annually, and especially in case of any major change to the organisational structure of the AIFM, to the content of the Group relevant policies, and in case of amendment to any laws, regulations and guidelines applicable to the AIFM.

Appendix 1 – Conflicts of interests register

Register of conflicts of interests 2022

#	Description of the conflict of interest (potential or ascertained)	Identification of the person or unit involved in the conflict of interest	Date of occurrence or discovery of the conflict of interest	Potential or ascertained impacts of the conflict of interest	Description of the envisaged solutions and of the chosen measures	If applicable: arrangements for informing the investors	Action taken	Status
2021 - Col 1	Multiple mandates	Raffaele Mincione is Manager of WRM CAM and owner and director of the holding company Time & Life	Historical - highlighted in the 2018 Internal Audit by HACA	Not applicable	It is not unusual to have an owner as manager of the business.	Same statutory auditor audit both entities and signal conflicts when they arise	RM has resigned from the board on 21 May, this has been approved by the CSSF on 8 August 2021	Closed
2021 - Col 2	Multiple Mandates	Julian Jacobson is conducting officer of the Company and manager of WRM FH II, GP of WRM AIF S.C.A. Sicav Raif	Historical - highlighted in the 2018 Internal Audit by HACA	None, as the GP has no operational role, investment decision are delegated to WRM CAM. The fund got its 1st subscription in March 2021	Decisions for this fund are taken by WRM CAM, the GP has no operational role. Furthermore, JJ is responsible for Control functions at WRM CAM and does not participate in investment decisions.	Currently the sole investor is the sub-fund RESS1, and the managers (WRM CAM) and investors are well aware	Acknowledged	Closed
2021 - Col 3	Multiple Mandates	Julian Jacobson is conducting officer of the Company and manager of WRM FH I, GP of Eurasia Alternative Investments Sicav Plc managed by the Company	Historical - highlighted in the 2018 Internal Audit by HACA	None, as the GP has no operational role	Decisions for this fund are taken by WRM CAM, the GP has no operational role. Furthermore, JJ is responsible for Control functions at WRM CAM and does not participate in investment decisions.	N.A.	Acknowledged	Closed
2021 - Col 4	Related party transaction	Eurasia and NLBS, a related party	01.mars	Eurasia was holding artworks following the exercise of the collateral of the Simon Lee loan. Tijsje custodian Sparkasse was refusing to hold such collateral as beyond the scope of their competence. The investors in Eurasia wasn't comfortable with the risk. The artwork was located in the UK and it was practical for the new holder to be a UK company. The buyer, NLBS, is controlled by RESS1, a related party.	Both NLBS and Eurasia gave their approval for the deal. Eurasia gets cash, which was their aim, and NLBS has time to market and sell the artworks without the constraint imposed by the custodians	The investor of Eurasia was informed that the sale was to a related party, and agreed in writing to the transaction. NLBS board also approved the transaction	Securing the approval of both counterparties	Closed
2021 - Col 5	Related party transaction	RESS1 and WRM Special Situations Fund (RAIF)	11 and 31 March 2021	RESS1 subscribed, in two solutions, to EUR 1.65m of shares in the RAIF. Both funds are managed by WRM CAM	The UBO of both funds is the same, and this is the first move in a wider plan to move most if not all of the assets from RESS1 to the RAIF. Please note that subscription to the RAIF are reserved for companies controlled by the WRM Group, while the Board of WRM Cam has decided in December 2020 not to open RESS1 to new investors	The UBO is the same for both funds, and he is informed	Acknowledged	Closed