

DEVON

Equity Management

**Devon Equity  
Management Limited**

Conflicts Policy

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## Document Governance

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Name	Role
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## **1. Introduction**

In accordance with the FCA rules, Devon is required to establish, implement and maintain an effective conflicts of interest policy that is appropriate to its size and organisation and the nature, scale and complexity of its business. This policy is set out below and further details regarding potential conflicts, and the mitigating procedures adopted by Devon.

## **2. Identification and management of potential conflicts**

Devon takes all appropriate steps to identify, prevent or manage conflicts of interest that arise or may arise in the course of providing its services to clients. Potential conflicts may arise between:

- Devon (including its employees, or any person directly or indirectly linked to them by control) and a client of Devon; or
- one client of Devon and another.

Devon maintains and operates organisational and administrative arrangements designed to prevent potential conflicts of interest from constituting or giving rise to a material risk of damage to the interests of its clients. Training is provided to staff in the management of conflicts of interest. A Conflicts of Interest Register is maintained which details potential conflicts impacting Devon and Devon has internal arrangements and procedures in place to manage the conflict or to prevent the conflict from arising. This register and the Conflicts of Interest Policy are reviewed periodically, and as and when business changes or significant events occur, so that they are kept up to date and relevant to the business. The SMF 16 is responsible for the conflict register.

As part of its senior management governance framework, Devon has established a number of key organisational and administrative arrangements and internal control systems within its business which are designed to manage these potential conflicts and to prevent a material risk of damage to the interests of its clients. These include:

- Corporate governance structure;
- Senior management oversight, management information and reporting;
- Compliance and Risk functions;
- Conditions of employment;
- Order Execution Policy;
- Conflicts of Interest Policy;
- Dealing, managing and settlement procedures;
- Business continuity and disaster recovery planning; and
- Documented policies and procedures.

## **3. Sources of potential conflicts**

In accordance with the FCA's rules, Devon treats disclosure of conflicts as a measure of last resort to be used only where the established effective organisational and administrative arrangements to prevent or manage its conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of a client will be prevented. However, while Devon maintains and operates effective organisational and administrative arrangements with a view to taking all reasonable steps to prevent conflicts of interest adversely affecting the interests of its clients, if Devon finds that arrangements made are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of a client will be prevented, Devon will clearly disclose to clients before undertaking business:

- the general nature or sources of conflicts of interest, or both; and
- the steps taken to mitigate those risks.

Where circumstances are considered to exist which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of one or more clients' details will be provided to clients, as well as the procedures to be followed and measures to be adopted in order to manage such conflicts. No such circumstances are currently considered to exist which require disclosure to clients.

Potential conflicts may exist in relation to aspects of Devon's business which are not material in nature and which Devon believes that these are appropriately managed and accordingly they are not reflected in this Policy.

#### **4. Acceptable minor non-monetary benefits**

Devon may receive and provide certain minor non-monetary benefits as part of its service to its clients. A minor non-monetary benefit is one which:

1. is capable of enhancing the quality of service provided to clients;
2. is of a scale and nature that it could not be judged to impair Devon's compliance with its duty to act honestly, fairly and professionally in clients' best interests;
3. is reasonable, proportionate and of a scale that is unlikely to influence Devon's behaviour in any way that is detrimental to clients' interests; and
4. consists of:
  - a. information or documentation relating to a financial instrument or an investment service, that is generic in nature or personalised to reflect the circumstances of an individual client;
  - b. written material from a third party that is commissioned and paid for by a corporate issuer or potential issuer to promote a new issuance by the company, or where the third party firm is contractually engaged and paid by the issuer to produce such material on an ongoing basis, provided that the relationship is clearly disclosed in the material and that the material is made available at the same time to any firms wishing to receive it, or to the general public;
  - c. participation in conferences, seminars and other training events on the benefits and features of a specific financial instrument or an investment service;
  - d. hospitality of a reasonable de minimis value, such as food and drink during a business meeting or a conference, seminar or other training events mentioned under paragraph c.;
  - e. research relating to an issue of shares, debentures, warrants or certificates representing certain securities by an issuer, which is:
    - i. produced:
      - A. prior to the issue being completed; and
      - B. by a person that is providing underwriting or placing services to the issuer on that issue; and
    - ii. which is made available to prospective investors in the issue; or
  - f. research that is received so that we may evaluate the research provider's research service, provided that:
    - i. it is received during a trial period that lasts no longer than three months;
    - ii. no monetary or non-monetary consideration is due (whether during the trial period, before or after) to the research provider for providing the research during the trial period;
    - iii. the trial period is not commenced with the research provider within 12 months from the termination of an arrangement for the provision of

- research (including any previous trial period) with the research provider;  
and
- iv. Devon makes and retains a record of the dates of any trial period accepted under this rule, as well as a record of how the conditions in (i) to (iii) were satisfied for each such trial period.

## **5. Record Keeping**

Devon keeps appropriate records regarding inducements in accordance with the FCA rules.