

**Approved by the resolution N Ռ-25-001 of sole participant  
of “Aktina Capital” limited liability company**

**Director: Tigran Davtyan**



**May 12, 2025**

**POLICY  
OF “AKTINA CAPITAL” LIMITED LIABILITY COMPANY  
ON  
PREVENTION AND MITIGATION OF THE CONFLICT OF INTEREST**

**YEREVAN 2025**

## **1. GENERAL PROVISIONS**

- 1.1. This Policy establishes the framework for identifying, preventing, and managing conflicts of interest that may arise in the course of transactions conducted by “Aktina Capital” Limited Liability Company (hereinafter referred to as the **“Company”**) with its Clients.
- 1.2. This Policy is designed to ensure:
  - 1.2.1. The primacy of the interests of the Company’s Clients over the personal interests of the Company, its employees, or any related persons, as well as any other third parties;
  - 1.2.2. The Company’s duty to act fairly, impartially, and in good faith towards its Clients;
  - 1.2.3. The obligation to execute Client orders under the most favorable terms available;
  - 1.2.4. The mitigation and elimination of conflicts of interest and associated risks.
- 1.3. For the purposes of this Policy, the terms below shall have the following meanings

**“Securities”**: Financial instruments defined under Article 3, Clauses 1-2 and 5-7 of the Law;

**“Director”**: The sole executive body of the Company, vested with managerial authority pursuant to Armenian legislation and the Company’s Charter;

**“Company”**: “Aktina Capital” Limited Liability Company;

**“Client”**: any individual or legal entity that has entered into an agreement with the Company for the provision of investment and/or ancillary services;

**“Investment Services”**: Services specified under Article 25(1) of the Law;

**“Conflict of Interest”**: Any situation described under Clause 2 of this Policy;

**“Ancillary Services”**: Services as defined under Article 26 of the Law;

**“Order”**: The meaning used in the Company’s internal legal acts governing the provision of Investment and/or Ancillary Services and/or in the agreements for the provision of Investment and/or Ancillary Services.

**“Tariffs”**: The tariffs for Investment and Ancillary Services established by the Company’s Director or by agreements for the provision of Investment and/or Ancillary Services, according to which the Client pays the Company for such services.

**“Law”**: The Republic of Armenia’s Law on the Securities Market.

- 1.4. The implementation of the actions and/or operations described in this Policy, as well as communication between the Company and the Client, may be carried out through software proposed or designated by the Company for this purpose and/or via postal communication and/or electronic communication and/or other means of communication by exchanging information or messages (documents).

## **2. IDENTIFICATION OF CONFLICTS OF INTEREST**

- 2.1. Conflicts of interest that may arise in the course of providing investment services include, but are not limited to:
  - 2.1.1. Selling Securities to a Client at a price higher than the market value from the portfolio of the Company, its employees, or the latter and/or persons related to the Company, as well as other individuals, without considering the Client's investment objectives and the material terms of the Orders submitted by the Client to the Company.
  - 2.1.2. Purchasing Securities from Clients at below-market prices for the benefit of the Company, its employees, or related persons.
  - 2.1.3. Investing Client funds in Securities owned by the Company, its employees, and/or persons related to the Company, as well as other persons, if such a transaction has been or will be executed under conditions that are clearly unfavorable to the Client (non-arm's length basis);
  - 2.1.4. Conducting other transactions with Securities belonging to the Client for the benefit of the Company, its employees, and/or persons related to the Company, as well as other persons, at prices that do not correspond to market prices or without considering the Client's investment objectives, if as a result of such transactions the Company, its employees, and/or persons related to the Company, as well as other persons, have received or may receive benefits to the detriment of the Client;
  - 2.1.5. Influencing the Client's decision-making process or providing advisory services that result in transactions being concluded in the interests of the Company, its employees, or persons related to them and/or the Company, as well as other persons, and as a result of such advisory services, the Client incurs losses,
  - 2.1.6. Conducting transactions that do not correspond to the interests of the Client or the risk appetite known to the Company, with the aim of charging the Client higher commissions and other fees, where the Client had a reasonable opportunity to obtain equivalent returns by paying lower commissions;
  - 2.1.7. Deliberately holding Client funds in Company accounts designated for investment in order to conduct the Company's own proprietary trading operations;

- 2.1.8. Use of insider information received from the Client that is of material significance and has the potential to influence pricing in the securities market for the benefit of the Company, its employees, or persons related to them and/or the Company.
- 2.2. The above list of cases is not exhaustive. The Company's investment activities may also be accompanied by other conflicts of interest that are widely recognized in local and international financial markets.

### **3. REQUIREMENTS FOR COMPANY EMPLOYEES TO AVOID CONFLICTS OF INTEREST**

- 3.1. When providing Investment Services, employees with the relevant authority must:
  - 3.1.1. Comply with the requirements of the legislation of the Republic of Armenia regulating this field and the Company's internal legal acts;
  - 3.1.2. Prioritize the interests of the Company's Clients over their own and avoid transactions that may have an unreasonable and clearly negative impact on the interests of the Client and/or the Company;
  - 3.1.3. Ensure the protection of investors' (Clients', partners', and other market participants') interests;
  - 3.1.4. Notify their immediate supervisor within their authority about potential violations of Armenian law and the Company's internal legal acts, as well as transactions that could be considered as involving interested persons according to Armenian law;
  - 3.1.5. Comply with the provisions of their employment agreements (and, where applicable, service agreements) on the exclusion of conflicts of interests.

### **4. PROTECTION OF CLIENT'S INTERESTS**

- 4.1. When conducting transactions in the securities market, the Company acts in accordance with principles of impartiality, integrity, diligence, and mandatory notification of Clients regarding all transactions executed with their Securities and financial means. The form and procedure of such notification are defined by Armenian law and the Company's internal legal acts.
- 4.2. When executing Client Orders, the Company acts exclusively in the Client's interests. In this regard, Company employees must:
  - 4.2.1. Not execute transactions that contradict Client interests, the sole or primary purpose of which is to increase commissions and other fees collected by the Company;
  - 4.2.2. While executing the Order, consider the Client's evident interests as superior to the Company's interests when cases of conflict of interest arise;

- 4.2.3. Execute transactions (based on Orders) with a high level of professionalism and under the best possible conditions
- 4.2.4. Conduct transactions strictly in accordance with agreements for the provision of Investment and/or Ancillary Services and the requirements of Armenian legislation and the Company's internal legal acts;
- 4.2.5. Charge fees in accordance with the established Tariffs.

## **5. MEASURES IMPLIED FOR PREVENTION OF COFLICTS OF INTEREST**

- 5.1. In the course of provision of Investment Services, the following measures are implemented within the Company to prevent potential conflicts of interest between the Company, its employees, and/or related persons, as well as other persons and Clients.
  - 5.1.1. Transactions based on Client Orders, as well as orders from Company employees, affiliated persons, or other parties, shall be executed strictly in accordance with the Armenian law and the internal legal acts of the Company;
  - 5.1.2. The Company reserves the right to refuse execution of a Client's Order (with prompt notification to the Client) if such execution would be contrary to the applicable law (Armenian) and/or the internal legal acts of the Company;
  - 5.1.3. Employees of the Company are strictly prohibited from executing proprietary transactions of the Company ahead of a Client's Order when the transactions involve identical material terms, except in cases where such execution is demonstrably in the Client's best interests and does not interfere with the Client's order fulfillment. Employees must recognize that conflicts of interest may arise if their personal activities or financial interests' conflict with or impair their ability to fulfill their professional duties impartially, which may, in turn, impede effective cooperation with colleagues, management, or Clients;
  - 5.1.4. Employees are prohibited from exploiting their position within the Company for personal gain or using information obtained in the course of their professional duties for personal benefit. They are required to strictly comply with all applicable laws and internal policies governing confidentiality and interdepartmental information exchange;
  - 5.1.5. The functions of accepting Orders submitted to the Company for the purpose of executing transactions and the functions of the departments executing the corresponding transactions based on the received Orders have been segregated within the Company;
  - 5.1.6. Company employees are prohibited from providing Clients with advice on executing transactions in the securities market if the sole or primary purpose of such advice is to create favourable conditions for transactions serving personal

interests or if it contradicts the requirements of Armenian legislation governing the activities of investment service providers.

- 5.2. To prevent potential conflicts of interest between the Company and its Clients, the Company:
  - 5.2.1. Has developed and approved procedures for the acceptance and execution of Orders, as well as for the accounting of executed transactions;
  - 5.2.2. Has developed and approved regulations that clearly define the responsibilities and functions of the Company's individual departments, along with measures of liability for failure to perform or improper performance of these functions;
  - 5.2.3. Is obligated, in accordance with the procedures and timelines established by Armenian law, to provide Clients with reports on transactions executed with their Securities and/or funds. The content of the information included in the reports provided to Clients is determined by the agreements for the provision of Investment and/or Ancillary Services and the Company's internal legal acts, but it may not be less than the information required by Armenian law.

## **6. MISSELNOUS**

- 6.1. Employees involved in the provision of investment services are regularly instructed on this Regulation, other internal legal acts of the Company, as well as on compliance measures aimed at preventing conflicts of interest in accordance with Armenian legislation.
- 6.2. Company employees, regardless of their position or rank, are obliged to refrain from actions, interests, or relationships that contradict the principles outlined in this regulation and the interests of the Company or that may be perceived as conflicting with them or may affect the employee's impartial and honest fulfillment of their professional duties.
- 6.3. This Regulation does not apply to cases where a conflict arises or may arise between the Company's Clients.
- 6.4. Any Company employee who, within the scope of their authority, becomes aware of an actual or potential conflict of interest arising during the provision of Investment and/or Ancillary Services must report it to their department head, who in turn must notify the head of the Company's internal audit department.
- 6.5. Amendments and additions to this Regulation are approved by the General Meeting of Participants of the Company (if no Board has been established) and take effect within the timeframe specified in the meeting's resolution: