

Summary of Conflicts of Interest Policy

The organisational structure and nature of Straumur-Burdaras Investment Bank hf. (Straumur) business, and its reliance on third parties at various points along the value chain can occasionally lead to situations where the interests of the bank and/or its staff conflict with the interests of the bank's clients. Equally, the interests of some clients may compete. Straumur will endeavour to prevent conflicts of interest from arising. In line with the Straumur's rules and working procedures, Straumur will undertake all reasonable steps to act in the best interests of its clients when faced with competing interests. These steps can be summarised as follows: identifying, preventing, managing, and disclosing all conflicts of interest that risk damaging client interests.

Broadly, there are three types of conflict:

- Conflicts between the bank's interests and those of its clients – when commercial motives may lead the bank to consider its own interests ahead of those of its clients.
- Conflicts between the interests of Straumur staff and those of its clients – situations where the bank's staff are not properly incentivised to act in their clients' best interest.
- Conflicts between the interests of two or more Straumur clients - as Straumur services multiple client accounts, the interests of one client may occasionally conflict with those of another client.

In spite of the best efforts of Straumur to minimise the occurrence of conflicts, it is inevitable they will arise in the course of business. These conflicts must be managed in such a way that any possible detriment to the client is minimised.

Straumur may put into place effective procedures such as Chinese walls to control the flow of price-sensitive or confidential client information relevant persons come across in the course of their professional activities.

Where the organisational and administrative arrangements that have been put into place to manage conflicts of interest are not sufficient to ensure with reasonable confidence that risks of damage to client interests will be prevented, Straumur shall clearly disclose the general nature and/or the sources of conflicts of interest to the client before undertaking business on its behalf.

The existence, nature and amount of the fee, commission or benefit, will be clearly disclosed to the client, in a manner that is comprehensive, accurate and understandable, prior to the provision of the service.