

CONFLICT OF INTERESTS

DEPOSITARY

AS Avaron Asset Management (hereafter: “**Management Company**”) has appointed Swedbank AS, register code 10060701, registered address: Liivalaia 8, 15040 Tallinn, Estonia (hereafter: “**Depositary**”) to act as the depositary for the following UCITS funds: Avaron Emerging Europe Fund (hereafter as the “**Fund**”).

The Depositary may offer its services to the Fund or to the Management Company which do not entail conflicts of interest between the Fund, the Management Company, Fund investors and the Depositary. In case of existing conflicts of interest situation, the Depositary is only allowed to offer services if the organisational set up and the level of technical systems of the Depositary enable the Depositary to separate the depositary functions from the services that create conflicting interests.

Conflicts of interest may occur in a situation where Swedbank AS offers different services in addition to the depositary service to the Management Company or to the Fund, for example:

- Services related to fund administration activities (i.e. securities evaluation);
- Registry keeping and transfer agent services;
- Financial advice or other advisory services;
- Intermediation of securities purchase and sale transactions, including transactions with currencies and derivatives, lending, brokerage services and other financial transactions.

In connection with the above activities Swedbank AS:

- Wishes to earn profit and has the right to receive fees and profits, while not being obliged to disclose such amount of profits or nature of fees, including tied benefits, commissions, interests, rebates or other profits related to such services, to the Management Company or the Fund;
- May buy, sell, issue, trade with or hold securities or other financial instruments while being guided by its own interests, the interests of its subsidiaries or other clients;
- May trade on its own behalf or for the account of its clients with the same securities as held in the Fund, including trading on the basis of information that is not available to the Fund or the Management Company;
- May provide similar services to other market participants, including competitors of the Fund.

The organisational set up and the arrangement of the technical systems enable the Depositary to keep separately the depositary function from the services causing conflicts of interest. Efficient internal control systems, division of responsibilities and reporting lines enable the Depositary to identify, manage and avoid conflicts of interests.

Upon request of the unit-holder, an updated information of the above mentioned shall be provided by the Management Company.

Document created:	31 October 2016
Last updated:	31 October 2016