# REGULATION
# ON PREVENTION OF CONFLICT OF INTEREST

1.1. “Wilco” LLC (hereinafter referred to as the “**Company**”) is an investment company registered and licensed in the Republic of Armenia (hereinafter referred to as “RA”).

1.2. Company details:

1.2.1. Name: **“Wilco” LLC**

1.2.2. Investment company license: **No. 0008**

1.2.3. Address: **26/2 Saryan St., Yerevan 0002, RA**

1.2.4. Website: **wilco.am**

## 2. KEY DEFINITIONS

2.1. The terms used in this Regulation on Prevention of Conflict of Interest (hereinafter the “Regulation”) shall, if not otherwise defined herein, be interpreted according to the meaning given in RA laws and normative legal acts adopted on their basis. If not defined there, the meaning commonly accepted in international business practices shall apply, unless otherwise clearly derived from the context.

2.2. **Company:** “Wilco” LLC;

2.3. **Client:** A resident or non-resident individual or legal entity receiving services as defined by the Company’s internal legal acts;

2.4. **Counterparty:** A person, including without limitation brokers, custodians, investment or financial institutions, engaged by the Company or whose services the Company uses to provide services to Clients;

2.5. **CBA:** Central Bank of the Republic of Armenia;

2.6. **Means of communication:** Communication tools specified in the service agreement between the Company and the Client;

2.7. **Client Funds:** Monetary funds and/or securities owned by the Client and transferred to the Company’s possession and/or management under a written agreement between the Client and the Company, including any profits generated from their management.

2.8. **Agreement:** The written contract between the Client and the Company that defines their legal relationship, rights, obligations, and other conditions as per law or mutual agreement.

2.9. **Chief Executive Officer (CEO):** The sole executive body of the Company responsible for day-to-day management as per applicable legislation.

2.10. **Conflict of Interest:** One or more of the cases defined by this Regulation and the applicable legislation.

2.11. **Applicable Legislation:** RA Civil Code, RA Law on Securities Market, resulting legal acts, CBA regulations, this Regulation, the Company's internal legal documents, and the provisions of relevant Agreements.

## 3. GENERAL PROVISIONS

3.1. This Regulation defines the procedure for implementing measures aimed at preventing potential Conflicts of Interest in transactions conducted by the Company with Clients.

3.2. The Regulation is intended to ensure:

3.2.1. Priority of Clients' interests over the personal interests of the Company, its employees, and related parties;

3.2.2. Establishment of the Company's obligation to act honestly, impartially, and in good faith towards Clients;

3.2.3. The Company's obligation to execute Client orders under the best possible conditions;

3.2.4. Prevention of potential Conflicts of Interest and associated risks.

3.3. The Company is a licensed investment service provider under the supervision of the RA Central Bank.

3.4. This Regulation is prepared in accordance with the Applicable Legislation and falls within its framework.

3.5. The Regulation is a public document and is available to any interested party for review. It is published on the official website of the Company.

3.6. Each provision of this Regulation shall be interpreted based on its literal wording. If a provision contains ambiguity, it shall be interpreted in line with the general logic of this Regulation, the Agreement, and the Company's internal legal acts.

3.7. Any amendments or supplements to this Regulation shall be made unilaterally by the Company, provided that the Client is notified in accordance with the Agreement. All such amendments or supplements become an integral part of this Regulation.

## 4. POTENTIAL CONFLICTS OF INTEREST

4.1. The following are considered potential cases of Conflict of Interest arising in the course of providing investment services:

4.1.1. Selling Securities to the Client at a price higher than the market price from the portfolio of the Company, its employees, persons affiliated with the Company, or other persons, without considering the Client's investment goals and the essential terms of the orders submitted by the Client;

4.1.2. Purchasing Securities owned by the Client at a price lower than the market price by the Company, its employees, persons affiliated with the Company, or other persons;

4.1.3. Investing the Client's funds in Securities belonging to the Company, its employees, persons affiliated with the Company, or other persons, when such a transaction is or will be carried out under terms clearly unfavorable to the Client;

4.1.4. Conducting transactions using Securities owned by the Client for the benefit of the Company, its employees, persons affiliated with the Company, or other persons at non-market prices or without taking into account the Client's investment objectives—if such transactions result or may result in a benefit to the Company or the above parties at the Client's expense;

4.1.5. Exerting pressure on the Client or providing advice that results in the conclusion of transactions serving the interests of the Company, its employees, or related parties, and causes financial loss to the Client;

4.1.6. Entering into transactions that do not correspond to the Client's interests or known risk appetite, with the intention of collecting higher commissions or other fees from the Client, if the Client could have reasonably obtained similar income with lower costs;

4.1.7. Deliberately withholding Client funds registered in the Company's accounts and designated for investment, in order to use them in the Company's own proprietary trading operations;

4.1.8. Using material non-public information received from the Client, which is likely to influence the market price of Securities, for the benefit of the Company, its employees, or related parties.

4.2. The above list is not exhaustive. Other Conflict of Interest scenarios recognized in domestic and international financial markets may also apply in the Company's investment operations.

## 5. REQUIREMENTS FOR EMPLOYEES TO PREVENT CONFLICTS OF INTEREST

5.1. In the course of providing investment services, the Company's authorized employees must:

5.1.1. Comply with the requirements of Applicable Legislation;

5.1.2. Prioritize the interests of the Company and its Clients over their own personal interests and refrain from entering into transactions that may unjustifiably or negatively impact the interests of the Client and/or the Company;

5.1.3. Ensure the protection of the interests of investors, including Clients, Counterparties, and other market participants;

5.1.4. Within the scope of their authority, promptly inform their direct supervisor of any potential violations of Applicable Legislation or any other transactions in which the Company may, in accordance with the law, be deemed an interested party.

## 6. PROTECTION OF CLIENT INTERESTS

6.1. When performing transactions in the securities market, the Company shall act in accordance with the principles of impartiality, integrity, diligence, and mandatory disclosure to the

Client regarding all transactions conducted with their funds. The form and procedure of such disclosure shall be established by Applicable Legislation.

6.2. When executing Client orders, the Company shall act solely with the aim of protecting the Client's interests. In this regard, the Company's relevant employees must:

6.2.1. Refrain from executing transactions that contradict the Client's interests and are solely or primarily intended to increase commissions or other payments charged by the Company;

6.2.2. In cases where a potential Conflict of Interest may arise when executing a transaction based on a Client's order, treat the Client's evident interests as prevailing over the Company's interests;

6.2.3. Execute transactions in accordance with Client orders with a high degree of professionalism and under the most favorable terms possible;

6.2.4. Enter into transactions exclusively in accordance with the Agreements concluded with Clients and the procedure established by Applicable Legislation governing the provision of such services;

6.2.5. Charge the Client only the fees defined by Applicable Legislation.

## 7. MEASURES TO PREVENT CONFLICTS OF INTEREST

7.1. To prevent potential Conflicts of Interest between the Company, its employees, affiliated persons, and the Client during the provision of investment services, the Company shall implement the following measures:

7.1.1. All transactions executed on the basis of Client orders, including those involving the Company's employees, affiliated persons, or other individuals, shall be carried out strictly in accordance with the procedures established by Applicable Legislation;

7.1.2. The Company is entitled to refuse to execute a Client's order (with prompt notice to the Client) if executing the order would violate the requirements of Applicable Legislation;

7.1.3. Employees of the Company are prohibited from executing proprietary transactions of the Company, or transactions on behalf of employees, affiliated persons, or other individuals with identical material conditions, prior to executing a Client's order—except when such execution is in the Client's best interest and does not impede execution of the Client's order. Each employee of the Company shall understand that a Conflict of Interest may arise where their personal activities or interests conflict with, interfere with, or are likely to interfere with their professional duties or hinder effective cooperation with colleagues, management, or Clients;

7.1.4. Employees shall not abuse their position in the Company, use it for personal purposes, or exploit information obtained in the course of their professional duties for personal gain. They shall strictly adhere to the requirements of Applicable Legislation concerning the protection of confidential information and interdepartmental information exchange;

7.1.5. The Company has separated the functions of receiving Client orders and executing transactions based on those orders across different departments;

7.1.6. Employees are prohibited from providing Clients with investment advice in the securities market that aims solely or primarily at creating favorable conditions for transactions that serve the interests of the Company or affiliated persons, or that contradict the requirements of Applicable Legislation.

7.2. To further prevent Conflicts of Interest between the Company and its Clients, the Company has:

7.2.1. Developed and approved procedures for accepting and executing Client orders and for accounting the concluded transactions;

7.2.2. Established and approved clear regulations defining the roles and responsibilities of its structural units, as well as accountability mechanisms in cases of non-performance or improper performance of those duties;

7.2.3. In accordance with Applicable Legislation, the Company is obligated to provide Clients with reports regarding transactions conducted with their funds within the timeframe and scope established by law.

7.3. Employees involved in the provision of investment services are regularly trained on the content of this Regulation and the measures defined by Applicable Legislation aimed at preventing Conflicts of Interest.

7.4. Regardless of their position, all employees must refrain from actions, relationships, or pursuits of personal interest that contradict the principles set out in this Regulation, are inconsistent with the interests of the Company, or may affect the employee’s ability to perform their duties impartially and honestly.

7.5. This Regulation does not apply to conflicts that may arise between different Clients of the Company.

7.6. Any employee who becomes aware of an actual or potential Conflict of Interest in the course of service provision must report it to their department head, who in turn shall notify the head of the internal audit unit.