



Hampton Securities Limited "Conflict of Interest" Policy

The firm and all staff will take reasonable steps to identify existing and potential material conflicts of interest (COIs) between the interests the firm and all staff and the interests of the client; this includes COIs that may potentially cause confusion for clients.

Conflict of Interest is described in a quote from The Royal Commission, which outlined the base legal structure of client-principal trades in a report on a stock market scandal in 1965:

An agent must conduct himself so that the interest of the person in whose behalf he is acting is not brought into conflict with his personal interest. An agent may not make for himself any deal which could have been made for his client within the scope of the client's instructions; if he does, he is assumed to have been acting on his client's behalf and the client is entitled to the benefit of the transaction. An agent must disclose to the client any fact known to the agent which would be likely to operate on the client's judgment. An agent may not, in connection with his client's business, make a secret profit for himself.ⁱ

Advising the Firm of Conflicts of Interest

If the firm or staff becomes aware of any material conflict of interest, they must advise Compliance, the UDP, or their Supervisor immediately.

Responsibility to Address Potential or Existing Conflicts of Interest

The following applies to Hampton and all employees:

The firm and all staff must consider the implications of any existing or potential material conflicts of interest between the firm and all staff and the client(s).

The firm and all staff must address any and all existing or potential material conflicts of interest in a fair, equitable and transparent manner, and consistent with the best interests of the client or clients; any existing or potential material conflict of interest between the firm and all staff and the client(s) that cannot be addressed in such a way must be avoided.

Responsibility to Disclose Conflicts of Interest

Unless avoided, an existing or potential material conflict of interest must be disclosed to the client in all cases where a reasonable client would expect to be informed:

(a) For new clients, prior to opening an account for the client; and (b) For existing clients, either as the conflict of interest occurs or, in the case of a transaction related conflict of interest, prior to entering into the transaction with the client.

Application of Policy

Hampton Securities Limited is a wholly owned subsidiary of Hampton Financial Corporation, a publicly traded company under the symbol HFC on the TSX-V. We are not aware of any other current material conflicts of interest between Hampton, our IAs and/or our clients. However, potential material conflict of interest situations, where unavoidable, will be disclosed to you if/when they arise. Hampton Insurance Brokers Inc., an affiliate of Hampton Securities Limited, may provide insurance services.

ⁱ Investment Industry Regulatory Organization of Canada (IIROC). "Part 8 – Principal Trading." Universal Market Integrity Rules (UMIR), 8.1 Client-Principal Trading, Jan 2018, pp. 2.