



Compliance Policy Manual for Algosun Global Limited

January 2021

Compliance Policy Manual

Introduction

Algosun Global Limited (“Company”) is a provider of equity research, consulting and market analysis services on a subscription basis. Company is not registered broker-dealer or an investment adviser with Cyprus Securities and Exchange Commission (hereinafter “**CySec**”) or with any state securities regulatory authority.

This Manual sets forth the Company’s policies and responsibilities. In instances where an issue or situation is not covered within the Manual, please contact Compliance Officer. In addition, Compliance Officer may grant exceptions to the policies and responsibilities noted herein.

Responsibility

All persons associated with the Company are responsible for taking the steps necessary to support a “culture of compliance”. This “culture” can be created by having an environment that recognizes and supports the role of strong compliance and ethical practices. Such persons can show their support by timely completion of compliance reporting responsibilities and bringing matters to the attention of the Compliance Officer.

Algosun Global Limited is responsible for overseeing activities being performed by its employees or persons acting on their behalf. As part of that oversight, such employees/persons will be subject to this Compliance Manual.

The Company’s employees and those persons acting on behalf of the Company will be provided a copy of this Manual upon employment/engagement, and whenever material updates are made. Each person is to sign an acknowledgement of their receipt of the Manual and understanding of its contents within 15 calendar day of hire/engagement and within 30 calendar days after the annual delivery of the Manual.

Terms of this Manual

This section provides clarity on terms that are used throughout the Compliance Manual.

Compliance Officer

The term “Compliance Officer” refers to Mr. Andrei Zakharov

Client

The term “Client” refers to a professional client or retail client in which Algosun Global Limited has a contractual arrangement with. If professional, retail clients or private investors received any Algosun Global Limited reports, presentations, materials, etc. through its website, media, marketplace or financial research platforms they should not rely on reports, presentations, materials, etc. herein to make an investment decision. The result of such act will not hold Algosun Global Limited responsible for any loss.

Senior Management

The term “Senior Management” includes Directors and Shareholders of Algosun Global Limited

Supervised Persons

The term “Supervised Persons” includes persons employed by Algosun Global Limited and persons who support Algosun Global Limited products and services (technology, marketing, operations, web design), but are employed by other entities associated or not associated with Algosun Global Limited.

Code of Ethics

General Statement

Algosun Global Limited intends for Supervised Persons to subscribe to the highest standards of professional conduct. What is in the best interests of users of our equity research and Clients of our consulting services is paramount, and any issue that arises must be resolved in a manner that is in their best interests.

Compliance Policy Manual also describes general anti-fraud provisions apply to our activities. As a general matter, if some activity seems untold, extraordinary or unusual, Supervised Person should consult with Compliance Officer.

The purpose of the Code of Ethics is to (1) educate Supervised Persons; (2) protect the Company's reputation; (3) to protect Company's Clients by deterring Supervised Persons misconduct. Failure to comply with the Code of Ethics in whole or in part is a serious matter that may result in disciplinary actions; action that could include termination of employment or breaking the agreement with external counterparties.

Policy

It is the Company's policy that Supervised Persons conduct themselves and perform their assigned duties in a manner consistent with the following fiduciary duties.

- **Duty to put Clients' interest first.** It is Company's policy that the interests of the firm or the Supervised Persons does not come before the best interests of the Clients.
- **Duty to be fair.** It is the Company's policy to treat each similar situate Client and prospective Client fairly.
- **Duty of care.** It is the Company's policy to perform its duties in a prudent manner and consistent with the following: (1) stock ratings/opinions have a reasonable and adequate basis, supported by appropriate research and analysis; (2) stock ratings/opinions are based solely on the merits of the security or securities being written about; they are not biased by any outside pressures. (3) facts are clearly distinguished from opinions and output provided to the Client (research report, presentation) is clear and complete.

Responsibility

Supervised persons are responsible for performing their duties in a manner consistent with the above.

Professional Responsibilities

Policy

It is the Company's policy for its Supervised Persons to have the appropriate skills and experience that are commensurate to their assigned duties. It is Company's policy that Supervised Persons exhibit high moral standards and professionalism.

Responsibility

Senior Management is responsible for ensuring Supervised Persons have the appropriate skills and experience to fulfill their assigned duties. All Supervised Persons are responsible for performing their duties in a manner that exhibits high standards and conduct, and avoids prohibited activities. Therefore, Supervised Persons are prohibited from:

- Guaranteeing the investment performance of their stock ratings/opinions.
- Falsely stating or misrepresenting her/his credentials (background, education, etc.)
- Selling services in a manipulative, deceptive or fraudulent manner.
- Stating that the SEC or any other federal or state regulatory body endorses or approves the Company's products and services or its in-house research process/methodologies.
- Rendering legal or tax advice to Clients.
- Communicating confidential, non-public information about the Company or its Clients to persons outside of the Company.
- Communicating confidential, non-public information about the Company or its affiliates to anyone outside of the Company.
- Buying or selling publicly traded securities while in possession of inside information or tipping such inside information to others.
- Signing a Client's name to any document, even if the Client gives permission to do so.
- Instructing the Client to pay to Supervised Persons directly for products and services rendered by the Company.
- Accepting cash or checks payment made payable to the Supervised Person from a Client.
- Lending money to a Client.
- Borrowing money or securities from a Client.
- Acquiring or deriving personal gain or profit from a business or investment opportunity that comes to Supervised Persons attention as a result of the Supervised Person's assigned duties.

Public Appearance

Background

A public appearance includes participation in a seminar; forum; or other public speaking activity in which a firm's employee offers an opinion or opinions on one or more stocks under research coverage.

Policy

While public speaking engagements are acceptable, it is the Company's policy that:

- Supervised Persons adhere to the guidelines set forth in the Professional Responsibilities section above;
- If speaking about a specific stock or stocks under research coverage, Supervised Persons inform the audience: (1) of conflicts of interests, either their own or their firms', that they are aware of; (2) where/how the audience can gain access to our published research on the security or securities being spoken about; (3) that their presentation should not be used as a basis for assigning stock ratings.
- Supervised Persons are not to communicate stock ratings and opinions that are different from the current published stock ratings or opinions on the security being talked about.

Responsibility

In addition to adhering to the guidelines set forth in the Professional Responsibilities above, Supervised Persons are responsible for ensuring:

- If speaking about a specific stock or stocks under research coverage, Supervised Persons inform the audience of: (1) of conflicts of interests, either their own or their firms', that they are aware of; (2) where/how the audience can gain access to our published research on the security or securities being spoken about; (3) that their presentation should not be used as a basis for assigning stock ratings.
- Supervised Persons are not to communicate stock ratings and opinions that are different from the current published stock ratings or opinions on the security being talked about.

Supervised Persons are responsible for ensuring:

- Scripts/talking points to be used during the public appearance have been reviewed and approved by Compliance Officer.
- Final versions of any recorded engagements, or transcripts, have been reviewed and approved by Compliance Officer prior to the release to attendees of the event or the public in general.
- For videos that are produced by Algosun Global Limited, the Compliance Officer is given opportunity to be present during the recording.
- Presentations, handouts, or other materials provided to outside parties in relation to such public statements have been submitted to the Compliance Officer for review prior to distribution.

Clients' Non-Public Information

Background

Given its relationships with Clients, Algosun Global Limited is to ensure client's non-public, confidential information is not provided or made accessible to unauthorized persons.

Policy

It is the Company's policy to protect Clients' non-public, confidential information from being given or made accessible to persons who do not need to know or need access to such information to perform their assigned duties.

Responsibility

If a Supervised Person has or has the ability to access a Client's non-public, confidential information, that Supervised Person is responsible for maintaining its confidentiality including not sharing or providing access to any person who does not need to have such information to perform their assigned duties.

To mitigate confidential information from being made available to persons who do not need to know such information to perform assigned their assigned tasks, a Supervised Person is responsible for:

- Not discussing confidential information in public places.
- Avoiding use of speaker phones in areas and zones where unauthorized persons may overhear conversations.
- Avoiding exposing documents containing confidential information to areas where they may be read by unauthorized persons.
- Storing documents containing confidential information in a secure location when they are not in use.
- Refraining from using unsecured wireless networks when accessing or using confidential information.

Although maintaining the confidentiality of non-public, confidential information is of utmost importance, it does not preclude a Supervised Person from their duty to report any actual or suspected illegal activities by Clients to the Compliance Officer.

Gifts and Entertainment

Background

A conflict of interest occurs when the personal interests of a person interferes or could potentially interfere with their responsibilities to the firm and its clients.

The overriding principle is that persons should not accept inappropriate gifts, favors, entertainment, special accommodations, or other things of material value that could influence their analysis, opinions, or decision-making or make them feel beholden to a person or firm.

Similarly, persons should not offer gifts, favors, entertainment or other things of value that could be viewed as overly generous or aimed at influencing decision-making or making a client feel beholden to the firm or the supervised person.

Definitions

For the purpose of this Manual, a gift includes:

- Meals;
- Entertainment;
- Travel;
- Gift baskets or perishable items; and
- Logo-stamped promotional items valued at more than \$100.

For the purpose of this Manual, gifts do not include:

- Personal gifts provided it is not in relation to the business of the employer of the recipient.
- A gift sent to the Company in general or to a specific department within the Company where it is shared.
- A meal or business entertainment that is not frequent nor so excessive as to raise any question of impropriety.

Policy

It is the Company's policy:

- **Gifts.** (1) no Supervised Person may receive any gift of more than \$100 from any person or entity that relates to the Company's business (client, prospect, vendor); (2) no Supervised Person may accept a meal where the person/firm paying for the meal is not present/represented; (3) no Supervised Person may accept entertainment where the person/firm paying for the entertainment is not presented/represented; (4) no Supervised Person may give or offer to give any gift of more than \$100 to Clients, prospective Clients, or any entity that relates to the Company's business.
- **Cash.** No Supervised Person may give or accept cash or cash gifts from a Client, prospective Client, or any entity that does business with the Company.
- **Entertainment.** No Supervised Person may provide or accept extravagant or excessive entertainment to or from a Client, prospective Client, or any person or entity that does or seeks to do business with the Company.

- **Solicited Gifts.** No Supervised Person may use her/his position to obtain or seek a gift for themselves or for the Company.

Responsibility

It is the responsibility of the Supervised Person to report any gifts they have received via filling the appropriate form. This documentation should include:

- Name (s) and employer name
- A description of the gift given
- The market value
- Date the gift was given

It is the responsibility of the Supervised Person not to use her/his position to obtain or seek to obtain a gift for either themselves or for the Company. It is the responsibility of the Supervised Person to consult with the Compliance Officer if there is any doubt as to whether a gift is appropriate to receive or give. It is the responsibility of the Supervised Person to obtain approval from the Compliance Officer before giving a gift to an elected official, union official or a labor union.

Conflicts of Interest

Background

Algosun Global Limited has a duty to its clients, duty of care, honesty and good faith. Compliance with these duties can be supported by avoiding conflicts of interests and, if cannot be avoided, fully disclosing material facts concerning the conflict to clients.

In general, conflicts of interests are those situations when the interests of the Supervised Person or the Company differs from the interests of the Client. Conflicts of interests may also arise where the Company or Supervised Person have reason to favor the interests of one Client over another. There cannot be conflict of interest unless there is a potential for a client to suffer some form of loss.

Policy

It is the Company's policy that Supervised Persons may not:

- Favor one Client over another similarly situated Client.
- Use the knowledge of an unpublished change to profit personally, directly or indirectly, because of such knowledge, including by purchasing or selling such securities.
- Assign stock rating to security without disclosing to an appropriate designated person (Head of Group) and Client that they have a material beneficial ownership, business or personal relationship, or other material interest in the issuer or its affiliates.
- Negotiate or make decisions regarding the Company's use of a vendor or supplier without disclosing to an appropriate designated person that they have a material beneficial ownership, business or personal relationship, or other material interest in such vendor or supplier.

It is the Company's Policy to disclose its conflicts of interests in Appendix to Research Services Agreement, which is provided to prospective Clients at or prior to their signing the Research Services Agreement.

Responsibility

All Supervised Persons are responsible for complying with the above policies and to perform their assigned duties consistent with the duty of care, honesty and good faith. The Compliance Officer is responsible for ensuring conflicts of interests are disclosed in Appendix to Research Services Agreement, which is provided to prospective Clients at or prior to their signing the Research Services Agreement.

Personal Security Transactions and Holdings

Background

All employees require Compliance Officer approval before executing transactions in listed securities for their own account and transactions in securities of public companies covered by Algosun Global Limited research are not permitted. The firm must not act on any research advice for its own benefit where the Client interests are at all times put in the foremost priority.

Definitions

The definitions noted below are specific to this section of the Manual.

- **Access Person** is (1) a Head of Group of the Company, (2) a person who makes or participates assigning stock ratings, and (3) a person who has access to the Company's stock ratings prior to the distribution to the public and/or Clients. In addition to written analysis where a reasonable person would view as a "call to action" (overweight, equal-weight, underweight), Company's stock ratings and price targets include fair value estimate. At the discretion of the Compliance Officer, consultants, independent contractors, or interns used by the Company and whose duties may expose them to above information may be considered access persons.
- Reportable securities are stocks, bonds, derivatives, hedge funds, REITs, mutual funds.
- Beneficial ownership is where an access person has the opportunity, directly or indirectly, to profit or share in any profit derived from a transaction.
- This section of Code of Ethics applies to access persons and her/his immediate family.

Policy

It is the policy of the Company that all Supervised Persons are considered access persons. It is the policy of the Company for access persons to report to the Compliance Officer holdings and security transactions in reportable securities.

It is the policy of the Company that access persons obtain written approval from the Compliance Officer prior to participating in an initial public offering ("IPO").

It is the policy of the Company that access person who report up through the Director of Equity Research and their immediate family are prohibited from owning a security that the analyst and researcher cover and the close competitor of the security they cover.

It is the policy of the Company that access person who report up through the Director of Equity Research and their immediate family are prohibited from holding/transacting in a publicly traded company that derives a significant portion of their revenue from managing mutual funds.

Responsibility

Access persons are responsible for complying with following reporting requirements:

- Initial Report
- Annual Report

It is the responsibility of access persons to obtain written approval from the Compliance Officer prior to participating in an initial public offering ("IPO").

It is the responsibility of access persons who report up through the Director of Equity Research and their immediate family not hold or transact in a security that they cover and the close competitors of the security they cover.

- In this context, "hold or transact in a security" includes equity or debt security and also apply to each security that derives its value from a security issued by the company, such as puts, calls, or other derivatives.
- While the restriction applies to the analysts and researchers, their Head of Group, Editor-in-Chief and Senior Management must be mindful that if they own a security and seek to influence the covering analyst's work with respect to the issuer, their motivation may be called into question and they may need to demonstrate that they were not promoting personal interests at the expense of the integrity of the analysis.
- If analyst or researcher is assigned a company that he or she previously did not cover, and that analyst and researcher own any security issued by that company or any close competitor, the analyst or researcher must sell the security before initiating coverage. In this context, "initiating coverage" is when the analysis process begins.
- If any member of the analyst's or researcher's immediate family own any security issued by the company or any close competitor, the immediate family member will have six months from the date the company was assigned to the analyst or researcher to sell that security.
- It is the responsibility of analysts and researchers and their immediate family not execute transactions in any security contained on the Restricted List. Analyst or researcher is responsible for checking the Restricted List prior to making a transaction and is responsible for checking the Restricted List on behalf of their immediate family members.

Violations

Violations of this section are handled by the Compliance Officer and/or Senior Management on a case-by-case basis. The type, severity, and frequency of violations are considered when determining a proper course of action.

In general,

- The first violation will include a written notification to the Supervised Person and a requirement that they re-read the Code of Ethics and provide the Compliance Officer a certification acknowledging that they have read and understand the Code.
- A second violation will include written notification to the Supervised Person and their Head of Group of the violation, a requirement to re-read the Code of Ethics and provide a certification, and any additional appropriate requirements or conditions on the Supervised Persons personal trading.
- Any subsequent violations by the Supervised Person will be handled in accordance with the severity of the violations as determined by the Compliance Officer.

External Activities

Policy

It is the Company's policy for its Supervised Persons not to engage in outside activities that presents a real or perceived conflict of interest. Supervised Persons may not service as officers, directors, employees or advisors to a company under research coverage. Employment or the acceptance of directorships outside the company by our employees is subject to approval to Compliance. All personnel including analysts must declare all outside business interests to keep the Company informed of any apparent appearance of or actual conflicts of interests. Algosun Global Limited is not involved in sponsored research, namely equity research sponsored by companies under research coverage.

Responsibility

It is the responsibility of the Supervised Person to obtain written approval from the Compliance Officer before engaging in any external activity that involves a Client, having discretion to invest and/or participate in assigning stock ratings.

For avoidance of doubt,

- External activity is any activity that is not part of a Supervised Person's assigned duties for the Company.
- Involvement in social, religious, educational, charitable, civic, or fraternal organizations that does not involve the Supervised Person being involved the organization's matters does not require written approval from the Compliance Officer.

Confidential Information

Policy

It is the policy of the Company for Supervised Persons not to disclose confidential information concerning the Company to anyone outside of the Company and its subsidiaries without the prior approval of the Compliance Officer.

Responsibility

Supervised Persons are responsible for protecting the confidential information of Algosun Global Limited. Any request for information that is not generally released in the normal course of business, should be referred to the Compliance Officer for determination as to whether such request will be fulfilled.

Subpoenas or Other Legal Process

Policy

It is the Company's policy that only Senior Management may accept a subpoena or other legal process related to the Company. If service is attempted upon a person who is not Senior Management, she/he must immediately contact the Compliance Officer.

Responsibility

All Supervised Persons are responsible for adhering to the policy described above.

Reporting Violations

Policy

It is the policy of the Company for Supervised Persons to alert the Compliance Officer immediately of any actual or suspected violations of applicable securities laws, Code of Ethics, or any other suspected wrongdoings.

The Compliance Officer will keep confidential (1) the identity of the reporting employee; (2) the information provided, and; (3) any subsequent discussions or actions in response to the reporting employee's notification. During any investigation, the Compliance Officer may find it necessary to share information with others on a "need to know" basis.

It is the policy of the Company to prohibit any form of intimidation or retaliation against any Supervised Persons that brings potential violations of Supervised securities laws, Code of Ethics, or suspected wrongdoings to the attention of the Compliance Officer.

Responsibility

All Supervised Persons are responsible for alerting the Compliance Officer immediately upon becoming aware that the Company or any of its Supervised Persons has committed or is about to commit a:

- Material violation of securities laws;
- Material violation of English and Cyprus laws
- Code of Ethics violation; or
- An act of wrongdoing such as, but not limited to, bribery, theft, falsifying documents, destroying/deleting documents or lying to regulators: (1) the Head of Group of the Supervised Person who reported the improper activities is to monitor to ensure that the employee is not retaliated against due to his or her reporting of the improper activities; (2) Head of Groups are responsible for periodically communicating to their direct reports the firm's prohibition from intimidating or retaliating against the employee who alerted the Compliance Officer regarding potential violations.

Equity Research

Background

Firm has a fiduciary responsibility to Clients to provide them with adequate and timely information on subject companies. Firm should require research reports to be issued and stock ratings to be confirmed or updated on a regular basis, with additional updates occurring when there is an announcement of significant news or events by, or that might impact, the subject company. However, the amount, frequency, and form of the provision of products and services (research reports, flash notes, insights, brief notes, presentations and analyst access) by the firm to the clients may remain flexible based on the judgement and ability of the firm.

Firm should not discontinue coverage of a subject company without disclosing such fact. If research coverage is terminated and the firm has published forecasts and reports, the firm publishes a final note stating that coverage has been terminated and clearly explains the reason of discontinuing coverage.

To be full and fair, disclosures should be comprehensive and complete, be presented prominently in the supporting documents or on the firm's web site, be written in plain language that is easily understood by the average reader, and be designed to inform rather than obscure the nature of the conflicts of interest by the analyst, researcher or the firm.

Policy

It is the Company's policy to:

- To issue research reports on the securities it covers based on the judgement and ability of the Company. The amount, frequency and form of the provision of research reports and presentations by the Company to the Client will remain flexible;
- Have quantitative and qualitative stock ratings confirmed or updated on a regular basis;
- To issue objective independent research that has reasonable and adequate basis supported by thorough, diligent and appropriate research and investigation;
- Have written fundamental analysis that clearly distinguishes between fact and authors opinions;
- Provide notification of discontinuance of coverage and the reason why;
- Be fair and balanced in its written analysis and have disclosures that are: (1) comprehensive and complete; (2) presented prominently; and (3) be written in plain, easy to understand language.
- Not let outside pressures threaten their impartiality or influence their research conclusions or stock ratings.

Responsibility

It is the responsibility of Senior Management to hold Supervised Persons authoring research reports to:

- issue objective independent research that has reasonable and adequate basis supported by thorough, diligent and appropriate research and investigation;

- have written analysis that clearly distinguishes between fact and authors opinions;
- be fair and balanced in its written analysis and have disclosures that are: (1) comprehensive and complete; (2) presented prominently; and (3) be written in plain, easy to understand language.
- not let outside pressures threaten their impartiality or influence their research conclusions or stock ratings.

It is the responsibility of Senior Management to ensure there is a process by which:

- research reports are issued on the judgement and ability of the Company;
- quantitative and qualitative stock ratings are confirmed or updated on a regular basis;
- notification of discontinuance of coverage and the reason why is disseminated;

It is the responsibility of Supervised Persons authoring research reports to:

- issue objective independent research that has reasonable and adequate basis supported by thorough, diligent and appropriate research and investigation;
- have written analysis that clearly distinguishes between fact and authors opinions;
- be fair and balanced in its written analysis and have disclosures that are: (1) comprehensive and complete; (2) presented prominently; and (3) be written in plain, easy to understand language.
- not let outside pressures threaten their impartiality or influence their research conclusions or stock ratings.

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