

Chapter 8

RELATED-PARTY TRANSACTIONS OR CONFLICT OF INTEREST

- 8.01 A prospectus must disclose the existing and proposed related-party transactions involving the fund, management company, trustee, promoters, any vendor or person connected to them, where applicable, together with steps taken to resolve any conflict of interest. Such disclosure is also required if the fund enters into any transaction with key personnel of the management company, promoter, vendor, or any person connected to them.
- 8.02 A management company must disclose its policy on dealing with any conflict of interest situation (e.g. dealing in securities by employees, directors, investment committee members, etc.).
- 8.03 A prospectus must provide details of any direct or indirect interests held by the management company's director and substantial shareholder in another corporation carrying on similar business.
- 8.04 Declaration of any expert's existing and potential interests or conflicts of interest in an advisory capacity, vis-à-vis the fund or the management company must be provided in the prospectus.