



Conflicts Of Interest Policy

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1 Introduction

This summarised Conflicts of Interest Policy (“the Policy”) is provided to you (our Client or prospective Client) in accordance with the Investment Services and Activities and Regulated Markets Law of 2017 L. 87(I)/2017 (“the Law”), which transposes the Directive 2014/65/EU on markets in financial Instruments (“MiFID II”), pursuant to which the Company is required to take all reasonable steps to detect and avoid conflicts of interest.

The Company is committed to act honestly, fairly and professionally and in the best interests of its Clients and to comply, in particular, with the principles set out in the above Law when providing investment services and other ancillary services related to such investment services.

We provide herein a summary of the policy we maintain in order to manage conflicts of interest in respect of the duties we owe to our Clients.

2 Scope

The Policy applies to the following persons (hereinafter the “Relevant Persons”):

- (a) Directors
- (b) Managers who directly or indirectly, may affect the interest of the Clients or potential Clients
- (c) Employees who directly or indirectly, may affect the interest of the Clients or potential Clients
- (d) Persons or services outsourced who directly or indirectly may affect the interest of the Clients or potential Clients.

3 Identification of Conflicts of Interest

When the Company provides investment services, a related person or some other person connected with the Company may have an interest, relationship or arrangement that is material in relation to the services concerned or that it conflicts with the Clients’ interest. While it is not feasible to define precisely or create an exhaustive list of all relevant conflicts of interest that may arise, as per the current nature, scale and complexity of the Company’s business, the following list includes circumstances which constitute or may give rise to a conflicts of interest entailing a material risk of damage to the interests of one or more Clients, as a result of providing investment services:

- (a) The Company may receive or pay inducements to or from third parties due to the referral of new Clients or Clients’ trading.
- (b) The Company may use entities which are connected to related persons as counterparties to transactions.

For the purposes of identifying the types of conflict of interest that arise in the course of providing investment and ancillary services or a combination thereof and whose existence may damage the interests of a Client, the Company takes into account, whether the Company or a relevant person, is in any of the following situations, whether as a result of providing investment or ancillary services or investment activities or otherwise:

- (a) The Company or a relevant person is likely to make a financial gain, or avoid a financial loss, at the expense of the Client;
- (b) The Company or a relevant person has an interest in the outcome of a service provided to the Client or of a transaction carried out on behalf of the Client, which is distinct from the Client’s interest in that outcome;
- (c) The Company or a relevant person has a financial or other incentive to favour the interest of another Client or group of Clients over the interests of the Client;
- (d) The Company or a relevant person carries on the same business as the Client;

- (e) The Company or a relevant person receives or will receive from a person other than the Client an inducement in relation to a service provided to the Client, in the form of monies, goods or services, other than the standard commission or fee for that service.
- (f) the Company may be providing other services to associates or other Clients of the Company who may have interests in Financial Instruments or Underlying Assets, which are in conflict or in competition with the Client's interests;
- (g) the Company may have an interest in maximizing trading volumes in order to increase its commission revenue, which is inconsistent with the Client's personal objective of minimizing transaction costs;

While it is not feasible to define precisely or create an exhaustive list of all relevant conflicts of interest that may arise, as per the current nature, scale and complexity of the Company's business, the following list includes circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of one or more Clients, as a result of providing investment services:

- (a) The Company may be advising and providing other services to associates or other Clients of the Company who may have interests in Financial Instruments or Underlying Assets, which are in conflict or in competition with the Client's interests.
- (b) The Company may have an interest in maximizing trading volumes in order to increase its commission revenue, which is inconsistent with the Client's personal objective of minimizing transaction costs.
- (c) The Company may receive commissions and/or other inducements from its Liquidity provider for the transmission of Client Orders.
- (d) Has an interest in the outcome of a service provided to the Client or of a transaction carried out on behalf of the Client, which is distinct from the Client's interest in that outcome.
- (e) Has a financial or other incentive to favour the interest of another Client or group of Clients over the interests of the Client.
- (f) The Company may have relationships with many third party product providers/financial institutions who may remunerate the Company via inducements/commissions/fees and the Company may favour one over another in the recommendation process if higher inducements/commissions/fees are provided.
- (g) The Company or a Relevant Person may receive or pay inducements to or from third parties due to the referral of new Clients or Clients' trading in the form of monies, goods or services, other than the standard commission or fee for that service.
- (h) The Company provides a service to a Client and the Company has a material interest in the transaction.
- (i) A transaction is effected in financial instruments in respect of which the Company may benefit from a commission, fee, or non-monetary benefit payable otherwise than by the Client; Any market information, training and discussions as regards possible market trends should not be construed as trading/investment advice. It is the Client's responsibility to perform its own market research before entering into any position.

It should be noted that the above circumstances which constitute or may give rise to a conflict of interest, are not necessarily detrimental to the interests of Clients.

4 Procedures and Controls to Managing Conflicts of Interests

In general, the procedures and controls that the Company follows to manage the identified conflicts of interest include the following measures:

- (a) Effective procedures to prevent or control the exchange of information between relevant persons engaged in activities involving a risk of a conflict of interest where the exchange of that information may harm the interests of one or more Clients;

- (b) The separate supervision of relevant persons whose principal functions involve carrying out activities on behalf of, or providing services to, Clients whose interests may conflict, or who otherwise represent different interests that may conflict, including those of the Company;
- (c) The removal of any direct link between the remuneration of relevant persons principally engaged in one activity and the remuneration of, or revenues generated by, different relevant persons principally engaged in another activity, where a conflict of interest may arise in relation to those activities;
- (d) Measures to prevent or limit any person from exercising inappropriate influence over the way in which a relevant person carries out investment or ancillary services or activities;
- (e) A 'need to know' policy governing the dissemination of confidential or inside information within the Company.
- (f) Chinese walls restricting the flow of confidential and inside information within the Company, and physical separation of departments.
- (g) Procedures governing access to electronic data.
- (h) Segregation of duties that may give rise to conflicts of interest if carried on by the same individual.
- (i) Personal account dealing requirements applicable to relevant persons in relation to their own investments.
- (j) A gifts and inducements log registering the solicitation, offer or receipt of certain benefits.
- (k) Prohibition of external business interests conflicting with our interests as far as the Company's officers and employees are concerned, unless Board of Directors approval is provided.
- (l) A policy designed to limit the conflict of interest arising from the giving and receiving of inducements.
- (m) Establishment of in-house Compliance Department to monitor and report on the above to the Company's Board of Directors.
- (n) Appointment of Internal auditor to ensure that appropriate systems and controls are maintained and report to the Company's Board of Directors.
- (o) Establishment of the four-eyes principle in supervising the Company's activities.
- (p) The Company also undertakes ongoing monitoring of business activities to ensure that internal controls are appropriate.
- (q) Measures to prevent or control the simultaneous or sequential involvement of a Related Person in separate investment services where such involvement may impair the proper management of conflicts of interest.
- (r) A "need-to-know" policy governing the dissemination of confidential or inside information within the Company.
- (s) The removal of any direct link between the remuneration of Relevant Persons principally engaged in one activity and the remuneration of, or revenues generated by, different Relevant Persons principally engaged in another activity, where a conflict of interest may arise in relation to those activities.
- (t) Establishment of Personal Transactions Policy.
- (u) Staff members are forbidden to accept gifts, promotions, discounts or any other monetary or benefit in kind from Clients or third parties, which may create conflicts of interest.
- (v) Gifts of low value to Relevant Persons may be accepted after approval from the Company.
- (w) In circumstances not covered by the points above and given the nature of a conflict of interest situation, the Compliance Officer and/or the Senior Management shall decide whether to allow a transaction by notifying the Client, or not allow the transaction all together.
- (x) Employees are prohibited from accepting gifts or other inducements from any person that cannot be regarded as justifiable in all circumstances.
- (y) Effective procedures to ensure that the persons that produce marketing communications and/or marketing material comply will all provisions of this Policy in relation to conflict of interests that may arise from the performance of their duties.
- (z) Before the publication of marketing communications and/or marketing material, they are being reviewed for the purposes of verifying the accuracy of factual statements or for ensuring that they are in line with the Company's marketing guidelines and requirements.
- (aa) Execution arrangements for obtaining the best possible result, "best execution" when executing Client orders.

5 Disclosure

If during the course of a business relationship with a Client or group of Clients, the organizational or administrative arrangements/ measures in place are not sufficient to avoid or manage a conflict of interest relating to that Client or group of Clients, the Company will disclose the conflict of interest before undertaking further business with the Client or group of Clients.

The Company reserves the right to review and/or amend its Policy and arrangements whenever it deems this appropriate.

6 Client's Consent

By entering into the Customer Agreement with the Company for the provision of Investment Services, the Client is consenting to an application of this Policy on him. Further, the Client consents to and authorises the Company to deal with the Client in any manner which the Company considers appropriate, notwithstanding any conflict of interest or the existence of any material interest in a Transaction, without prior reference to the Client.

In the event that the Company is unable to deal with a conflict of interest situation it shall revert to the Client.

7 Record Keeping

The Company shall maintain and regularly update the Conflict of Interest register. It shall log all the conflicts of interest that may arise as a result of the provision of investment and ancillary services by or on behalf of the Company and it may entail a risk of damage to the interests of one or more clients.

8 Reporting

The Senior Management of the Company shall receive on a frequent basis, and at least annually, written reports on the situations referred to in paragraph 7 above.

9 Amendment of the Policy and Additional Information

The Company reserves the right to review and/or amend its Policy and arrangements whenever it deems this appropriate without notice to the Client. Should you require any further information and/or have any questions about conflicts of interest please direct your request and/or questions to backoffice@fxcc.eu.