



Conflict of Interest Policy

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Vistabrokers CIF Ltd (hereafter the “Company”, “we”, “our”), with headquarters at 8, John Kennedy Street, IRIS House, Block I, 5th Floor, Office 540AB, CY-3106 Limassol / P.O.Box 58217, CY-3732 Limassol, Cyprus, is authorized and regulated by the Cyprus Securities and Exchange Commission (hereafter the “CySEC”) under license number 190/13.

The Company shall adapt certain procedures for identifying and resolving potential risks that may be of a financial or non-financial nature to you (hereinafter referred to as the “Client”, “you”, “your”).

Scope

The purpose of this Policy is to specify the procedures put in place by the Company for identifying and responsibly managing and controlling and, where necessary, disclosing the conflicts of interests arising in relation to investment and/or ancillary services provided to its clients, and to reduce the risk of client disadvantage and reduce the risk of legal liability, regulatory censure or damage to the Company’s commercial interests and reputation and to ensure that it complies with legislative requirements and the departmental and general procedures which are set by its Internal Procedures Manual.

Legal Framework

The Cypriot Investment Firms (CIFs) are required to establish, implement and maintain an effective conflict of interest policy set out in writing of its business as required by the applicable Laws and Regulations.

This Conflict of Interest Policy is issued pursuant to, and in compliance with the requirements of:

- Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as amended from time to time (“MiFID II”);
- The Law 87(I)/2017 regarding the provision of investment services, the exercise of investment activities and the operation of regulated markets and other related matters, as amended from time to time (the “Law”);
- The Investment Services and Activities and Regulated Markets Law No 144(I)/2007 to the extent it remains applicable after coming into force of MiFID II;
- The Commission Delegated Regulation (EU) 2017/565, supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive;

- Section 2 of the Questions and Answers of the European Securities and Markets Authority (“ESMA”) with respect to the provision of CFDs and other speculative products to retail investors under MiFID.

In addition, according to the Investment Services Activities and Regulated Market Law No. 87(I)/2017, Cypriot Investment Firms (CIFs) must take all reasonable steps to identify conflicts of interest between itself, including its managers and employees, tied agents or other relevant persons, as well as any person directly or indirectly linked to them by control, and their clients or between one client and another, that arise in the course of providing any investment and ancillary services.

In this respect, CIFs must establish adequate policies and procedures sufficient to ensure compliance, including its managers, employees, tied agents and other relevant person(s), with its obligations pursuant to the Law and the directives issued pursuant to this Law, as well as appropriate rules governing personal transactions by such persons.

1. Policy

All employees of the Company must on commencement of their employment read and fully understand the Policy. All employees of the Company are obliged to register their acceptance of having read and understood the Policy in a register, which is to be filed and managed by the Chief Executive Officer of the Company and the Compliance Department. Any employee that suspects any conflict of interest must immediately inform the Chief Executive Officer (“CEO”) who will determine if any conflict does exist or has the potential to arise and will state the reasoning for their findings in a file kept in storage for referral to the Commission should such need arise.

2. Objectives

The affected parties whether directly or/ indirectly, if conflict of interest arises, can be the Company, its employees or its clients. More specifically, a conflict of interest may arise between the following parties:

1. Between the client and the Company.
2. Between Company’s Departments.
3. Between the Company and its employees.
4. Between a client and an employee/ manager of the Company.
5. Between two or more clients of the Company in the course of providing services to these clients.

Conflicts of interest can occur in a number of situations, for example:

- The Company is likely to sustain an overall financial loss or avoid a financial loss, by executing a client’s specific order.
- The Company is likely to sustain an overall financial gain by not executing a client’s specific order.

- The market moves to a direction of a point/timing when by executing client's order will result in a financial loss for the Company.

3. Application scenarios

3.1. In particular, the Company defines a conflict of interest as any situation where either the Company or an individual is in position to exploit a professional or official capacity in some way for either corporate or personal benefit. Situations where conflicts of interest can occur include the following:

- The Company or a relevant person, or a person directly or indirectly linked by control to the Company, is likely to make a financial gain or avoid a financial loss, at the expense of the client.
- The Company or a relevant person, or a person directly or indirectly linked by control to the Company, has an interest in the outcome of a service provided to the client, or of the transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome.
- The Company or a relevant person, or a person directly or indirectly linked by control to the Company, has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client.
- The Company or a relevant person, or a person directly or indirectly linked by control to the Company, carries on the same business as the client.
- The Company or a relevant person, or a person directly or indirectly linked by control to the Company, 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 money, goods or services, other than the standard commission or fee for that service.
- The Company is likely to sustain an overall financial loss or avoid a financial loss, by executing a client's specific order.
- The Company is likely to sustain an overall financial gain by not executing a client's specific order.
- The market moves to a direction of a point/ timing when by executing client's order will result in a financial loss for the Company.
- The Company's hedging policy is affected negatively by the market movement and as a result client's orders are rejected in order to prevent a financial loss for the Company.

4. Personal Transactions of Employees

4.1. All employees of the Company that are involved in the investment activities that the Company is authorized to provide must be aware of the restrictions on personal transactions detailed below. This section also includes personal transactions which may be performed by persons who are employed by companies which perform an outsourced activity to the Company, if any. If any prohibited personal transactions are entered, the Company must be notified promptly.

For the purpose of this section, a personal transaction shall be a trade in a financial instrument

effected by or on behalf of a relevant person, where at least one of the following criteria are met:

- a) the relevant person is acting outside the scope of the activities he carries out in his professional capacity;
- b) the trade is carried out for the account of any of the following persons:
 - i. the relevant person;
 - ii. any person with whom he has a family relationship, or with whom he has close links;
 - iii. a person in respect of whom the relevant person has a direct or indirect material interest in the outcome of the trade, other than obtaining a fee or commission for the execution of the trade.

4.2. Employees of the Company that are involved in the provision of investment services or other activities must not enter into the personal transactions that which will cause the following:

- enter into a transaction prohibited under the applicable Insider Dealing and Market Manipulation (Market Abuse) Regulation,
- misuse or cause improper disclosure of confidential information,
- a transaction that is likely to conflict with any obligations of the Company, or the employee, that are stated under the law and regulation.

4.3. Where the employee has come into contact with information which is not publicly available to clients or cannot readily be inferred from information that is so available, the employees must not act or undertake personal transactions or trade, other than as market makers acting in good faith and in the ordinary course of market making, or in the execution of an unsolicited client order, on behalf of any other person, including the Company.

4.4. The employees must not disclose any opinion other than in the normal course of business, if the person who is given the opinion is likely to enter into a transaction which is contrary to the above. The employee also should not provide an advice or provide to anyone any information, other than in the proper course of his/ her employment, especially if it is clear that the person who is receiving such information will advise another party who might acquire or dispose of financial instruments to which that information relates.

4.5. Any client's orders that have been related to any employees of the Company must not be disclosed to another party. An employee of the Company who has knowledge of a potential client's order must not carry out a personal transaction that is the same as the client order, if this will cause a conflict of interest.

4.6. The Company shall keep records of the personal transactions notified to or identified by the Company, including any authorisation or prohibition in connection with such transaction.

5. Personal account dealing

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5.1. The Personal transactions for the purposes of this Policy means trading in financial instruments influenced or/ affected by or/ on behalf of relevant persons, the trading is carried out for the account of any of the persons mentioned below:

- the relevant person;
- any person who with whom her has a family relationship, or with whom he has close links;
- any person whose relationship with the relevant person is such that the relevant person has direct or indirect material interest or/ influence in the outcome of the trade other than commission or fee for execution of trade or/ order.

5.2. The Company shall ensure that the relevant person do not disclose, other than in the normal course of his employment or/ contract for services, any information or opinion to any other person where the relevant person knows, or reasonably ought to know, that as a result of that disclosure that other person will or would be likely to take either of the following steps:

- to enter into a transaction in financial instruments which, if it were a personal transaction of the relevant person, would be covered above;
- to advise or/ persuade another person to enter into such a transaction;
- a record is kept of the personal transaction notified to the firm or identified by it, including any authorization or/ prohibition in connection with such a transaction.

6. Reporting of Conflicts of Interest

In the case of identification of a possible conflict of interest, a staff member must refer it initially to his immediate supervisor to assist in the assessment of a material risk of damage and send a completed Conflict of Interest Notification Form together with full details to allow regulatory scrutiny, of:

- corrective and preventive actions;
- how these actions were considered appropriate;
- any conditions imposed; and
- whether there are still ongoing conflicts, how these are being managed and advised to the client;
- to the Head of Compliance for inclusion within the reports reviewed by the Board of Directors.

7. Management of Conflicts of Interest

7.1. Independence

The following measures shall be adopted by the Company for ensuring the requisite degree of independence:

1. Measures to prevent or control the exchange of information between relevant persons engaged in activities involving a risk of a conflict of interest (i.e. by establishing a Chinese wall/Information barriers);
2. 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. The Company's Department whose interests may conflict with clients are:
 - a) Execution of orders;
 - b) Reception and transmission of orders;
 - c) Safekeeping and administration of financial instruments for the account of clients;
 - d) Granting credits or loans to one or more financial instruments, where the firm granting the credit or loan is involved in the transaction;
 - e) Foreign exchange services where these are connected to the provision of investment services;
 - f) Investment research and financial analysis or other forms.
3. Removal of any direct link between the remuneration of relevant persons principally engaged with 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 (e.g. Dealing room employees do not relate their remuneration with clients' performance).
4. 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. Additionally, the person who decides or influences an individual's bonus may exert undue influence over that individual's integrity of judgment.
5. Measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate investment or ancillary services or activities such as reception and transmission of clients' orders and tasks such as portfolio decision making and calculating performance.

The Company reserves the right to adapt alternative or additional measures and procedures that are considered necessary and appropriate in the case any one of the above-mentioned measures and/or arrangements do not ensure adequate degree of independence.

7.2. Chinese Walls

The Company respects the confidentiality of information about its Clients and has established essential information barriers (also known as “**Chinese walls**”) which are used to prevent inside, or highly confidential information possessed by one part of the business from being inappropriately passed to, or obtained by, another part of the business.

We established “Chinese walls” as a key element used as a way of managing and preventing conflicts of interests, market manipulation risks and individuals on the

other side of the wall will not be regarded as being in possession of knowledge denied to them as a result of the Chinese wall. The Chinese walls creates separation of reporting lines, departmental premises and controlled internal procedures for exchange of confidential and personal information.

The Company has established internal operational manual and organisational arrangements to avoid conflict of interest through management, control and restrictions deemed necessary the exchange of confidential information between the different departments, clients and the relevant persons engaged in company activities involving a risk of a conflict of interest.

7.3. Code of Ethics

Employees are required to abide by the Company's Code of Ethics which places clients' interests before the Company's interests and are obligated to follow the Company's internal operations procedures, guidelines, and bylaws.

Furthermore, as mentioned above, employees required to disclose their personal transaction statements and any holdings they might have in financial assets to the Company's Compliance Department. Employees are also prohibited from conducting any business other than the business of the Company, without the Company's prior written consent.

8. Fair treatment of clients

The Company is obligated to treat all clients fairly and with transparency. When the Company provides an investment service to a customer it does not give any preferential treatment to that customer to the detriment of other customers and does not disclose the details of one customer order to other customers.

9. Disclosure of conflict of interest

9.1. When the measures taken by the Company to manage conflicts of interest are not enough to ensure, with reasonable confidence that risks of damage to clients' interest will be prevented, the Company proceeds with the disclosure of conflicts of interest to the client. Prior to carry out a transaction or provide an investment or an ancillary service to a client, the Company must disclose any actual or potential conflict of interest to the client.

9.2. The disclosure will be made in sufficient time and in a durable mean and shall include sufficient detail, taking into account the nature of the client, to enable him to take an informed decision with respect to the investment or ancillary service in the context of which the conflict of interest arises.

9.3. Clients will be given the opportunity to decide on whether to continue their relationship with us with no unreasonable obstacles.

9.4. The Company shall ensure that disclosure to clients pursuant to this section is a measure of last resort that shall be used only where the effective arrangements established by the Company to prevent or manage its conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the client will be prevented.

9.5. The disclosure shall:

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- clearly state that the organisational and administrative arrangements established by the Company to prevent or manage that conflict are not sufficient to ensure, with reasonable confidence, that the risks of damage to the interests of the client will be prevented;
- include specific description of the conflicts of interest that arise in the provision of investment and/ or ancillary services, taking into account the nature of the client to whom the disclosure is being made. The description shall explain in sufficient detail to enable that client to take an informed decision with respect to the investment or ancillary service in the context of which the conflicts of interest arise:
 - the general nature and sources of conflicts of interest;
 - the risks to the client that arise as a result of the conflicts of interest; and
 - the steps undertaken to mitigate these risks.

10. Marketing Communication

The Company shall ensure that any such recommendation contains a clear and prominent statement that (or, in the case of an oral recommendation, to the effect that) it has been prepared in accordance with legal requirements designed to promote the independence of investment research and that it is not subject to any prohibition on dealing ahead of the dissemination of investment research.

11. Record Keeping

The Company keeps and regularly updates a record of the kinds of investment and ancillary service or investment activity carried out by or on behalf of the Company in which a conflict of interest entailing a material risk of damage to the interests of one or more clients has arisen or, in the case of an ongoing service or activity, may arise. The following documentation shall be maintained for a minimum period of five years:

- this policy, any functional variations if applicable;
- the Conflicts Log and the Conflicts Identification and Management Map;
- the rules, procedures and processes;
- training material and training records;
- Conflicts of Interest Notification Forms;
- details of any review work carried out (including any decisions made on conflicts management); and
- any other documentation used to demonstrate the management of conflicts of interest.

12. Responsibilities

12.1. Chief Executive Officer

The Company's Chief Executive Officer ("CEO") is responsible for clearly allocating responsibility and delegating authority to accountable individuals to ensure that those involved are aware of their involvement and that the Conflict Officer also known to the Company as the Head of Compliance has a sufficient level of authority and independence in order to carry out their responsibilities and monitor any conflicts of interest within the Company effectively.

12.2. Senior Management

The Company's Senior Management is required to:

- fully engage in the implementation of policies, procedures and arrangements for the identification, management and ongoing monitoring of conflicts of interest;
- adopt a holistic view to ensure the identification of potential and emerging conflicts within and across business lines and to ensure that informed judgments are made with respect to materiality;
- raise awareness and ensure compliance of relevant individuals by ensuring: regular training (including to contractors and third-party service providers' staff) both at induction and in the form of refresher training; the clear communication of policies, procedures and expectations; that awareness of conflicts procedures forms part of the performance review/appraisal process, and that the best practice is shared throughout the Company;

- sponsor robust systems and controls and effective regular reviews to ensure that strategies and controls used to manage and mitigate risks remain appropriate and effective and that appropriate warnings and disclosures are issued to clients where necessary;
- utilize management information to remain sufficiently up-to-date and informed; and
- support an independent review of the processes and procedures in place.

12.3. Employees or/ relevant persons

Individuals are required to identify new conflicts of interest arising out of the activities/services that they perform and engage in the process to notify line management upon identifying any potential conflict.

The Company's employees are subject to rules designed to avoid conflict of interest with activities they undertake outside the Company.

The Company's employees will not accept any gifts other than those considered in line with the business activities undertaken by the Company and is committed to avoiding conflict of interest resulting from exclusive gifts from its clients.

12.4. Compliance Department

The Company's Conflicts Officer is the Head of Compliance who is responsible for the day to day management of the implementation of this policy. In particular he or/ his delegate, is responsible for:

- establishing the policy in relation to conflicts of interest;
- providing training oversight and aid;
- monitoring compliance with arrangements;
- the oversight of conflicts management;
- maintaining records in relation to conflicts of interest;
- reviewing and challenging the Conflicts Identification and Management Map; and
- providing appropriate internal reporting to the Board of Directors.

13. Conflicts Deadlock

Where line management cannot resolve a conflict to the satisfaction of all parties, the Compliance Head will, as the Approved Person with responsibility for Compliance and Risk, have the final say.

14. Policy Update

The Company may update this Policy from time to time, and we reserve the right to review and amend the terms of this policy and its arrangement whenever it deems appropriate as required by law. In the event that the Company materially changes this Policy the revised Policy will be uploaded in the Company's Website.

In this respect, the client hereby agrees to accept posting of a revised Policy electronically on the Website as the actual notice of the Company to its clients. Any dispute over the Company's Policy is subject to this notice and the Client Agreement.