

CONFLICTS OF INTEREST POLICY

1. INTRODUCTION

Following the implementation of the Markets in Financial Instruments Directive (MiFID II) in the European Union and in accordance with the Investment Services and Activities and Regulated Markets Law of 2017 (L.87(I)/2017) in Cyprus, INVEXIA (hereinafter “the Company”) is required to provide to you (our Client or prospective Client) a summary of our Conflicts of Interest Policy.

Under the said regulatory framework, the Company is required to take all the reasonable steps to identify and prevent or manage conflicts of interest between:

- The Company, including its managers, employees, appointed representatives and/or tied agents where applicable (collectively hereinafter “the relevant persons”) or any person directly or indirectly linked to them by control and the Company’s clients
- One Client and another

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 legislation when providing investment services and other ancillary services related to such investment services.

The purpose of this document is to set out the Company’s approach in identifying and managing conflicts of interest which may arise during the course of its normal business activities. In addition, this document identifies circumstances which may give rise to a conflict of interest.

The Policy applies to all the Company’s directors, employees, relevant persons and/or any persons directly or indirectly linked to the Company and refers to all interactions with all Clients.

2. CRITERIA FOR IDENTIFICATION OF CONFLICTS OF INTEREST

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, by way of minimum criteria, the question of whether the Company or a relevant person, or a person directly or indirectly linked by control to the Company, 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 the relevant person is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
- b. the Company or the 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 the 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 the relevant person carries on the same business as the client;
- e. the Company or the 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.

3. IDENTIFICATION OF CONFLICTS OF INTEREST

While it is not feasible to define precisely, or create an exhaustive list of, all relevant conflicts of interest that may arise, taking into consideration the current nature, scale and complexity of the Company's business and the services that it offers, potential conflicts of interest may arise as a result of the following (list non-exhaustive):

- a. The Company may execute client orders with an entity which belongs to the Company's Group of Companies. However, the Company always ensures that the principles of best execution are met.
- b. The Company's bonus scheme may award its employees based, inter alia, on the trading volume etc.
- c. The Company may have an interest in maximizing trading volumes in order to increase its commission, which is inconsistent with the Client's personal objective of minimizing transaction costs;
- d. The Company may receive or pay inducements to or from third parties due to the referral of new Clients or Clients' trading;

4. PROCEDURES AND CONTROLS FOR MANAGING CONFLICTS OF INTERESTS

The Company maintains and operates effective organizational and administrative procedures to manage and prevent any identified conflict of interest from constituting or giving rise to a risk of damage to the interests of our clients. The measures adopted are designed to ensure that the relevant persons engaged in different business activities involving a potential conflict of interest carry on those activities at a level of independence appropriate to the size and activities of the Company.

In general, the procedures and controls that the Company follows to manage the identified conflicts of interest include the following measures (list is not exhaustive):

- a. The Company undertakes ongoing monitoring of business activities to ensure that internal controls are appropriate and adequate.
- b. The Company has in place effective procedures to prevent or control the exchange of information between Related 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.
- c. The separate supervision of the relevant persons whose principal functions involve providing services to Clients whose interests may conflict, or who otherwise represent different interests that may conflict, including those of the Company.
- d. 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. Measures to prevent or limit any person from exercising inappropriate influence over the way in which the relevant person carries out investment services or ancillary services or activities.

- f. Measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate investment or ancillary services where such involvement may impair the proper management of conflicts of interest.
- g. A policy designed to limit the conflict of interest arising from the giving and receiving of inducements.
- h. Chinese walls restricting the flow of confidential and inside information within the Company, and physical separation of departments.
- i. Procedures governing access to electronic data.
- j. Segregation of duties that may give rise to conflicts of interest if carried on by the same individual.
- k. Personal account dealing requirements applicable to Related Persons in relation to their own investments.
- l. Establishment of a Compliance Department to monitor and report on the above to the Company's Board of Directors.
- m. Prohibition on officers and employees of the Company having external business interests conflicting with the interests of the Company without the prior approval of the Company's board of directors.
- n. A "need-to-know" policy governing the dissemination of confidential or inside information within the Company.
- o. Appointment of Internal Auditor to ensure that appropriate systems and controls are maintained and report to the Company's Board of Directors.
- p. Establishment of the "four-eyes" principle in supervising the Company's activities.
- q. The Company shall, on a best efforts basis, monitor and verify that the interests of Signal providers' (traders who can be copied/followed by other Clients) are aligned to the interests of Clients (followers) and that signal providers do not have any incentives that contrast those of Clients (followers).

5. CLIENT'S CONSENT

By entering into a Client Agreement with the Company for the provision of Investment Services, the Client consents that this Policy applies to him. Further, the Client consents to, and authorizes 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.

6. DISCLOSURE OF INFORMATION

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.

7. 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 according to the terms of the Client Agreement between the Company and 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 info@invexia.com