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**TRADE MARKETS**

## **CONFLICTS OF INTEREST POLICY**

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**V2.0**

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NBH Markets EU Limited is a Cyprus Investment Firm, regulated by Cyprus Securities and Exchange Commission (CySEC) License Number: 208/13 and Registration Number: HE 291974

Registered Office Address: Agias Zonis & Thessalonikis, 1, NICOLAOU PENTADROMOS CENTER, Floor 7, Office 701-704, 3026, Limassol, Cyprus

## 1. Purpose

The purpose of this Policy is to specify the procedures put in place by **NBH Markets EU Limited** (hereinafter the “Company”) in identifying and managing the circumstances which may give rise to conflicts of interest during its normal business activities. The policy also identifies the possible types of conflict of interest that arise when the Company offers its investment and ancillary services and circumstances where the Company cannot ensure that their existence may result in damaging clients’ interest. The Policy implemented and maintained is appropriate to the size and organisation of the Company and the nature, scale, and complexity of its business.

The Company is obliged under Applicable Regulation, including but not limited to, Law 87(I)/2017, to take all reasonable steps to identify conflicts of interest between itself, including the activities undertaken by the Company’s directors, managers and employees, affiliates and any other persons directly or indirectly linked by control to the Company (hereinafter “Related Persons”), that arise in the course of providing any investment and ancillary services. The Company shall ensure that has taken all necessary steps to detect and manage conflicts of interest to ensure that its clients’ interests are protected.

Further to this, Article 23 of the MiFID II Delegated Regulation says that firms must ensure that disclosure to clients of is a measure of last resort that can be used only where the organizational and administrative arrangements established by the firm to prevent or manage its conflicts of interest are not sufficient to ensure, with reasonable confidence, that the risks of damage to the interests of the client will be prevented.

The conflicts-of-interest policy includes the following:

- a) Identification with reference to the specific investment and ancillary services and activities carried out by, or on behalf of, the Company, the circumstances which constitute or may give rise to a conflict of interest entailing all potential risks risk of damage to the interests of one or more Clients.
- b) Specific procedures to be followed and measures to be adopted in order to manage such conflicts.

## 2. Definitions

For the purposes of this Policy:

- a) “*Investment Services*” and “*Ancillary Services*” or “*Services*”, unless the context otherwise requires, shall mean any of the services and activities, respectively, specified in Part I of the Third Appendix of Cyprus Law 87(I)/2017, which provides for the provision of investment services, the exercise of investment activities, the operation of regulated markets and other related matters, as the same may be modified and amended from time to time, relating to any of the financial instruments listed in Part III of the Third Appendix of Cyprus Law 87(I)/2017, which provides for the provision of investment services, the exercise of investment activities, the operation of regulated markets and other related matters, as the same may be modified and amended from time to time.

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- b) **“Relevant Person”** shall mean any of the following: (a) a director, partner or equivalent, manager or appointed representative (or where applicable, tied agent) of the Company; (b) a director, partner or equivalent, or manager of any appointed representative (or where applicable, tied agent) of the Company; (c) an employee of the Company or of an appointed representative (or where applicable, tied agent) of the Company; as well as any other natural person whose services are placed at the disposal and under the control of the Company or a tied agent of the Company and who is involved in the provision by the Company of regulated activities; (d) a natural person who is involved in the provision of services to the Company or its appointed representative (or where applicable, tied agent) under an outsourcing arrangement for the purpose of the provision by the Company of investment services and activities.

In particular, the Company defines a conflict of interest as any situation where either the Company or an individual is in a 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:

- c) 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.
- d) 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.
- e) 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.
- f) The Company or a relevant person, or a person directly or indirectly linked by control to the Company, carries out the same business as the Client.
- g) 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.

### **3. Identification of Conflicts of Interest**

Identifying ‘Conflicts of Interest’ up front is the first stage in safeguarding the position of the Client. Possible conflicts between different activities and/or interests must be identified before rendering investment and/or ancillary services to a client.

#### **GENERAL PRINCIPLES**

A ‘Conflict of Interest’ entails any situation subject to at least two factors that are in conflict with each other. In the event of a ‘Conflict of Interest’ under MiFID II, the Client for whom the investment service is being provided always constitutes one factor, while the Company forms the other. Situations are nevertheless also conceivable in which several factors on the Company’s side are in conflict with the Client’s interests.

As the Company offers a wide range of investment and/or ancillary services, such, ‘Conflicts of Interest’ may occur in particular due to different areas of activity, different investment services

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and ancillary services or any combination thereof, and also due to collaboration with related companies.

In particular, as previously indicated, 'Conflicts of Interest' may occur in the context of any of the following relationships:

- a) between or among the Company and its Clients;
- b) between or among the Company's Clients and the Company's management, employees, and tied agents, including persons directly or indirectly linked to the aforesaid by control; and
- c) between or among the Company's Clients themselves.
- d) Between the Client of the Company and an employee/manager of the Company.
- e) Between Company's Departments.

### **EMPLOYEES AND BUSINESS AREAS AFFECTED**

In the context of the wide array of investment and/or ancillary services offered by the Company, 'Conflicts of Interest' may, by way of example, occur within the context of:

- a) the investment services and/or ancillary services, or any combination thereof, provided by the Company to, for and/or on behalf of its clients; in particular, the investment services and/or ancillary services that are provided by the Company and in the context of which possible 'Conflicts of Interest' may arise, are the following:

#### **Investment Services:**

- Reception and transmission of orders in relation to one or more financial instruments.
- Execution of orders on behalf of clients
- Dealing on own account
- Portfolio Management

#### **Ancillary Services:**

- Safekeeping and administration of financial instruments, including custodianship and related services
- Granting credits or loans to one or more financial instruments, where the firm granting the credit or loan is involved in the transaction
- Foreign exchange services where these are connected to the provision of investment services;
- Investment research and financial analysis or other forms of general recommendation relating to transactions in financial instruments;

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- b) The Company may be matching the Client's Order with that of another Client by acting on such other Client's behalf as well as on the Client's behalf.
- c) Inducements (e.g., sales commission, trailer fees or other rewards with a monetary value) received or granted by or to third parties (e.g., selling commissions) received from or paid to third parties) in connection with investment services and/or ancillary services, or any combination thereof, provided by the Company to, for and/or on behalf of its clients;
- d) Performance-related remuneration paid to the Company's staff and intermediaries in connection with investment services and/or ancillary services, or any combination thereof, provided by the Company to, for and/or on behalf of its clients;
- e) Inducements granted to the Company's staff and intermediaries in connection with investment services and/or ancillary services, or any combination thereof, provided by the Company to, for and/or on behalf of its clients;
- f) Commission trading in connection with services and/or ancillary services, or any combination thereof, provided by the Company to, for and/or on behalf of its client's business;
- g) The possible use or dissemination of confidential information derived from the Reception & Transmission, Execution, Dealing on Own Account, or Portfolio Management departments or other business units of the Company (e.g., front running).
- h) The direct or indirect investing or management carried out by any relevant person or the Company to Clients or accounts which invest in the same assets that may be also purchased or sold by other Clients.
- i) The Company may be the counterparty to its clients' positions (i.e., act as Principal) and therefore stands to profit if the Client loses.
- j) Orders generated for Clients by the Portfolio Management Department may be executed through the Dealing on Own Account Department.
- k) The Company trades its proprietary positions and at the same time has knowledge of Client's future transactions via stop limit orders, as applicable.
- l) The remuneration scheme of employees/relevant persons which may be based on the Clients' trading volumes or value of trades placed by retail clients.
- m) The remuneration of third parties where the interest of a client conflicts with the interest of the third party.
- n) The persons producing investment research/marketing communication and other relevant persons, whose responsibilities to business interest may conflict with the interests of the persons to whom the investment research/marketing communication is disseminated.
- o) The Company is likely to sustain an overall financial loss or avoid a financial loss, by executing the Client's specific order.
- p) The Company is likely to sustain an overall financial gain by not executing the Client's specific order.
- q) 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.
- r) With regards to share trading, one of the potential conflicts could be inappropriate criteria in the selection of external custodians/depositories, if any. However, The Company will ensure extensive and enhanced due diligence in the selection of any custodians. Depositories to manage any possible relevant conflicts.
- s) The Company may face insider dealing and market manipulation risks and in order to mitigate the aforesaid, access to confidential information will be restricted to those who have proper requirements. Also, employees may trade assets in other Investing Firms subject to Company's

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prior authorization. The Company may request transaction reports from the aforesaid Investment Firm at its discretion.

**4. Potential “Conflicts of Interest” that may arise in providing the service of receiving and transmitting Client Orders in relation to one or more financial instruments**

Where the Company is providing the service of receiving and transmitting Client Orders in relation to one or more financial instruments, ‘Conflicts of interest’ could arise in cases in which orders are received at the same time from different Clients for the purchase or sale of certain financial instruments, such as equity securities, with no counterpart existing in the market for the different Orders.

The Company may be paid inducements by fund companies and issuing houses as remuneration for the sale of their financial instruments. This may include portfolio volume dependent trailer fees paid by fund companies out of the respective management fees collected from investors and the sales commissions paid by issuers of securities in the form of placement commissions, reductions on issue prices (discount/rebate) and trailer fees. In order to avoid any ‘Conflicts of Interest’, in those instances where the Company is paid inducements by fund companies and issuing houses as a remuneration for the sale of their financial instruments, the Company has decided not to retain inducements paid in favour of the Company, but to pass such payments through to its clients.

Furthermore, in some instances, the Company may receive non-monetary inducements from other service providers in connection with its investment business, e.g., financial analyses or other data, training and sometimes technical services and equipment for access to third-party information and dissemination systems. These inducements are not directly related to services provided to Clients and the Company uses them to provide the high-quality services that Clients expect. They allow on-going improvements to the Company’s Services.

With respect to the transactions conducted via its online trading platform(s), the Company charges commissions according to the conditions as agreed with its clients. The level of commission is based on and limited to the respective surcharge as defined in the Company’s current schedule of fees and services, which is accessible on the Company’s Website(s).

**5. Potential ‘Conflicts of Interest’ that may arise in providing the service of investment research and financial analysis or other forms.**

Where the Company is providing the service of investment research and financial analysis, ‘Conflicts of Interest’ could arise in the following instances:

- a) A unit of the Company may be carrying out research or assessments of instruments while operating together with a unit of the Company providing other investment services, such as discretionary portfolio management.
- b) The Company may produce research material, which is to be used to support the Company’s sales and trading activities, but which may at the same time be distributed to the

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Company's Clients and to the Company's associates or some other person connected to the Company.

Whenever the Company prepares or distributes financial analyses, it provides Clients with information on potential and relevant 'Conflicts of Interest'.

## **6. Personal Transactions of Employees**

All employees of the Company that are involved in the investment activities that the Company is authorised to provide must be aware of the restrictions on personal transactions detailed below.

This section also includes personal transactions which may be performed by people 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. 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 section 9 of the Insider Dealing and Market Manipulation (Market Abuse) Law
- misuse or cause improper disclosure of confidential information,
- enter into a transaction that is likely to conflict with any obligations of the Company, or the employee, that are stated under the law.

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, in the execution of an unsolicited Client order, on behalf of any other person, including the Company.

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. Any Client's orders that have been relayed 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 causes a conflict of interest.

## **7. Management of Conflicts of Interest**

The Company has in place effective organisational procedures and control in order to manage and prevent any conflict of interest, including the following non-exhaustive list:

- a) The Company has in place an Internal Operation Manual (IOM) which consists of the Company's internal policies, measures, procedures and controls created with the interests of the Company's Clients in mind. The IOM is monitored on an ongoing basis and reviewed to ensure its appropriateness and accuracy.

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- b) Establishment of an in-house Compliance Function whose responsibilities include the monitoring and reporting possible conflicts of interest to the Board of Directors.
- c) Chinese Walls: Chinese walls are essentially information barriers 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. When a Chinese wall is used as a way of managing conflicts of interests, 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. For example, where arrangements have been put in place to ensure that entities belonging to the same group operate independently of each other with effective Chinese walls, the entities shall not be deemed to have knowledge of each other for conflicts of interest purposes.

When the Company establishes and maintains a Chinese wall it may:

- withhold or not use the information held; and
- for that purpose, permit persons employed in the first part of its business to withhold the information held from those employed in that other part of the business; but only to the extent that the business of one of those parts involves the carrying on of regulated activities or ancillary activities.

Information may also be withheld or not used by the firm when this is required by an established arrangement maintained between different parts of the business (of any kind) in the same group. This provision does not affect any requirement to transmit or use information that may arise apart from the rules in COBS.

For the purpose of this rule, "maintains" includes taking reasonable steps to ensure that the arrangements remain effective and are adequately monitored and must be interpreted accordingly.

The primary function of Chinese Walls is to control access to material\price sensitive and non-public information by generally insulating department activities from one another in order to prevent the potential or perceived misuse of that information and thus their application is central in the management and mitigation of potential Conflicts of Interest. They can also prevent the flow of confidential information internally and thus assist in ensuring that insider trading does not occur.

In order to comply with this principle, all of the Company's personnel is expected to observe the following simple, but yet extremely important rules:

- company employees must refrain from discussing confidential information in public places such as elevators, hallways, restrooms or at social gatherings;
- unauthorized persons and members of staff of other departments are not allowed to enter the premises of the Company or other departments unless accompanied and supervised by relevant members of staff;

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- company employees must avoid using speakerphones in areas where unauthorized persons may over-hear conversations;
- where appropriate, employees should maintain the confidentiality of the identity of Clients by using code names or numbers for confidential projects;
- company employees are expected to exercise care to avoid placing documents containing confidential information in areas where they may be read by unauthorized persons and store such documents in secure locations when they are not in use;
- when documents containing non-public material information are to be disposed of, they shall be destroyed by shredding or some other secure manner, which can prevent readable copies from accidentally falling in the hands of non-insiders;
- company employees are expected to destroy copies of confidential documents no longer needed for a project or not otherwise required to be maintained under legislation;
- associated persons engaging in meetings with corporate officers of companies for the purpose of gathering information for research reports or follow-up meetings with companies, shall maintain written notes of said meetings.

Effective procedures to prevent or control the exchange of information among the Company and Relevant Persons engaged in activities involving a risk of a ‘Conflict of Interest’ and/or reciprocally among such Relevant Persons, where the exchange of that information may harm the interests of one or more Clients; establishment of physical separation barriers and computer barriers, passwords to files, databases, emails, etc. understanding these barriers to be physical, electronic, or any other kind of element, to ensure that the areas or departments separated are watertight compartments; establishment of regular checks and tests to ensure the effectiveness of the aforementioned barriers; functional separation of the employees assigned to the various departments, especially those related to the provision of different investment or ancillary services;

d) Independence: The following measures have been adopted by the Company for ensuring the requisite degree of independence:

- 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).
- 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.
- 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

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relevant persons principally engaged in another activity, where a conflict of interest may arise in relation to those activities.

- 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.
- 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.

Where the Company is unable to ensure the complete segregation of duties due to its limited employee base, it has adequate compensating controls in place including the frequent review of an area by relevant senior managers and controls functions.

In case the adoption or the practice of one or more of the above measures and procedures does not ensure the requisite degree of independence, the Company is required to adopt such alternative or additional measures and procedures as are necessary and appropriate for those purposes.

- e) Measures to prevent or control the simultaneous or sequential involvement of the Company and/or a Relevant Person in separate investment services and/or other ancillary services, or any combination thereof, or activities where such involvement may impair the proper management of Conflicts of Interest. Such measures include the following:
- a 'need to know' policy governing the dissemination of confidential or inside information (a) within the Company, (b) among the Company and Relevant Persons and/or (c) reciprocally among Relevant Persons.
  - Chinese walls restricting the flow of confidential and inside information within the Company, and physical separation of departments.
  - Procedures governing access to electronic data;
  - Segregation of duties that may give rise to 'Conflicts of Interest', if carried on by a single individual;
  - Personal account dealing requirements applicable to Relevant Persons in relation to their own investments;
  - A gifts and inducements policy and log registering the solicitation, offer or receipt of certain benefits;
  - The prohibition of external business interests conflicting with the Company's interests, insofar as the Company's officers and employees are concerned, unless approved by the Company's Board of Directors;

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- A policy designed to prevent ‘Conflicts of Interest’ arising from the giving and receiving of inducements;
- Establishment of a Compliance Department to monitor and report on the above to the Company’s Board of Directors, which is responsible for identifying and managing potential ‘Conflicts of Interest’, for updating the relevant internal policies and procedures and for ensuring compliance with such policies and procedures;
- Appointment of an Internal Auditor to ensure that appropriate systems and controls are maintained and properly reported to the Company’s Board of Directors;
- Establishment of the ‘four-eyes’ principle in supervising the Company’s activities.

The Company also undertakes the continuous and regular monitoring of its business activities in order to ensure that internal controls are appropriate.

- f) Clients’ Orders must be executed in compliance with the Company’s ‘Order Execution Policy’.

In order to ensure fair treatment on all Clients’ Orders, the Company’s Execution Policy requires its employees to take all reasonable steps to achieve the best overall trading result for Clients; to exercise consistent standards; and to operate the same processes across all markets, Clients, and financial instruments in which it operates.

No undue preference may be given to any Client when trades are aggregated.

The same types of Clients’ Orders must be executed according to the sequence of their receipt.

The Company treats its clients fairly in accordance with the criteria that it introduces and notifies them. In case of differentiated treatment of the Company’s Clients in the course of provision to them of investment or non-core services, this shall occur on the basis of objective criteria, such as the volume of transactions, the amount of capital under Company’s management, the category to which the Client belongs (Retail Client, Professional Client or Eligible Counterparty) which will have duly been notified by the Company to its Clients.

- g) Outsourcing arrangements: All outsourcing service providers have signed relevant agreements with the Company, which envisage the keeping of records of personal transactions of their employees in accordance with ‘European Union Directive 2006/73/EC of August 2006’ and the submission of such records to the Company at frequent intervals.

## **8. Disclosure of conflict of interest**

When the measures taken by the Company to manage conflicts of interest are not sufficient 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 carrying out a transaction or providing an investment or an ancillary service to the Client, the Company must disclose any actual or potential conflict of interest to the Client.

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The disclosure will be made in sufficient time and in a durable mean and shall include sufficient detail, considering 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. Clients will be given the opportunity to decide on whether or not to continue their relationship with the Company with no unreasonable obstacles.

The purpose of this is to enable the Client to decide whether he wants to avail of the service nevertheless. This will only be possible if the information given provides a sufficient basis for making such a decision and for this reason, sufficient details of the conflict must be given. The degree of detail entered into requires that a relative assessment of the interests of other Clients is also carried out. Insider information must not be disclosed. Thus, prior to making any disclosure, it must be checked whether the particular information could turn into insider information at some point.

Furthermore, where the organizational or administrative arrangements described in this Policy are not sufficient to ensure the Company clearly discloses the general nature and/or sources of 'Conflicts of Interest' to the Client before undertaking business on its behalf. Disclosures to Clients are done in sufficient detail to enable the Client to make an informed decision about the investment or ancillary service in the context of which the conflict arises.

***When the disclosure shall be made:*** When the organizational or administrative arrangements made by the Company to prevent conflicts of interest from adversely affecting the interests of its client are not sufficient to ensure, with *reasonable confidence*, that risks of damage to client interests will be prevented. Disclosure is a measure of last resort, to be used only in the aforementioned occasion. Over-reliance on this disclosure shall be considered a deficiency in the Company's conflicts of interest policy.

***How the disclosure shall be made:*** The disclosure shall be made in a durable medium, which also includes the provision of the disclosure through the Company's website.

**What information shall be included in the disclosure:** The disclosure includes sufficient detail, considering the nature of the client, to enable that client to take an informed decision with respect to the service in the context of which the conflict of interest arises. This will be met when the disclosure includes at least the following:

- A specific description of the conflict of interest under question, taking into account the nature of the client to whom the disclosure is made. This clause shall not be seen as excluding the possibility of communicating the disclosure in the means of a durable medium to retail as well as to non-retail clients.
- Detailed explanation of the nature and/or sources of conflicts of interests, as well as the risks to the client that arise as a result of the conflict and the steps taken to mitigate these risks; and
- Clear statement that the organizational and administrative arrangements established by the Company to prevent or manage that conflict are not sufficient to ensure with

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reasonable confidence, that the risk of damage to the interests of the client will be prevented.

***Declining to Act:*** If the Company determines that it is unable to manage a conflict of interest using one of the methods described above, the Company declines to act on behalf of the client concerned.

## **9. Procedure for Acting in Cases in which a Conflict-of-Interest Situation Has Arisen**

It is the responsibility of each and every employee of the Company to familiarize themselves with this Policy and to immediately disclose 'Conflicts of Interest' or potential 'Conflicts of Interest'.

When there is a conflict of interest, the person who detected the situation must immediately notify his/her manager and the Compliance Department. Notifications should be made in the shortest time possible and, in any case, before taking any decision which might be affected by a possible conflict of interest.

The Compliance Department will inform the Risk Management Department and senior management of the Company of the matter and the Compliance Department, the Risk Management Department and the senior management of the Company will then jointly agree on the necessary measures for the management of such 'Conflicts of Interest', always putting the interests of Clients before those of the Company.

The members of the Company's Risk Management Department, senior management and/or Board of Directors, who are themselves subject to a conflict of interest, shall promptly inform the Compliance Department and the Board of Directors of the Company, on their own initiative. The procedures in this regard provide that these members shall abstain from participating in the decision-making processes where they may have a 'Conflict of Interest' or which prevent them from deciding with full objectivity and independence.

In the event that it is considered that the measures taken are not reasonably sufficient to avoid the risk that a Client's interests may be harmed, the Client will be informed about the nature of the conflict and any other circumstances that will allow them to make an informed decision about the investment service to be purchased from the Company, in each instance accordance with the provisions of Section 8 hereinabove.

## **10. 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

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- The Conflicts of Interest Register
- Rules, procedures, and processes.
- 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.

The Compliance Officer is responsible for maintaining the conflicts of interest policy. In this respect, the Compliance Officer ensures that all the Company's personnel is aware of the Company's conflicts of interest policy and can clearly identify circumstances that may give rise to conflicts of interest. The Compliance Officer is responsible to regularly review and update the policy.

## **11. Responsibilities**

The Company's Board of Directors 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 has a sufficient level of authority and independence in order to carry out their responsibilities effectively.

The Company's *Senior Management* is required to:

- Fully engaged 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 judgements 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 used to clients where necessary.
- Utilise management information to remain sufficiently up-to-date and informed; and
- support an independent review of the processes and procedures in place.

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*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 *Compliance Officer* is the Compliance Office 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.
- However, in the event conflicts arise; their reporting shall be addressed to the Head of Compliance

## **12. Conflicts of Interest Register**

Compliance with the guidelines set forth in this Policy will be monitored by the Compliance Department and reviewed by the Internal Audit department. The Compliance Department maintains the 'Conflicts of Interest' Register.

Furthermore, it is the responsibility of each and every employee to familiarize themselves with this Policy and to immediately disclose 'Conflicts of Interest' or potential 'Conflicts of Interest'. Such disclosure is to be made to their line manager, who will in turn inform the Compliance Department.

This 'Conflict of Interest' will then be recorded in the appropriate register and the Compliance Department will inform the Risk Management and Compliance Committee of the matter and of any action taken.

## **13. Client's Consent & Disclosure of Information**

By entering into a business relationship and accepting the Company's Terms and Conditions, the Client accepts the Conflicts of Interest Policy and the information contained within. If during the course of business with the client, the Company's measures and arrangements in place are not sufficient to manage the conflict, the Company may choose in its absolute discretion not to proceed with the transaction or matter giving rise to the conflict.

## **14. Availability and Updates**

The Company reserves the right to review this Policy whenever it deems appropriate. More information and/or questions regarding Conflict of interest can be provided upon request to [compliance@trademarkets.eu](mailto:compliance@trademarkets.eu).

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