



CONFLICTS OF INTEREST POLICY



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1. Introduction

- 1.1. This Conflicts of Interest Policy sets out Trading Point MENA Limited's (referred to as "Trading Point MENA", "we", "us" and "our" or the "Firm") approach and procedures regarding, where applicable, the identification, management, mitigation and prevention of any possible conflicts of interest which may arise during the course of its business activities.
- 1.2. Under the applicable legislation, the Firm is required to take reasonable steps to ensure that conflicts and potential conflicts of interest between itself and its Clients, between its employees and Clients and between one Client and another are identified and then prevented or managed in such a way that the interests of a Client are not adversely affected and to ensure that all its Clients are fairly treated and not prejudiced by any such conflicts of interest. This Policy applies to all its directors, managers, employees, any persons directly or indirectly connected to the Firm (referred to as "related persons") and refers to all interactions with all Clients. Accordingly, this Policy sets out the necessary procedures, controls and practices in place to ensure that any conflicts of interest are identified and prevented or appropriately managed.
- 1.3. The Firm is committed to acting honestly, fairly and professionally and in the best interests of its Clients as well as to abiding by the principles set out in the applicable legislation when providing investment services to its Clients.

2. Identification of Conflict of Interests

- 2.1. For the purposes of identifying the types of conflict of interest that arise in the course of providing investment services and whose existence may damage the interests of a client, the Firm takes into account, by way of minimum criteria, whether:
 - a) the Firm and/or a relevant person is likely to make a financial gain, or avoid a financial loss, at the expense of the Client;
 - b) the Firm and/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 Firm and/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 Firm and/or a relevant person carries out the same business as the Client; or
 - e) the Firm and/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.

2.2. Examples of Conflicts of Interests

The rise of conflicts can occur in a number of situations including, but not limited to, the below (i.e., non-exhaustive examples):

- a) The Firm may assign the execution of the Client's instruction(s) to another entity within the Group;
- b) From time to time, the Firm may pay commissions (or other fees) to licensed third parties, who introduce Clients to Trading Point Mena in accordance with the rules and regulations.

It must be noted that it is not feasible to define precisely or create an exhaustive list of all relevant conflicts of interest that may arise. It is advised, you also refer to 'Annex I', for further details.

3. Procedures to manage Potential Conflicts of Interest

- 3.1. The Firm is legally obligated to ensure it has established, implemented and maintains an effective Conflicts of Interest policy. Where such conflicts arises, the Firm takes all reasonable steps to ensure it manages such conflict promptly and fairly. Thus, we have implemented the appropriate polices and controls to ensure we are able to identify and manage any conflicts that may arise.



3.2. The Firm maintains and operates effective organisational and administrative procedures to manage the identified conflicts of interest. We also conduct ongoing monitoring of the business activities to ensure that internal controls are and remain appropriate. In the event we become aware of a conflict or potential conflict, we will prevent or manage that conflict of by using appropriate measures.

Arrangements

3.3. This Policy includes the following content:

- a) identifies, with reference to the specific investment services and activities carried out by or on behalf of the Firm, the 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; and
- b) specifies procedures to be followed and measures to be adopted in order to prevent or manage such conflicts.

3.4. In general, the procedures and controls that the Firm follows to manage (promptly and fairly) or prevent conflicts of interest that are necessary for the Firm to ensure the requisite degree of independence, include the following:

- 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 Firm;
- 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) periodic review (at least on an annual basis) of the Firm's execution arrangements;
- f) making the appropriate disclosures to the Clients in a clear, fair and not misleading manner in order to enable the Client to make an informed decision; and
- g) measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate investment or ancillary services or activities where such involvement may impair the proper management of conflicts of interest. Such measures include, but are not limited to, the following:
 - a 'need to know' policy governing the dissemination of confidential or inside information within the Group;
 - chinese walls restricting the flow of confidential and inside information within the Firm, 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 the same individual;
 - personal account dealing requirements applicable to relevant persons in relation to their own investments;
 - a gifts and inducements log registering the solicitation, offer or receipt of certain benefits;
 - the prohibition of external business interests conflicting with the Firm's interests as far as the Firm's officers and employees are concerned, unless prior approval by the Board of Directors is obtained;
 - a remuneration structure that ensures that remuneration methodologies do not compromise the Firm's duty to act in the Clients' best interest and the control mechanisms' independence and objectivity;
 - organisational and administrative arrangements to limit the conflict of interest arising from the giving and receiving of inducements;
 - engagement of Internal Auditor that assesses the adequacy of the internal control mechanisms and procedures.

3.5. The Firm also undertakes on-going monitoring of business activities to ensure that internal controls to prevent or manage conflicts of interest are appropriate.

3.6. The Compliance Officer of the Firm shall be responsible for identifying and managing potential conflicts of interests and reporting directly to the Board of Directors and Senior Management in relation to the latter.



3.7. The Firm reserves the right to assess and periodically review, at least annually, and, if necessary, amend this Policy and arrangements, at its sole discretion, whenever it deems fit or appropriate, in order to address any deficiencies.

4. Disclosure

4.1. Where a Client specific conflict arises and the Firm becomes aware of it, the Firm shall take all reasonable steps to address and manage that conflict and, if not possible, the Company shall disclose the conflict to the Client prior to undertaking investment business (or any further investment business) for that Client or, if it does not believe that disclosure is appropriate to manage the conflict, it may choose not to proceed with the transaction or matter giving rise to the conflict.

5. Reporting

5.1. The Senior Management of the Firm shall receive on a frequent basis, and at least annually, written reports on the situations referred to in paragraph 4.1 above.

6. Questions of this Policy

Further information about this summary document is available upon request by contacting us at compliance.mena@xm.com.



ANNEX I

Non-exhaustive circumstances of potential conflicts of interest as at the date of this Policy, may include, where applicable:

Area of potential Conflict of Interest	Measures to manage conflict
Investment Research	<p>The Firm does not procure or produce its own research. All communication on the Firm's website is regarded as non-independent research and as marketing communication. In addition, all marketing communications are reviewed and approved by the Firm's Compliance Officer and a prominent disclaimer is added to all such communications.</p> <p>The Firm does not provide investment advice to its clients and as such, any information provided should not be considered as containing investment advice or solicitation to enter into any transaction.</p>
Inducements	<p>The Firm's personnel may not solicit or accept any inducement which may influence their independence or business judgement or which could create a conflict with any duty owed to us and/or our clients.</p> <p>The restriction does not include the remuneration which is provided to the Firm's personnel in accordance with its Remuneration Policy nor corporate "gifts" and hospitality which are considered to be incidental and relevant to the Firm's ordinary business. Any such corporate "gifts" and hospitality are recorded and kept accordingly.</p>
Execution	<p>Trading Point MENA executes trades on a 'matched – principal basis', which means that we match all Client trades with our counterparty; which is XM CY. As a result, XM CY may profit from Clients' losses and is the sole execution venue.</p> <p>XM CY operating model is a 'Non-Dealing Desk Intervention' and it matches the majority of the trading flow it receives. It should be noted, not all Clients' positions are hedged, therefore, some residual risk exposure remains in-house up to the market risk limit. Any additional exposure, which is outside the market risk limits would be hedged externally.</p>
Introducer	<p>Trading Point MENA may accept clients who have been referred via a licensed third-party/Introducer (i.e., an Authorised Person or a Regulated Financial Institution). The referral agreement outlines that the Introducer would be compensated for the clients they refer. However, irrespective of such remuneration, the Firm ensures that the quality of execution of the Client's trades is not affected.</p> <p>The remuneration that is paid to any Introducer is not deducted from client funds but paid directly by Trading Point MENA. No Introducer of Trading Point MENA provides investment advice and we monitor the Introducers' activities to ensure that these are in compliance with applicable laws and regulations.</p>