

CONFLICTS OF INTEREST POLICY

1.1 Introduction

- FXNET Ltd (hereinafter called the “Company”) is a Cyprus Investment Firm (CIF) regulated by the Cyprus Securities and Exchange Commission (with CIF license number 182/12). Following the implementation of the Markets in Financial Instruments Directive (MiFID) in the European Union and in accordance with the Investment Services and Activities and Regulated Markets Law of 2007 (Law 144(I)/2007) in Cyprus as amended from time to time, the Company is required to take all reasonable steps to detect and avoid conflicts of interest.
- The Company provides 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. This Policy forms part of our agreement. Therefore, by entering into a separate agreement with the Company, you are also agreeing to the terms of our order execution policy, as set out in this document.
- The Policy applies to all its directors, employees, any persons directly or indirectly linked to the Company (hereinafter called “related persons”) and refers to all interactions with all Clients.

1.2 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, whether the Company or an associate or some other person connected with 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 an associate or some other person connected with the Company is likely to make a financial gain, or avoid a financial loss, at the expense of the Client;
 - b) The Company or an associate or some other person connected with the Company 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 an associate or some other person connected with the Company has a financial or other incentive to favor the interest of another Client or group of Clients over the interests of the Client;
 - d) The Company or an associate or some other person connected with the Company carries on the same business as the Client;
 - e) The Company or an associate or some other person connected with 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 monies, goods or services, other than the standard commission or fee for that service.

1.3 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.