

ECOMMBX **INVESTMENTS LTD**

CONFLICT OF INTEREST POLICY

REVISION HISTORY

VERSION	REVISION DATE	REVISED BY	SECTION REVISED
1.0		Compliance Officer	Initial Drafting of the Policy

DOCUMENT CONTROL

DOCUMENT OWNER	STATUS	DATE APPROVED
ECOMMBX Investments Ltd		

SECURITY CLASSIFICATION	NEXT REVIEW DATE	VERSION	DEPARTMENT

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1. DEFINITIONS AND ABBREVIATIONS

DEFINITION / TERM	DESCRIPTION
“Company” “Firm” or “CIF”	ECOMMBX Investments Limited a Cyprus Investment Firm
“Policy”	Conflict of Interest Policy
“CySEC”	Cyprus Securities and Exchange Commission
“Law”	Investment Services and Activities and Regulated Markets Law of 2007 (Law 87(I)/2017) as amended from time to time
“MiFID II”	Markets in Financial Instruments Directive (2014/65/EU)

2. INTRODUCTION

ECOMMBX Investments Limited (the “**Company**” or the “**Firm**”) whose headquarters are at 27 Pindarou Str., Ground Floor, Alpha Business Center, Block B, 1060 Nicosia, Cyprus is a company incorporated and registered in the Republic of Cyprus under Cyprus Company Law and is authorised and regulated as a Cyprus Investment Firm (“**CIF**”) by the Cyprus Securities and Exchange Commission (“**CySEC**”) under license number 228/14 to provide investment and ancillary services in accordance with the provisions of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as the same may be in force from time to time and modified or amended from time to time (the “**Markets in Financial Instruments Directive (2014/65/EU)**” or “**MiFID II**”) which was transposed into Cypriot Law, the Investment Services and Activities and Regulated Markets Law of 2007 (Law 87(I)/2017) as amended from time to time (hereinafter the “**Law**”).

In accordance with the provisions of the Law and MiFID II, the Company is required make available to its customers and potential customers the Company’s Conflict of Interest Policy (the “**Policy**”) and take all reasonable steps to implement effective procedures for the identification and management of conflicts of interest. This Policy should be read in conjunction with the Company’s Terms and Conditions. The Company; is committed to act honestly, fairly and professionally and in the best interests of its customers 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.

3. PURPOSE & SCOPE

The purpose of this Policy is to set out the Company’s approach to identify and prevent or manage the types of conflict of interest, which may arise during the course of its business activities.

The Company has taken all appropriate steps to identify and prevent or manage conflicts of interest which may arise in the course of providing any investment and ancillary services. 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. In addition, this Policy identifies circumstances which may give rise to a conflict of interest.

Specifically, this Policy:

- (i) Identifies with reference to the investment and/or ancillary services carried out by the Company, the circumstances which constitute or may give rise to an actual or potential conflict of interest entailing a material risk of damage to the interests of one or more customers
- (ii) Specifies procedures to be followed and measures to be adopted to manage such conflicts

This Policy applies to the Company itself and/or any Relevant Person in relation to the Company, during the provision of investment and ancillary services and refers to all interactions with its customer(s). Any reference to ‘financial instruments’ in the Policy shall refer to all/any financial instruments specifically provided by the Company.

For the purposes of this Policy, “Relevant Person(s)” is defined as:

- (i) Member of the board of directors, partner or equivalent, manager (or where applicable tied agent) of the Company
- (ii) An employee of the Company (or where applicable tied agent), 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 who is involved in the provision by the Company of investment services or/and the performance of investment activities
- (iii) A natural person who is directly involved in the provision of services to the Company (or where applicable tied agent) under an outsourcing arrangement for the purpose of the provision by the Company of investment services or/and the performance of investment activities

4. IDENTIFYING CONFLICTS OF INTEREST

To identify potential conflicts of interest that may arise in the course of providing investment and ancillary services, or a combination thereof, and that could potentially harm the interests of the customer, the Company considers the following minimum criteria. These criteria help determine whether the Company, a Relevant Person, or any individual directly or indirectly linked to the Company by control falls within any of the following situations:

- (i) Is likely to make a financial gain or avoid a financial loss at the expense of the customer
- (ii) Has an interest in the outcome of a service provided to the customer or of a transfer carried out on behalf of the customer, which is distinct from the customer’s interest in that outcome
- (iii) Has a financial or other incentive to favour the interests of another customer or group of customers over the interests of the customer
- (iv) Carries on the same business as the customer
- (v) Receives or will receive from another person or other than the customer, an inducement in relation to a service provided to the customer, in the form of monetary or non-monetary benefits or services

A conflict of interest may arise between the following parties:

- (i) Between the customer and the Company
- (ii) Between two customers of the Company
- (iii) Between the Company and its personnel
- (iv) Between a customer of the Company and a member or manager of the Company
- (v) Between Company’s departments

5. POTENTIAL CONFLICTS OF INTEREST

The Company provides the below services:

- (i) Reception and transmission of orders in relation to one or more financial instruments
- (ii) Execution of orders on behalf of customers
- (iii) Provision of investment advice
- (iv) Safekeeping and administration of financial instruments, including custodianship and related services
- (v) Granting credits or loans to one or more financial instruments, where the firm granting the credit or loan is involved in the transaction
- (vi) Advice to undertakings on capital structure, industrial strategy and related matters and advice and services relating to mergers and the purchase of undertakings
- (vii) Foreign exchange services where these are connected to the provision of investment services
- (viii) Investment research and financial analysis or other forms

Considering the aforementioned services, a potential Conflict of Interest incident may include but is not limited to:

- (i) The Company or an entity of the Company’s group may engage in business and trading activity for its own account and/or customer accounts whilst other Customers are active in relevant markets at the same time
- (ii) The Company may be matching the customer’s orders with that of another customer by acting on such other customer’s behalf as well as on the customer’s behalf
- (iii) The Company is likely to make a financial gain, or avoid a financial loss, at the expense of the customer
- (iv) The Company or a related person has an interest in the outcome of a service provided to the customer or of a transaction carried out on behalf of the customer, which is distinct from the customer’s interest in that outcome. A transaction is affected in financial instruments in respect of which the Company or a company of the Company’s group, or its director or employee is contemporaneously trading or has traded on its own account or has either a long or short position

- (v) The Company or Relevant Person receives substantial gifts or entertainment (including nonmonetary inducements) that may influence behaviour in a way that conflicts with the interest of the customer of the Company
- (vi) A transaction is affected in financial instruments in respect of which the Company may benefit from a commission, fee, mark-up or mark-down payable otherwise than by the customer, and/or Company may also be remunerated by the counterparty to any such transaction
- (vii) A director or employee of the Company is also a director in a company which is a customer of the Company
- (viii) The Company or a related person carries on the same business as the customer
- (ix) A transaction is affected in financial instruments issued by an affiliated Company or the customer or customer of an affiliated Company
- (x) The Company deals on behalf of the customer with, or in the securities of, an affiliated Company
- (xi) A transaction is affected in securities or shares of connected investment trusts or unit trusts or open-ended investment companies or of any Company of which the Company or an affiliated Company is the manager, authorised corporate director, operator, banker, adviser, custodian, administrator, trustee or depositary
- (xii) White Label Partners may have other interests than the Company and/or their customers
- (xiii) Representatives of the Company may be aware of large customer orders to acquire or dispose of a large quantity of a particular financial instrument and either the Company or its representatives purchase (or sell) the financial instrument beforehand
- (xiv) In relation to the customers' orders on securities, these are transmitted for execution to a third-party execution broker in order to arrange for the purchase or sale of the securities. Customers' orders may, at the discretion of the execution broker, be aggregated with the execution broker's own orders, orders of any of its associates and/or their customers. Furthermore, the execution broker may split a customer order as well as aggregate orders before execution where it is unlikely that the aggregation or split of orders will be detrimental to any customer. However, it remains possible that, on occasions, aggregation and split may work to the disadvantage of any customer in relation to any particular order

It is noted that the above are non-exhaustive examples of what may be considered typical conflict of interest that may arise in relation to the investment and ancillary services provided by the Company as explained above.

6. MANAGING CONFLICTS OF INTEREST

In general, the procedures and controls that the Company follows to manage the identified conflicts of interest include the following measures:

- (i) Effective procedures and measures to monitor its execution arrangements to ensure the best possible result when executing its customers' orders, which are set out in the Company's Order Execution Policy" on the Company's website
- (ii) Ongoing monitoring of business activities by the Company to ensure that internal controls are appropriate
- (iii) The Company is conducting an analysis of its business including best execution, inducements, remuneration practices, and investment research/ marketing communication procedures, to ensure that all potential conflict of interest situations are identified
- (iv) The Company keeps a separate Market Abuse Policy for the prevention of insider trading, market manipulation and misuse of inside information
- (v) Effective procedures 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 customers
- (vi) The Company's employees are prohibited from investing in securities for which they have access to non-public or confidential information
- (vii) The separate supervision of Relevant Persons whose principal function involves carrying out activities on behalf of the provision of investment services to customers whose interests may arise in conflict, as they represent different interests to those of the Company
- (viii) The removal of any direct link between the remuneration of Relevant Persons principally engaged in one activity, where a conflict of interest may arise in relation to those activities
- (ix) 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
- (x) A "need to know" policy governing the dissemination of confidential or inside information within the Company
- (xi) Chinese walls restricting the flow of confidential and inside information within the Company, and physical separation of departments

- (xii) Procedures governing access controls to electronic data
- (xiii) Segregation of duties that may give risk to conflicts of interest if carried on by the same individual
- (xiv) Personal account dealing requirements applicable to Relevant Persons in relation to their own investments
- (xv) Measures to restrict the Related Persons from accepting any gifts from any person with any material interest which is likely to conflict with any duty which is owed to the Customer's best interest or that may alter the behaviour of said Related Person to favourable treatment
- (xvi) A gifts and inducements log registering the solicitation, offer or receipt of certain benefits
- (xvii) Prohibition of external business interests conflicting with the Company interests as far as the Company's officers and employees are concerned, unless Board of Directors approval is provided
- (xviii) Prohibition of the Company's personnel on having external business interests conflicting with the interests of the Company without the prior approval of the Company's board of directors
- (xix) Establishment of an in-house Compliance Department to monitor and report on all of the above to the Company's Board of Directors
- (xx) Appointment of Internal Auditor to ensure that appropriate systems and controls are maintained and report to the Company's Board of Directors
- (xxi) Establishment of the four-eyes principle in supervising the Company's activities
- (xxii) The Company also undertakes ongoing monitoring of business activities to ensure that internal controls to prevent or manage conflicts of interest are appropriate
- (xxiii) All employees are bound by professional secrecy and confidential information is only being shared if this is deemed necessary for performing a job function
- (xxiv) All employees are at all times bound to act loyally to the Company and be in full compliance with its procedures
- (xxv) The persons providing investment services possess all the necessary certificates of professional competence required for providing the relevant services or have been granted with relevant exceptions from CySEC
- (xxvi) The Company takes all necessary steps to employ persons with the highest educational, ethical, and professional courtesy standards, in line with CySEC's Circular CO25, to the extent applicable, and the Law

6.1. Investment Research

Persons who produce, or arrange for the production of, investment research that is intended or likely to be subsequently disseminated to customers of the firm or to the public shall ensure that they comply with the provisions of this Policy in relation to any conflict of interest that may arise from the performance of their duties.

The measures and arrangements adopted by the Company to manage the conflicts of interests that might arise from the production and dissemination of material that is presented as investment research is appropriate to protect the objectivity and independence of financial analysts and of the investment research they produce. Those measures and arrangements ensure that financial analysts enjoy an adequate degree of independence from the interests of persons whose responsibilities or business interests may reasonably be considered to conflict with the interests of the persons to whom the investment research is disseminated.

In addition, the Company shall have in place arrangements designed to ensure that the following conditions are satisfied:

- (i) Financial analysts and other Relevant Persons do not undertake personal transactions or trade, other than in the ordinary course of the execution of an unsolicited customer order, on behalf of any other person, including the investment firm, in financial instruments to which investment research relates, or in any related financial instruments, with knowledge of the likely timing or content of that investment research which is not publicly available or available to customers and cannot readily be inferred from information that is so available, until the recipients of the investment research have had a reasonable opportunity to act on it
- (ii) In circumstances not covered by point (i), financial analysts and any other Relevant Persons involved in the production of investment research do not undertake personal transactions in financial instruments to which the investment research relates, or in any related financial instruments, contrary to current recommendations, except in exceptional circumstances and with the prior approval of a member of the firm's legal or compliance function
- (iii) A physical separation exists between the financial analysts involved in the production of investment research and other Relevant Persons whose responsibilities or business interests may conflict with the interests of the persons to whom the investment research is disseminated or, when considered not appropriate to the size and organisation of the firm as well as the nature, scale and complexity of its business, the establishment and implementation of appropriate alternative information barriers
- (iv) The investment firms themselves, financial analysts, and other Relevant Persons involved in the production of

the investment research do not accept inducements from those with a material interest in the subject-matter of the investment research

(v) The investment firms themselves, financial analysts, and other Relevant Persons involved in the production of the investment research do not promise issuers favorable research coverage

(vi) Before the dissemination of investment research issuers, Relevant Persons other than financial analysts, and any other persons are not permitted to review a draft of the investment research for the purpose of verifying the accuracy of factual statements made in that research, or for any purpose other than verifying compliance with the firm's legal obligations, where the draft includes a recommendation or a target price

(vii) For the purposes of this paragraph, "related financial instrument" shall be any financial instrument the price of which is closely affected by price movements in another financial instrument which is the subject of investment research and includes a derivative on that other financial instrument

7. EMPLOYEES' PERSONAL TRANSACTIONS

All employees of the Company who are involved in investment activities must be aware of the restrictions on personal transactions and must not enter into personal transactions that will cause the following:

- (i)** Enter into a transaction prohibited under Chapter 2 of the Market Abuse Regulation (EU) 596/2014 and sections 4 and 5 of Market Abuse Law (L.102(I)/2016)
- (ii)** Misuse or cause improper disclosure of confidential information
- (iii)** Enter in a transaction that is likely to conflict with any obligations of the Company, or the employee, that are started under the law

To prevent conflicts arising from the use of information obtained from customers, and market abuse in general, all employees are subject to personal account dealing rules. That requires all employees to have private account trades approved before dealing to ensure that dealing does not occur in financial instruments in circumstances where such trading should be restricted, and that no employee, being a Relevant Person shall have simultaneous or sequential involvement in separate investment or ancillary services or activities.

8. CUSTOMERS' CONSENT

By entering into a customer Agreement with the Company for the provision of Investment Services, the customer is consenting to an application of this Policy on him. Further, the customer consents to and authorises the Company to deal with the customer 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 customer.

In the event that the Company is unable to deal with a conflict-of-interest situation it shall revert to the customer.

9. DECLINING TO ACT

The Company may decline to act for a customer in cases where the Company believes the conflict of interest cannot be managed in any other way.

10. DISCLOSURE OF INFORMATION

Where a conflict arises and the Company's organisational arrangements to prevent conflicts of interests are not sufficient to ensure with reasonable confidence, that the risk of damage to customer's interest will be prevented, the Company will disclose the conflict to the customer prior to undertaking investment business for that customer only as a measure of last resort or, if it does not believe that disclosure is appropriate to manage the conflict, the Company may choose not to proceed with the transaction or matter giving rise to the conflict.

In the case of a disclosure, the Company shall clearly disclose to the customer the general nature and/or sources of conflicts of interest and the steps taken to mitigate those risks. Specifically, such disclosure shall:

- (i)** Be made in a durable medium
- (ii)** Include sufficient details, considering the nature of the client, to enable that client to make an informed decision with respect to the service in the context in which the conflict of interest arises. It shall state the following: i) that the

organisational and administrative arrangements established by the Company to prevent or manage the conflicts are not sufficient to ensure, with reasonable confidence, that the risks of damage to the interests of the customer will be prevented, ii) a specific description of the conflicts of interest that arise in the provision of investment services and ancillary services, iii) explain the risks to the customer that arise as a result of the conflicts of interest and the steps undertaken to mitigate these risks and iv) in sufficient detail, considering the nature of the client, to enable the customer to make an informed decision with respect to the services in the context of which the conflict of interest arises.

11. REVIEW OF THE POLICY

The Company 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 necessary or appropriate by Regulatory Authorities and the Compliance Officer and further approved by the Board of Directors to address any deficiencies.

12. RECORD KEEPING

The Company maintains and regularly updates its register which include the kinds of investment or ancillary services 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 customers has arisen or, in the case of an ongoing service or activity may arise.

The Compliance Officer is responsible to maintain and update the Conflict-of-Interest Register. Any actions must be recorded and reported to the Board of Directors without any delay.

13. AMENDMENTS ON THIS POLICY AND ADDITIONAL INFORMATION

The Company reserves the right to review and/or amend this Policy and its arrangements whenever deems necessary to ensure the consistency with the terms of the Customer Agreement between the Company and the customer, without prior notice to the customer.

Should you require any further information and/or have any questions about conflicts of interest please direct your request and/or questions info.invest@ecommbx.com.