



Depaho

DEPAHO LTD

CONFLICT OF INTEREST POLICY

Introduction

Depaho Ltd (the “**Company**”) is an Investment Firm regulated by the Cyprus Securities and Exchange Commission (license number 161/11). The Company is also authorised by the Financial Services Conduct Authority in South Africa (the “**FSCA**”) (license number 47709). Following the implementation of the second 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 (Cyprus Law 87(I)/2017) as this is amended from time to time, the Company is required to provide its Clients with its Conflict of Interest Policy (the “**Policy**”).

The present Policy forms part of the Agreement. By entering into the Agreement with the Company, Clients also agree to the terms and conditions of the Policy, as set out in this document.

Scope

The Policy applies to all Company directors, employees and any persons directly or indirectly linked to the Company (the “**related persons**”) and refers to all interactions with all Clients.

Definition/Interpretation

A conflict of interest arises where there is a reason within the Company’s control that prevents it from putting the interests of its Clients before those of the Company and its employees, or the interests of one Client or group of Clients ahead of another Client. In such a situation, the Company must pay due regard to the interests of each Client and manage any potential conflict of interest accordingly.

The underlying principle that shall be followed at all times is that the interests of the Client must always be put before the interests of the Company and/or its employees and related persons. A conflict may exist, or be perceived to exist, if an employee’s activity is, or may reasonably give the appearance of being, inconsistent with the best interests of the Company’s Clients.

Identification of possible conflicts of interest

The Company shall take all reasonable steps to identify any circumstances which constitute or may give rise to, a conflict of interest entailing a material risk or damage to Clients’ interests. These circumstances may be between the Company and its related persons, the Company and its Clients, or between Company Clients, during the course of the provision of investment and ancillary services.

Non-exhaustive list of possible conflicts of interest

While it is not feasible to precisely define or create an exhaustive list of all possible conflict of interest situations that may arise as per the current nature, scale and complexity of the Company’s activities, the following list includes 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, as applicable. These circumstances are not necessarily detrimental to the interests of Clients.

- a) The interest of relevant persons, shareholders, directors or agents of the Company or members of its Group in Clients, and vice versa;
- b) An interest in maximizing the Company’s trading volumes in order to increase its commission revenue, which is inconsistent with the Client’s personal objective of minimizing transaction costs;
- c) Relevant persons’ personal transactions within the meaning of Applicable Regulations;
- d) The remuneration of third parties where the interest of the Client conflicts with the interest of the third

- party;
- e) The interests of other members of the group which the Company belongs to and/or the interests of other members of the group that provide services to the Company (e.g. the Liquidity Provider Naxex Belize Limited forms part of the group).

Managing conflicts of interest

1. General Principles

The Company shall maintain and operate effective organizational and administrative arrangements with a view to taking all reasonable steps to prevent any conflicts of interest from adversely affecting the interests of its Clients.

The Company shall take into account any circumstances of which it is or should be aware, which may give rise to a conflict of interest as a result of the structure and business activities of other members of the group which the Company belongs to.

2. Non-exhaustive list of procedures and measures

For the management and prevention of any conflict of interest, the Company's procedures and controls include the following, as applicable and relevant:

- a) Chinese Walls to prevent the flow of confidential information and data in a way that adversely affects the interests of Clients;
- b) Executive Directors or other hierarchical officers of the Company do not exercise inappropriate influence over the way in which a related person carries out the provision of investment and ancillary services;
- c) The Compliance Department shall ensure strict implementation of the Assessment of Appropriateness in order to ensure adequate monitoring of compatibility of the provision of brokerage services to Retail Clients;
- d) Arrangements designed to ensure that related persons engaged in different business activities carry on those activities at a level of independence appropriate to the size and activities of the Company and of the group to which it belongs, and to the materiality of the risk of damage to the interests of Clients;
- e) the Company shall be informed promptly of any personal transaction entered into by a relevant person, either by notification of that transaction or by other procedures enabling the Company to identify and evaluate such transactions;
- f) All employees are aware of forbidden transaction practices (e.g. the preferential treatment of Company members of staff at the expense of its Clients, during the provision of the investment and ancillary services to a Client);
- g) Establishing objective and independent procedures for the assessment of other members of the group who collaborate with the Company for the provision of Services to Clients (e.g. the Liquidity Provider Naxex Belize Limited forms part of the group). Further to this the Company, receives payment from Naxex Belize Limited from the Client's transaction volume, and does not enter into profit sharing arrangements with its Liquidity Provider Naxex Belize Limited regardless that the Liquidity Provider is a member of the same group as the Company.
- h) The Risk Management function and the Dealing On Own Account Department are remunerated with a fixed salary so as to avoid any conflicts of interest with respect to the interest of Clients. In this respect the Company's hedging arrangements are in line with applicable guidelines.



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 a Client or group of Clients, then, the Company shall disclose that conflict of interest before undertaking further business with the Client or group of Clients.

The Company reserves the right to review and/or amend its Policy and arrangements whenever it deems this appropriate with or without notice to the Client. Further information regarding the Policy is available upon request.

Should you require any further information and/or have any questions about conflicts of interest, please direct your request and/or questions to info@fxgm.eu.

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