

CONFLICTS OF INTEREST POLICY



DISCLAIMER

This is a live document and should be read by the intended recipients, that being the current and/or prospective clients of Windsor Brokers and/or those individuals, natural and/or legal persons, which are authorized by Windsor Brokers. The material and information provided within are protected by copyright as a collective work under the Republic of Cyprus copyright laws, owned by Windsor Brokers. Any reproduction, retransmission, republication, or other use of all or part of any procedure including but not limited to posting, linking, or otherwise modifying its contents is expressly prohibited, unless prior written permission has been granted by Windsor Brokers. Windsor Brokers, retains the right to alter and/or amend any of its terms at its absolute discretion without first obtaining the consent of the client. Except as required by law, Windsor Brokers shall not accept any responsibility and/or be held liable for any damages (direct, indirect, incidental, special, consequential, or exemplary), resulting from unlawful and/or inappropriate use of information provided.



CONTENTS

INTRODUCTION	4
SCOPE	4
IDENTIFICATION OF CONFLICTS OF INTEREST	4
MANAGING CONFLICTS OF INTEREST.....	5
POTENTIAL SOURCES OF CONFLICTS OF INTEREST	5
ASSESSMENT & RECORD KEEPING	6
CLIENT CONSENT AND DISCLOSURE OF INFORMATION	6
REVIEW OF THIS POLICY	7
ADDITIONAL INFORMATION	7

INTRODUCTION

In accordance with the Investment Services and Activities and Regulated Markets Law of 2017 L. 87(I)/2017 (“the Law”), Windsor Brokers Ltd (the “Company”) is required to take all appropriate steps to detect and avoid conflicts of interest. The Company is committed to identifying, monitoring and managing all actual and potential conflicts of interest that can and or may arise between the Company and its clients and any person directly or indirectly associated with the Company. This document sets out the Company’s Conflicts of Interest Policy in a format suitable for distribution to Clients and created in order to be appropriate and in relation to the size and organizational structure of the Company as well as the nature, scale and type of business it undertakes and provides.

SCOPE

The Policy applies to all Company’s Directors, Employees, any persons directly or indirectly linked to the Company (the “Relevant Persons”) and refers to all interactions with all clients irrespective of client categorization.

The Company and or other persons connected with the Company may have an interest, relationship or arrangement that is material in relation to any transaction and or service offered affected under the Company’s General Terms of Business. Such interests, relationships or arrangements may not necessarily be separately disclosed to the Clients at or prior to the time of the services offered.

However, the Company, at a minimum, shall identify with reference to the investment and ancillary services carried out by the Company, 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 specify appropriate procedures to be followed and measures to be adopted in order to manage such conflicts.

The affected parties if conflict of interest arises can be the Company, its Employees or its clients. More specifically, a conflict of interest may arise between the following parties: a. The Client and the Company; b. Two or more Clients of the Company; c. The Company and its Employees/Managers; d. One or more Clients of the Company and an Employee/Manager of the Company; e. Company’s Departments.

IDENTIFICATION OF CONFLICTS OF INTEREST

While it is not feasible to define precisely or create an exhaustive list of all relevant conflicts of interest situations that may arise, as per the current nature, scale and complexity of the Company’s business, 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.

For the purposes of identifying the types of conflict of interest that arise in the course of providing investment and ancillary services the Company takes into account, inter alia the following situations:

- Is the Company or a Relevant Person likely to make a financial gain, or avoid a financial loss, at the expense of the client?

- Does the Company or a Relevant Person have 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?
- Does the Company or a Relevant Person have a financial or other incentive to favour the interest of another client or group of clients over the interests of the client?
- Does the Company or a Relevant Person carry on the same business as the client?
- Does the Company or a Relevant Person receive 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?

MANAGING CONFLICTS OF INTEREST

The Company maintains and operates effective organizational and administrative procedures to identify and manage conflicts of interest. Should a Conflict of Interest arise, it is managed promptly and fairly. The Company also undertakes ongoing monitoring of business activities to ensure that internal controls are appropriate.

The Company has appointed an in-house Compliance Department that abide by the following principles and act in such a way by continuously developing, designing and re-designing the appropriate procedures of the Company, so as to prevent and resolve potential conflicts of interest. Furthermore, the Company's Internal Auditor ensures that appropriate systems and controls are maintained and report to the Company's Board of Directors. It is also the duty of the head of each Department of the Company to identify, prevent and manage conflicts of interest in its Department and/or Function and to report the details of the conflicts of interest identified to the Compliance Department accordingly.

POTENTIAL SOURCES OF CONFLICTS OF INTEREST

The Company acting as a principal will be the counterparty to the clients' trades, therefore the Company may profit as a result of the clients losing money.

The Company should analyze potential conflicts of interests each time a financial instrument is manufactured. In particular, the Company shall assess whether the financial instrument creates a situation where end clients may be adversely affected if they take:

- An exposure opposite to the one previously held by the Company itself; or
- An exposure opposite to the one that the Company wants to hold after the sale of the product. The Company may use technology or software, such as bridges and plugins that process client orders using pre-defined and/or configurable rules and settings that allow the Company to define under which conditions a client order can be confirmed and even what will be the Company's possible profit from it.
- The Company shall monitor asymmetric slippage. The Company in relation to its execution arrangements should include a record of all-time stamps, from order reception, intra-trade benchmark shifts, hedging of the trade and client execution.

Service Offered	Potential Conflict (<i>not exhaustive list</i>)	Managing Conflict (<i>not exhaustive list</i>)
Brokerage services	<ul style="list-style-type: none"> - Influence of issue conditions for brokerage / selling commission purposes - Preferential transmission of particular orders 	<ul style="list-style-type: none"> - Orders are transmitted and executed automatically through the Company's systems - Review of payments and/or mispricing
Dealing on Own Account	<ul style="list-style-type: none"> - speculative nature of transactions may give rise to large losses within a relatively short period of time 	<ul style="list-style-type: none"> - Investment Services provided to a Client with the purpose of influencing the price is prohibited - Clients' transaction information for own benefit or announcement to third party is prohibited
Credit & Loans	<ul style="list-style-type: none"> - Client order is only executed if necessary funds are available in the client account, unless the client was granted credits for conducting these transactions, as applicable 	<ul style="list-style-type: none"> - Taking into consideration the capital adequacy of the Company for which the limits/credits granted to the Clients
Safekeeping of clients' funds	<ul style="list-style-type: none"> - Inappropriate criteria in the selection of external custodians / depositories 	<ul style="list-style-type: none"> - Compliance with statutory obligations to exercise due diligence in the selection of custodians / depositories
Gifts and inducements	<ul style="list-style-type: none"> - Offer, solicit or accept inducements (fee, commission or non-monetary benefit) giving rise to conflict in acting in client's best interest 	<ul style="list-style-type: none"> - The Company informs its clients of the accepted inducements which are provided to or by a client or a person on behalf of a client
Information Barriers	<ul style="list-style-type: none"> - Insider dealing and market manipulation risks - Personal Account Dealing 	<ul style="list-style-type: none"> - Access to confidential information is restricted to those who have a proper requirement - Employees may trade in other Investing Firms subject to Company's prior authorization. The Company may request transaction reports from the said Investment Firms at its discretion.
Remuneration Policy	<ul style="list-style-type: none"> - Incentives that may lead persons to favour their own interests, or the Company's interests, to the potential detriment of clients 	<ul style="list-style-type: none"> - Company's practices are consistent with CySEC C031, ESMA/2013/606 and other Questions & Answers from ESMA
Employees Awareness & Notification	<ul style="list-style-type: none"> - Information received or in situation where might constitute conflicting and/or inside information 	<ul style="list-style-type: none"> - Employees must notify Compliance to assess and manage all conflicts of interest situations; and keep a Conflicts Register at all times

ASSESSMENT & RECORD KEEPING

The Compliance Department maintains a Conflicts of Interest Register of all circumstances in which a conflict of interest has been identified and/or arisen, containing the measures taken to mitigate or manage the conflict of interest identified and/or arisen, a description of the circumstances which constituted or may have constituted a conflict of interest, names of the persons involved, the name of the person responsible for the mitigation of the conflict, a description of the steps taken in order to mitigate the conflict - including client disclosures and subsequent resolutions. The Conflicts of Interest Register is updated any time a conflict of interest has been identified and/or arisen or may have arisen and is kept for the durations of the business relationship with the Client and for a minimum of five years after the conclusion of such business relationship.

CLIENT CONSENT AND DISCLOSURE OF INFORMATION

The client consents and agrees with the manner the Company is managing situations which may give rise to conflicts of interests. Where a conflict arises, and the Company is aware of it, it will disclose the conflict to the client prior to undertaking investment business for that client 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. The client understands and accepts that disclosing

of such information will be a last resort after all appropriate steps have been taken to prevent or manage conflicts of interest.

REVIEW OF THIS POLICY

The Company reserves the right to amend its policies at any time by making them public on its official website. Policies shall be reviewed or amended annually or when it is deemed necessary by the Compliance officer and Regulatory Authorities. The latest versions of any of the Documentation and Policies published on the Company's official website shall prevail as this has been communication via a durable medium.

ADDITIONAL INFORMATION

Additional information and/or clarifications in relation to this policy and/or this document is available upon explicit written request. Questions may be directed to our Back Office/Client Support Department via e-mail at: support@windsorbrokers.eu.