

Conflict of Interest Policy



AMB PRIME

July 2018
Vs 3.0

1. Introduction

AMB PRIME LTD (“the Company”), whose headquarters are at 38 Spyrou Kyprianou Street, CCS BLDG - Office N101 3025 Limassol, CYPRUS, is authorized and regulated by the Cyprus Securities and Exchange Commission (CySec) under license number 194/13.

This document sets out Company’s policy to effectively manage any conflicts of interest that may arise in carrying on its business. This conflict of interest policy (the “Policy”) is established in accordance with the Markets in Financial Instruments Directive 2014/65/EC (“MiFID II”) and the Cyprus Regulated Markets Law of 2017 (Law 87(I)/2007) aiming to enable the Company to take all reasonable steps to identify conflicts of interest:

- between itself, including its managers and employees, tied agents, or other relevant persons, as well as any person directly or indirectly linked to them by control, and their clients or
- between one client and another,

that arise in the course of providing any investment and ancillary services, or combinations thereof, including those caused by the receipt of inducements from third parties or by the Company’s own remuneration and other incentive structures.

The Company must maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps designed to prevent conflicts of interest from adversely affecting the interests of its clients. The Company is committed to act honestly, fairly and professionally with ultimate purpose the best interests of its clients (hereinafter referred to as ‘Client’, ‘you’, ‘your’ as appropriate).

Senior management is responsible for ensuring that the Company’s systems, controls and procedures are adequate to identify and manage conflict of interest. It is also responsible to ensure that all the arrangements made under this policy operate effectively.

2. Objectives

The conflict of interest policy aims to ensure that the Company’s clients are treated fairly and at the highest level of integrity and that their interest are protected at all times. It also aims to identify conflicts of interest between:

- a) The company and a Client;
- b) A relevant person and a Client;
- c) A company of the Group and a Client;
- d) Two or more Clients of the Company in the course of providing services to these Clients;

and to prevent conflicts of interest from adversely affecting the interest of its Client.

3. Application

The Policy applies to all its directors (whether Executive or Non-Executive), employees and any persons directly or indirectly linked to the Company (hereinafter called “relevant persons”) and refers to all interactions with all Clients. Relevant person in relation to the Company means:

- a) a member of the board of directors, partner or equivalent, manager or tied agent of the Company
- b) a member of the board of directors, partner or equivalent, or manager of any tied agent of the Company
- c) an employee of the Company or of a tied agent of the Company, 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
- d) a natural person who is directly involved in the provision of services to the Company or to its 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. Conflicts of Interest Policy

Company's Conflicts of Interest Policy sets out how:

- a) The Company will identify circumstances which may give rise to conflicts of interest entailing a material risk of damage to its Clients' interests.
- b) The Company has established appropriate mechanisms and systems to manage those conflicts, and
- c) The Company maintains systems designed to prevent damage to its Clients' interests through identified conflicts.

In any event the Company will adopt all expedient measures in order to ensure that the customer wishes the conclusion of the transaction, notwithstanding the conflict of interest disclosed to him.

5. Identification of Conflicts of interest

The Company takes adequate steps to properly identify 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 the question of whether the Company or a relevant person, or a person directly or indirectly linked by control to 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 a relevant person is likely to make a financial gain, or avoid a financial loss, at the expense of the Client;
- b) The Company 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 Company or a relevant person has a financial or other incentive to favour the interest of one Client over another;
- d) The Company or a relevant person carries on the same business as the Client;
- e) The Company or a relevant person receives from a person other than a Client an inducement in relation to a service provided to a Client, in the form of monies, goods or services, other than the standard commission or fee for that service;
- f) The Company may have an interest in maximizing trading volumes in order to increase its commission revenue, which is inconsistent with the Client's personal objective of minimizing transaction costs;
- g) Any market information, training and discussions as regards possible market trends should not be construed as trading/investment advice or investment research. It is the Client's responsibility to perform their own market research before entering into any position
- h) Company may be matching the Client's Order with that of another Client by acting on such other Client's behalf as well as on the Client's behalf;
- i) The Company's bonus scheme may award its employees based on the trading volume etc.;
- j) The Company or a Related Person may receive goods, services or other inducement in addition to the standard commission or fee charged in respect of a service provided to the client;

6. Potential Sources of Conflicts of Interest

Taking into consideration the services the Company offers, potential Conflict of Interest circumstances may include, but are not limited to:

- Reception and transmission of orders;
- Dealing on own account;
- Execution of orders;
- Safekeeping and administration of financial instruments for the account of clients, including custodianship and related services such as cash/collateral management and excluding maintaining securities accounts at the top tier level ("central maintenance service"), as referred to in point 2 of Section A of the Annex to Regulation (EU) No 909/2014.

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, arrangements that take into

account the question of whether the Company or a relevant person, or a person directly or indirectly linked by control to the Company, is in any of the following situations, whether as a result of providing investment or ancillary services or investment activities or otherwise.

The following is a non-exhaustive list of instances which could constitute a conflict of interest. The list is divided to conflicts between: the Company vs. client and client vs. client.

The Company vs. Client:

- a) The Company or a company of the Company's group may engage in business and trading activities for its own account and/or Client accounts whilst other Clients are active in relevant markets at the same time;
- b) A transaction is effected 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;
- c) The Company or Relevant Person receives substantial gifts or entertainment (including non-monetary inducements) that may influence behaviour in a way that conflicts with the interest of the Client of the Company;
- d) A transaction is effected in financial instruments in respect of which the Company may benefit from a commission, fee, mark-up or mark-down payable otherwise than by a client, and/or Company may also be remunerated by the counterparty to any such transaction;
- e) A director or employee of the Company is a director of a fund and or any company which is a client of the Company;
- f) A transaction is effected in financial instruments issued by an affiliated company or the client or customer of an affiliated company
- g) The Company may act as agent for a client in relation to transactions in which it is also acting as agent for the account of other customers and/or Group companies;
- h) The Company acting as agent for the Client, matches an order of the Client with an order of another customer for whom it is acting as agent;
- i) A transaction is effected in securities issued by an affiliated Company or the client or customer of an affiliated Company;
- j) The Company deals on behalf of the client with, or in the securities of, an affiliated Company;
- k) A transaction is effected in units 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;
- l) Introducing agents may have other interests than the Company and/or their clients;
- m) White Label Partners may have other interests than the Company and/or their clients;
- n) Representatives/ Introducing agents of the Company may be aware of large client orders to acquire or dispose of a large quantity of a particular financial instrument and either the Company or its representatives/Introducing agents purchase (or sell) the financial instrument beforehand.
- o) Where one of the employees of the Company engages in personal account dealing and the Company has a client with an interest that potentially conflicts with such dealing;
- p) Where the Company or any employee has a financial or other incentive to favor the interest of another client or group of clients over the interests of the client;
- q) Where the Company or any employee 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;
- r) Where the Company or an employee carries on the same business with the client;
- s) Where substantial gifts and entertainment (including non-monetary gifts) are received that may influence behavior in a way that conflicts with the interests of the clients;

In general, where the Company, or one of its employees is likely to make a financial gain, or avoid a financial loss, at the expense of a client.

Client vs. Client:

- a) Where the Company makes a discriminatory allocation between clients;
- b) The Company acting as agent for the Client, matches an order of the Client with an order of another customer for whom it is acting as agent;
- c) Where 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) Where a situation exists which does not appear to be treated in a manner that benefits and/or would lead to the fair and equitable treatment of all clients.

7. Identifying and Managing Conflicts of Interests

The Company establishes implements and maintains effective organisational and administrative procedures to manage and prevent any identified conflicts of interest which may damage the interests of the clients according to the size and organisation of the Company, the nature, scale and complexity of its business. The procedures are ongoing monitored and reviewed to ensure that the internal controls are appropriate and therefore to implement corrective measures if any loopholes are identified.

In general, the procedures we follow and measures we adopt in order to manage such conflicts of interests to ensure the necessary 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 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) 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.

The Company has also in place arrangements to ensure that:

- There is a clear distinction between the different departments' operations;
- No single person will gather conflicting information, thus counterfeiting or hiding information from investors is minimized;
- The Company's employees are prohibited from investing in securities for which they have access to non-public or confidential information;
- 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 is prevented or controlled;
- There is 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;
- There is no 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;
- The security features of the Company's software prevents unauthorized access to sensitive information in order to benefit the Company over its clients or one client over another;
- Relevant persons are prohibited to purchase or sell a security or cause the purchase or sale of a security for any account while in possession of inside information relating to that security;

- Relevant persons are prohibited to recommend or solicit the purchase or sale of any security while in possession of inside information relating to that security;
- Relevant persons are prohibited to purchase or sell or cause the purchase or sale of a security for an employee or employee-related account or a proprietary account of the Company or an account over which an employee exercises investment discretion, while in possession of proprietary information concerning a contemplated block transaction in the security or for a customer account when such customer has been provided such information by any relevant person;
- Transactions by the company's employees are neither performed nor executed by themselves, but by another member of staff of the company;
- Employees sign a confidentiality agreement. No associated person may disclose inside information to others, except disclosures made in accordance with the Company's policies and procedures, to other Company personnel or persons outside the Company who have a valid business reason for receiving such information;
- There are effective procedures in place to prevent or control the exchange of information (flow 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;
- Any person will be prevented from exercising inappropriate influence over the way in which a relevant person carries out investment or ancillary services or activities;
- Relevant information is recorded promptly in a secure environment to enable identification and management of Conflicts of Interests;
- Adequate records are maintained of the services and activities of the Company where a Conflict of Interest has been identified;
- Where necessary, Relevant Persons are subject to personal account transaction rules; (obliged to inform promptly the Company of all personal transactions)
- In certain jurisdictions appropriate disclosure may be made to the Client in a clear, fair and not misleading manner to enable the Client to make an informed decision;
- There is a periodic review of the adequacy of the Company's systems and controls.
- Relevant persons engaged in different business activities involving a conflict of interest should 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;
- There are effective arrangements designed to ensure a clear distinction between the different departments' operations as these are described in the internal regulation and in the job description of each department's officer. In this way it is secured that no single person will gather conflicting information, thus counterfeiting or hiding information from investors is minimized;
- No person should replace another person in his/her duties without the prior consent of the Compliance Officer and approval by the Executive Director in accordance with Company's Replacement policy. Such a consent will be given by the Compliance Officer after all issues of possible conflict of interest have been reviewed;
- Relevant persons engaged in research activities should not discuss unreleased information, opinions, recommendations, or research analysis in progress with Company associated persons engaged in sales activities, or any person within or outside the Company who does not have a valid business need to know the information;
- Procedures governing access to electronic and/or in hard copy data and information.
- Material information will be confined only to persons who have a need to know that information in order to carry out their responsibilities.
- Segregation of duties that may give rise to conflicts of interest if carried on by the same individual;
- Employees should comply with all rules regulations and directives of the competent authorities;
- Employees should report to their supervisor any potential conflict of interest related to a proposed transaction.

- Employees should report to their supervisor any special relationship they or any related party might have with a proposed transaction that might affect their judgment.
- Employees should not trade on material non-public information. In the case that an employee holds material non-public information he must report it to the supervisor or the compliance officer and in such case the financial instrument will be placed either in the restricted list or the watch list.

8. Information barriers

The Company respects the confidentiality of information it receives about its Clients and operates a “Need to Know” approach and complies with all applicable laws in respect of the handling of that information. Access to confidential information is restricted to those who have a proper requirement for the information consistent with the legitimate interest of a Client of the Company.

The Company has established and operates internal organisational arrangements to avoid conflicts of interest by controlling, managing or restricting as deemed appropriate the flow of confidential information between different areas of business or within a specific division or department. In particular, Chinese Walls are a key tool for conflict of interest prevention avoiding insider dealing and market manipulation risks. Chinese Walls can involve separation of premises, personnel, reporting lines, files and IT-systems and controlled procedures for the movement of personnel and information between the Company and any other part of the Company Group. The Company maintains permanent information barriers between different departments.

In general these are procedures geared towards precluding the exchange of information between those of the Company’s departments which ought to be secluded from one another, as well as between different firms belonging to the same group of companies with the Company and, in general, with all manners of other individuals whether or not these are related to the Company. The Company’s internal regulation shall provide for the creation of Chinese walls between the Company’s different organizational departments, so as to exercise control over the flow of confidential information reaching each one of the said departments.

Wall-crossing is only permitted if the following conditions cumulatively apply:

- a) specific procedures are observed under the internal auditor’s supervision and
- b) the flow of information is necessary on a need-to-know basis for the proper exercise of the Company’s obligations towards its customers, especially in the context of highly complex and potentially dangerous transactions.

9. Policies and procedures

The Company has developed and implemented policies and procedures throughout its business to prevent or manage potential conflicts of interests. Its employees receive guidance and training in these policies and procedures, and they are subject to monitoring and review processes.

10. Remuneration Policy

The Company has established, implemented and maintains remuneration policies and practices that comply with the provisions of CySEC’s Directive DI144-2014-14 (the “Directive”), for the prudential supervision of Investment Firms, Circulars 031, C138 and C145 (the “Circulars”), ESMA/2016/904 as well as with Delegated regulation 2017/565 and the requirements of sections 10(1)(c)(iii), 24(1) and 25(10) of the Investment Services and Activities and Regulated Markets Law of 2017 (L87(I)/2017), as in force (‘the Law’) in relation to conflicts of interests.

The Company when designing or reviewing its remuneration policies and practices it considers the conduct of business and conflicts of interest risks that may arise and takes reasonable measures to avoid or manage them appropriately and efficiently.

The Company’s remuneration policies and practices, inter alia, have been designed in such a way so as not to create incentives that may lead persons to favor their own interests, or the Company’s interests, to the potential detriment of clients.

Furthermore, the Company has established, implemented and maintains adequate control mechanisms for compliance with remuneration policies and practices being implemented and maintained by the Company.

The same remuneration policies and practices adopted by the Company are applied apart from the staff and to the service providers, Introducing Brokers and to third parties which perform outsourced critical operational functions, when they are acting on behalf of the Company.

11. Separate supervision/functions

There is a clear distinction between the different departments' operations. Two departments or businesses will be managed by different senior staff members, if running them under supervision of one person, may create conflicts of interest. In this way it is secured that no single person will gather conflicting information, thus counterfeiting or hiding information from investors is minimized. Furthermore the four-eyes principle in supervising the Company's activities will be established.

12. Pay

Pay and bonuses are linked to the profits of the Company or the business or department where an employee works. Pay and bonuses linked to the performance of another department, with possible conflicting interests, is avoided at all times.

13. Inducements

The Company does not offer, solicit or accept any inducements, other than the following:

- (a) A fee, commission or non-monetary benefit provided to or by a client or a person on behalf of a client;
- (b) A fee, commission or non-monetary benefit provided to or by a third party or a person acting on behalf of a third party, under the following conditions:
 - i. the fee, commission or benefit is disclosed to a client, prior to the provision of the relevant service; and
 - ii. it is designed to enhance the quality of the relevant service to a client and in line with Company's duty to act in the best interests of a client;
- (c) Proper fees for the provision of investment services, such as custody costs, settlement and exchange fees, regulatory levies or legal fees, and which cannot give rise to conflicts with Company's duties to act honestly, fairly and professionally in accordance with the best interests of its clients

The Company when pays or is being paid any fee or commission or providing or being provided with any non-monetary benefit in connection with the provision of an investment service or ancillary service to the client ensures that:

- a) A fee, commission or non-monetary benefit is designed to enhance the quality of the relevant service to the client;
- b) A fee, commission or non-monetary benefit does not impair compliance with the Company's duty to act honestly, fairly and professionally in accordance with the best interest of its clients;
- c) The Company holds evidence that any fees, commissions or non-monetary benefits paid or received by the Company are designed to enhance the quality of the relevant service to the client;
- d) The Company fulfils the relevant requirements on an ongoing basis as long as it continues to pay or receive the fee, commission or non-monetary benefit;
- e) The Company discloses to the client, in relation to any payment or benefit received from or paid to third parties, the following information:
 - i) Prior to the provision of the relevant investment or ancillary service, the Company discloses to the client information on the payment or benefit concerned.
 - ii) where the Company is unable to ascertain on an ex-ante basis the amount of any payment or benefit to be received or paid, and instead disclosed to the client the method of calculating that amount, the Company also provides its clients with information of the exact amount of the payment or benefit received or paid on an ex-post basis; and

- iii) at least once a year, as long as (on-going) inducements are received by the Company in relation to the investment services provided to the relevant clients, the Company informs its clients on an individual basis about the actual amount of payments or benefits received or paid.

14. Personal account dealing

For the purpose of this Conflict of Interest Policy, “*Personal Transaction*” means a trade in financial instrument effected by or on behalf of a relevant person, where at least one of the following criteria are met:

- a) The relevant person is acting outside the scope of the activities he carries out in that capacity,
- b) the trade is carried out for the account of any of the following persons:
 - i. the relevant person,
 - ii. any person with whom he has a family relationship, or with whom he has close links,
 - iii. a person whose relationship with the relevant person is such that the relevant person has a direct or indirect material interest in the outcome of the trade, other than a fee or commission for the execution of the trade

To prevent conflicts arising from the use of information obtained from clients, and market abuse in general, all employees are subject to personal account dealing rules. Employees are prohibited to keep investor accounts in other Investing Firms without Company’s prior authorization and are obliged to bring this to Company’s attention. They are also obliged to authorize the Company to request transaction reports from other Investment Firms. Furthermore the Company requires all employees to have Personal Account trades approved before dealing to ensure that dealing does not occur in securities in circumstances where such dealings should be restricted.

Relevant persons are informed on the restrictions on personal transactions and the measures established by the Company in connection with personal transactions and Notification procedures.

Furthermore the Company has established, implemented and maintains adequate arrangements aimed at preventing the following activities in the case of any relevant person who is involved in activities that may give rise to a conflict of interest, or who has access to inside information within the meaning of section 5 of the Market Manipulation (Market Abuse) Law or to other confidential information relating to clients or transactions with or for clients by virtue of an activity carried out by him on behalf of the Company:

- a) Entering into a personal transaction which meets at least one of the following criteria:
 - i. That person is prohibited from entering into it under the Market Abuse Law;
 - ii. It involves the misuse or improper disclosure of that confidential information;
 - iii. It conflicts or is likely to conflict with an obligation of the Company under the Law.
- b) Advising or procuring, other than in the proper course of his employment or contract for services, any other person to enter into a transaction in financial instruments which, if a personal transaction of the relevant person, would be covered by point (a) above or investment research reports or the misuse of information relating to pending client orders.
- c) Disclosing, other than in the normal course of his employment or contract for services, any information or opinion to any other person if the relevant person knows, or reasonably ought to know, that as a result of that disclosure that other person will or would be likely to take either of the following steps:
 - i. To enter into a transaction in financial instruments which, if a personal transaction of the relevant person, would be covered by point (a) above or investment research reports or the misuse of information relating to pending client orders;
 - ii. To advise or procure another person to enter into such a transaction.

The above arrangements have been designed to ensure that:

- a) Each relevant person is aware of the restrictions on personal transactions, and of the measures established by the Company in connection with personal transactions and disclosure.

- b) The Company is informed promptly of any personal transaction entered into by a relevant person, either by notification of that transaction or by other internal procedures enabling the Company to identify such transactions. In the case of outsourcing arrangements the Company always ensures that the firm to which the activity is outsourced maintains a record of personal transactions entered into by any relevant person and provides that information to the Company promptly on request.
- c) A record is kept of the personal transaction notified to the Company or identified by it, including any authorisation or prohibition in connection with such a transaction.
- d) The Company shall ensure that relevant persons do not advise or recommend, other than in the proper course of employment or contract for services, any other person to enter into a transaction in financial instruments which, if it were a personal transaction of the relevant person, would be covered by above paragraph.
- e) Furthermore in case the Company will produce, or arrange for the production of, investment research that is intended or likely to be subsequently disseminated to clients of the Company or to the public, under its own responsibility or that of a member of its group, shall have in place arrangements designed to ensure that the following conditions are satisfied:
 - financial analysts and other relevant persons do not undertake personal transactions or trade, other than as market makers acting in good faith and in the ordinary course of market making or in the execution of an unsolicited client order, on behalf of any other person, including the Company, 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 clients 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;
 - in circumstances not covered by point (a), 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 Company's legal or compliance function;

In case personal account transactions which fall within the scope of this policy take place, the employee shall receive prior written authorisation from the Compliance Officer.

The Compliance officer should keep a record of the personal transaction notified to the Company or identified by it, including any authorisation or prohibition in connection with such a transaction.

Once a personal transaction has been undertaken it must be notified to the Compliance Officer within 14 days of the transaction date.

Confirmations from Brokers

The Company reserves the right to request that before any individual subject to this policy deals on his personal account arrangements are put in place for the Company to receive trade confirmations direct from the brokers of the individual concerned.

Additionally the Company's employees are obliged to authorize the Company to directly receive from the financial services companies where they keep such accounts, of reports concerning transactions performed.

In such circumstances, the Compliance Officer writes to the individual's brokers requesting them to confirm in writing that for any transaction they undertake on behalf of the individual named in the letter, they will send a trade confirmation direct to the Company as soon as one is produced.

Personal transactions not subject to restrictions

The restrictions to personal transactions are not applied to the following kinds of personal transactions:

- Personal transactions effected under a discretionary portfolio management service where there is no prior communication in connection with the transaction between the portfolio manager and the relevant person or other person for whose account the transaction is executed

- Personal transactions in undertakings for collective investments in transferable securities (UCITS) or AIFs that are subject to supervision under the law of a Member State which requires an equivalent level of risk spreading in their assets, where the relevant person and any other person for whose account the transactions are effected are not involved in the management of that undertaking.

15. Employees' activities outside the Company

Company's employees are subject to rules designed to avoid conflicts of interest with activities they undertake outside the Company.

16. Gifts

Company's employees will not accept any gifts other than those considered normal in their line of business. Excessive gifts from Clients may result in a conflict of interest, something the Company is committed to avoiding. The Company has a Gifts Policy to ensure compliance with the CySEC rules on inducements. The Policy places a limit on the value of permissible gifts and corporate hospitality and requires all gifts to be recorded in the Gifts Register.

This restriction does not include special promotions on products and services which have been agreed by our senior management, nor does it cover corporate gifts and hospitality which are considered to be incidental to our ordinary business. Examples of gifts and inducements which may not be offered or accepted include cash, gifts readily convertible into cash or any other object of significant value.

Gifts of an extraordinary or extravagant nature to an employee are to be declined or returned in order not to compromise the reputation of the employee or the Company. Gifts of nominal value or those that are customary in the industry, such as meals or entertainment may be appropriate. The Company prohibits any form of a loan by an employee to a client or by a client to an employee.

17. Disclosure

Where Company's organisational or administrative arrangements are not sufficient to ensure, with reasonable confidence, that risks of damage to client interests will be prevented, the Company will either decline to act or, where confidentiality considerations permit, will disclose the general nature and/or sources of conflicts of interest to the client or potential client before undertaking business on its behalf, in order to enable that client to take an informed decision with respect to the investment or ancillary service in the context of which the conflict of interest arises.

The disclosure shall clearly state that the organizational and administrative arrangements established by the investment firm to prevent or manage that conflict are not sufficient to ensure, with reasonable confidence, that the risks of damage to the interests of the Client will be prevented. The disclosure shall include specific description of the conflicts of interest that arise in the provision of investment and/or ancillary services, taking into account the nature of the Client to whom the disclosure is being made. The description shall explain the general nature and sources of conflicts of interest, as well as the risks to the Client that arise as a result of the conflicts of interest and the steps undertaken to mitigate these risks, in sufficient detail to enable that client to take an informed decision with respect to the investment or ancillary service in the context of which the conflicts of interest arise.

18. Declining to act

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

19. Amendment / review

The Company reserves the right to review and/or amend its conflict of interest policy and arrangements whenever it deems appropriate. The Company shall review and amend, if needed, this policy at least on an annual basis. The Company maintains an updated copy of its conflicts of interest policy posted on its Website.

The Company shall assess and periodically review, on an at least annual basis, the conflicts of interest policy and shall take all appropriate measures to address any deficiencies. Over-reliance on disclosure of conflicts of interest shall be considered a deficiency in the Company's conflicts of interest policy.

20. Further information

Further information on Company's Conflict of Interest Policy is available upon request from Company's offices at:

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