



CIF License no. 303/16

Regulated by the Cyprus Securities & Exchange Commission

CONFLICTS OF INTEREST POLICY

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1. Introduction

Rynat Trading Limited (hereinafter “the Company” or “We”) is an Investment Firm regulated by the Cyprus Securities and Exchange Commission (hereinafter “CySEC”) with Licence number 303/16.

This Conflicts of Interest Policy (hereinafter “the Policy”) is provided in accordance the provisions of Investment Services and Activities 87(l)/2017 (hereinafter “the Law”) and the Markets in Financial Instruments Directive (hereinafter “MIFIDII”) of the European Parliament and Council, as amended from time to time, pursuant to which the Company is required to take all appropriate steps to detect and avoid conflicts of interest.

In accordance with the Law, the Company must establish, implement and maintain a Conflict of Interest Policy and make sure it provides all the necessary information on how conflicts of interest are identified, prevented, and managed both internally and externally, meaning conflicts that can include managers, employees, or other Relevant Persons to it by control, and its 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 provides herein a summary of the policy it maintains in order to identify and manage conflicts of interest in respect of the duties it owes to its Clients.

2. Scope

The scope of this Policy is to specify in writing the procedures established by the Company in accordance with its organisation, and the nature, scale, and complexity of its business.

In addition, the Policy aims to identify and responsibly manage and control and, where necessary, disclose the conflicts of interests to ensure the fair treatment of all Clients, to reduce the risk of Client disadvantage and/or the risk of legal liability, regulatory censure or damage to the Company’s commercial interests and reputation. The Policy applies to all the Company’s directors, officers, employees, agents, and any person directly or indirectly linked to the Company (hereinafter “Relevant Person”) and refers to all interactions with all clients. More precisely, a Relevant Person can be:

- (a) members of the board of directors, partners, or persons in an equivalent position, as well as managers;
- (b) Company employees;
- (c) natural persons who place services at the disposal and under the Company’s control;
- (d) natural persons who are involved in providing services to the Company or agents under an outsourcing arrangement that is aiming at the provision by the Company of investment services and/or the investment activities performance.

The Company is committed to act honestly, fairly, professionally and in the best interests of its clients,

and to complying with the principles set out in the above legislation when providing investment services and other ancillary services related to such investment services.

3. Identification of Conflicts of Interest

3.1 A conflict of interest can arise between:

- (a) The client and the Company;
- (b) Two clients of the Company;
- (c) The Company and its employees;
- (d) A Company's client and a Company's manager / employee;
- (e) Departments of the Company.

3.2 Conflicts of interests include those situations where the Company or a person is in a position that exploits in some way a professional or official capacity to obtain a benefit, whether corporate or personal. When the Company deals with the Client, the Company, an associate or some other person connected with the Company may have an interest, relationship or arrangement that is material in relation to the transaction concerned or that conflicts with the Client's interest. While it is not feasible to define precisely or create an exhaustive list of all relevant conflicts of interest that may arise, as per the current nature, scale and complexity of the Company's business, Annex A attached herein, includes circumstances that 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 a result of providing investment services.

3.3 For the purposes of identifying the types of conflict of interest that may arise in the course of providing investment and ancillary services, or a combination thereof, and whose existence may conflict with the interests of a client, the Company takes into account, by way of minimum criteria, the question of whether the Company or a Relevant Person, or a person directly or indirectly linked by control to the Company, is involved in any of the following situations:

- (a) is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
- (b) 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 may be different from the client's interest in that outcome;
- (c) has a financial or other incentives to favor the interest of another client, or group of clients, over the interests of a particular client or group of clients;
- (d) carries on the same business as the Client;
- (e) receives or will receive an inducement in relation to a service provided to the client, in the form of monetary or non-monetary benefits or services.

3.4 Any of the above situations is an indicator of the existence of a strong possibility that a conflict of interest may endanger the Client's interests and should be addressed in a timely and effective manner. Potential circumstances of conflicts of interest duties may, inter alia, arise due to the fact that the Company is a member of a group, as follows:

- (a) The Company and/or any other member of the group exercises the same activity as the Client;
- (b) A transaction is effected in financial instruments in respect of which the Company may benefit

- from a commission, fee, or non-monetary benefit payable otherwise than by the Client;
- (c) The Company acts as agent for the Client in relation to transactions in which it is also acting as agent for the account of other Client's including members of the Company's Group;
- (d) The Company deals in financial instruments as principal with the Client;

4. Procedures and Controls to Manage Conflicts of Interest

In general, the procedures and controls that the Company follows to manage the identified conflicts of interest include the following measures for its operation, its members, participants, owners, and operators to be able to manage any conflict of interest and to ensure the requisite degree of independence, (list is not exhaustive):

- (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 the Company.
- (b) Procedures prohibiting employees of the Company to trade in financial instruments offered by the Company or similar to those offered by the Company, without a specific authorisation by the Company.
- (c) The Company takes preventive measures to limit a person's ability to exercise an inappropriate influence on the way that person carries out his/her duties related to investment or ancillary services or activities.
- (d) 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.
- (e) Relevant Persons are subject to further supervision, specifically the persons who carry out activities on behalf of clients or provide services to clients whose interest may enter into conflict or who have different interests than those of the Company. The department of the Company that may enter under further supervision is the Dealing Room and Brokerage department.
- (f) Direct connections between the remuneration of persons involved in one activity and the remuneration of revenues generated by different Relevant Persons involved in another activity is removed. To this effect, to prevent conflicts of interest employees of the Dealing Room and Brokerage department do not have their remuneration connected to clients' performance.
- (g) The Company takes measures to control and inspect the involvement of a Relevant Person in activities like the reception and transmission of clients' orders and task such as trading performance analysis.
- (h) The Company has developed Chinese Walls in accordance with the legal requirements between the departments which restrict the flow of confidential and inside information within the Company. The Company ensures that the flow of information remains between employees and that access has been limited regarding information, documentation, and communication according to each employee's duties and responsibilities.
- (i) Segregation of duties that may give rise to conflicts of interest if carried on by the same individual.
- (j) Prohibition on officers and employees of the Company having external business interests conflicting with the interests of the Company without the prior approval of the Company's board of directors.

- (k) A policy designed to limit the conflict of interest arising from the giving and receiving of inducements.
- (l) Establishment of in-house Compliance Function to monitor and report on the above to the Company's Board of Directors.
- (m) Appointment of Internal Auditor to ensure that appropriate systems and controls are maintained and report to the Company's board of directors.
- (n) Establishment of the four-eyes principle in supervising the Company's activities.
- (o) 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.
- (p) Procedures governing access to electronic and/or in hard copy data and information.
- (q) On-going monitoring of business activities to ensure that internal controls or manage conflicts of interest are appropriate.
- (r) The Company employs rules and organisational arrangements in order to manage conflicts of interest which may arise from the production and/or dissemination of investment research to Clients by the Company.
- (s) The Company prohibits Relevant Persons who are involved in the production and/or dissemination of the investment research to promise to any issuer of financial instruments that they will publish a favorable research on its behalf.

5. Investment Research

Investment research is the research or other information recommending or suggesting an investment strategy, explicitly or implicitly, concerning one or several financial instruments or the issuers of financial instruments, including any opinion as to the present or future value or price of such instruments, intended for distribution channels or for the public. It needs to be labeled or described as investment research or in similar terms or is otherwise presented as an objective or independent explanation of the matters contained in the recommendation.

If the recommendation was made by the Company to a client, it would not constitute the provision of investment advice. A recommendation that does not meet these conditions shall be treated as a marketing communication and the Company shall ensure that it is clearly identified as such. Furthermore, the Company shall ensure that any such recommendation contains a clear and prominent statement that (or, in the case of an oral recommendation, to the effect that) it has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and that it is not subject to any prohibition on dealing ahead of the dissemination of investment research.

The Company shall ensure that the measures and arrangements adopted to manage the conflicts of interest that might arise from the production and dissemination of material presented as investment research are appropriate to protect the objectivity and independence of financial analysts and the investment research they produce. Such measures and arrangements ensure that persons who produce or disseminate research are safeguarded by 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.

Persons who produce or disseminate investment research shall ensure that they comply with all applicable provisions of this Policy as regards the conflicts of interest that may arise from the execution of their duties. They shall also ensure that such information is fairly presented and disclose their interests or indicate conflicts of interest concerning the financial instruments to which that information relates. Please see Annex A attached herein, which includes the conditions in which arrangements on conflicts of interest that might arise from the production and dissemination of investment research are satisfied.

6. The Board of Directors and Senior Management Responsibilities

The Board of Directors defines, oversees, and is responsible for the implementation of the governance arrangements that ensure effective and prudent management of the Company, including the segregation of duties in the Company and the prevention of conflicts of interest, and in a manner that promotes the integrity of the market and the best interest of clients.

The Senior Management responsibilities include the following:

- (a) implement, manage and monitor the actions taken regarding the policies and procedures of conflicts of interest;
- (b) ensure that all procedures and measures are in place to identify potential conflicts throughout the business and make timely and effective decisions regarding any of these conflicts;
- (c) provide appropriate training in order to raise awareness and ensure compliance of employees and related to the Company individuals;
- (d) communicate the policies, procedures, and expectations to the employees and increase awareness regarding the procedures and practices of conflicts of interest;
- (e) ensure that the strategies applied to manage and mitigate risks are appropriate, effective, and up-to-date;
- (f) support the ongoing review and evaluation of the processes and procedures.

7. Client's Consent

By entering into a Client Agreement with the Company for the provision of Investment and/or Ancillary Services, the Client is consenting to an application of this Policy on him/her. Further, the Client consents to and authorises the Company to deal with the Client 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 Client. In the event that the Company is unable to deal with a conflict of interest situation it shall revert to the Client.

8. Disclosure

In the case where the measures put in place are not sufficient to ensure, with reasonable confidence that conflicts with the interests of the client will be prevented, the Company will, if it is aware of it, disclose the conflict of interest prior to undertaking investment business for that client. The disclosure will be made in sufficient time and in a durable mean and shall include sufficient detail, taking into account the nature of the client, to enable him/her to take an informed decision with respect to the investment or ancillary service in the context of which the conflict of interest arises. Clients will be given the opportunity to decide on whether to continue their relationship with us with no unreasonable obstacles.

9. Record Keeping

The Company must maintain, update and monitor its records related to the investment services and ancillary services that are being carried out by the Company or on its behalf and which bear a risk of conflicts of interest.

Any conflict of interest that would arise must be reported to and recorded by the Company's CEO and Compliance Officer.

10. Updates

The Company reserves the right to review and/or amend its Policy and arrangements whenever it deems this appropriate without notice to the Client. The most up-to-date version of the Policy can be found on our Website.

Should you require further information and/or have any questions about conflicts of interest, you may direct them to: info@rynattrading.com

ANNEX A

Possible Circumstances of potential conflict of interest	Our approach to managing these (indicative actions)
<p>When a client enters into any order to Buy or Sell a Contract for Difference (“CFD”) on our trading platforms, the client trades with us as his/her counterparty. We are the Principal to each trade that the client enters.</p> <p>This means that:</p> <ul style="list-style-type: none"> • The client may only close each position he trades with us. • The client’s positions are not transferable to any other regulated investment firm. In CFDs, clients can only trade / close their position with the investment firm – broker they initially opened their position with. • The Company is likely to make a financial gain, a financial loss, at the expense of the client. The 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. 	<ul style="list-style-type: none"> • We have introduced an Order Execution Policy that sets out our obligations in delivering Best Execution to our clients. • Best Execution is the process by which the Company seeks to obtain the best possible result when executing client orders. • Generally, Best Execution is determined based on the total consideration paid to or by the client, unless the objective of execution of the order dictates otherwise. • Prices quoted for CFDs are based on the aggregation of prices received from global investment banks and other liquidity providers. • We disclose our Spreads and charges on our trading platform • Our marketing communication is developed based on being fair, clear and not misleading to clients and is issued following approval by the Compliance department. The Company provides to clients with a risk disclosure statement upon opening an account and prior to executing a trade, allowing them to understand the risks of trading CFDs.
<p>The settings of the trading platform may be at non-symmetrical parameters. A key area relates to trading slippage. Slippage refers to the difference a client expects to pay for a trade and the actual price at which the trade is executed. Slippage occurs because there is a slight time delay between the client entering the trade and the time the broker receives the order. During this time delay, the price may have changed. Slippage can be much higher in fast-moving, volatile markets. It can either work in favor of or against the client. Conflicts may arise if the application of slippage parameters is not symmetrical. That is the broker enables a higher negative slippage for</p>	<ul style="list-style-type: none"> • All trading platform parameters are symmetrical.

<p>the client whilst limiting the client’s potential profit in positive slippage.</p>	
<p>The Company, its employees, 3rd parties acting on behalf of or based on specific agreements with the Company (such as introducers, websites and social media) may have an interest in maximising trading volumes to increase dealing revenues or their variable remuneration pay. This may be inconsistent with the need for clients to trade prudently or for minimising clients’ transaction costs. The Company’s employees may also be awarded based on quantitative criteria that links to the trading performance of clients.</p>	<ul style="list-style-type: none"> • The Company does not have any Employees who receive any form of variable remuneration, such as commission based on the clients’ deposits or losses. If such incentives were given by the Company, the employees would have been subject to malus and claw back provisions. • Incidents of conflicts of interest or any other compliance breach lead to suspension of unvested rights and / or claw back of any awards and / or termination of employment. • Awards are structured to have regard to long term client satisfaction as opposed to short term Company gains, recognising that our long-term success is premised on maintaining satisfied clients over the long term. • Any websites, affiliates or other online introducers do not have any role in our assessment of the clients’ knowledge and experience for onboarding purposes, such decision to onboard being at the entire discretion of the Company. • Local registrations with regulatory authorities have been adhered by business introducers/affiliates/Introducing brokers where appropriate to carry out their business relationship with the Company.
<ul style="list-style-type: none"> • Where investment advice, research or market information is provided this does not take account of the circumstances and investment objectives of individual clients. The Company or legal and natural persons affiliated with it may have a position or trade in financial instruments that may be covered by such investment research. • Orders generated for Clients by the Portfolio Management Department may be executed through the Dealing on Own Account Department 	<ul style="list-style-type: none"> • Investment Research/Marketing communication is performed on behalf of the Company by 3rd parties who are segregated from our Dealing, Sales and Retention employees. • The Company remunerates such 3rd Parties on the basis of fixed fee arrangements which are not related to the trading generated from our clients. • Other than being a Principal to clients’ trading or hedging for the market risk emanating for this trading, neither the Company or its holding company or affiliates trade in any form of financial instrument for the purpose of short-term financial gains.

<p>Employees or business associates may have a personal holding in a security of a company and where such employees or business associates are involved in executing clients' orders, and – in breach of internal policy – encourage or push the client to trade in such a security.</p>	<ul style="list-style-type: none"> • We monitor client communications to ensure that our staff do not engage in any form of investment advice. • Other indicative points as set out above of the Company's internal procedures and controls to monitor and control personal transactions of its Employees or business associates. • This is also not a material concern when dealing only with CFD's as the underlying investments are huge global investments in the trillions of dollars not easily manipulated by one individual.
<ul style="list-style-type: none"> • The Company shall have in place measures and arrangements to manage the conflicts of interest that might arise from the production and dissemination of investment research. 	<ul style="list-style-type: none"> • 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. • 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 Compliance Department which may seek legal advice. • 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. • The Company, 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. • The Company, financial analysts, and other relevant persons involved in the production of the investment research do not promise issuers favorable research coverage. • Before the dissemination of investment research, 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

	<p>accuracy of factual statements made in that research, or for any purpose other than verifying compliance with the Company's legal obligations, where the draft includes a recommendation or a target price.</p>
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