

CONFLICTS OF INTEREST POLICY

Introduction and Scope

Following the implementation of the Markets in Financial Instruments (MiFID II) and in accordance with the Investment Services and Activities and Regulated Markets Law of 2017 (Law 87(I)/2017), the Company has established a Conflicts of Interest Policy (the “Policy”).

The Conflict of Interest Policy (the ‘Policy’) forms part of the Service Agreement. Client will also agree to the terms and conditions as set out in this document.

The Policy applies to all of its directors, employees, any persons directly or indirectly linked to the Company (hereinafter called ‘*relevant persons*’) and refers to all interactions with all Clients of the Company.

The purpose of this policy is to implement the procedure for identifying, managing, controlling and if necessary, disclosing the conflict of interest arising in relation to its business and to reduce the risk of client disadvantage, legal liability, regulatory censure or damage to the Company’s commercial interests and reputation.

The Company ensures that at all times the interest of a Client is put before the interest of the Company and/or its employees

Identification of Conflicts of Interest

For the purposes of identifying the types of conflicts of interest that arise in the course of providing investment and ancillary services or combination thereof and whose existence may damage 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 the Company, is in any of the following situations, whether as a result of providing investment or ancillary services or investment activities:

- a. The Company or relevant person is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
- b. The Company or relevant person has an interest in the outcome of a service provided to 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 favor the interest of another client or group of clients over the interests of the clients;
- d. The Company or a relevant person carries on the same business as the client;
- e. The Company or a relevant person receives 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;

For the avoidance of any doubt, a ‘*relevant person*’ in relation to the Company means any of the following:

- a) a director, partner or equivalent, manager, of the Company;
- b) a director, partner or equivalent, or manager of any tied agent of the Company;
- c) an employee of the Company as well as any other natural person whose services are placed at the disposal and under the control of the Company and who is involved in the provision by the Company of investment services and activities;
- d) a natural person who is directly involved in the provision of services to the Company or tied agent under an outsourcing arrangement for the purpose of the provision by the Company of investment services and activities

Managing Conflicts of Interest

The Company has established suitable and adequate internal procedures for minimizing any potential conflicts of interest. The Company maintains a compliance department that is an independent unit within the Company.

Some of the duties of the compliance officer is to monitor any possible deviation from the Company's internal policies and procedures as well as identifying and managing any possible conflicts of interest. In addition, the internal audit function is outsourced to an audit firm which reports separately to the Company's Board of Directors.

The procedures followed and measures adopted in the Policy include the following, as are necessary and appropriate for the Company to ensure the requisite degree of independence:

- 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 the conflicts of interest.

More specifically, the Company states some of the policies and procedures that it has implemented for managing possible conflicts of interest below:

- a) Effective procedure to prevent or control the exchange of information between relevant persons engaged in activities where the exchange of that information may harm the interest of one or more clients. The company has established Chinese Walls for the preventing the communication of material non-public information between departments,
- b) The provision and segregation of duties of relevant persons who are involved in the provision of services to Clients whose interests may conflict, or who otherwise represent different interests that may conflict, including those of PRC.
- c) No remuneration, discount or non-monetary benefit is accepted by the Company or a relevant person which would infringe the requirements on conflicts of interest or inducements or order execution rules.
- d) Employees' salaries are based on a fixed monthly remuneration. No variable remuneration is allowed for employees of the Company nor commissions are allowed.

Disclosure of Conflicts of Interest

In case where, the organizational and administrative arrangements established by the Company to prevent or manage a conflict are not sufficient to insure, with reasonable confidence, that the risks of damage to the interests of the clients will be prevented, the Company shall clearly proceed with the disclosure of such conflict.

Prior to carry out a transaction or provide an investment or an ancillary service to a client, the Company should disclose any actual or potential conflict of interest to the client provided that measures taken by the Company are not sufficient to ensure that the risks of damage to interests of the interests of the client will be avoided.

The above disclosure shall include sufficient detail, taking into account the nature of the client, source of conflicts of interest, the risks to the client to enable him to take an informed decision with respect to the investment or ancillary service in the context of which the conflict of interest arises.

The Company reserves the right not to proceed with the transaction or matter giving rise to the conflict if such disclosure is not sufficient to manage a conflict.

The Company reserve the right to amend the current Policy as appropriate. You will be able to find the latest version of this Policy on our website.

Contact Information

Any questions you should you have in relation to the Company's conflict of interest policy, please contact us at compliance@prcbroker.com

Performance Ronnaru Company Ltd

A Cyprus Investment Firm Licensed and Regulated by the Cyprus Securities and Exchange Commission (Cysec)

License number: 253/14

Incorporated in the Republic of Cyprus Reg No: 317107

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September 2020