

## **Policy for the Prevention and Management of Conflicts of Interest**

### **1. Principles**

In accordance with the Markets in Financial Instruments Directive (MiFID) and the rules of the FCA, GF Financial Markets (UK) Limited (“GFFM”) must manage conflicts of interests fairly, both between itself and its clients. This policy demonstrates GFFM’s commitment to the identification and professional management of potential conflicts of interest.

### **2. Identifying conflicts of interest**

GFFM will take all appropriate steps to:

- Identify conflicts of interest between the interests of GFFM and its clients, and one client of the firm and another client.
- Keep, and regularly update, a record of any conflicts of interest that have been identified.
- Take all reasonable steps to prevent such conflicts of interest from constituting a material risk of damage to the interests of its clients.
- Maintain records of GFFM’s services and activities in which conflicts may arise.
- As a last resort, disclose any conflicts that cannot be managed effectively.

Employees are required to report specific potential conflicts of interest as soon as is practicably possible. The factors below should be considered when investigating any potential conflicts that may need to be reported:

- Is a profit likely to be made or a loss avoided at the expense of a client?
- Is there any situation where the interests of one client may conflict with those of another?
- Is there an incentive, financial or otherwise, to favour the interests of one client or group of clients over another?
- Is there a situation where the ability to act in a client’s best interests is potentially affected by any other matters?

### **3. Potential Conflicts for GFFM**

There are a number of instances where conflicts of interest may arise during the course of business activities. A conflict is considered to exist in a situation where the interests of a client could be adversely affected. The three main categories of potential conflicts involve:

- Those arising between a customer and another client, e.g. preferential order routing for certain clients.
- Those arising between the Firm and its clients e.g. failure to provide best execution or to get filled at the best price.

- The Firm's employees, associates and the Firm itself or the interest of its clients e.g. committing or facilitating breaches under the Market Abuse Regulation (MAR).

#### **4. Prevention and management of conflicts of interest**

- Recording and managing conflicts

GFFM maintains a register of the potential conflict of interests that have been identified.

- Disclosure of conflicts

If there are no sufficient measures in place to avoid or manage a conflict of interest relating to a client, GFFM will, as a last resort, disclose the conflict of interest to the client.

- Trading for Group Companies

Other companies within GF Group may hold one or more accounts at GFFM. Such accounts will be treated the same as any other client account with respect to the priority and execution of orders.

- Best Execution

GFFM's order execution policy is designed to act in the client's best interest when executing orders. All client orders are dealt with in turn and no client's order is favoured above another. All clients are treated equally and fairly.

- Personal Account Dealing

GFFM has policies and procedures to monitor employees' personal account dealing which applies to all staff. This is explained to all new employees and all staff are aware of their responsibilities and reminded of these on a regular basis.

- Gifts, Hospitality and Inducements

GFFM has policies and procedures in place which ensure that any gifts, hospitality and/or inducements given or received to/from a client, counterparty or other relevant entity are in line with the FCA rules on inducements. Employee must not offer or accept any inducements which may conflict with the interests of GFFM or its clients. All gifts and hospitality are subject to pre-set limits and are also recorded in the register and reviewed by Compliance and senior management.

- Remuneration

GFFM's remuneration is designed to encourage the fair treatment of customers and to avoid any suggestion of favouritism of one client over another. The Remuneration Committee was established to provide oversight of the remuneration structure, and to ensure the remuneration policy is consistent with effective risk management and to mitigate any potential conflicts. Employees' annual appraisals must take into account performance related to compliance.

- Confidentiality

All staff of GFFM are required to adhere to GFFM's internal rules on confidentiality which require staff to maintain the anonymity and confidentiality of its clients at all times. To ensure third party service providers do not use information obtained in the course of service provision to obtain a

commercial advantage to the detriment of a client, GFFM is required to have a service level agreement in place, which obliges the service providers to protect the confidentiality of any confidential information obtained during the provision of the service. Also, in line with European General Data Protection Regulation, GFFM operates a strict privacy policy, and will not disclose the business of any client(s) to any other client(s).

- Surveillance

GFFM's Compliance department carry out surveillance of trades and client communications which helps ensure that all conflicts and potential conflicts are managed fairly and correctly, in line with company policy.

## **5. Review**

This Policy is reviewed on a regular basis and at least once a year. Any deficiencies identified will be addressed at the point of such review and assessment.

**Compliance**

**January 2020**