



CONFLICTS OF INTEREST POLICY

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1. *Introduction*

- 1.1. Streams Financial Services Ltd is a Cypriot Investment Firm (“CIF”) registered with the Registrar of Companies in Cyprus under registration number: HE387124 and regulated by the Cyprus Securities & Exchange Commission (“CySEC”) under license number 376/19 (hereinafter called the “Company”).
- 1.2. This Conflicts of Interest Policy (“the Policy”) is provided to you (our Client or prospective Client) in accordance with the Markets in Financial Instruments Directive (MiFID II) in the European Union and its transposition into national law with the Provision of Investment Services, the Exercise of Investment Activities, the Operation of Regulated Markets Law of 2017 (Law 87(I)/2007), as subsequently amended from time to time (“the Law”), pursuant to which Streams Financial Services Ltd is required to take all appropriate steps to detect and avoid Conflicts of Interest.
- 1.3. Under the above legislation, the Company is required to take all appropriate steps to identify, prevent or manage Conflicts of Interest. The Company is committed to acting honestly, fairly and professionally and in the best interest of its Clients and to complying, in particular, with the principles set out in the above legislation when providing investment services and ancillary services related to such services.
- 1.4. The Company maintains and operates effective organisational and administrative arrangements with a view to taking all appropriate steps designed to prevent Conflicts of Interest from adversely affecting the interests of its Clients. 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.
- 1.5. This Policy is not intended to, and does not, constitute an agreement between the Company and the Client and it does not create any third-party rights or duties that would not otherwise exist if the Policy had not been made available to the public.

2. *Definition*

Conflicting interests arise when in the course of the Company’s business an opportunity is created or there is space for it to be potentially created, for an employee of the Company or the Company itself to get advantage of its position in a manner that it can cause damage or otherwise affect the interests of a Client and at the same time to make a gain for itself or for another Client that the Company may have interest from.

3. *Purpose*

- 3.1. This document sets out the Company’s Policy to effectively identify and prevent or manage any Conflicts of Interest that may arise while carrying the course of its business.

- 3.2. The Company has taken all appropriate steps to identify, prevent or manage Conflicts of Interest that may arise between itself, including its managers and employees 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.
- 3.3. The Company maintains and operates effective organizational 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.
- 3.4. 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.

4. Scope

The Policy applies to all Clients and "Related Persons" in relation to the Company as defined in the Law including but not limited to all Company's directors, employees, any persons directly or indirectly linked to the Company by control who might be exposed to Conflicts of Interest arising between:

- a) The Company and the Company's Client;
- b) A Related Person and the Company's Client;
- c) A Company of the Group and a Client;
- d) One Client of the Company and another, in the course of providing services to these Clients;

5. Application

The Policy refers to all Clients and also to "relevant persons" and refers to all transactions/services with all Clients. Relevant person in relation to the Company means:

- a) a member of the board of directors, partner or equivalent, manager of the Company;
- b) 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 who is involved in the provision by the Company of investment services or/and the performance of investment activities;
- c) a natural person who is directly involved in the provision of services to the Company under an outsourcing arrangement for the purpose of the provision by the Company of investment services or/and the performance of investment activities.

6. 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.

7. Identification of 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 consideration, by way of minimum criteria, the following criteria:

- a) When the Company accepts Client order in Contracts for Difference ("CFD"), THE Company will be dealing in the CFD concerned as principal for the Company's account;
- b) 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
- c) The Company and/or a Related Person of the Company is likely to make a financial gain, or avoid a financial loss, at the expense of the Client;
- d) The Company and/or a Related Person of the Company 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 Clients interest in that outcome;
- e) The Company and/or a Related Person of 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;
- f) The Company or a Related Person carries on the same business as the Client;
- g) The Company or a Related Person receives or will receive from a person other than a 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.

8. 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;
- Execution of orders;
- Safekeeping and administration of financial instruments for the account of Clients, including custodianship and related services such as cash/collateral management;
- Dealing on Own Account

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

- 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 behavior in a way that conflicts with the interest of the Client of the Company;
 - d) A transaction is affected 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 affected 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 affected 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) Introducing agents may have other interests than the Company and/or their Clients;
 - l) White Label Partners may have other interests than the Company and/or their Clients;
- 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.

9. Identifying and Managing Conflicts of Interests

9.1. The Company has established adequate and appropriate internal procedures for minimizing any potential Conflicts of Interest which include the following:

- a) there is a clear distinction between the different departments' operations
- b) 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-eye principle in supervising the Company's activities will be established.
- c) effective procedures in place to prevent or control the exchange of information between related 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;

- 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) 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;
- f) 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;
- g) 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
- h) Operation of a “Need to know” Policy governing the dissemination of confidential or inside information within the Company.
- i) 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.
- j) Chinese walls restricting the flow of confidential and inside information within the Company, and physical separation of departments.
- k) Procedures governing access to electronic and/or in hard copy data and information
- l) Segregation of duties that may give rise to Conflicts of Interest if carried on by the same individual
- m) Personal account dealing requirements applicable to relevant persons in relation to their own investments
- n) Prohibition of external business interests conflicting with the Company’s interests as far as the Company’s officers and employees are concerned, unless prior Board approval is obtained
- o) Appointment of Internal Auditor to ensure that appropriate systems and controls are maintained and report to the Company’s Board of Directors
- p) Establishment of the four-eyes principle in supervising the Company’s activities
- q) The Company also undertakes on-going monitoring of business activities to ensure that internal controls to prevent or manage Conflicts of Interest are appropriate
- r) Establishment of in-house Compliance Function responsible for identifying and managing potential Conflicts of Interests and reporting directly to the Board of Directors and Senior Management in relation to the latter. The Compliance Function shall also update the relevant internal procedures and ensure compliance with such procedures.

9.2. 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.

9.3. 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 prevent.

10. Responsibilities

10.1. Senior Management

According to Article 16(2) of Directive 2014/65/EU and Article 25 of Regulation (EU) 2017/565:

- Senior management and, where applicable, the supervisory function shall be required to assess and periodically review the effectiveness of the policies, arrangements and procedures put in place to comply with the obligations under Directive 2014/65/EU and to take appropriate measures to address any deficiencies.
- The allocation of significant functions among senior managers shall clearly establish who is responsible for overseeing and maintaining the firm's organisational requirements. Records of the allocation of significant functions shall be kept up-to-date.
- Senior management shall receive on a frequent basis, and at least annually, written reports on the matters covered in this Policy indicating in particular whether the appropriate remedial measures have been taken in the event of any deficiencies.

10.2. Head of Compliance

- Is responsible to report to the Board of Directors regarding any issues raised in this Policy.
- Is responsible for the drafting and updating the present Policy
- Supervises compliance with the present Policy
- Supervises the management of any Conflicts of Interests that may arise
- Maintains records of Conflicts of Interests cases
- Applies the four-eye principle when monitoring the Companies business
- Provides training, supervision and assistance regarding the effective implementation of the present Policy

10.3. Employees of the Company

- All employees of the Company are responsible to be reasonably aware of the basic rules governing the present Policy and the content of the present Policy and to report to their Managers regarding any present or potential situations that can create conflicting interests.

11. 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.

12. Personal account dealing

For the purpose of this Conflicts 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 authorization or prohibition in connection with such a transaction.

13. Disclosure

- 13.1. If during the course of a business relationship with a Client, the organizational or administrative arrangements/measures are not sufficient to avoid or manage a conflict of interest relating to that Client, the Company shall disclose the conflict of interest 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, it may choose not to proceed with the transaction or matter giving rise to the conflict.
- 13.2. According to Article 23(2) of Directive 2014/65/EU and Article 34 of (EU) 2017/565, Disclosure "**is a measure of last resort**" that shall be used only where the effective organisational and administrative arrangements established by the investment firm to prevent or manage its Conflicts of Interest, in accordance with Article 23 of Directive 2014/65/EU, are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Client will be prevented". In this case, Disclosure must be performed as follows:
 - It shall clearly state that the organisational 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.
 - It 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.

- The relevant Disclosure should be in a durable medium.

According to CYSEC “overreliance on Disclosure of Conflicts of Interest shall be considered a deficiency in the investment firm’s Conflicts of Interest Policy”.

13.3. This Policy does not form part of the Company’s Terms and Conditions of Business and is not intended to be contractually binding or impose or seek to impose any obligations on the Company which it would not otherwise have, but for the Cyprus Investment Services and Activities and Regulated Markets Law of 2017 (Law 87(I)/2017).

14. Client’s Consent

By entering into a Client Agreement with the Company for the provision of Investment Services, the Client is consenting to an application of this Policy on them. Further, the Client consents to and authorizes 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 interest in a Transaction, without prior reference to the Client.

In the event that the Company is unable to deal with a Conflicts of interest situation it shall revert to the Client

15. 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.

16. Amendment / Review

The Company reserves the right to review and/or amend its Conflicts of interest Policy and arrangements whenever it deems appropriate. The Company shall review and amend, if needed, this Policy at least annually. The Company maintains an updated copy of its Conflicts of Interest Policy posted on its Website.

17. Further Information

Should you require any further information and/or have any questions about Conflicts of Interest please direct your request and/or questions to: compliance@efinno.com