

Conflicts of Interest Policy

Company:	Afterprime Europe Limited.
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Introduction

Afterprime Europe Limited (“**We**”, “**Us**”, “**Our**”, “**Afterprime**”, the “**Company**”) is authorized, licensed and regulated as a Cyprus Investment Firm (‘**CIF**’) by the Cyprus Securities and Exchange Commission (‘**CySEC**’) under license number 368/18 and is operating in accordance with the provisions of the ‘**Investment Services and Activities and Regulated Markets Law of 2017**’ (L. 87(I)/2017 regarding the provision of investment services, the exercise of investment activities and the operation of regulated markets’ (the “**Investment Services Law**”), as the same may be in force from time to time and modified and amended from time to time.

This Conflicts of Interest Policy (“the Policy”) is provided to you (our Client or prospective Client) in accordance with the Investment Services and Activities and Regulated Markets Law of 2017 L. 87(I)/2017 (“the Law”), which transposes the Directive 2014/65/EU on markets in financial Instruments (“MiFID II”), pursuant to which the Company is required to take all reasonable steps to detect and avoid conflicts of interest.

The Company is committed to act honestly, fairly and professionally and in the best interests of its Clients and to comply, in particular, with the principles set out in the above Law when providing investment services and other ancillary services related to such investment services.

1. Scope and Application

The purpose of this Conflicts of Interest Policy (this “Policy”) is to set out the Company’s approach in identifying and managing conflicts of interest which may arise during the course of its normal business activities. This document provides an overview of the manner in which the Company will:

- A. identify situations where actual (or potential) conflicts of interest may arise and can potentially result in a threat against the best interests of the Client;
- B. adopt adequate procedures, mechanisms and systems to identify and manage such conflicts of interest;
- C. develop procedures and systems to proactively prevent potential damage from any case of conflicts of interest; and

- D. monitor on an on-going basis the effectiveness of the controls and measures established around the identification, prevention and disclosure of conflicts of interest.

The Company's conflicts of interest policies and procedures applies to the following persons ("relevant persons"):

- 1 Directors;
- 2 managers who, directly or indirectly, may adversely affect the interest of the clients or potential clients;
- 3 employees who, directly or indirectly, may adversely affect the interest of the clients or potential clients; and
- 4 any persons directly or indirectly linked to the Company by means of control.

2. 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 account, by way of minimum criteria, whether the Company or a relevant person 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 favor the interest of another client or group of clients over the interests of the client;
- D the Company or a relevant person carries out the same business as the client; or
- 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.

C. Procedures and Controls for Managing Conflicts of Interests

The Company seeks to ensure that a conflict of interest does not adversely affect the interests of Clients, the Company, its shareholders or other stakeholders through the identification, prevention or management of the conflict of interest.

The Company may utilise a number of means (which may be used individually or in combination) to manage a conflict of interest including:

- (a) organisational arrangements, systems, controls, policies and procedures designed to prevent the conflict of interest arising or to mitigate the associated risk of damage;
- (b) disclosure designed to inform the affected parties of the conflict of interest and its likely impact on them; or
- (c) avoiding the service, activity or matter giving rise to the conflict of interest where the conflict of interest cannot be prevented or managed effectively using other means.

In general, the procedures and controls that the Company follows to manage the or prevent conflicts of interest that are necessary for the Company to ensure the requisite 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; and

- 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.
- F. a 'need to know' policy governing the dissemination of confidential or inside information within the Group;
- G. Chinese walls restricting the flow of confidential and inside information within the company, and physical separation of departments;
- H. procedures governing access to electronic data;
- I. segregation of duties that may give rise to conflicts of interest if carried on by the same individual;
- J. personal account dealing requirements applicable to relevant persons in relation to their own investments;
- K. establishment of a Compliance Department to monitor and report on the above to the Company's
- L. Board of Directors.
- M. establishment of the "four-eyes" principle in supervising the Company's activities.
- N. appointment of Internal Auditor to ensure that appropriate systems and controls are maintained and report to the Company's Board of Directors.
- O. the 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;
- P. organizational and administrative arrangements to limit the conflict of interest arising from the giving and receiving of inducements.

The Company also undertakes on-going monitoring of business activities to ensure that internal controls to prevent or manage conflicts of interest are appropriate;

The Compliance Department is 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 Department is responsible for updating the Company's relevant internal procedures and ensures compliance with such procedures.

A Identification and Recording of Potential Conflicts of Interest

The Company has in place a robust set of policies and procedures to identify and record potential conflicts of interest that could entail a material risk of damage to the interests of one

or more of its Clients and that have arisen or, may arise, in relation to the regulated services or activities it undertakes in accordance with its CySEC Licence. The Company has identified the following circumstances which give rise to a conflict of interest entailing a risk of damage to the interests of one or more Clients, as a result of providing investment services:

a) Execution/ Client Order Handling

The Company requires Employees to act honestly, fairly and professionally in accordance with the best interests of its Clients, including when executing, receiving or transmitting orders on behalf of a Client. Clients' interests are protected by following and implementing the Company's best Execution Policy, which is available on the Website.

b) Inducements

MiFID II and its implementing legislation contain rules prohibiting the Company from paying or receiving any fee, commission, non-monetary benefit or performance-based Commissions in relation to the provision of a MiFID service to a Client (an "Inducement"), unless such payment or receipt falls within an exception.

An Inducement could create a conflict of interest where the payment or receipt of the Inducement would distract the Company from its obligations to serve the best interests of its Client.

In order to monitor closely and effectively potential conflict of interest scenarios concerning Inducements, the Company has established policies, procedures and controls around Inducements that all relevant persons are required to follow and comply.

c) Remuneration Practices

The Company recognizes that remuneration is a factor that may influence the conduct of Employees. The Company has in place remuneration policies and procedures, which set out appropriate governance to prevent remuneration structures, which may incentivize an Employee to act contrary to their responsibilities, regulatory requirements or the Company's Code of Business Conduct and Ethics.

In line with regulatory requirements, the Company has in place a Remuneration Policy to ensure that the links between compensation practices and the Company's business and risk strategies are clear, and also clearly understood by all Employees.

d) Personal Account Dealing

A conflict of interest may arise by virtue of the personal trading activities of its Employees (“Personal Account Dealing”). As per the Company’s policy all Employees must disclose and obtain approval for personal trading accounts and obtain pre-clearance for specific trading activity. This disclosure and pre-approval process is based on a categorization of Employees in consideration of their roles and responsibilities. The approval (or rejection) of a trading request is based on consideration of the Company’s group-wide activities and engagement with its Clients in order to identify and thereby manage or avoid any conflicts of interest.

The Company monitors compliance with these requirements and breaches are subject to the Company’s disciplinary programs and processes.

e) Gifts and Entertainment

A conflict of interest may arise where an Employee receives or offers a gift or entertainment that constitutes an inappropriate incentive for an Employee, third-party Representative, a Client or Vendor to act in a certain way. The Company does not permit the offering or acceptance of gifts or

entertainment by an Employee unless it is reasonable, proportionate and for a legitimate business purpose.

Employees must obtain pre-approval for gifts and entertainment and approval will not be granted by the Company where it is seen to give rise to an actual or potential conflict of interest and is inappropriate in nature or otherwise breaches any of the Company’s policies, including but not limited to Gifts, Entertainment and Hospitality.

Disclosure and Consent

While the Company has procedures in place to prevent or manage conflicts of interest, in certain circumstances those arrangements may not be sufficient to protect a Client’s interest from material damage and the Client must be made aware, or alternatively, the Company may decide in the particular circumstances, that the Client should be made aware of a potential conflict of interest and the arrangements that will be put place to manage the conflict. In this case , ‘disclosure’ to an affected Client may be made to inform the Client of the arrangements or to seek express and specific Client consent before undertaking business for the client.

As per the applicable regulatory framework, the Company shall resort to disclosure after taking all appropriate steps to manage all conflicts of interest. Such disclosure is required to be made prior to the provision of the relevant investment service and/or ancillary service in a durable medium and must be in sufficient detail so as to enable the Client to make an informed decision as to whether to accept the provision of the relevant service.

The disclosure must state that it is being provided to the Client because the Company's organisational and administrative arrangements established to prevent or manage that conflict of interest are not sufficient to ensure, with reasonable confidence, that the risk of damage to the interests of the Client will be prevented.

The disclosure must include an explanation as to the general nature and source of the conflict of interest, the risks to the Client that arise as a result of the conflict of interest and a description of the steps undertaken to mitigate these risks.

Controls Testing and Risk Assessment

The Company tests its controls relating to the management of conflicts of interest on a regular basis to identify and remediate gaps identified in those controls. This testing program is supplemented by regular risk assessments conducted by various functions within the Company, including Compliance. The policies, procedures and controls relating to conflicts of interest are assessed, enabling new conflicts of interest or gaps in the controls for existing conflicts of interest to be identified and escalated for remediation.

Training and Breach of Policies and Procedures

The Company provides and expects relevant Employees to attend or take regular training on conflicts management and conflicts of interest related topics. Failure to comply with the Company's conflicts of interest policies and procedures will result in disciplinary action including, dismissal.

Amendment of the Policy

The Company reserves the right to review and/or amend its Policy and arrangements whenever it deems this appropriate according to the terms of the Client Agreement between the Company and the Client.

If you would like further details regarding the prevention, handling and management of conflicts of

interest, please direct your request or question to our Compliance Department at Compliance@afterprime.eu



www.afterprime.eu
support@afterprime.eu