



CONFLICT OF INTEREST POLICY

Introduction

- 1 The Second Markets in Financial Instruments Directive ("MIFID II") and our regulators, the Financial Conduct Authority (the "FCA"), require us to identify, establish, manage, record, prevent, and, where necessary, disclose actual and potential conflict of interests. We are therefore required to establish a conflict of interest policy and to provide information to our Clients on our management of conflicts of interest before the provision of any Services. This document is that policy (the "**Policy**").
- 2 The purpose of this Policy is to ensure actual and potential conflicts of interest that may affect our relationship with our Clients are identified and are thereafter prevented or subject to appropriate management and mitigation and, where we are not able to ensure with reasonable confidence that the risks to the interests of our Clients will not be prevented, to disclose to the relevant Clients the nature and/or source of the conflict and the steps we have taken to mitigate any risks. This Policy applies to our directors, partners or equivalent, managers, employees, the employees of appointed representatives or tied agents or persons directly or indirectly linked by control to us ("**Relevant Persons**") and refers to our interactions with our Clients.
- 3 We will notify our Clients about changes to the information about our Policy. All changes will be published on our Website at www.dfmarkets.co.uk. We will clarify any aspect of our policy and provide further information on written request. Unless separately defined in this Policy, "We", "Us" or "Our" means Delta Financial Markets Limited (trading as DF Markets) ("**DF Markets**") and "You", "Your" or "Yourself" means the person to whom DF Markets provides its Services under its Terms and Conditions of Business (the "**Terms**").
- 4 DF Markets is a financial investment company providing Client initiated online trading Services on an execution-only basis. By agreeing to electronic delivery you are giving us your informed consent to electronic delivery of information, our conflict of interest policy, disclosures, notices of changes and updates relating to our Policy by means of electronic mail and through our Website at www.dfmarkets.co.uk. You confirm and agree you have regular access to the internet and electronic mail for the purposes

of obtaining and using our Services and that you specifically consent to the provision of information in electronic form. Subject to force majeure events and the risks related to electronic Trading Platform disclosed to you, we endeavour to ensure that such information is accessible continuously by means of our Website for such period of time as you may reasonably need to inspect it.

Conflict of Interest

- 5 A conflict of interest occurs when your interests are at odds with our interests or the interests of an employee, companies within our Group or Affiliates or another Client. It arises when there is an imbalance of power, information or resources whose existence is known to one party, but not to the other, and is exploited to the detriment of the latter. However, the fact that a Transaction or situation gives rise to a potential conflict of interest does not necessarily mean we cannot proceed, as long as appropriate management arrangements are put in place.
- 6 We have currently identified a non-exhaustive, limited number of conflicts of interest that could arise due to the nature of our business:
 - ✓ as we are the counterparty to all of the Trades that we enter into with Clients, the profit and loss that we make in respect of a particular Transaction may be inversely correlated with the profit and loss made by the relevant Client; and
 - ✓ we may charge different Clients different levels of fees and commissions.

Duty to Identify

- 7 We shall take all appropriate steps to identify conflicts of interest that arise or may arise, in the course of our providing Services to our Clients, between:
 - ✓ DF Markets, its managers, employees and appointed representatives (or where applicable, tied agents), or any person directly or indirectly linked to them by control, and a Client; or
 - ✓ a Client and another Client.

- 8** Situations which may give rise to a conflict of interests include where:
- ✓ we have an interest in a Transaction taking place that you do not know about; or
 - ✓ we are trying to make a gain or avoid a loss in relation to a Transaction that we have entered into with you.
- 9** For a conflict of interest to exist, it is not sufficient that we may gain a benefit (or avoid a loss); there must also be a corresponding potential disadvantage to you. Similarly, where a Client to whom we owe a duty makes a gain (or avoid a loss), there must be a corresponding potential loss to another Client.
- 10** The circumstances which should be treated as giving rise to a conflict of interest cover cases where there is a conflict between our interests or certain persons connected to us, or our group, and the duty we owe to you, or between the differing interests of two or more of our Clients, to whom we owe in each case a duty.
- 11** For the purposes of identifying types of conflict of interest that arise, or that may arise, in the course of the provision of our Services, and whose existence may entail a risk of damage to the interests of our Clients, we take into account, as a minimum, whether Relevant Persons:
- ✓ are likely to make a financial gain, or avoid a financial loss, at the expense of a Client; and/or
 - ✓ have an interest in the outcome of a Service provided to a Client or of a Transaction carried out on behalf of a Client, which is distinct from the Client's interest in that outcome; and/or
 - ✓ have a financial or other incentive to favour the interests of another Client or group of Clients over your interests; and/or
 - ✓ carry on the same business as a Client; and/or
 - ✓ receive or will receive from a person other than you an inducement in relation to a Service provided to you, in the form of monies, goods or services, other than the standard commission or fee for that Service.

Prevention and Management of Conflicts

- 12** We will maintain and operate effective organisational and administrative arrangements with a view to taking all appropriate steps to identify and subsequently prevent or manage conflicts of interest and, in the event that we are not able to ensure with reasonable confidence that the risks to the interests of our Clients will not be prevented, to disclose to the relevant Clients the nature and/or source of the conflict and the steps we have taken to mitigate any risks.
- 13** If a conflict of interest is identified under the terms of this Policy, we will ensure that the procedures to be followed and measures to be adopted in order to prevent, manage, or disclose such conflicts are followed. This Policy is designed to ensure that Relevant Persons engaged in different business activities involving a conflict of interest, of the kind specified above, carry on those activities at a level of independence with a view to avoiding conflicts of interest. Steps towards the requisite degree of independence include:
- ✓ 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;
 - ✓ the separate supervision of Relevant Persons whose principal function 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 DF Markets;
 - ✓ 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;
 - ✓ measures to prevent or limit any person from exercising inappropriate influence over the way in which a Relevant Person carries out services or activities; and

- ✓ measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate services or activities where such involvement may impair the proper management of conflicts of interest.

- 14 Our Compliance Department deals with actual and potential conflict of interests and measures taken to resolve them and maintains appropriate records of conflicts of interest which have arisen.

Disclosure of Conflicts

- 15 If in our opinion and upon review of our systems and controls, we find that arrangements made by us to prevent or manage conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to your interests will be prevented, we will clearly disclose as soon as possible the general nature and/or sources of conflicts of interest to you before undertaking your business. If we do make such disclosure, we shall do so to you either in writing or by electronic mail or through our Trading Platform and include in our disclosure sufficient details, taking into account your circumstances, to enable you to take an informed decision with respect to the Service in the context of which the conflict of interest arises.
- 16 If, in spite of implementation of this Policy, a risk of conflict of interests for you continues to exist, we may not perform a Trade for your account unless you have been informed of the nature and/or source of potential conflicts of interest.
- 17 We are prohibited from making or receiving payments in connection with Services that are provided to Retail Clients or Professional Clients unless those payments meet certain specific criteria and the inducements have been clearly and accurately disclosed to the client and any consequential Client queries have been dealt with.

Record of Conflicts

- 18 We will keep and regularly update records of the kinds of service or activity carried out by or on behalf of DF Markets in which a conflict of interest entailing a risk of damage to the interests of one or more of our Clients has arisen or, in the case of an ongoing service or activity, may arise.

Monitoring and Review

- 19 We regularly review our Conflict of Interest Policy, and in any event at least annually, to ensure that it covers conflicts that can be reasonably expected to arise in our course of business. This Policy is monitored on an ongoing basis that is subject to an annual (or more often if considered necessary under the circumstances) compliance review to assess the effectiveness of the arrangements and to implement any necessary changes to this Policy.



Delta Financial Markets Limited is a company registered in England and Wales

It is authorised and regulated by the Financial Conduct Authority (FCA)

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