



Foti Markets

Trading For Saving

Conflict Of Interest Policy

March 2025

Foti Markets is the trading name of Foti Capital Ltd., which is authorized by the Anjouan Offshore Finance Authority under license number L15941/FC and a registered address at Hamchako, Mutsamudu, Autonomous Island of Anjouan, Union of Comoros.

www.fotimarkets.com

1. Introduction

Foti Capital Ltd (hereinafter the “Company”), with registration number 15941, is authorized by the Anjouan Offshore Finance Authority under license number L15941/FC. The Company’s registered address is Hamchako, Mutsamudu, Autonomous Island of Anjouan, Union of Comoros.

In accordance with applicable law, the Company takes all reasonable steps to identify, prevent, and manage conflicts of interest between the Company (including its managers, persons, agents, or any person directly or indirectly related thereto by control or authority) and its clients, or between one client and another. Such conflicts may arise in the course of providing investment and/or ancillary services, including those arising from the receipt of commissions or inducements from third parties, or from the Company’s own remuneration and incentive structures.

The Company is committed to acting honestly, fairly, and professionally, and in the best interests of its clients, while complying with the principles set forth under the law when providing investment and ancillary services.

This document provides a summary of the policy maintained by the Company to manage conflicts of interest in relation to its duties towards clients.

2. Scope of the Policy

This Policy aims to identify, prevent, and manage conflicts of interest between the Company (including its managers, persons, agents, or any person directly or indirectly related thereto by control or authority) and its clients, or between one client and another, including those arising from the receipt of commissions or inducements from third parties, or from the remuneration and incentive structures of the Company.

Specifically, this Policy:

- a) sets out, with reference to the specific investment services, activities, and ancillary services carried out by or on behalf of the Company, the circumstances that constitute or may give rise to a conflict of interest entailing a risk of damage to the interests of one or more clients, and
- b) establishes the procedures to be followed and the measures to be adopted in order to prevent or manage such conflicts.

Conflicts of interest are considered whenever an investment or ancillary service is provided by the Company. This applies irrespective of whether the client is a retail client, a professional client, or an eligible counterparty.

3. Identification of Conflicts of Interest

In order to identify potential types of conflicts of interest that may arise in the course of providing investment or ancillary services, or a combination thereof, and which may damage the interests of a client, the Company assesses whether it or any relevant person may be in any of the following situations, whether as a result of providing such services, engaging in investment activities, or for any other reason:

- 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 prioritize the interests of another client

or group of clients over the interests of the client,

- 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 money, goods, or services, other than the standard commission or fee for that service.

Specifically, based on the Company's current business model, the following conflicts of interest have been identified:

- Personal Account Dealing,
- Insider and Proprietary Information,
- Inducements,
- Selection of Service Providers,
- Employee Remuneration,
- Access to Electronic Data,
- Supervision and Segregation of Departments.

The Company has established and maintains procedures designed to take all appropriate measures to prevent such conflicts from arising or from creating a material risk of damage to the interests of its clients.

4. Procedures and Controls to Manage Conflicts of Interest

The procedures and controls implemented by the Company to manage identified conflicts of interest include, but are not limited to, the following measures:

- a) Implementing effective procedures to control the exchange of information between relevant persons engaged in activities involving a risk of conflict of interest, where such exchange may harm the interests of one or more clients,
- b) Separate supervision of relevant persons engaged in activities that may give rise to conflicting interests, including those of the Company,
- c) Removal of any inappropriate direct link between the remuneration of relevant persons engaged in one activity and those engaged in another activity, where a conflict of interest may arise,
- d) Measures to prevent or limit any person from exercising undue influence over the way a relevant person provides investment services or ancillary activities,
- e) A strict "need-to-know" policy governing the dissemination of confidential or inside information within the Company,
- f) Information barriers (firewalls) restricting the flow of confidential and inside information, supported by physical separation between departments,
- g) Procedures governing access to electronic data,
- h) Segregation of duties that may give rise to conflicts of interest if performed by the same individual,

- i) Personal Account Dealing requirements applicable to relevant persons in relation to their own investments,
- j) Maintenance of a Gifts and Inducements Log to record the solicitation, offer, or receipt of certain benefits,
- k) Prohibition of outside business interests that conflict with the Company's interests for officers and persons, unless approved by the Board of Directors,
- l) A policy designed to limit conflicts of interest arising from the giving and receipt of inducements;
- m) Appointment of a Compliance Department to monitor and report on the above matters to the Board of Directors,
- n) Appointment of an Internal Auditor to ensure that appropriate systems and controls are maintained and reported to the Board of Directors,
- o) Establishment of the "four-eyes" principle, requiring dual oversight and approval in supervising the Company's activities,
- p) Ongoing monitoring of business activities to ensure that internal controls remain effective and appropriate.

A. Personal Account Dealing

The Company has adopted a Personal Account Dealing Policy, with which all persons and those under their control are required to comply. Upon commencement of their duties, staff members must formally acknowledge and commit to adhering to this Policy. All transactions in financial instruments undertaken by persons or related persons must be promptly reported to the Compliance Officer. Such reports must include the specific dates and times of the transactions, together with any relevant authorizations or prohibitions.

B. Inside and Proprietary Information

Staff members who, in the course of conducting the Company's business activities, possess inside or proprietary information must strictly maintain its confidentiality and disclose it only on a need-to-know basis to other persons with a legitimate business reason to receive such information. Staff members who believe they have received inside information from any source must, without delay, contact the Compliance Officer. Neither the Company nor its staff members may use or further disclose such information for personal gain or in any manner inconsistent with applicable laws and regulations.

Additionally, the Company has established "firewalls" to prevent or control the exchange of information between relevant persons engaged in activities involving a risk of a conflict of interest, where such exchange could potentially harm the interests of one or more clients. Specifically, firewalls have been established between the following departments/functions:

- Proprietary trading, and
- Receiving and transmitting orders.

C. Inducements

Personal Gifts

The Company implements a strict personal gifts policy, applicable to any benefits or inducements offered to persons that could reasonably be perceived as conflicting with their duties to the Company or to any of its clients. In order to mitigate potential conflicts of interest that may arise when a staff member receives

gifts, the Company adopts a general rule that the monetary value of any such gift must not exceed USD 100.

Receipt of Fees and Commissions

The Company does not, directly or indirectly, pay or receive any fees, commissions, or non-monetary benefits in connection with the provision of investment or ancillary services to a client, unless such fee, commission, or non-monetary benefit is designed to enhance the quality of the relevant service provided to the client.

A fee, commission, or non-monetary benefit shall be deemed to enhance the quality of the relevant service to the client only if all of the following conditions are satisfied:

- a) It is justified by the provision of an additional or higher-level service to the client, proportionate to the level of inducement received, such as:
 - i. Providing non-independent investment advice and access to a broad range of suitable financial instruments, including an appropriate number of instruments from third-party product providers with no close links to the Company,
 - ii. Providing non-independent investment advice combined with, at least annually, an offer to assess the ongoing suitability of the financial instruments in which the client has invested, or with another ongoing service of value to the client, such as advice on the client's optimal asset allocation,
 - iii. Providing access, at a competitive price, to a broad range of financial instruments likely to meet the client's needs, including an appropriate number of instruments from third-party product providers with no close links to the Company, together with value-added tools such as objective information tools that assist the client in making investment decisions, enable the client to monitor, model, and adjust their portfolio, or provide periodic reports on the performance, costs, and fees associated with the financial instruments.
- b) It does not provide a direct benefit to the Company, its shareholders, or its persons without a tangible benefit to the client,
- c) It is justified by the provision of an ongoing benefit to the client in relation to the ongoing inducement.

With respect to any payment or benefit received from or paid to third parties, the Company shall disclose to the client all information required under applicable laws and regulations.

D. Selection of Service Providers

Where there is any personal relationship between the Company and a third party, or a person connected to them, the Company shall take this into account and assess potential conflicts of interest, including the appearance of such conflicts, when selecting service providers. Where feasible, the related party shall refrain from participating in the decision-making process. The Company prevents conflicts of interest in the selection of service providers by not accepting or offering any fees, commissions, or non-monetary benefits that do not directly enhance the quality of the service provided.

E. Employee Remuneration

Employee remuneration is structured in a manner that prevents conflicts of interest from arising through targets that could incentivize persons to act to the detriment of clients and in favor of the Company.

In accordance with this policy, no employee or director of the Company shall receive remuneration that is contingent upon the promotion of specific products or financial instruments over others. Furthermore, under no circumstances shall the variable component of remuneration exceed 100% of the fixed component of an individual's total annual remuneration.

F. Access to Electronic Data

The Company has implemented a confidentiality and information barrier policy governing access to electronic data. This policy ensures that persons involved in each department do not have direct access to records or information relating to another department that are not necessary for the performance of their specific duties. Accordingly, separate access rights and permissions are granted to different departments.

G. Supervision and Segregation of Departments

The Company maintains appropriate supervision and segregation of departments and functions that provide services to clients whose interests may conflict with those of other clients or with the interests of the Company.

5. Disclosure

When the Company identifies a conflict of interest, it will disclose this to the client on a durable medium (electronic communication, such as email, shall be deemed appropriate in this context) prior to undertaking investment business for that specific client.

Alternatively, if the Company considers that disclosure is not an appropriate means of managing the conflict, it may decide not to proceed with the transaction or matter giving rise to the conflict.

The Company reserves the right to review and/or amend this Policy and its arrangements whenever deemed necessary or appropriate.

6. Inquiries

For any inquiries regarding the Company's Conflict of Interest Policy, persons may contact the Compliance Department at info@fotimarkets.com.