

## **eBrókerház Befektetési Szolgáltató Zrt.**

### **Summary of the Conflicts of Interest Policy**

 eBrókerház Befektetési Szolgáltató Zrt.

The operation of the Company is supervised by the National Bank of Hungary. HFSA authorization numbers: III/73.059-4/2002., III/73.059/2000.

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eBrókerház Befektetési Szolgáltató Zrt. (hereinafter: **eBrókerház Zrt.**) has prepared a Policy on Conflicts of Interest (hereinafter **Policy**), in order to identify, furthermore, prevent and address any conflicts of interest that may be adverse for the customers, any circumstances that run the risk of or may lead to causing damage to the interests of the customers, the substantial points of which are summarized here as follows.

eBrókerház Zrt. hereby stipulates that in possession of its license for the provision of investment services, it shall exclusively perform the activity defined in Article 5 paragraph (1) (a) of Act CXXXVIII of 2007 on Investment Firms, Commodity Dealers, and on the Rules Governing their Activities, the acceptance and forwarding of orders from the customers, thus only the definition of those types of conflicts of interest that may occur concerning the performance of this activity and the procedural rules and actions aimed to address these shall constitute the subject of this Policy, and thereby the subject of this summary.

eBrókerház Ltd. shall take all reasonable actions in order to recognize any conflict of interest arising from the performance of its investment and supplementary investment services, where such conflicts may occur particularly

- between eBrókerház Ltd., persons working in executive positions for it, tied agents of any person related to them by control, directly or indirectly (these persons shall be referred to collectively as: **relevant persons**) and the customers, furthermore
- between the customer and another customer of eBrókerház Ltd.

### **Conflicts of interest may occur, if:**

- eBrókerház Ltd., a relevant person, a legal entity or association lacking the legal status of a legal person within iFOREX Group may obtain a financial gain or avoid a financial loss against the customer;
- eBrókerház Ltd., a relevant person, a legal entity or association lacking the legal status of a legal person within iFOREX Group has such an interest in the outcome of a service provided to the customer of a transaction performed on behalf of the customer that differs from the interests of the customer related to the same outcome;
- eBrókerház Ltd., a relevant person, a legal entity or association lacking the legal status of a legal person within iFOREX Group is interested, owing to a financial of different motivating factor, in preferring the interests of another customer or group of customers against the interests of a customer receiving the given investment service;
- eBrókerház Ltd., a relevant person, a legal entity or association lacking the legal status of a legal person within iFOREX Group is interested in the same transaction as the customer;
- eBrókerház Ltd., a relevant person, a legal entity or association lacking the legal status of a legal person within iFOREX Group ... from a third party other than the customer, concerning a service provided to the customer.

### **Conflicts of interest may also occur, if:**

- the bonus system of eBrókerház Ltd. is designed in such a manner that the employees of eBrókerház Ltd. receive their bonuses based on the trading turnover;
- eBrókerház Ltd., a relevant person, a legal entity or association lacking the legal status of a legal person within iFOREX Group may be interested in maximizing their trading turnover in order to increase their revenues, which is incompatible with the personal goal of the customer of reducing their transaction costs to a minimum level.

when providing its investment and supplementary services - also with regard to the above provisions - eBrókerház Ltd. has identified it as a case of potential conflict of interest that might violate the interest of the customer and run the risk of causing damage to it, that it forwards all customer orders taken by it to iCFD Ltd. (registered office: Corner of Agiou Andreou and Eleftheriou Venizelou Streets, Vashiotis Agiou Andreou Building, 2nd Floor, Office 201, 3035 Limassol, Cyprus, license number: CySEC 143/11, hereinafter: iCFD), a company also belonging to the iFOREX Group, which partner selected for execution trades the orders on its own account in each case, i.e. it sells the individual financial instruments as a client from its own account to the Customer, and purchases these from the Customer for its own account.

### **Handling conflicts of interest**

eBrókerház Ltd. and the full scope of relevant persons are required - in accordance with the statutory provisions - to provide the investment, supplementary investment services in the interest of the customers, and to exercise their best efforts in order to avoid any conflict of interest.

For the purpose of avoiding conflicts of interest, such an organization is operated at eBrókerház Ltd. in which the tasks are appropriately separated and the relevant persons performing the business activity involving the conflict of interest perform their activities with a level of autonomy defined with regard to the size and activities of eBrókerház Ltd., thereby preventing and limiting any person to exert an influence in an objectionable manner on any activity of any relevant person related to the provision of investment services. In addition, eBrókerház Ltd. takes the appropriate actions in order to prevent and supervise the flow of information leading to conflicts of interest, furthermore, its system of compensation was designed in such a manner that it does not involve the possibility of conflicts of interests concerning the performed activity, and therefore none of the relevant persons receives any supplementary compensation based on the volume of orders initiated by the customers. Furthermore, the relevant persons are prohibited to perform trading through the Online Trading Platform provided by eBrókerház Ltd., which prohibition does not only apply to trading on their behalf and/or for their own accounts, but also to transactions performed for persons related to them as family members or having a close relationship of a different nature with them. The Policy defines additional activities that are prohibited for the relevant persons.



In respect of iCFD Ltd., which executes the orders of the customers of eBrókerház Ltd. in trading for their own account, eBrókerház Ltd. applies the following measures in order to avoid adverse conflicts of interest:

- eBrókerház Ltd. clearly informs its customers that the orders of the customers are executed by iCFD Ltd., in the form of dealing on own account.
- eBrókerház Ltd. is constantly monitoring whether iCFD Ltd. is taking all satisfactory steps in the execution of the orders, in order to ensure that in the execution of an order applying to the given financial instrument they accomplish the best result for the customer, and in situations that certifiably carry a conflict of interest it does not give preferential treatment to the selected partner of execution compared to the customer;
- eBrókerház Ltd. does not accept any remuneration, discount of non-monetary benefits in exchange for forwarding the orders of its customers to a specified venue of execution, i.e. to iCDF Ltd.

The compliance manager of eBrókerház Ltd. constantly supervises how circumstances that emerged and give cause for conflict of interest are addressed, compliance with the prohibitions applying to relevant persons, furthermore, the obligation to report conflicts of interest, furthermore, the contractual partner of eBrókerház Ltd. in charge of tasks of internal audit conducts targeted internal audits concerning compliance with the statutory obligations related to conflicts of interest.

The compliance manager shall ensure that all conflicts of interest reported by the relevant persons are recorded and these reports are forwarded to the members of the Board of Directors of eBrókerház Ltd.

eBrókerház Ltd. will provide further information on additional details of the Policy in accordance with the provisions of the General Terms of Business on liaising, additionally, the entire Policy can be inspected at any time in the registered office of eBrókerház Ltd.

During business hours, our staff will be happy to answer any question of the customers concerning the Policy and its contents.

Budapest, 28 February 2018

**eBrókerház Zrt.**

