

# Summary of Conflict of Interest Policy Statement



## **Introduction**

This Conflict of Interest Policy Statement outlines how Growell Capital Ltd ("the Company") manages the conflicts which can arise within the Company, between the Company and its customers and between customers of the Company.

This Policy is reviewed from time to time to take account of changes to operations or practices and, further, to make sure it remains appropriate to any changes in law, technology and the general business environment.

This statement summarises policies adopted by the Company in accordance with the Investment Services and Activities and Regulated Markets Law of 2017 L. 87(I)/2017 ("the Law"), pursuant to which the Company is required to take all appropriate steps to detect and avoid conflicts of interest.

This policy applies in respect of all activities undertaken by the Company and employees of the Company and any persons directly or indirectly related to the Company ("Related Persons"), and refers to all interactions with all Clients.

## **General Identification of Conflicts of Interest**

When the Company deals with or on behalf of the Client, the Company, an associate or some other person connected with the Company may have an interest, relationship or arrangement in relation to the Transaction concerned or that it conflicts with the Client's interest.

The Company has identified the following circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of one or more Clients, as a result of providing investment services:

- a) The Company may be matching the Client's orders with that of another Client by acting on such other Client's behalf as well as on the Client's behalf;
- b) The Company is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
- c) The Company may receive or pay inducements to or from third parties due to the referral of new Clients or Clients' trading;
- d) The Company is the counterparty to its Clients positions (i.e. act as Principal) and therefore stands to profit if the Client loses.

## **General Procedures and Controls for Preventing and Managing Conflicts of Interests**

1. In general, the procedures and controls that the Company follows to manage the identified conflicts of interest include the following measures (list is not exhaustive):
2. The Company undertakes all trading as principal to its customers transactions, it hedges its net risk with counterparties which means that customers aims are more aligned with its own aims notwithstanding it is acting as principal in all transactions. As the Company does not provide investment advice no conflict can arise from this source. It is not within the scope of the Company's regulatory permissions to provide investment advice. The Company only offers CFD's, therefore any conflict which could arise between different product lines cannot exist.
3. The Company takes responsibility for identifying and managing other conflicts of interest arising in its business that may entail a material risk of damage to the interests of customers. The Company have considered, in particular, the potential conflicts of interest arising out of the execution of transactions for its customers.

4. The following measures have been adopted in relation to other conflicts of interest:
- a) The Company undertakes ongoing monitoring of business activities to ensure that internal controls are appropriate.
  - b) The Company undertakes effective procedures 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.
  - c) Chinese walls exist restricting the flow of confidential and inside information within the Company, and physical separation of departments.
  - d) The Company takes measures to prevent or limit any person from exercising inappropriate influence over the way in which the Related Persons carry out investment services.
  - e) The Company ensures segregation of duties that may give rise to conflicts of interest if carried on by the same individual.
  - f) The Company's Internal Auditor ensures that appropriate systems and controls are maintained and reports to the Board of Directors.
  - g) The Company has established the "four - eyes" principle in supervising its activities.
  - h) When the Company executes an order for a customer it does not give any preferential treatment to that customer to the detriment of other customers and does not disclose the details of one customer order to other customers.
  - i) The Company executes all orders electronically, in accordance with policies that comply with relevant rules and regulations in relation to transactions which are executed for or on behalf of customers. The Company's procedures provide for the prompt, fair and expeditious execution of customer orders, relative to other orders. These procedures allow for the execution of otherwise comparable orders in accordance with the time of their receipt.
  - j) The Company's procedures are established to ensure that orders executed on behalf of customers are promptly and accurately recorded and that it carries out otherwise comparable orders sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impractical or the interest of the customer requires otherwise.
  - k) The Company's procedures ensure that the Company, its employees and affiliates cannot misuse information relating to pending customer orders.
  - l) All employees of the Company are prohibited from dealing on personal accounts to avoid any actual or perceived conflicts of interest.
  - m) All employees of the Company are prohibited from accepting gifts or other inducements from any person with any material interest which is likely to conflict to a material extent with any duty which The Company and/or its employees owe in connection with its treating customers fairly policy or any duty which such a recipient owes to customers.
5. The Company is committed to having an effective and appropriate compliance culture to enable it to deal with any new potential conflicts of interest which may arise in the future. The Company's employees are therefore required to monitor any new circumstances giving rise to potential conflicts and to implement appropriate measures to address these.

6. The Company is constantly conducting an in-depth analysis of its business and organisational arrangements including best execution arrangements, inducement practices, remuneration practices and marketing communication procedures, to ensure that all likely conflict of interest situations are identified regardless of materiality.

### **Client's Consent**

By entering into the User Agreement with the Company for the provision of Investment Services, the Client is consenting to an application of this Policy on him. 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 conflict of interest situation it shall revert to the Client.

### **Disclosure of Information**

The Company must adequately consider how to manage all conflicts of interest before resorting to disclosure. This will be a last resort after all appropriate steps have been taken.

If during the course of a business relationship with a Client or group of Clients, the organizational or administrative arrangements/measures in place are not sufficient to avoid or manage a conflict of interest relating to that Client or group of Clients, The Company will disclose the conflict of interest before undertaking further business with the Client or group of Clients.

The disclosure will:

- be in a durable medium;
- clearly state that the organisational and administrative arrangements established by The Company to prevent or manage the conflicts are not sufficient to ensure, with reasonable confidence, that the risks of damage to the interests of the Client will be prevented;
- include a specific description of the conflicts of interest that arise in the provision of investment services and ancillary services;
- explain the risks to the Client that arise as a result of the conflicts of interest and the steps undertaken to mitigate these risks;
- include sufficient detail, taking into account the nature of the client, to enable the Client to make an informed decision with respect to the services in the context of which the conflict of interest arises.

If a Client decides not to go ahead with the service due to the conflict disclosed, the Company will have no **choice but to decline the provision of services if the conflict cannot be effectively managed.**

### **Amendment of the Policy and Additional Information**

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 User Agreement between the Company and the Client.

### **When and how to contact us**

If you have any queries about this conflict of interest policy, or you wish to help us improve this Policy, please notify us by contacting us at: [info@fxgrow.com](mailto:info@fxgrow.com).