

Introduction

Luna Wealth Asset Management Ltd (hereinafter: “**LWAM**” or “**the Company**”), whose headquarters are at 20 Ionos Street, Floor 1 Flat 1, 2406 Nicosia, Cyprus, is a company incorporated and registered in the Republic of Cyprus under Cyprus Company Law and is authorized and regulated as a Cyprus Investment Firm (CIF) by the Cyprus Securities and Exchange Commission (hereinafter the “**CySEC**”), under License Number 379/19, in accordance with the Investment Services and Activities and Regulated Markets Law of 2017 (Law 87(I)/2017) (the “**Law**”), as amended from time to time, and subject to the European Parliament Markets in Financial Instrument Directive II (“**MiFID II**”).

Legislative Framework

Following the implementation of the Markets In Financial Instruments Directive II (MiFID II) and in accordance to the provisions of the Investment Services and Activities and Regulated Markets Law of 2017 Law 87(I)/2017 (hereinafter “the **Law**”). The Company is required to establish and provide its clients and potential clients a Conflicts of Interest Policy and take all reasonable steps to implement effective procedures for the identification and management of conflicts of interest.

Identification of Conflicts of Interest

In order to Identify possible conflicts of interest that may arise, the Company considers whether the Company or any relevant person, as defined by the Law, or a person directly or indirectly linked to it in the course of providing investment and Ancillary Services or a combination thereof:

- is likely to make a financial gain or avoid a financial loss at the expense of the client,
- 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,
- has a financial or other incentive to favour the interests of another client or group of clients over the interests of the client.
- carries on the same business as the client, and
- 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 commissions or fees for the service

Managing Conflicts of Interest

The Company’s internal policies, controls and procedures for managing identified conflicts of interest include amongst others the following measures:

- a) The application of “Chinese walls” restricting the flow of confidential and inside information within the Company, and physical separation of departments.
- b) Separate supervision and segregation of departments / functions which provide services to clients, whose interests may conflict with those of other clients or with the interests of the Company.

- c) The implementation of procedures governing access to electronic data so that the persons engaged in each department, do not have a direct physical access to records and information concerning the subject matter of another department and which are not considered necessary for the execution of specific work.
- d) 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.
- e) The prevention or limitation of any person from exercising inappropriate influence over the way in which a relevant person provides Investment or Ancillary Services or Activities, and
- f) The application of personal account dealing requirements applicable to relevant persons in relation to their own investments,
- g) Establishment of an in-house Compliance Department to monitor and report on all of the above to the Company's Board of Directors,
- h) Appointment of Internal Auditor to ensure that appropriate systems and controls are maintained and report to the Company's Board of Directors,
- i) Establishment of the four-eyes principle in supervising the Company's activities.

Disclosure

Where the company is aware of a conflict that may arise, it shall disclose the general nature or/and the sources of conflicts of interest to the client before undertaking to provide services to him/her. The Company reserves the rights to review this Policy whenever it deems appropriate. More information regarding this Policy can be provided upon request.

Declining to Act

The Company may decline to act for a Client in cases where the Company believes the conflict of interest cannot be managed in any other way.

Potential Conflicts of Interest

If a conflict of interest arises the affected parties can be the Company, its employees or its clients, Specifically, a conflict of interest may arise between the following parties:

- Between the client and the Company.
- Between two clients of the Company.
- Between the Company and its employees.
- Between a client of the Company and an employee/manager of the Company.
- Between Company's Departments.

Potential conflicts of interest circumstances may include, but are not limited to the following:

- The Company or a company of the Company's group may engage in business and trading activities for its own account and/or client accounts whilst other Clients are active in relevant markets at the same time.
- A transaction is effected in financial instruments in respect of which the Company or a company of the Company's group, or its director or employee is contemporaneously trading or has traded on its own account or has either a long or short position
- The Company or Relevant Person receives substantial gifts or entertainment (including non-monetary inducements) that may influence behaviour in a way that conflicts with the interest of the client of the Company.
- A transaction is effected in financial instruments in respect of which the Company may benefit from a commission, fee, mark up or mark-down payable otherwise than by a client, and/or the Company may also be remunerated by the counterparty to any such transaction.
- A director or employee of the Company is director of a fund and/or any company which is a client of the Company.
- A transaction is effected in financial instruments issued by an affiliated company or the client or customer of an affiliated company
- A transaction is effected in securities issued by an affiliated Company or the client or customer of an affiliated Company/
- The Company deals on behalf of the client with, or in the securities of, an affiliated Company.
- A transaction is effected in units or shares of connected investment trusts or unit trusts or open ended investment companies or any Company of which the Company or an affiliated Company is the manager, authorised corporate director, operator, banker, adviser, custodian, administrator, trustee or depository.
- Introducing agents may have other interests than the Company and/or their clients.
- Representatives/Introducing agents of the Company may be aware of large client orders to acquire or dispose of a large quantity of a particular financial instrument and either the Company or its representatives/introducing agents purchase (or sell) the financial instrument beforehand.