

Conflicts of interest in the provision of investment services

Dear customers,
the aim of this document is to explain procedures & rules related to the **Conflicts of interest in the provision of investment services**. We hereby, ask you to get acquainted with this document.
Thank you.

I. Introduction

Investment service Provider¹ is **LYNX B.V., Branch CZ** (hereinafter „**LYNX**“); ID no.: 02451778; Address: Vaclavske namesti 776/10, Nove Mesto, 110 00 Praha 1; legal form: Branch, file no. A 76398 registered via Municipal court in Prague.

LYNX applies honest, fair and professional conduct in the provision of services in accordance with the best interests of its customers² (hereinafter "clients"). **Investor's protection and Consumer protection, incl. their interests of all clients, is our priority.**

There is an existing growing risk of possible situations where LYNX and its clients and potential clients can get into a conflict of interest during investment business.

Due to above-mentioned reasons, LYNX establishes and manages conflicts of interest in the provision of investment services in accordance with the principles laid down by law requirements and takes the necessary measures to ensure that any negative effects on the interests of clients are adequately managed, as far as possible, and mitigated. LYNX is a member of the international investment group (LYNX B.V. Group), identifies and manages risks of conflicts of interest also related to all foreseeable circumstances, which may cause a conflict of interest due to the business structure and subject matter related to the business of its members.

The LYNX approach to conflicts of interest is also in line with the principles applied by the LYNX B.V. Group.

II. Law requirements

The conflicts of interest, taken mitigating measures have been based mainly on the EU and Czech legislation, which we have listed below:

- Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (available [here](#)).
- Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (available [here](#))
- Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organizational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive (available [here](#))
- Act no. 256/2004 Coll., the Capital Market Undertakings Act, as amended (available [here](#)), and
- CNB Degree no. 308/2017 Coll., a more detailed adaptation of certain rules in the provision of investment services, as amended (efficient since January 3, 2018), (available [here](#)).

¹ LYNX B.V. is regulated by the Czech National Bank and is conducted as "Branch of foreign Investment firm (non-bank)" via the [Lists of regulated and registered financial market entities](#).

² Customers coming from Slovak Republic and Poland have been pre-accepted by the LYNX Branch Czech Republic.

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Via the group level, the "Personal Transactions Regulation" policy describes specific conflicts of interest that may arise in the provision of investment services between LYNX, including its managers, employees and tied agents, and clients or potential clients of LYNX.

In general, may lead to conflicts of interest, such situations where LYNX, e.g. an employee, a tied agent can

- gain financial benefit or avoid financial loss at the expense of the client;
- were interested in the result of the service provided by the client/executing trade different from the client's interest in the result of this service/this business;
- were motivated to make prioritization of the interest of one client or group of clients against the interests of another client or group of clients;
- have been making business in the same field as the client (i.e. the client is a competitor of LYNX);
- receive or receives from, or provide to, a person (other than the client) an incentive linked in with the service provided to the client.

The above-mentioned conflicts of interest LYNX mitigate and have been adequately managed, so that they do not adversely affect the clients' interests.

III. LYNX used procedures and principles (information for clients)

To manage potential conflicts of interest in the development, modification, marketing of new investment products and services, LYNX assesses actively, whether a new conflict of interest can arise in relation to the market placing of an investment product/or service. The same way LYNX uses in periodical revisions of investment products and services (already offered).

If the potential conflict of interest cannot be completely eliminated, LYNX shall take all possible measures necessary to prevent conflict of interest and its negative effects on the interests of the client. However, if this procedure is not sufficient to prevent and avoid the adverse effects of conflicts of interest on the client's interests, the LYNX shall introduce to the client measures to risks mitigation of its negative impact.

Taken organisational & administrative arrangements for the prevention and management of conflicts of interest in the provision of investment services. LYNX has rules in place e.g.:

- protection and management of internal and other confidential information about clients and their instructions and transactions;
- negotiation with customers;
- trading on financial markets;
- carrying out the instructions;
- remuneration;
- development, modification and marketing of investment services and products.

Implemented internal rules LYNX („Policies“)

- „Personal Transactions Regulation“, description of mainly ethical rules and prevention of market abuse and personal trades of employees, rules for the management of conflicts of interest, rules for the provision of information to LYNX clients.
- „Remuneration Policy“
- „Procedure Book“
- „Inducement Policy“.

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The above-mentioned Policies & rules:

- prevent the sharing of unauthorized information about clients between individual departments and LYNX employees, performing any activity that could lead to a conflict of interest;
- lead to the active prevention of market manipulation and misuse of client information;
- set up a reward system to prevent conflicts of interest;
- ensure the mutual independence of individual LYNX departments;
- means check e.g. "4 eyes", e.g. control by the 2nd independent manager e.g. Compliance Officer;
- the LYNX B.V. Group policies are implemented mandatory and staff must adhere to them.

IV. Final provisions

LYNX is actively committed to the conflicts of interest prevention and risk management but there may be a situation that, despite of all adopted internal rules, Policies and measures will not be able to reliably and completely prevent the adverse effects of conflicts of interest on the client interests. In such cases, LYNX shall inform the client of the nature and source of the conflict of interest before providing the investment service and allow him/her to make an informed decision.

LYNX hereby informs clients, the information we provide via our website is issued exclusively for the public and does not constitute any investment advice or any investment advice provided by LYNX to customers, i.e. investors and potential investors, or to authorized representatives of investors or potential investors (hereinafter referred to as "investors"). The target market is the retail, private and corporate investor. Note, please that investors should pay increased attention to the risks associated with, before deciding to invest in investment products. In designing and updating our webpages, LYNX spends all possible efforts, care and relies on trustworthy sources (e.g. information from the LYNX B.V. Group), but we can't guarantee the accuracy, completeness and timeliness of the information provided. If you use the information provided by us without their verification, or as any investment advice or any investment recommendation, you do it so at your own discretion, at your own expense and risk. **If you don't know the specific investment product and the risks associated with it, do not invest in it.**

The above-mentioned is for informational purposes only and no legal claims can be inferred. Further information is available via <https://www.lynxbroker.cz/>

Information obligations fulfillment, incl. Information related to the protection of investment account, you can find via our webpage: <https://www.lynxbroker.cz/platforma-a-nastroje/ochrana-uctu/>

Printed version of this document is available in the LYNX office.

LYNX B.V. reserves the right to take an update of this document.

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