

Conflicts of Interest Policy Statement

1 Introduction

We are required by the rules of our regulator, the Financial Services Authority to provide Retail clients with a summary of the systems and controls we employ to identify and manage conflicts of interest.

We are required to take all reasonable steps to identify and manage conflicts of interest between:

- (a) us, (including our managers, employees, appointed representatives, tied agents, or any person directly or indirectly linked to us by control) and a client; or
- (b) one client and another client.

The rules require us to put in place a conflicts of interest policy (the "Policy") which sets out the organisational and administrative arrangements we will maintain and operate with a view to taking reasonable steps to prevent conflicts of interest from constituting or giving rise to a material risk of damage to the interests of our clients. This disclosure statement is intended to provide you with information about the Policy.

The Policy is issued by: The Kyte Group Limited, Kyte Broking Limited and Kyte Capital Advisors LLP.

2 Application

Who: Our duty to identify and manage conflicts of interest applies with respect to all clients.

When: Our duty to identify and manage conflicts of interest applies in the course of carrying out regulated activities or ancillary services for clients.

When not: Our duty to manage conflicts of interest does not apply when there is no detrimental effect on clients.

3 Summary of Policy

High Level Procedures and Policies: Conflicts of interests are identified and managed by senior management on an on-going basis. In some cases this exercise is undertaken holistically, in others specific reference is made to identifying and managing any conflicts of interest.

We are particularly sensitive to conflicts of interest that may arise where some of our directors and staff are concurrently stakeholders, senior managers, business generators and/or clients alike. Accordingly such persons' actions are subject to careful analysis to seek to ensure that they are not unduly conflicted in the discharge of their obligations to us, other clients, stakeholders and FSA's approved persons regime generally.

Lines of business: The regulated activities of The Kyte Group Limited, Kyte Broking Limited and Kyte Capital Advisors LLP consist of respectively:

- (a) Order routing, clearing and settlement;
- (b) Institutional broking;
- (c) Institutional fund management.

Where feasible, we have adopted the practice of housing separate business lines in distinct FSA authorised and regulated firms, with separate exchange memberships and differing personnel to carry out day-to-day operations and/or management.

Remuneration policies: Our directors and staff are remunerated with reference to objective benchmarks of experience, ability, conduct and performance. Realistic targets are set to seek to avoid the temptation for our representatives to place their interests ahead of the interests of clients.

Our representatives are not placed in situations where there is a link between the remuneration of persons: (i) engaged in selling/trading/broking our investment products and the interests of our clients in purchasing these investment products; (ii) principally engaged in one activity and the remuneration of, or revenues generated by different persons principally engaged in another activity where a conflict of interest may arise in relation to those activities.

Recruitment of personnel policies: We undertake pre-employment screening exercises in order to ensure that directors and staff are fit and proper and appropriately qualified. Our directors and staff are required to disclose any outside interests they may have both before and during their employment.

Supervision of personnel policies: We arrange our reporting lines on the basis of separate supervision of directors and staff whose principal functions involve carrying out activities on behalf of, or providing services to, clients whose interests may conflict or who otherwise represent different interests that may conflict, including our own interests.

We have in place measures designed to prevent or limit any person exercising inappropriate influence over the way in which our representatives carry out services or activities.

Chinese Walls: We have identified areas of business where the flow of information between different groups should be restricted. These areas are typically between traders, brokers, market makers, fund managers and sub-sets within each group. We employ physical and technical barriers between these groups and undertake routine monitoring to ensure that Chinese walls are maintained.

Personal Account Dealing: Customer facing representatives are subject to a 30 day holding period for transactions in futures & options and equity CFDs. Stakeholders and their associated undertakings who trade for their own account are treated by us as arms' length customers. We operate a policy where by such accounts do not benefit from any favoured or preferred status.

Gifts and Entertainment: The firm operates a separate gifts and entertainment policy which seeks to ensure that our representatives act with integrity and pay due regard to customers' interests when giving or accepting gifts or entertainment.

4 **Status of this disclosure:** This document has been prepared for compliance purposes only and is not intended to create third party rights nor to form the basis, either implied or otherwise, of any contractual agreement with us.

5 **Further information:** If you require further information about our Conflicts of Interest Policy, please contact the compliance department either by telephone or by email – compliance@kytegroup.com