



# INDUCEMENTS POLICY

## Introduction

OEXN Limited (“we”, “oexn.com”, “the Company”), is a Cypriot Investment Firm (“CIF”) authorized and regulated by the Cyprus Securities and Exchange Commission (the “CySEC” or the “Commission”) (License No. XXX/XX) with registered office at 106 Gladstonos Street, Limassol, 3032, Cyprus.

The Company is operating under the provisions of the 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, as the same may be in force from time to time and modified or amended from time to time (hereafter the “Markets in Financial Instruments Directive (2014/65/EU) or “MiFID II”), which was transported into Cypriot Law, the Investment Services and Activities and Regulated Markets Law of 2017 (Law 87(I)/2017). This Risk Disclosure Statement (“the Statement”) provides you with information about the risks associated with contracts for difference (“CFDs”) which you (“the client”, “you”) may trade through services provided to you by the company. In addition, you can refer to the Key Information Document (“KID”), which provides you with key information about the investment products offered by the Company. This information is required by law to help you understand the nature, costs, risks and rewards of investing in these products and to help you compare them with other investment products.

## Inducements Policy

The Company shall full comply with the requirement for disclosing inducements as described below in this policy.

The Company shall fulfil the requirement set out in this policy on an ongoing basis as long as it continues to pay to receive any fee, commission or non-monetary benefit. The policy shall be reviewed by the Compliance Officer and approved by the Company’s Board of Directors. The adherence of this policy shall be monitored by the Internal Auditor.

The Company ensures that all the requirements as set out in this policy are always met:

- Inducements paid/received are allowed only where:
  - (a) Are designed to enhance the quality of the respective service to the Client (**Quality Enhancement Test**), and
  - (b) do not impair compliance with the Company’s duty to act the best interest of its Clients.
- The Company shall inform the Client in advance for the existence, nature and amount of the fee, commission or benefit, or where the amount cannot be ascertained, the method of calculating that amount, must be clearly disclosed to the client, in a manner that is comprehensive, accurate and understandable, prior to the provision of the relevant investment or ancillary service

- The Company shall maintain an internal list of all inducements received/or paid by the Company from/to third party in relation to the provision of investment or ancillary services
- The payment or benefit which enables or is necessary for the provision of investment services, such as custody costs, settlement and exchange fees, regulatory levies or legal fees, and which by its nature cannot give rise to conflicts with the Company's duty to act honestly, fairly and professionally in accordance with the best interests of its Clients, is not considered as Inducement and is exempted.
- The Company should have in place policies and systems to assess the nature of any service benefit or material paid or provided by any third party to determine whether they can provide or accept it. It is not acceptable for the Company to receive research for free where no assessment has been made under the above inducements rules or there is no payment arrangement in place that complies with the respective legislation.
- The Company must take all reasonable steps to identify and to prevent or manage conflicts of interest between itself, including its managers, employees and tied agents, or any person directly or indirectly linked to it by control, and its Clients or between one Client and another, that arise in the course of providing any investment and ancillary services, or combinations thereof, including those caused by the receipt of inducements from third parties or by the Company's own remuneration and other incentive structures.
- A fee, commission or non-monetary benefit shall be considered to be designed to enhance the quality of the relevant service to the Client if all of the following conditions are met (**Quality Enhancement Test**):
  - (a) It is justified by the provision of additional or higher level service to the relevant Client, proportional to the level of inducements received, such as:
    - i. The provision of non-independent investment advice on and access to a wide range of suitable Financial Instruments including an appropriate number of instruments from third party product providers having no close links with the Company,
    - ii. The provision of non-independent investment advice combined with either: an offer to the Client, at least on an annual basis, to assess the continuing suitability of the Financial Instruments in which the Client has invested, or with another on-going service that is likely to be of value to the Client such as advice about the suggested optimal asset allocation of the Client, or
    - iii. the provision of access, at a competitive price, to a wide range of Financial Instruments that are likely to meet the needs of the Client, including an appropriate number of instruments from third party product providers having no close links with the Company, together with either the provision of added-value tools, such as objective information tools helping the relevant Client to take investment decisions or enabling the relevant Client to monitor, model and adjust the range of Financial Instruments in which they have invested, or providing

period reports of the performance and costs and charges associated with the Financial Instruments

- (b) it does not directly benefit the Company, its shareholders or employees without tangible benefit to the relevant Client,
- (c) it is justified by the provision of an on-going benefit to the relevant Client in relation to an on-going inducement.

- A fee, commission, or non-monetary benefit shall not be considered acceptable if the provision of relevant services to the Client is biased or distorted as a result of the fee, commission or non-monetary benefit.
- The Company is regarded as not fulfilling its obligations with regards to conflicts of interest or with regards to its duty to act honestly, fairly and professionally where it pays or is paid any fee or commission, or provides or is provided with any non-monetary benefit in connection with the provision of an investment service or an ancillary service, to or by any party expect the Client or a person on behalf of the Client, other than where the payment or benefit:
  - (a) is designed to enhance the quality of the relevant service to the Client; and
  - (b) does not impair compliance with the Company's duty to act honestly, fairly, and professionally in accordance with the best interest of its Clients.

The Company shall hold evidence that any fees, commissions or non-monetary benefits paid or received by the Company are designed to enhance the quality of the relevant service to the Client by keeping internal records of all fees, commissions and non-monetary benefits paid or received and recording how these enhance the quality of the services provided to Clients and the steps taken not to impair the Company's duty towards the best interest of Clients.

In relation to any payment or benefit received from or paid to third parties, the Company shall disclose to the Client the following information:

- (a) prior to the provision of the service, information about the payment or benefit concerned. Where the Company only disclosed to the Client the method calculating that amount, the Company shall also provide Clients with information of the exact amount of the payment received or paid on ex-post basis;
- (b) where the Company is unable to ascertain on an ex-ante basis the amount of any payment or benefit to be received or paid, and instead disclosed to the Client the method of calculating that amount, the Company shall also provide its Clients with information of the exact amount of the payment or benefit received or paid on an ex-post basis;
- (c) at least once a year, as long as (on-going) inducements are received by the Company in relation to the investment services provided to the relevant Clients, the Company shall inform its Clients on an individual basis about the actual amount of payments or benefits received or paid. Minor non-monetary benefits may be described in a generic way.

For any deviation from the policies of the Company, the consent of the Board shall be required.