

Summary Conflicts of Interest Policy

Effective Date: 11 April 2013



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1. INTRODUCTION

This policy is a summary version of the main policy to manage any conflicts of interest in respect of the duties LMAX, which is a trading name of LMAX Limited, owes to our clients. The policy is issued pursuant to, and in compliance with, the EU Markets in Financial Instruments Directive ("MiFID") (Directive 2004/39/EC).

Unless separately defined in this policy, words and expressions shall have the meanings given to them in the Customer Agreement.

2. DEFINITION AND IDENTIFICATION OF CONFLICTS

Conflict situations are defined as those in which a customer's or potential customer's interest conflicts with that of another customer/other customers and/or our interests. As a result there is a material risk that the interests of one or more customers could be harmed.

For the purposes of this policy, our interest includes the interests of its employees or other people who work under its direct or indirect control, as well as any agents associated with it.

We will take reasonable steps to detect conflicts of interest that could arise when a service is being provided, between our self, which includes its managers, employees and associated agents or any person directly or indirectly controlled by them, and its customers, or between its customers.

We will keep an up-to-date list of the kinds of services, or investment activities, carried out by the company or on its behalf, in which a conflict of interest has arisen, or which have posed a significant risk of harming the interests of one or more customers.

3. POLICY

We keep a record of the kinds of activity undertaken in which a material conflict of interest has arisen or could arise.

We maintain operational procedures to manage actual or potential conflicts. This includes procedures to maintain an appropriate degree of independence between members of its staff who are involved in different activities, for example, through the operation of information barriers, physical separation of staff and the segregation of duties and responsibilities.

4. MANAGEMENT OF CONFLICTS

Employees of LMAX Limited are forbidden from trading on our Trading Platform, as well as being prohibited from short-term trading in substantially similar instruments to those traded on our services. These rules are in place to ensure a level playing-field for our clients.

As LMAX Limited operates both an MTF and a broker division trading as LMAX that directs customer orders to the MTF, a lot of care has been taken to ensure access to customer information and trading data is only available to those staff who absolutely need it. Staff duties are segregated to ensure there is no crossover of information and, where possible, staff from our different business areas are kept physically segregated.

Gifts or inducements offered to, or given by, employees are stringently monitored and no gift, or series of gifts, over £50 in value can be accepted or donated by employees without being approved and recorded. This prohibition is in place to ensure the best interests of our customers are maintained at all times.

We take care to ensure that it does not give incentives to activities that may lead to conflicts. We do not and will not offer remuneration packages that reward behaviour that disadvantages the interests of customers or members in our favour, or other clients. Staff will be rewarded on the basis of merit and long-term value-adding performance alone.

5. COMPLIANCE AND SUPERVISION

All employees are responsible for complying with this policy and the senior management is responsible for ensuring that the systems and controls put in place meet the requirements imposed by the applicable regulations.

The Compliance Department will periodically review the contents of this policy and whether it fulfills the regulatory requirements and our internal policies, as well as the effectiveness of the steps taken within the framework for managing the conflicts of interest identified.

Website: www.LMAX.com
Email address: info@LMAX.com
Telephone: +44 20 3192 2555

LMAX Limited operates a multilateral trading facility. LMAX Limited is authorised and regulated by the Financial Conduct Authority (firm registration number 509778) and is a company registered in England and Wales (number 6505809). Our registered address is Yellow Building, 1A Nicholas Road, London, W11 4AN.