



GIANTS IN TRADING

# **Anti-Bribery Policy**

### 1. Introduction and purpose

Notesco UK Limited (the “Company”) is committed to adhering to the highest standards of business conduct; compliance with the law and regulatory requirements; and best practice. To that end, the firm has established this policy to aid the Company’s senior management and staff in ensuring that they comply at all times with relevant anti-bribery law. In implementing this policy the firm will demonstrate its commitment to preventing bribery, and establishing a zero-tolerance approach to bribery in all parts of the organisation’s operation. FXGiants is a trade name of Notesco UK Limited.

### 2. Defining bribery

Bribery involves the exchange of a financial or other advantage in return for another person performing improperly a relevant function or activity.

Bribery can be both ‘active’ (offering, promising or giving of a bribe) and ‘passive’ (requesting, agreeing to receive or accepting of a bribe).

A relevant function or activity includes: any activity connected with a business or performed in the course of a person’s employment; any activity performed by or on behalf of a body of persons; and any function of a public nature.

Whether a function or activity is performed ‘improperly’ is determined with the ‘expectation test’. This is determined by examining whether the function or activity is performed in breach of a ‘relevant expectation’, with regard to what a reasonable person in the United Kingdom would expect in relation to the performance of the type of activity concerned. Employees should bear in mind that the ‘relevant expectations’ are that the function or activity will be performed in good faith, performed impartially and in accordance with any position of trust.

### 3. The law on bribery

Under the Bribery Act 2010 (“**BA2010**” or the “**Act**”), bribery is illegal, and an individual or company that commits bribery is guilty of an offence. The three offences are: bribing another person (‘section 1 offence’); accepting a bribe (‘section 2 offence’); and bribing a foreign public official (“section 6 offence”).

In addition companies are also strictly liable (“section 7 offence”) if they fail to prevent such acts by those working for or on its behalf.

It is important to appreciate the wide ranging territorial scope of BA2010.

An offence is committed under section 1, 2 or 6 if any act or omission takes place in the UK.

An offence is committed under section 1, 2 or 6 if no act or omission takes place in the UK but the person so doing has a close connection with the UK.

An offence under section 7 is committed irrespective of where the acts or omissions took place if an organisation is incorporated in the UK or if it merely carries on a business in the UK.

Under BA2010, the firm has a defense if it can be seen that ‘adequate procedures’ have been taken to prevent bribery. The Ministry for Justice have released guidance incorporating six principles. Although these are incorporated in the body of this policy document, for reference

purposes they are summarised, together with introductory comments contained in the guidance, in Appendix A.

By its nature this document is not intended to concern itself with legal detail but rather to set out a brief overview of BA2010 and the Company's policies on anti-bribery. Should any further detail be required on BA2010 then reference should be made to the Compliance Officer.

**An individual found guilty of an offence under the Bribery Act, on conviction on indictment is liable to imprisonment for a term not exceeding 10 years and/or a fine. Companies are liable on indictment to an unlimited fine.**

#### 4. The Company's policy on bribery

As a firm authorised and regulated by the FCA we already adhere to the eleven Principles set out in the FCA Handbook. These Principles include 'Integrity' (Principle 1); 'Customers' interests' (Principle 6); 'Conflicts of interest' (Principle 8); and 'Customers: relationship of trust' (Principle 9).

In addition, our current procedures and processes are designed around various rules in the FCA Handbook including the 'Rule on inducements' (COBS 2.3.1) which governs the payment or acceptance of any fee or non-monetary benefit etc. The Company has a 'gifts and benefits' procedure already in place (see the Compliance Manual and our Conflicts of Interest Policy) which seeks to allow acts of genuine and reasonable hospitality whilst prohibiting those acts which could be deemed to be seen as an inducement or bribe.

The firm prohibits the offering, giving or acceptance of any bribe intended to induce an 'improper performance' of a relevant function or activity. This applies to any employee, or associated person, whether they are situated in this jurisdiction or extra territorially.

The Company therefore sees BA2010 as a further tool in assisting the firm in meeting the above Principles and Rules.

Any breach of this policy will be regarded as a serious matter by the Firm and will result in disciplinary action.

#### 5. Oversight and management of incidents of bribery

Whilst responsibility for anti-bribery rests with the firm's Senior Personnel, the Compliance Officer will oversee the day to day implementation and operation of this Anti-Bribery Policy. Employees should report any breach of this policy to this person, unless it is not appropriate, in which case the breach should be reported to another senior member of staff. Upon an incidence of bribery, the Compliance Officer will oversee the firm's response and decide how or whether to refer the matter to law enforcement agencies.

#### 6. The Principles

##### Principle 1: Proportionate procedures

The bribery risk in the Company is perceived as low for the reasons set out under 'Principle 3: Risk assessment' below. Although the guidance issued by the Ministry of Justice suggests that

some organisations with a low bribery risk profile may not feel the need for procedures to prevent bribery, the Company, wishes to demonstrate its commitment to the six Principles and to BA2010 by way of this Anti-Bribery Policy which incorporates reference to the procedures that have been adopted.

As is mentioned in this Policy (see Principle 2 below) the Company already has in place various policies and procedures to ensure compliance with the firm's regulatory obligations. Current policies and procedures in place that are considered to reinforce the firm's commitment to an anti-bribery culture include: 'Gifts & Benefits'; 'Public Interest Disclosure Act ('whistle blowing'); 'Appraisals'.

### **Principle 2: Top-level commitment**

In addition to the FCA Principles (see 'Our policy on bribery' above) the directors of the Company perform 'controlled functions' and so are all 'approved persons' with the FCA. Such persons are subject to the seven 'Statements of Principle' which derive from s64 of the Financial Services and Markets Act 2000. Particularly relevant for this Policy is Statement of Principle 1 which requires an approved person to act with integrity when carrying out their controlled functions, and Statement of Principle 7 which requires an approved person to comply with the relevant requirements and standards of the regulatory system. A commitment to regulatory requirements, including BA2010, is therefore already inherent in the culture of the Company and its Senior Personnel.

The FCA Handbook includes requirements relating to 'Senior Management Arrangements, Systems and Controls' ('SYSC'). In keeping with SYSC 4.3, Senior Personnel receive regular reports on risk control (see comments under Principle 3 below) and on the Company's compliance with its obligations under the regulatory system. The latter will include compliance with the firm's Anti-Bribery Policy (see also Principle 6: Monitoring and Review below).

### **Principle 3: Risk Assessment**

As an introducing broker and arranger of deals for our Parent Company, our business model is one of developing and maintaining long term relationships with our client. Any new business won by us will, in general, be as a result of our direct involvement although may involve the use of intermediaries, such as other Introducing Brokers.

In seeking to develop, or accept, business from individuals or entities in other jurisdictions, the Company is fully aware of its anti-money laundering obligations which in itself demands that suitable due diligence (see Principle 4) be undertaken of those other persons or entities.

It is recognised the importance of keeping the assessment of the bribery risk up to date. In keeping with the FCA Handbook (SYSC 7.1) the Company already has processes in place to identify, manage, and monitor the risk it is or might be exposed to. Bribery, as risk, will naturally fall within this existing FCA requirement.

For these reasons the Company has performed a Bribery Risk Assessment which is reviewed on at least an annual basis. This assessment determined that the Company's bribery risk is low.

### **Principle 4: Due diligence**

Due diligence is expected of the Company in respect of persons who perform, or will perform, services on its behalf (“associated persons”) in order to mitigate any bribery risk.

Although the Company has assessed its bribery risk as low (see Principle 3), appropriate due diligence is currently a feature of our normal business approach. Our anti-money laundering regulatory obligations require appropriate due diligence be undertaken when establishing a business relationship with a customer. In addition, when relying on a third party for the performance of critical operational functions the Company is required (SYSC 8.1) to take reasonable steps to avoid undue additional operational risk.

An important element of the due diligence process is to ensure that there is written documentation setting out the nature of services being provided, costs and, where relevant, commissions, fees and preferred means of remuneration.

In any event, even where not required by regulation, sound business practice means that the Company will always undertake appropriate due diligence of the other party.

### **Principle 5: Communication (including training)**

In addition to this policy which is circulated to all staff, our policies relating to the prevention of bribery/inducements are incorporated in the firm’s Compliance Manual and Conflicts of Interest Policy. It is a requirement of all staff to have read the Compliance Manual, and to confirm that they have done so.

The Company recognizes the importance of regulatory training for all staff and regular training, in addition to induction training for new staff, includes topics such as money laundering and market abuse. Although the Company has assessed its bribery risk as ‘low’ due to the nature of its business (see Principle 3), ‘bribery’ is included in the regular training provided by the firm.

### **Principle 6: Monitoring and review**

As an FCA authorised and regulated firm we already have in place a monitoring programme which is carried out by our Compliance function. The purpose of the monitoring, which is performed by appropriate review of documentation etc. and sampling where necessary, is to determine whether the Company’s processes and procedures are sufficiently sound to ensure adherence of its obligations under the regulatory regime.

In addition, the Company has employed the services of Complyport Ltd as compliance consultants. The services include an independent review of the firm’s compliance with regulatory requirements.

The firm will take into account the views and comments of employees, key business partners and its compliance consultants and incorporate them into the continuing improvement of Anti-Bribery Policies, with particular regard to how the firm can continue to operate effective monitoring and review.

### 7. Facilitation Payments

Although unlikely to be relevant to the Company's business, facilitation payments in many countries take place as part of customary business practice. They involve the payment of money or gifts to junior government officials as an incentive to facilitate or speed up a process. For example: obtaining licenses or permits.

Under the Bribery Act 2010, such payments are not distinguished from bribes, and are therefore illegal under UK law whether they happen in this country or in another jurisdiction.

*Version 23/05/2019 – 2019/001*

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Notesco UK Limited  
Broadgate Tower, 20 Primrose Street, London – EC2A 2EW, United Kingdom  
Telephone: +44 (0) 207 523 5394 • Fax +44(0)207 523 5379  
Website: [www.FXGiants.co.uk](http://www.FXGiants.co.uk)

## Appendix A:

### Six Principles for Bribery Prevention and comments by the Ministry of Justice

#### Principle 1: Proportionate Procedures

A commercial organisation's procedures to prevent bribery by persons associated with it are proportionate to the bribery risks it faces and to the nature, scale and complexity of the commercial organisation's activities. They are also clear, practical, accessible, effectively implemented and enforced.

#### Principle 2: Top level commitment

The top-level management of a commercial organisation (be it a board of directors, the owners or any other equivalent body or person) are committed to preventing bribery by persons associated with it. They foster a culture within the organisation in which bribery is never acceptable.

#### Principle 3: Risk Assessment

The commercial organisation assesses the nature and extent of its exposure to potential external and internal risks of bribery on its behalf by persons associated with it. The assessment is periodic, informed and well documented.

#### Principle 4: Due diligence

The commercial organisation applies due diligence procedures, taking a proportionate approach, in respect of persons who perform or will perform services for or on behalf of the organisation, in order to mitigate identified bribery risks.

#### Principle 5: Communication (including training)

The commercial organisation seeks to ensure that its bribery prevention policies and procedures are embedded and understood throughout the organisation through internal and external communication, including training that is proportionate to the risks it faces.

#### Principle 6: Monitoring and review

The commercial organisation monitors and reviews procedures designed to prevent bribery by persons associated with it and makes improvements where necessary.