

CONFLICT OF INTEREST POLICY

1. INTRODUCTION

1.1. JFD Overseas Ltd (herein "the Company") is incorporated in the Republic of Vanuatu. The Company is authorized and regulated by the Vanuatu Financial Services Commission ("VFSC"). VFSC number is 17933. Its registered office and Headquarters are at I Count Building, 1st floor, PO Box 211, Kumul Highway, Port Vila, Vanuatu.

1.2. The Company is required to provide its clients and potential clients with a summary of its Conflicts of Interest Policy (hereinafter the "Policy").

1.3. Under the above legislation, the Firm is required to take all reasonable steps to detect and avoid conflicts of interest between:

- the Company, including its managers, employees, appointed representatives, or any person directly or indirectly linked to them by control, and a client of the Company; or
- one client of the Company and another client.

1.4. The Company is committed to act honestly, fairly and professionally and in the best interests of its clients and to comply, in particular, with the principles set out in the above legislation when providing investment services and other ancillary services related to such services. We provide here a summary of the policy we maintain in order to manage conflicts of interest in respect of the duties we owe to our clients. This Policy is not intended to, and does not, create third party rights or duties that would not already exist if the Policy had not been made available, nor does it form part of any contract between the Company and any client.

2. SCOPE OF THE POLICY

2.1. The Policy is provided to you in accordance with the VFSC on the basis that you are proposing to trade with JFD Overseas Ltd leveraged products which incur a high level of risk and can result in the loss of all your invested capital.

2.2. The purpose of this document is to set out the Firm's approach to identifying and managing conflicts of interest which may arise during the course of its business activities. The Policy applies to all its directors, employees, any persons directly or indirectly linked to the Company (hereinafter called "Related Persons") and refers to all interactions with all clients

2.3. The aim of our Policy is to identify and prevent conflicts of interest which may arise between the Firm and its clients or between one client and another. Accordingly, we have adopted a conflicts of interest policy setting out the procedures, practices and controls in place to achieve this.

3. IDENTIFICATION OF CONFLICTS OF INTEREST

3.1. When the Company deals with or for the Client, the Company, an associate or some other person connected with the Company, may have an interest, relationship or arrangement that is material in relation to the Transaction concerned or that conflicts with the Client's interest. By way of example only, when the Company deals with a Transaction for or on behalf of the Client, the Company may be matching the Client's Transaction with that of another Client by acting on such other Client's behalf as well as on the Client's behalf.

3.2 The Client consents to and authorises the Company to deal with or for the Client in any manner which the Company considers appropriate, notwithstanding any conflict of interest or the existence of any material interest in a Transaction, without prior reference to the Client. Company employees

are required to comply with a policy of independence and to disregard any such material interest or conflict of interest while offering services to the Client.

3.3. For the purposes of identifying the types of conflict of interest that arise in the course of providing investment and ancillary services or a combination thereof and whose existence may damage the interests of a client, the Company takes into account, whether the Company or a relevant person or a person directly or indirectly linked by control to the Company, is in any of the following situations, whether as a result of providing investment or ancillary services or investment activities or otherwise:

- The Company or relevant person is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
- The Company or relevant person has an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome;
- The Company or relevant person has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client;
- The Company or relevant person carries on the same business as the client;
- The Company or relevant person receives or will receive from a person other than the client an inducement in relation to a service provided to the client, in the form of monies, goods or services, other than the standard commission or fee for that service.

4. MANAGING CONFLICTS OF INTEREST

4.1. The Company has set up internal policies and has a Compliance Department that is responsible for identifying and managing potential conflicts of interests. The above will also update the relevant internal procedures and ensure compliance with such procedures.

4.2. The Company maintains and operates effective organisational and administrative procedures to manage and prevent the identified conflicts of interest from constituting or giving rise to a material risk of damage to the interests of its clients. The Company also undertakes ongoing monitoring of business activities to ensure that internal controls are appropriate.

4.3. The measures adopted are designed to ensure that relevant persons engaged in different business activities involving a conflict of interest carry on those activities at a level of independence at a level of independence appropriate to the size and activities of the firm and its Group, and to the materiality of the risk of damage to the interests of the client.

4.4. In general, the procedures and controls that the Company follows regarding conflicts of interest include the following measures to ensure the requisite degree of independence:

- Effective procedures to prevent or control the exchange of information between relevant persons engaged in activities involving a risk of a conflict of interest where the exchange of that information may harm the interests of one or more clients;
- The separate supervision of relevant persons 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 those of the Company;
- The removal of any direct link between the remuneration of relevant persons principally engaged in one activity and the remuneration of, or revenues generated by, different relevant persons principally engaged in another activity, where a conflict of interest may arise in relation to those activities;

- Measures to prevent or limit any person from exercising inappropriate influence over the way in which a relevant person carries out investment or ancillary services or activities;
- Measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate investment or ancillary services or activities where such involvement may impair the proper management of conflicts of interest.

4.5. Some of these policies and procedures established to prevent Conflicts of Interests are shown below:

- A 'need to know' policy governing the dissemination of confidential or inside information within the Group;
- Chinese walls restricting the flow of confidential and inside information within our Firm, and physical separation of departments;
- Procedures governing access to electronic data;
- Segregation of duties that may give rise to conflicts of interest if carried on by the same individual;
- Personal account dealing requirements applicable to relevant persons in relation to their own investments;
- A gifts and inducements log registering the solicitation, offer or receipt of certain benefits;
- The prohibition of external business interests conflicting with our interests as far as the Group's officers and employees are concerned, unless board approval is provided;
- A policy designed to limit the conflict of interest arising from the giving and receiving of inducements;
- Establishment of a Compliance Department to monitor and report on the above to the Firm's Board of Directors;
- Appointment of Internal auditor to ensure that appropriate systems and controls are maintained and report to the Firm's Board of Directors;
- Establishment of the four-eyes principle in supervising the Firm's activities.

5. DISCLOSURE

5.1. Where arrangements made by the Company are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the client will be prevented, the Company will, if it is aware of it, disclose the general nature and/or sources of conflicts of interest to a client prior to undertaking investment business for that client. The disclosure will be made by way of a written notice and will include sufficient detail to enable the client to take an informed decision with respect to the service in the context of which the conflict of interest arises. If the Company does not believe that disclosure is appropriate to manage the conflict, we may choose not to proceed with the transaction or matter giving rise to the conflict.

5.2. The Company reserves the right to review and/or amend its Policy and arrangements whenever it deems this appropriate. Further information about the Policy is available upon request.

6. FAQs

6.1. Questions regarding the Conflicts of Interest Policy should be addressed, in the first instance, to the Customer Support Department at the following email: support@jfdbrokers.com.